

# CRAIGDALE HOUSING ASSOCIATION

AUDIT & ASSURANCE COMMITTEE MEETING MONDAY 8<sup>TH</sup> AUGUST 2022

AGENDA ITEM: 7E FINANCE: MANAGEMENT ACCOUNTS – QUARTER 1, 2022/23

Status:	Confidential:	✓
	Non-Confidential:	

Author: Fettes McDonald, FMD Financial Services Ltd

For:	Approval:	✓
	Discussion:	
	Noting:	

Purpose: The purpose of this Report is monitoring the budgeted income and expenditure on a quarterly basis through our Management Accounts.

Appendices: Management Accounts to 30<sup>th</sup> June 2022

Risks: 4.6 Poor Cost Analysis: Monitoring performance against the budget reduces financial risks

Financial and resources Impact: Contained within the report.

GDPR/FOI Impact: None at Present

Equality & Human Rights Impact: No issues at present

Strategic Objective:	1. Investing in our homes for a sustainable future	✓
	2. Providing excellent customer services	
	3. Working with partners to improve communities and tenants lives	
	4. Deliver excellence in Governance, Risk Management and Assurance	
	5. Demonstrate value for money and strong financial management	✓
	6. Value our people	

Compliance with SHR Regulatory Standards & Other Areas of Regulation

Standard 1	The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.	✓
Standard 2	The RSL is open and accountable about what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. Its primary focus is the sustainable achievement of these priorities.	✓
Standard 3	The RSL manages its resources to ensure its financial well-being and economic effectiveness.	✓
Standard 4	The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.	✓
Standard 5	The RSL conducts its affairs with honesty and integrity.	✓
Standard 6	The governing body and senior officers have the skills and knowledge they need to be effective.	✓
Standard 7	The RSL ensures that any organisational changes or disposals it makes safeguard the interests of and benefit, current and future tenants.	
Assurance & Notification		✓
Scottish Social Housing Charter Performance		
Tenant & Service User Redress		
Whistleblowing		
Statutory Guidance		✓
Organisational Details & Constitution		

## **STATEMENT OF COMPREHENSIVE INCOME**

The budget for the 3 months to 30<sup>th</sup> June projects a surplus of around £17k. The actual results for the same period show a surplus of around £5k. There is therefore an adverse variance for the year to date of £12k at this early stage in the year. This includes loan arrangement costs of £32k which were expected to be incurred in 2021/22 as well as a number of timing differences within management costs.

This variance arises primarily from the following items-

- Lower voids £1k
- Higher medical adaptations £1k
- Higher management costs (£60k)
- Lower overall repair costs £50k
- Lower bad debts £2k
- Lower wider action costs £4k
- Pension deficit costs to SOCI £(£11k)

Information received from TPT regarding changes in actuarial assumptions resulted in a nil deficit arising at March 2022 and accordingly pension deficit payments are charged to the SOCI. These payments shall cease in September 2022.

Details of main variances are noted within the management accounts attached.

## **STATEMENT OF FINANCIAL POSITION**

The Statement of Financial Position at 30<sup>th</sup> June 2022 is showing net assets of around £7.47m.

New build spends in the period to date totals around £1.3m with costs being funded by grant and private finance. Capital components spend for the year of £187k is currently above budget.

The cash position of the Association is showing a positive variance of around £353k and remains healthy.

Debtors currently stand at £62k and short-term creditors at £489k. A breakdown of what makes up these figures can be seen on page 4a of the accounts.

Long term loans now stand at £1.7m and the pension liability is currently showing a balance of nil.

Deferred Capital Grant Income is showing on the Balance Sheet at £8.96m.

## **FINANCIAL RATIOS**

There are no particular concerns regarding any of the ratio results noted on page 8.

## **FINANCIAL COVENANTS**

There are no issues regarding loan covenant compliance for the period.

**FMD Financial Services Limited**  
**August 2022**



**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**STATEMENT OF COMPREHENSIVE INCOME TO**  
**30 June 2022**  
**Quarter 1, 1<sup>st</sup> April 2022 to 30th June 2022**

<b>Annual budget</b>	<b>Est to date £</b>	<b>Act to date £</b>	<b>Variance £</b>
£ 2,125,890 Turnover	509,252	527,111	17,859
<u>(1,736,957) Less: Operating Costs</u>	<u>(487,635)</u>	<u>(506,482)</u>	<u>(18,847)</u>
<b>388,932 Operating Surplus</b>	<b>21,617</b>	<b>20,630</b>	<b>-988</b>
0 Gain/(Loss) on Disposal of Assets	0	0	0
2,000 Interest Receivable	(1) 500	536	36
(45,988) Interest Payable	(2) (4,798)	(4,860)	(62)
0 Other Finance Charges	0	0	0
<b><u>344,944</u></b>	<b><u>17,320</u></b>	<b><u>16,306</u></b>	<b><u>-1,013</u></b>

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**INCOME AND EXPENDITURE TO**  
**30 June 2022**  
**Quarter 1, 1st April 2022 to 30th June 2022**

**INCOME AND EXPENDITURE FROM LETTINGS**

**Annual  
budget**

£	INCOME
1,695,622	Rental Income
0	Service Charges
<u>1,695,622</u>	
(8,478)	Less Voids
1,687,144	
421,424	HAG Amortised
15,000	Medical Adaptations Income
<u><b>2,123,568</b></u>	<b>TOTAL</b>

**EXPENDITURE**

681,030	Management & Admin Costs
177,036	Reactive Maintenance
192,412	Cyclical Maintenance
20,000	Major Repairs
13,636	Medical Adaptations
630,893	Depreciation
8,478	Bad Debts - Housing

**1,723,485** **TOTAL**

**400,083** **SURPLUS FROM LETTINGS**

	Est to date £	Act to date £	Variance £
(1)	402,157	402,332	175
	0	0	0
	<u>402,157</u>	<u>402,332</u>	<u>175</u>
(2)	(2,011)	(613)	1,398
	<u>400,146</u>	<u>401,719</u>	<u>1,573</u>
	105,356	105,356	(0)
(3)	3,750	20,036	16,286
	<u><b>509,252</b></u>	<u><b>527,111</b></u>	<u><b>17,859</b></u>

(4)	219,123	279,339	(60,216)
(5)	36,759	12,775	23,984
(5)	51,465	29,135	22,330
(5)	10,000	6,388	3,612
(3)	3,409	18,215	(14,806)
	157,723	157,723	0
	2,120		2,120
	<u><b>480,599</b></u>	<u><b>503,575</b></u>	<u><b>-22,976</b></u>

**28,653** **23,537** **-5,116**

**INCOME AND EXPENDITURE FROM OTHER ACTIVITIES**

**Annual  
budget**

£	Income
2,322	Factoring
0	Other Income
<u><b>2,322</b></u>	<b>Total Income From Other Activities</b>

**Expenditure**

2,322	Factoring
0	Community Participation
11,150	Wider Action
0	Bad Debts - Other
<u><b>13,472</b></u>	<b>Total Expenditure From Other Activities</b>

**-11,150** **Surplus From Other Activities**

	Est to date £	Act to date £	Variance £
(1)	0	0	0
(2)	0	0	0
	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>

	0	0	0
	0	0	0
(2)	7,036	2,907	4,129
	<u><b>7,036</b></u>	<u><b>2,907</b></u>	<u><b>4,129</b></u>

**-7,036** **-2,907** **4,129**

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Income and Expenditure Analysis**  
**Quarter 1, 1st April 2022 to 30th June 2022**

**Lettings**

- 1 Rental Income is £175 over budget  
This is in line with expectations to date. The difference is due to a rent registration.
- 2 Void Loss is currently £1.4k under budget.  
There have been fewer voids than expected in the period to date.
- 3 Medical Adaptions Income and Expense are higher than expected.  
The budget for the entire year has already been spent in Q1. Further funding is expected to be available later in the year.
- 4 Management Costs - £60k over budget  
This primarily relates to timing differences plus loan arrangement costs budgeted to be incurred in 21/22.  
Pages 6 and 7 of the accounts provide further details.
- 5 Maintenance Costs - underspent by a total of £50k  
This is primarily due to some planned works not being undertaken in the period.  
More detail is included on pages 6 & 7.

**Other Activities**

1. Factoring income and expenditure is in line with expectations. Factoring invoices will be issued in the next quarter.
- 2 Other expenditure relates to food pantry costs (£3k).

**Other non operating income and expenditure**

- 1 Interest Receipts - £36 over budget when including accrued interest on the deposit account.
- 2 Interest Payments - over budget by £62k. This is broadly in line with expectations.

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Statement of Financial Position as at**  
**Quarter 1, 1st April 2022 to 30th June 2022**

**30 June 2022**

<b>Annual budget</b>		<b>Est to date</b>	<b>Act to date</b>	<b>Variance</b>
<b>£</b>	<b>Fixed Assets</b>	<b>£</b>	<b>£</b>	<b>£</b>
31,258,794	Housing Properties - Gross Cost	29,500,429	25,261,088	(4,239,341)
(9,856,656)	Depreciation	(9,383,486)	(9,276,138)	107,348
<u>21,402,138</u>		<u>20,116,943</u>	<u>15,984,949</u>	<u>(4,131,993)</u>
338,910	Other Non Current Assets	351,908	363,363	11,455
<b>21,741,048</b>	<b>Total Fixed Assets</b>	<b>20,468,850</b>	<b>16,348,312</b>	<b>-4,120,538</b>
<b>Current Assets</b>				
120,545	Receivables	120,545	62,490	-58,055
2,045,876	Cash at Bank and in Hand	1,881,607	2,234,631	353,025
<u>2,166,421</u>		<u>2,002,152</u>	<u>2,297,121</u>	<u>294,970</u>
<b>Liabilities &lt; One Year</b>				
(246,494)	Misc Payables	(246,494)	(489,424)	(242,930)
0	Loans	0	0	0
<u>(246,494)</u>		<u>(246,494)</u>	<u>(489,424)</u>	<u>(242,930)</u>
<b>1,919,927</b>	<b>Net Current Assets</b>	<b>1,755,658</b>	<b>1,807,698</b>	<b>52,040</b>
<b>Total Assets Less</b>				
<b>23,660,974</b>	<b>Current Liabilities</b>	<b>22,224,508</b>	<b>18,156,010</b>	<b>(4,068,498)</b>
<b>Liabilities &gt; One Year</b>				
(3,363,013)	Loans	(1,903,589)	(1,726,880)	176,708
(84,303)	Pension Liability	(118,817)	-	118,817
<u>(3,447,316)</u>		<u>(2,022,406)</u>	<u>(1,726,880)</u>	<u>295,525</u>
<b>Deferred Income</b>				
(12,616,821)	HAG	(12,932,890)	(8,961,488)	3,971,402
-	Other Capital Grants	-	-	-
<u>(12,616,821)</u>		<u>(12,932,890)</u>	<u>(8,961,488)</u>	<u>3,971,402</u>
<b>7,596,837</b>		<b>7,269,212</b>	<b>7,467,641</b>	<b>198,429</b>
<b>Capital and Reserves</b>				
74	Share Capital	74	77	3
7,596,763	Reserves	7,269,138	7,467,564	198,426
<b>7,596,837</b>		<b>7,269,212</b>	<b>7,467,641</b>	<b>198,429</b>

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Balance Sheet Analysis**  
**Quarter 1, 1st April 2022 to 30th June 2022**

**1 Capital Expenditure**

	<b>Budget</b>	<b>Actual</b>
New Build Costs	1,568,240	1,248,942
	<b>1,568,240</b>	<b>1,248,942</b>

New Build costs relate to AS Homes and professional fees relating to new build.

<b>Component Expenditure</b>	<b>Budget</b>	<b>Actual</b>
	£	£
Boilers/Central Heating	126,750	3,720
Kitchen Valuation/QS Fees	0	109,751
Buy Back	0	70,140
Wetroom Replacement	0	4,251
	<b>126,750</b>	<b>187,862</b>

There has been two boilers replaced in the period.

Kitchen costs relate to prior year budgeted work not completed until after year end.

**2 Other Fixed Assets**

	<b>Budget</b>	<b>Actual</b>
	£	£
Office Furniture	1,000	0
Misc	0	816
	<b>1,000</b>	<b>816</b>

Other costs relate to 1 laptop and one office chair.

**3 Summary of Cash Balances**

<b>Account</b>	<b>£</b>
Current Accounts	454,889
Investment Account	818,657
Community Account	106
6 Month Deposit to Dec 22	500,000
Clydesdale Servicing Account	0
Allpay	10,807
Nationwide Deposit-instant acces	450,000
Petty Cash	173
	<b>2,234,631</b>

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Balance Sheet Analysis**  
**Quarter 1, 1st April 2022 to 30th June 2022**

<b>4 Receivables</b>	<b>£</b>
Rent Arrears	49,311
Rent Rec Variances-Allpay	4,737
Bad Debt Provision - Rent	(24,500)
Factoring Arrears	4,902
Rechargeable Repairs	1,815
Bad Debt Provision - Other	(210)
Sundry Debtors	26,435
Suspense - Insurance	0
	<b><u>62,490</u></b>

Sundry debtors includes Stage 3 accruals (£26k).

<b>5 Short Term Payables</b>	<b>£</b>
Rent Prepayments	58,675
Factoring Prepayments	1,616
Factoring Floats	662
Sundry Creditors	16,757
Purchase Ledger Control Account	411,714
	<b><u>489,424</u></b>

Sundry Creditors include £6k holiday accruals and £10k on other accruals.  
Purchase Ledger Control Account includes payments to AS Homes (£368k) and other invoices approved but not paid at end of June.

**6 Rent arrears analysis**

	<b>Total</b>	<b>Technical</b>	<b>Net Total</b>	<b>Tenant Credits</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
1 June 22	<b>49,311</b>		<b>49,311</b>	58,675
0 September 22			<b>0</b>	
0 December 22			<b>0</b>	
0 March 23		0	<b>0</b>	
	<b>Jun 22</b>	<b>Sept 22</b>	<b>Dec 22</b>	<b>Mar 23</b>
Gross Arrears %	2.91%	0.00%	0.00%	0.00%
Technical Arrears %	0.00%	0.00%	0.00%	0.00%
Net Arrears %	<b>2.91%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Annual Rental Income	1,695,622	1,695,622	1,695,622	402,332

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Cashflow Statement to 30 June 2022**  
**Quarter 1, 1st April 2022 to 30th June 2022**

<b>Budget</b>		<b>Est Ytd</b>	<b>Act Ytd</b>	<b>Variance</b>
<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
<b>Net Cashflow from Operating Activities</b>				
388,932	Operating Surplus	21,617	20,630	(988)
630,893	Depreciation - Housing	157,723	157,723	(0)
17,330	Depreciation - Other	4,333	4,333	(0)
(421,424)	Amortisation of Grants	(105,356)	(105,356)	0
-	Increase/(Decrease) in Creditors	-	(278,447)	(278,447)
-	(Increase)/Decrease in Debtors	-	54,250	54,250
(46,019)	PSD Payments	(11,505)	(11,505)	(0)
-	Other Finance Charges	-	-	0
<b>569,712</b>		<b>66,812</b>	<b>-158,373</b>	<b>-225,185</b>
<b>Investing Activities</b>				
(3,136,480)	Construction of New Properties	(1,568,240)	(1,248,942)	319,298
-	Purchase of Property	-	-	-
(253,500)	Other Capital Expenditure - Housing	(63,375)	(187,862)	(124,487)
(1,000)	Capital Expenditure - Other	(1,000)	(816)	184
903,296	Capital Grant Income	903,296	768,245	(135,051)
-	Sales Income	-	-	-
<b>(2,487,684)</b>		<b>(729,319)</b>	<b>(669,376)</b>	<b>59,943</b>
<b>Financing Activities</b>				
2,000	Interest Received	500	536	36
(45,988)	Interest Paid	(4,798)	(4,860)	(62)
(130,199)	Loan Repayments	(21,384)	(21,259)	125
-	Share Capital	-	-	-
2,233,184	Loan Drawdown	664,944	474,691	(190,253)
<b>2,058,997</b>		<b>639,263</b>	<b>449,109</b>	<b>(190,154)</b>
<b>141,025 Increase/(Decrease) in Cash</b>				
2,045,876	Closing Cash Balance	1,881,607	2,234,631	353,025
1,904,851	Opening Cash Balance	1,904,851	2,613,271	708,420
<b>141,025</b>		<b>-23,244</b>	<b>-378,640</b>	<b>-355,396</b>

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Management Expenses to 30 June 2022**  
**Quarter 1, 1st April 2022 to 30th June 2022**

Annual budget			Est to date	Act to date	Variance
£	STAFF COSTS		£	£	£
278,596	Salaries		69,649	69,478	172
28,351	Employer National Insurance		4,087	8,066	(3,980)
32,848	Employer Pensions		8,212	5,143	3,069
	DB Pension Costs		0	0	-
339,796		(1)	81,948	82,687	(739)
2,006	Expenses	(2)	501	88	413
341,802			82,449	82,775	(326)
60,800	Agency Staff	(3)	20,667	15,746	4,921
<b>402,601</b>			<b>103,116</b>	<b>98,521</b>	<b>4,595</b>
<b>ESTATE COSTS</b>					
135,036	Reactive Maintenance	(4)	32,259	9,174	23,085
40,000	Void Repairs	(4)	4,500	3,601	899
192,412	Cyclical Maintenance	(5)	51,465	29,135	22,330
20,000	Major Repairs	(6)	10,000	6,388	3,612
13,636	Medical Adaptations	(7)	3,409	18,215	(14,806)
630,893	Property Depreciation		157,723	157,723	0
4,000	Bank Charges - Housing		1,000	1,067	(67)
40,559	Insurance - Housing	(8)	40,559	47,297	(6,738)
5,000	Legal Fees - Housing		1,250	3,117	(1,867)
8,478	Bad Debts - Housing		2,120	0	2,120
2,000	Misc		0	0	-
<b>1,092,014</b>			<b>304,284</b>	<b>275,717</b>	<b>28,567</b>
<b>OVERHEADS</b>					
1,000	Advertising		250	900	(650)
17,000	Audit Fees		2,000	1,936	64
1,200	Bank Charges		300	500	(200)
17,330	Depreciation - Other Fixed Assets		4,333	4,333	-
9,000	General Expenses	(9)	4,500	2,358	2,142
1,500	General Expenses - Committee		375	496	(121)
12,790	Heating, Lighting, Cleaning	(10)	4,262	1,982	2,280
15,121	Insurance - Other	(8)	15,121	17,424	(2,303)
2,500	Legal fees - Other		625	151	474
1,000	Office Repairs		250	216	34
57,258	Office Equipment - Maintenance	(11)	14,315	30,667	(16,353)
7,500	Printing/Stationery		1,875	937	938
31,186	Professional Fees	(12)	7,797	48,315	(40,519)
5,500	Postage		1,374	717	657
2,500	Rent/Rates		626	345	281
10,000	Training - Committee	(13)	3,334	732	2,602
10,000	Training - Staff	(14)	3,334	889	2,445
0	Staff Recruitment		0	0	-
16,808	Subscriptions	(15)	7,000	13,750	(6,750)
6,000	Telephones		1,500	2,680	(1,180)
<b>225,192</b>			<b>73,169</b>	<b>129,329</b>	<b>(56,160)</b>
<b>OTHER OPERATING COSTS</b>					
6,000	Community Participation		30	8	22
11,150	Wider Action	(16)	7,036	2,907	4,129
0	Bad Debts - Other		0	0	-
<b>17,150</b>			<b>7,066</b>	<b>2,915</b>	<b>4,151</b>
<b>1,736,957</b>	<b>TOTAL MANAGEMENT EXPENSES</b>		<b>487,635</b>	<b>506,482</b>	<b>(18,847)</b>

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Management Expenses - Variance Analysis**  
**Quarter 1, 1st April 2022 to 30th June 2022**

1. Salaries **172** **Under Budget** Salaries broadly in line with budget in the period to date. Savings have been made in employer pensions as budget assumes all staff members are included in the pension. In practice 2 staff members are not in any pension scheme. This saving will continue to show for the remainder of the year. The Employer Allowance has yet to be claimed in the year and so further savings in PAYE will be made in Q2.

2. Expenses **413** **Under Budget** Fewer expenses incurred in the period to date than budgeted. Expenses relate to mileage, subsistence and other travel costs.

3. Agency Staff	4,921	Under Budget	Est	Actual	Variance	
			Finance Services	15,467	10,546	4,921
			Maintenance Services	0	0	0
			Welfare Rights	5,200	5,200	0
			Interim Director Fees	0	0	0
			Admin	0	0	0
				20,667	15,746	4,921

Finance costs are lower than anticipated. Costs to date have primarily related to audit work. Over the course of the year costs are estimated to be in line with budget. Welfare Rights have been accrued in Q1.

4. Reactive & Void Repairs **23,984** **Under Budget** There have been fewer reactive repairs carried out than budgeted for in Q1. Void repairs are in line with budget expectations.

5. Cyclical Maintenance	22,330	Under Budget	Est	Actual	Variance	
		Emergency Repairs Callout Service		3,600	0	3,600
		Gas Servicing	11,120	10,912	208	
		Gas Quality Control Checks	251	0	251	
		Electrical Safety Checks	5,250	0	5,250	
		Stairlighting	0	0	0	
		Close Door Servicing: Phase 1, 2 & 3	0	0	0	
		Garden Maintenance	9,000	7,253	1,747	
		Roof Anchor Checks	0	0	0	
		Landlord Supplies, TV Amps & Doors	720	649	71	
		Close Cleaning, De-littering	7,800	9,122	(1,322)	
		Annual Deep Clean Closes	7,200	0	7,200	
		Bulk Uplift	2,524	1,055	1,469	
		Gutter Cleaning	0	0	0	
		Energy Performance Certificates	4,000	0	4,000	
		Misc	0	144	(144)	
				51,465	29,135	22,330

Under budget due to a number of works that have not been undertaken in the period to date. Miscellaneous costs relate to Legionella works. Electrical safety tenders have only been received back and work will take place later in the year than planned. Similarly deep cleaning and EPC work will also fall into Q2/Q3.

6. Major Repairs	3,612	Under Budget				
			Est	Actual	Variance	
			Decoration Allowance	10,000	0	10,000
			Misc	0	6,388	(6,388)
				10,000	6,388	3,612

There has been no spend regarding decoration allowance in the period to date. Misc costs relate to drainage and man hole works at Dougrie Close and Dougrie Gardens. These items were not included in the budget.

7. Medical Adaptations **(14,806)** **Over Budget** There have been a number of significant medical adaptations work completed in the year to date. Additional funding should become available later in the year.

8. Insurance **(9,041)** **Over** Insurance costs were higher than expected for both housing and non housing insurance.

**CRAIGDALE HOUSING ASSOCIATION LTD.**  
**Management Expenses - Variance Analysis**  
**Quarter 1, 1st April 2022 to 30th June 2022**

11. Office Equipment - Maintenance	<b>(16,353)</b>	<b>Over Budget</b>	Timing differences mainly. Primarily costs in the quarter relate to additional SDM licences costing circa £10k this was budgeted to be split across the year, however, the total cost has fallen into Q1. Additionally, there have been £8.7k of costs relating to Tenant portal/ HUB incurred in Q1 which again were planned to be spread across the year.
12. Professional Fees	<b>(40,519)</b>	<b>Over Budget</b>	Primarily over budget due to loan facility and arrangement fees totalling £31.8k. Pension tool costs were higher than budget (higher by £1k), as were ARC validation costs (higher by £0.1k). There were also QS costs of £4.2k that were not budgeted for.
13. Training - Committee	<b>2,602</b>	<b>Under Budget</b>	Costs incurred in the year relate to Board as an Employer and Maintenance for the Board training sessions.
14. Training - Staff	<b>2,445</b>	<b>Under Budget</b>	Costs incurred relate to Maintenance training and SDM waiting list training.
15. Subscriptions	<b>(6,750)</b>	<b>Over Budget</b>	Primarily over budget due to a number of subscriptions costs being incurred in Q1 that were not budgeted until later in the year. Over the course of the financial year it is expected that costs will be more in line with budget expectations.
16. Wider Action	<b>4,129</b>	<b>Under</b>	Costs relate to Dollywood books and food pantry costs. There have been no

**CRAIGDALE HOUSING ASSOCIATION LTD.****Ratio Analysis as at 30 June 2022****Quarter 1, 1st April 2022 to 30th June 2022**

<b>Annual budget</b>	<b>Est to date</b>	<b>Act to date</b>	<b>Variance</b>
<b>Costs per unit</b>			
£1,669 Management costs per unit (£)	£589	£749	-£160
£434 Reactive maintenance costs per unit (£)	£99	£34	£65
£521 Planned maintenance costs per unit (£)	£165	£95	£70
<b>Primary ratios</b>			
1343% Interest Cover (%)	1643%	1088%	-555%
17.34% Gearing (%)	0.30%	-6.80%	7.10%
<b>Efficiency ratios</b>			
0.50% Voids (%)	0.50%	0.15%	0.35%
3.00% Rent arrears - gross (%)	3.00%	2.91%	0.09%
1.50% Rent arrears - net (%)	1.50%	1.46%	0.04%
0.50% Bad debts (%)	0.53%	0.00%	0.53%
18.24% Staff costs/turnover (%)	18.45%	15.70%	2.75%
5,211 Turnover per unit (£)	1,369	1,413	44
<b>Liquidity</b>			
3.24 Current Ratio	3.00	2.52	-0.48
<b>Profitability</b>			
18.30% Gross Surplus (%)	4.24%	3.91%	-0.33%
16.23% Net Surplus (%)	3.40%	3.09%	-0.31%
<b>Financing</b>			
£8,243 Debt per Unit (£)	£5,117	£4,642	£475
£3,228 Net Debt per Unit (£)	£59	-£1,365	£1,424

**CRAIGDALE HOUSING ASSOCIATION LTD.****Covenants as at****30 June 2022****Quarter 1, 1st April 2022 to 30th June 2022**

This page compares the Association's performance in key areas against financial covenants included within loan agreements.

The Association's loans are with Nationwide, RBS and Bank of Scotland

There are no applicable covenants with RBS.

	<b>COVENANT</b>	<b>ACTUAL</b>	<b>COVENANT SATISFIED</b>
<b>Nationwide</b>			
1. Operating Surplus / Interest Payable	> 110%	436%	YES
<b>Bank of Scotland</b>			
2. Operating Profit + Depreciation / Interest Payable	> 1.25	36.70	YES