

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

A1.1	Date approved	30/05/2024
A1.2	Approver	Zoe Purdie
A1.3	Approver job title	Director of Finance & People
A1.9	General Comment	

STATEMENT OF COMPREHENSIVE INCOME						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Gross rents	23,615.0	26,489.9	27,532.6	28,592.9	29,430.9	30,112.5
Service charges	14,216.0	14,177.5	14,447.4	14,674.8	14,876.5	14,953.0
Gross rents & service charges	37,831.0	40,667.4	41,980.0	43,267.7	44,307.4	45,065.5
Rent loss from voids	1,000.0	1,004.5	1,044.2	969.1	879.4	780.6
Net rent & service charges	36,831.0	39,662.9	40,935.8	42,298.6	43,428.0	44,284.9
Developments for sale income	0.0	0.0	0.0	0.0	0.0	0.0
Grants released from deferred income	3,751.0	3,920.7	3,918.8	3,953.5	3,992.8	4,027.7
Grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other grants	0.0	0.0	0.0	0.0	0.0	0.0
Other income	372.0	708.3	748.3	789.6	830.3	846.9
TURNOVER	40,954.0	44,291.9	45,602.9	47,041.7	48,251.1	49,159.5
Less:						
Housing depreciation	6,339.0	7,276.7	7,121.1	7,281.9	7,523.6	7,781.8
Impairment written off / (back)	0.0	0.0	0.0	0.0	0.0	0.0
Management costs	15,415.0	16,066.5	16,432.9	16,858.9	17,253.1	17,645.3
Service costs	8,078.0	6,364.7	6,444.9	6,512.7	6,573.0	6,505.6
Planned maintenance - direct costs	1,399.0	2,672.4	2,752.6	2,862.7	2,948.6	3,037.0
Re-active & voids maintenance - direct costs	3,115.0	4,388.9	4,520.5	4,701.4	4,842.4	4,987.7
Maintenance overhead costs	0.0	0.0	0.0	0.0	0.0	0.0
Bad debts written off / (back)	182.0	162.1	231.9	241.1	248.5	254.5
Developments for sale costs	0.0	0.0	0.0	0.0	0.0	0.0
Other activity costs	0.0	260.2	267.5	273.7	279.2	284.8
Other costs	3,088.0	3,441.9	3,527.8	3,766.7	3,850.8	3,771.2
	31,277.0	33,356.7	34,178.1	35,217.2	35,995.6	36,486.1
Operating Costs	37,616.0	40,633.4	41,299.2	42,499.1	43,519.2	44,267.9
Gain/(Loss) on disposal of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional Items - (Income) / Expense	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING SURPLUS/(DEFICIT)	3,338.0	3,658.5	4,303.7	4,542.6	4,731.9	4,891.6
Interest receivable and other income	59.0	34.1	21.5	18.7	17.2	10.8
Interest payable and similar charges	2,180.0	2,463.5	2,365.8	2,323.8	2,409.2	2,025.4
Increase / (Decrease) in Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Other Gains / (Losses)	(69.0)	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	1,148.0	1,229.1	1,959.4	2,237.5	2,339.9	2,877.0
Tax on surplus on ordinary activities	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	1,148.0	1,229.1	1,959.4	2,237.5	2,339.9	2,877.0
Actuarial (loss) / gain in respect of pension schemes	(1,536.0)	0.0	0.0	0.0	0.0	0.0
Change in Fair Value of hedged financial instruments.	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(388.0)	1,229.1	1,959.4	2,237.5	2,339.9	2,877.0

STATEMENT OF FINANCIAL POSITION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Current Assets	£'000	£'000	£'000	£'000	£'000	£'000
Intangible Assets & Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Housing properties - Gross cost or valuation	274,672.0	286,297.7	298,271.1	312,152.9	321,548.8	326,312.2
Less:						
Housing Depreciation	104,577.0	111,853.7	118,974.8	126,256.7	133,780.3	141,562.1
Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
NET HOUSING ASSETS	170,095.0	174,444.0	179,296.3	185,896.2	187,768.5	184,750.1
Non-Current Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Current Assets	3,287.0	2,473.7	2,602.9	2,673.1	2,586.2	2,456.0
TOTAL NON-CURRENT ASSETS	173,382.0	176,917.7	181,899.2	188,569.3	190,354.7	187,206.1
Current Assets						
Net rental receivables	519.0	771.0	792.6	810.3	825.7	841.2
Other receivables, stock & WIP	1,675.0	2,183.0	2,244.1	2,295.7	2,341.7	2,388.5
Investments (non-cash)	0.0	0.0	0.0	0.0	0.0	0.0
Cash at bank and in hand	3,709.0	2,572.8	2,694.1	2,150.0	2,150.0	2,150.0
TOTAL CURRENT ASSETS	5,903.0	5,526.8	5,730.8	5,256.0	5,317.4	5,379.7
Payables : Amounts falling due within One Year						
Loans due within one year	720.0	3,475.2	1,447.3	1,453.2	2,920.8	25,939.5
Overdrafts due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term payables	9,617.8	8,367.0	8,314.1	7,523.7	6,747.2	6,156.2
TOTAL CURRENT LIABILITIES	10,337.8	11,842.2	9,761.4	8,976.9	9,668.0	32,095.7
NET CURRENT ASSETS/(LIABILITIES)	(4,434.8)	(6,315.4)	(4,030.6)	(3,720.9)	(4,350.6)	(26,716.0)
TOTAL ASSETS LESS CURRENT LIABILITIES	168,947.2	170,602.3	177,868.6	184,848.4	186,004.1	160,490.1
Payables : Amounts falling due After One Year						
Loans due after one year	48,074.0	46,935.3	53,488.1	55,175.9	56,751.0	32,387.7
Other long-term payables	0.0	0.0	0.0	0.0	0.0	0.0
Grants to be released	81,216.0	82,972.7	81,726.8	84,781.3	82,022.0	77,994.3
TOTAL LONG TERM LIABILITIES	129,290.0	129,908.0	135,214.9	139,957.2	138,773.0	110,382.0
Provisions for liabilities & charges	192.0	0.0	0.0	0.0	0.0	0.0
Pension asset / (liability)	2,761.0	2,761.0	2,761.0	2,261.0	1,761.0	1,261.0
NET ASSETS	36,704.2	37,933.3	39,892.7	42,630.2	45,470.1	48,847.1
Capital & Reserves						
Share capital	0.2	0.2	0.2	0.2	0.2	0.2
Revaluation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Restricted reserves	(2,659.0)	(2,659.0)	(2,659.0)	(2,159.0)	(1,659.0)	(1,159.0)
Revenue reserves	39,363.0	40,592.1	42,551.5	44,789.0	47,128.9	50,005.9
TOTAL CAPITAL & RESERVES	36,704.2	37,933.3	39,892.7	42,630.2	45,470.1	48,847.1
Intra Group Receivables - as included above	95.0	0.0	0.0	0.0	0.0	0.0
Intra Group Payables - as included above	88.0	0.0	0.0	0.0	0.0	0.0

STATEMENT OF CASHFLOWS						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cash from Operating Activities						
Operating Surplus/(Deficit)	3,338.0	3,658.5	4,303.7	4,542.6	4,731.9	4,891.6
Depreciation & Amortisation	6,703.0	7,489.5	7,413.4	7,642.9	7,943.1	8,251.2
Impairments / (Revaluation Enhancements)	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Payables	143.0	371.0	(52.8)	(790.4)	(776.8)	(591.2)
(Increase) / Decrease in Receivables	(672.0)	0.0	(82.7)	(69.3)	(61.3)	(62.3)
(Increase) / Decrease in Stock & WIP	0.0	0.1	(0.1)	(0.1)	0.1	0.1
Gain / (Loss) on sale of non-current assets	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash adjustments	(3,831.0)	(3,920.7)	(3,918.8)	(3,953.5)	(3,992.8)	(4,027.7)
NET CASH FROM OPERATING ACTIVITIES	5,681.0	7,598.4	7,662.7	7,372.2	7,844.2	8,461.7
Tax (Paid) / Refunded	0.0	0.0	0.0	0.0	0.0	0.0
Return on Investment and Servicing of Finance						
Interest Received	59.0	34.1	21.5	18.7	17.2	10.8
Interest (Paid)	(2,180.0)	(2,463.3)	(2,365.8)	(2,323.8)	(2,409.2)	(2,025.4)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	(2,121.0)	(2,429.2)	(2,344.3)	(2,305.1)	(2,392.0)	(2,014.6)
Capital Expenditure & Financial Investment						
Construction or acquisition of Housing properties	(6,453.0)	(7,762.9)	(7,006.3)	(9,187.9)	(4,791.8)	0.0
Improvement of Housing	(8,866.0)	(6,883.8)	(4,967.1)	(4,693.9)	(4,604.2)	(4,763.3)
Construction or acquisition of other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Non-Current Assets	(566.0)	(546.4)	(421.5)	(431.2)	(332.5)	(339.2)
Sale of Social Housing Properties	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Grants (Repaid) / Received	4,959.0	5,817.3	2,673.0	7,008.0	1,233.6	0.0
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(10,926.0)	(9,375.8)	(9,721.9)	(7,305.0)	(8,494.9)	(5,102.5)
NET CASH BEFORE FINANCING	(7,366.0)	(4,206.6)	(4,403.5)	(2,237.9)	(3,042.7)	1,344.6
Financing						
Equity drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt drawdown	8,000.0	5,500.0	8,000.0	3,141.1	4,495.9	1,576.2
Debt repayment	(1,688.0)	(920.6)	(3,475.2)	(1,447.3)	(1,453.2)	(2,920.8)
Working Capital (Cash) - Drawn / (Repaid)	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM FINANCING	6,312.0	4,579.4	4,524.8	1,693.8	3,042.7	(1,344.6)
INCREASE / (DECREASE) IN NET CASH	(1,054.0)	372.8	121.3	(544.1)	0.0	0.0
Cash Balance						
Balance Brought Forward	4,764.0	2,200.0	2,572.8	2,694.1	2,150.0	2,150.0
Increase / (Decrease) in Net Cash	(1,054.0)	372.8	121.3	(544.1)	0.0	0.0
CLOSING BALANCE	3,710.0	2,572.8	2,694.1	2,150.0	2,150.0	2,150.0

ADDITIONAL INFORMATION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Number of units added during year to:						
New Social Rent Properties added	6	147	24	34	36	10
New MMR Properties added	0	0	0	0	0	0
New Low Costs Home Ownership Properties added	0	0	0	0	0	0
New Properties - Other Tenures added	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
Total number of new affordable housing units added during year	6	147	24	34	36	10
Units developed for sale:						
Number of units developed for sale to RSLs	0	0	0	0	0	0
Number of units developed for sale to non-RSLs	0	0	0	0	0	0
Development Assumption Indicator	Yes					
Number of units lost during year from:						
Sales including right to buy	0	0	0	0	0	0
Demolition	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Other	0	0	0	0	0	0
Number of units managed at end of period (exclude factored units)	3,709	3,856	3,880	3,914	3,950	3,960
Units owned:						
Social Rent Properties	3,677	3,824	3,848	3,882	3,918	3,928
MMR Properties	56	56	56	56	56	56
Low Costs Home Ownership Properties	32	32	32	32	32	32
Properties - Other Tenures	16	16	16	16	16	16
Number of units owned at end of period	3,781	3,928	3,952	3,986	4,022	4,032
Financed by:						
Scottish Housing Grants	735.0	8,042.0	3,871.0	1,491.0	6,948.0	1,150.0
Other public subsidy	0.0	0.0	0.0	0.0	0.0	0.0
Private finance	1,270.0	12,815.0	3,871.0	4,646.0	10,638.0	2,300.0
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Cash reserves	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total cost of new units	2,005.0	20,857.0	7,742.0	6,137.0	17,586.0	3,450.0
Assumptions:						
General Inflation (%)	7.0	3.1	2.8	2.3	2.0	2.0
Rent increase - Margin above/below General Inflation (%)	0.0	4.6	1.0	1.0	0.0	0.0
Operating cost increase - Margin above/below General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Direct maint cost increase-Margin above/below General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Actual / Assumed average salary increase (%)	6.2	6.1	2.8	2.3	2.0	2.0
Average cost of borrowing (%)	5.2	5.4	4.7	4.2	4.3	3.4
Employers Contributions for pensions (%)	3.0	3.0	3.0	3.0	3.0	3.0
Employers Contributions for pensions (£'000)	704.0	747.0	768.0	786.0	802.0	818.0
SHAPS Pensions deficit contributions (£'000)	0.0	0.0	500.0	500.0	500.0	0.0
Min. headroom cover on tightest interest cover covenant (£'000)	811.0	941.0	1,645.0	1,608.0	1,783.0	3,109.0
Minimum headroom cover on tightest gearing covenant (£'000)	67,836.0	63,532.0	63,786.0	66,948.0	67,561.0	70,758.0

Minimum headroom cover on tightest asset cover covenant (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Total staff costs (including NI & pension costs) (£'000)	15,930.0	17,279.6	17,682.8	18,075.6	18,451.6	18,833.7
Full time equivalent staff	428.5	448.2	445.7	444.7	443.7	443.7
EESH Revenue Expenditure included above (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
EESH Capital Expenditure included above (£'000)	500.0	514.0	525.8	536.3	547.1	558.0
Total capital & revenue expend on maint pre-1919 properties (£'000)	549.0	775.0	750.0	731.0	724.0	733.0
Total capital & revenue expend on maint all other properties (£'000)	7,754.0	10,947.0	10,591.0	10,321.0	10,224.0	10,359.0
Estimated decarbonisation cost indicator	Yes					
Estimated decarbonisation cost (£'000)	3,734.2					

TRENDS & COMPARATORS

RATIOS	Year -2	Year -1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	National Median
	Actual	Actual	Outturn	Forecast	Forecast	Forecast	Forecast	Forecast	
Financial capacity									
Interest cover	392.0%	211.3%	263.303%	309.849%	324.803%	318.052%	326.307%	418.312%	425.2%
Gearing	79.8%	101.7%	122.833%	126.110%	130.955%	127.795%	126.505%	115.006%	44.8%
Efficiency									
Voids	3.7%	2.7%	2.643%	2.470%	2.487%	2.240%	1.985%	1.732%	0.8%
Arrears	1.4%	1.1%	1.409%	1.944%	1.936%	1.916%	1.901%	1.900%	1.9%
Bad debts	0.5%	0.1%	0.494%	0.409%	0.566%	0.570%	0.572%	0.575%	0.5%
Staff costs / turnover	37.0%	37.5%	38.897%	39.013%	38.776%	38.425%	38.241%	38.311%	21.0%
Turnover per unit	£9,161	£9,650	£10,832	£11,276	£11,539	£11,802	£11,997	£12,192	£5,571
Responsive repairs to planned maintenance	2.8	1.7	3.3	2.2	1.7	1.6	1.6	1.6	1.6
Liquidity									
Current ratio	2.1	0.6	0.6	0.5	0.6	0.6	0.5	0.2	1.9
Profitability									
Gross surplus / (deficit)	6.6%	5.8%	8.151%	8.260%	9.437%	9.657%	9.807%	9.950%	16.2%
Net surplus / (deficit)	3.5%	1.4%	2.803%	2.775%	4.297%	4.756%	4.849%	5.852%	11.1%
EBITDA / revenue	6.1%	9.2%	1.980%	9.147%	14.161%	15.158%	15.857%	16.091%	28.8%
Financing									
Debt Burden	1.6	1.2	1.2	1.1	1.2	1.2	1.2	1.2	1.7
Net debt per unit	£8,174	£9,992	£11,924	£12,179	£13,219	£13,668	£14,302	£13,933	£7,062
Debt per unit	£14,591	£11,254	£12,905	£12,834	£13,901	£14,207	£14,836	£14,466	£10,191
Diversification									
Income from non-rental activities	16.3%	16.3%	10.067%	10.451%	10.234%	10.083%	9.996%	9.916%	17.4%
INDICATORS									
Turnover	34,224.0	36,427.0	40,954.0	44,291.9	45,602.9	47,041.7	48,251.1	49,159.5	
Operating costs	26,011.0	28,184.0	31,277.0	33,356.7	34,178.1	35,217.2	35,995.6	36,486.1	
Net housing assets	155,040.0	160,503.0	170,095.0	174,444.0	179,296.3	185,896.2	187,768.5	184,750.1	
Cash & current investments	23,973.0	4,764.0	3,709.0	2,572.8	2,694.1	2,150.0	2,150.0	2,150.0	
Debt	54,512.0	42,482.0	48,794.0	50,410.5	54,935.4	56,629.1	59,671.8	58,327.2	
Net assets / capital & reserves	38,271.0	37,097.0	36,704.2	37,933.3	39,892.7	42,630.2	45,470.1	48,847.1	

Comments

Page	Field	Comment
SOFP	Loans due after one year	Bullet payments due on facilities - year 2 £1.5m, Year 4 £1.8m
SOCF	Increase / (Decrease) in Payables	Includes pension deficit payments and movements in heat with rent service equalisation account
SOCF	(Increase) / Decrease in Receivables	Higher rent arrears and accrued income in Year 0 compared to when the 5 year plan was prepared
SOCF	Construction or acquisition of Housing properties	Assumption that properties are fully financed in the prior year and would generate income from the 1st April following the year of construction
SOCF	Debt repayment	One facility completed at end of Yr 0 and one completes Q1 of Yr 1. Additional facility final capital payment moves from Yr1 to Y2 to co-terminate with bullet payment
SOCF	Balance Brought Forward	assumed opening balance cash position for 5 year plan was different due to it being prepared in Jan 24
SOCF	Increase / (Decrease) in Net Cash	Variance in opening cash balance position
Additional Information	'Total cost of new units' / 'Total number of new affordable housing units added during year'	Acquired 3 developments totalling 101 properties from Methodist Homes in April 2024
Additional Information	Private finance	Assumption that properties are fully financed in the prior year and would generate income from the 1st April following the year of construction
Additional Information	Rent increase - Margin above General Inflation (%)	7.7% (Sept CPI 6.7% plus 1%) and 6.7% (Sept CPI) for Wishaw & District Housing legacy stock in line with promises made at transfer
Additional Information	Employers Contributions for pensions (%)	Trust Housing operates two pension schemes. Auto enrolment with Peoples Pension for which the employers contribution is 3% and one with TPT which the contribution is 6%
Additional Information	Employers Contributions for pensions (£'000)	salary sacrifice was introduced in Apr23 which increased employers pension contribution

Page	Field	Comment
Additional Information	Minimum headroom cover on tightest asset cover covenant (£'000)	No asset covenants
Additional Information	Full time Equivalent Staff Curr Year	Transfer of employees as part of Methodist Homes acquisition and additional staffing for service changes expected during during the upcoming financial year
Additional Information	Estimated decarbonisation cost	Have included £500k per annum remodelling budget (plus inflationary increase) which will be used for retro refit projects in support of decarbonisation. This is in excess of our standard component replacement, which will also be directed to energy efficient options (e.g. energy efficient boiler replacements etc). Other spend in 24/25 includes heating controls and climate change works