

AGENDA ITEM: 8A FINANCE: MANAGEMENT ACCOUNTS – QUARTER 2, 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:

- Q2 - Management Accounts to 30th September 2022

Implications

Risks:

- CHA1-Financial Report: Fail to produce accurate and timely financial information.
- CHA2-Major Fraud: Criminal activity of abuse of position, or false representation. An act of deception intended for personal financial gain.
- CHA6-Regulatory Compliance: Fail to meet the requirements of the Scottish Housing Regulator.

Financial:

- A failure to monitor financial performance against targets could ultimately lead to cash-flow issues, a failure to deliver a high-quality housing management and maintenance programme and potential breaches of loan covenants.

GDPR/FOI:

- None at Present

Equality & Human Rights:

- No issues at present

Recommendations: **The Audit & Assurance Committee is invited to:**

- Approve the management accounts for the period to 30th September 2022; and
- Note that draft accounts will be forwarded to the lenders per the covenant requirements.

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 6 months to 30th September projects a surplus of around £67k. The actual results for the same period show a surplus of around £73k. There is therefore a positive variance for the year to date of around £6k.

This variance arises primarily from the following items-

- Higher rent/lower voids £3k
- Higher medical adaptations £2k
- Higher management costs (£54k)
- Lower overall repair costs £68k
- Lower bad debts £4k
- Lower wider action costs £6k
- Pension deficit costs to SOCI £(£23k)

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 30th September 2022 is showing net assets of around £7.54m.

New build spend in the period to date totals around £2.3m with costs being funded by grant and private finance. The budget for the year assumed full completion by September 2022 but handovers shall now take place between the end of November and February 2023.

Capital and component spend for the year of £219k is currently above budget. Spend includes one property acquisition as well as carry over of spend assumed for 2021/22. Boiler/Central Heating spend of £254k is not expected to be incurred in full during 2022/23.

The cash position of the Association is showing a positive variance of around £64k and remains healthy at £1.955m.

Debtors currently stand at £410k and short-term creditors at £479k. A breakdown of what makes up these figures can be seen on page 4a of the accounts.

Long term loans now stand at £2.79m and the pension liability is currently showing a balance of nil.

Deferred Capital Grant Income is showing on the Balance Sheet at £8.86m.

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. Covenants are monitored during the year and formally tested based on the annual accounts.

FMD Financial Services Limited
November 2022

CRAIGDALE HOUSING ASSOCIATION LTD.
STATEMENT OF COMPREHENSIVE INCOME TO
30 September 2022
Quarter 2, 1st April 2022 to 30th September 2022

Annual budget		Est to date	Act to date	Variance
£		£	£	£
2,125,890	Turnover	1,019,665	1,042,683	23,018
<u>(1,736,957)</u>	Less: Operating Costs	<u>(944,497)</u>	<u>(938,148)</u>	<u>6,349</u>
388,932	Operating Surplus	75,168	104,535	29,367
0	Gain/(Loss) on Disposal of Assets	0	0	0
2,000	Interest Receivable	(1) 1,000	2,236	1,236
(45,988)	Interest Payable	(2) (9,595)	(11,209)	(1,614)
0	Other Finance Charges	0	0	0
<u>344,944</u>		<u>66,573</u>	<u>95,563</u>	<u>28,990</u>

CRAIGDALE HOUSING ASSOCIATION LTD.
INCOME AND EXPENDITURE TO
30 September 2022
Quarter 2, 1st April 2022 to 30th September 2022

INCOME AND EXPENDITURE FROM LETTINGS

Annual budget		Est to date	Act to date	Variance
£	INCOME	£	£	£
1,695,622	Rental Income	(1) 804,314	805,282	969
0	Service Charges	0	0	0
<u>1,695,622</u>		<u>804,314</u>	<u>805,282</u>	<u>969</u>
(8,478)	Less Voids	(2) (4,022)	(2,010)	2,012
1,687,144		<u>800,292</u>	<u>803,273</u>	<u>2,980</u>
421,424	HAG Amortised	210,712	210,712	(0)
15,000	Medical Adaptations Income	(3) 7,500	28,698	21,199
<u>2,123,568</u>	TOTAL	<u>1,018,504</u>	<u>1,042,683</u>	<u>24,179</u>
EXPENDITURE				
681,030	Management & Admin Costs	(4) 374,161	428,574	(54,413)
177,036	Reactive Maintenance	(5) 84,018	67,406	16,612
192,412	Cyclical Maintenance	(5) 129,582	72,187	57,395
20,000	Major Repairs	(5) 20,000	25,502	(5,502)
13,636	Medical Adaptations	(3) 6,818	26,090	(19,272)
630,893	Depreciation	315,447	315,447	(0)
8,478	Bad Debts - Housing	4,239	-	4,239
<u>1,723,485</u>	TOTAL	<u>934,264</u>	<u>935,206</u>	<u>(941)</u>
<u>400,083</u>	SURPLUS FROM LETTINGS	<u>84,240</u>	<u>107,478</u>	<u>23,238</u>

INCOME AND EXPENDITURE FROM OTHER ACTIVITIES

Annual budget		Est to date	Act to date	Variance
£	Income	£	£	£
2,322	Factoring	(1) 1,161	0	-1,161
0	Other Income	(2) 0	0	0
<u>2,322</u>	Total Income From Other Activities	<u>1,161</u>	<u>0</u>	<u>-1,161</u>
Expenditure				
2,322	Factoring	1,161	0	1,161
0	Community Participation	0	0	0
11,150	Wider Action	(2) 9,072	2,943	6,129
0	Bad Debts - Other	0	0	0
<u>13,472</u>	Total Expenditure From Other Activities	<u>10,233</u>	<u>2,943</u>	<u>7,291</u>
<u>-11,150</u>	Surplus From Other Activities	<u>-9,072</u>	<u>-2,943</u>	<u>6,129</u>

CRAIGDALE HOUSING ASSOCIATION LTD.
Income and Expenditure Analysis
Quarter 2, 1st April 2022 to 30th September 2022

Lettings

- 1 Rental Income is £969 over budget
This is in line with expectations to date.
- 2 Void Loss is currently £2k 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. Further funding has been secured up to £40k.
- 4 Management Costs - £54.4k 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 £68.5k
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 invoices have not yet been issued. The next invoices to be issued will be in April 2023.
These were last issued in April 2022.
- 2 Other expenditure relates to food pantry costs (£2.9k).

Other non operating income and expenditure

- 1 Interest Receipts - £1.2k over budget when including accrued interest on the deposit account.
- 2 Interest Payments - over budget by £1.6k due to rates increase.

CRAIGDALE HOUSING ASSOCIATION LTD.
Statement of Financial Position as at
Quarter 2, 1st April 2022 to 30th September 2022

30 September 2022

Annual budget		Est to date	Act to date	Variance
£		£	£	£
Fixed Assets				
31,258,794	Housing Properties - Gross Cost	31,132,044	26,371,627	(4,760,417)
(9,856,656)	Depreciation	(9,541,210)	(9,433,861)	107,348
<u>21,402,138</u>		<u>21,590,835</u>	<u>16,937,766</u>	<u>(4,653,069)</u>
338,910	Other Non Current Assets	347,575	359,246	11,671
21,741,048	Total Fixed Assets	21,938,410	17,297,012	-4,641,397
Current Assets				
120,545	Receivables	120,545	409,622	289,077
2,045,876	Cash at Bank and in Hand	1,891,296	1,955,320	64,024
<u>2,166,421</u>		<u>2,011,841</u>	<u>2,364,942</u>	<u>353,101</u>
Liabilities < One Year				
(246,494)	Misc Payables	(246,494)	(478,616)	(232,122)
0	Loans	0	0	0
<u>(246,494)</u>		<u>(246,494)</u>	<u>(478,616)</u>	<u>(232,122)</u>
1,919,927	Net Current Assets	1,765,347	1,886,326	120,979
Total Assets Less Current Liabilities				
23,660,974		23,703,757	19,183,338	(4,520,418)
Liabilities > One Year				
(3,363,013)	Loans	(3,450,445)	(2,791,809)	658,636
(84,303)	Pension Liability	(107,313)	-	107,313
<u>(3,447,316)</u>		<u>(3,557,757)</u>	<u>(2,791,809)</u>	<u>765,948</u>
Deferred Income				
(12,616,821)	HAG	(12,827,534)	(8,856,132)	3,971,402
-	Other Capital Grants	-	-	-
<u>(12,616,821)</u>		<u>(12,827,534)</u>	<u>(8,856,132)</u>	<u>3,971,402</u>
7,596,837		7,318,465	7,535,397	216,932
Capital and Reserves				
74	Share Capital	74	81	7
7,596,763	Reserves	7,318,391	7,535,316	216,925

7,596,837

7,318,465 7,535,397 216,932

CRAIGDALE HOUSING ASSOCIATION LTD.
Balance Sheet Analysis
Quarter 2, 1st April 2022 to 30th September 2022

1 Capital Expenditure

	Budget	Actual
New Build Costs	3,136,480	2,273,357
	<u>3,136,480</u>	<u>2,273,357</u>

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

Component Expenditure	Budget	Actual
	£	£
Boilers/Central Heating	126,750	9,960
Kitchen Valuation/QS Fees	0	125,478
Buy Back	0	70,140
Wetroom Replacement	0	4,251
Bathroom Replacement	0	9,372
	<u>126,750</u>	<u>219,201</u>

There has been five boilers replaced in the period to date.
 Kitchen costs relate to prior year budgeted work not completed until after year end.
 There was one wetroom and three bathroom replacement in the period to date.
 One property was bought back in Q1.
 Boilers/Central Heating spend budgeted at £254k for the year not now likely to be incurred.

2 Other Fixed Assets

	Budget	Actual
	£	£
Office Furniture	1,000	0
Misc	0	1,032
	<u>1,000</u>	<u>1,032</u>

Other costs relate to 1 laptop and two office chairs.

3 Summary of Cash Balances

Account	£
Current Accounts	205,635
Investment Account	802,298
Community Account	311
6 Month Deposit to Dec 22	500,000
Clydesdale Servicing Account	0
Allpay	-3,603
Nationwide Deposit-instant acce:	450,000
Petty Cash	679
	<u>1,955,320</u>

CRAIGDALE HOUSING ASSOCIATION LTD.
Balance Sheet Analysis
Quarter 2, 1st April 2022 to 30th September 2022

4 Receivables	£
Rent Arrears	37,845
Rent Rec Variances-Allpay	21,917
Bad Debt Provision - Rent	(24,500)
Factoring Arrears	4,353
Rechargeable Repairs	1,784
Bad Debt Provision - Other	(210)
Sundry Debtors	368,433
Suspense - Insurance	0
	<u>409,622</u>

Sundry debtors primarily relates to HAG accruals (£353k), PAYE (£5k) and prepayments (circa £10k).

5 Short Term Payables	£
Rent Prepayments	84,388
Factoring Prepayments	1,849
Factoring Floats	662
Sundry Creditors	7,347
Purchase Ledger Control Account	384,370
	<u>478,616</u>

Sundry Creditors include £6k holiday accruals and £1k other accruals.
Purchase Ledger Control Account includes payments to AS Homes (£335k) and other invoices approved but not paid at end of September.

6 Rent arrears analysis

	Total	Technical	Net Total	Tenant Credits
	£	£	£	£
1 June 22	49,311	17,199	32,112	58,675
2 September 22	37,845	11,783	26,063	84,388
0 December 22			0	
0 March 23		0	0	
	Jun 22	Sept 22	Dec 22	Mar 23
Gross Arrears %	2.91%	2.23%	0.00%	0.00%
Technical Arrears %	1.01%	0.69%	0.00%	0.00%
Net Arrears %	<u>1.89%</u>	<u>1.54%</u>	<u>0.00%</u>	<u>0.00%</u>
Annual Rental Income	<u><u>1,695,622</u></u>	<u><u>1,695,622</u></u>	<u><u>1,695,622</u></u>	<u><u>805,282</u></u>

CRAIGDALE HOUSING ASSOCIATION LTD.
Cashflow Statement to 30 September 2022
Quarter 2, 1st April 2022 to 30th September 2022

Budget		Est Ytd	Act Ytd	Variance
£		£	£	£
Net Cashflow from Operating Activities				
388,932	Operating Surplus	75,168	104,535	29,367
630,893	Depreciation - Housing	315,447	315,447	0
17,330	Depreciation - Other	8,665	8,664	(1)
(421,424)	Amortisation of Grants	(210,712)	(210,712)	0
-	Increase/(Decrease) in Creditors	-	(289,255)	(289,255)
-	(Increase)/Decrease in Debtors	-	(292,882)	(292,882)
(46,019)	PSD Payments	(23,010)	(23,010)	(0)
-	Other Finance Charges	-	-	0
569,712		165,558	(387,212)	(552,770)
Investing Activities				
(3,136,480)	Construction of New Properties	(3,136,480)	(2,273,357)	863,123
-	Purchase of Property	-	-	-
(253,500)	Other Capital Expenditure - Housing	(126,750)	(219,201)	(92,451)
(1,000)	Capital Expenditure - Other	(1,000)	(1,032)	(32)
903,296	Capital Grant Income	903,296	713,459	(189,837)
-	Sales Income	-	-	-
(2,487,684)		(2,360,934)	(1,780,131)	580,803
Financing Activities				
2,000	Interest Received	1,000	2,236	1,236
(45,988)	Interest Paid	(9,595)	(11,209)	(1,614)
(130,199)	Loan Repayments	(42,768)	(41,538)	1,230
-	Share Capital	-	4	4
2,233,184	Loan Drawdown	2,233,184	1,559,899	(673,286)
2,058,997		2,181,822	1,509,393	(672,429)
141,025	Increase/(Decrease) in Cash	(13,555)	(657,951)	(644,396)
2,045,876	Closing Cash Balance	1,891,296	1,955,320	64,024
1,904,851	Opening Cash Balance	1,904,851	2,613,271	708,420
141,025		(13,555)	(657,951)	(644,396)

CRAIGDALE HOUSING ASSOCIATION LTD.
Management Expenses to 30 September 2022
Quarter 2, 1st April 2022 to 30th September 2022

Annual budget			Est to date	Act to date	Variance
£	STAFF COSTS		£	£	£
278,596	Salaries		139,298	141,184	(1,886)
28,351	Employer National Insurance		12,173	11,462	711
32,848	Employer Pensions		16,424	10,771	5,654
	DB Pension Costs		0	0	-
<u>339,796</u>		(1)	<u>167,896</u>	<u>163,417</u>	<u>4,479</u>
2,006	Expenses	(2)	1,003	211	792
<u>341,802</u>			<u>168,898</u>	<u>163,628</u>	<u>5,270</u>
60,800	Agency Staff	(3)	34,367	35,941	(1,574)
<u>402,601</u>			<u>203,265</u>	<u>199,569</u>	<u>3,696</u>
ESTATE COSTS					
135,036	Reactive Maintenance	(4)	66,518	45,599	20,919
40,000	Void Repairs	(4)	17,500	21,807	(4,307)
192,412	Cyclical Maintenance	(5)	129,582	72,187	57,395
20,000	Major Repairs	(6)	20,000	25,502	(5,502)
13,636	Medical Adaptations	(7)	6,818	26,090	(19,272)
630,893	Property Depreciation		315,447	315,447	(0)
4,000	Bank Charges - Housing		2,000	2,079	(79)
40,559	Insurance - Housing	(8)	40,559	47,297	(6,738)
5,000	Legal Fees - Housing		2,500	4,059	(1,559)
8,478	Bad Debts - Housing		4,239		4,239
2,000	Misc		0	0	-
<u>1,092,014</u>			<u>605,162</u>	<u>560,066</u>	<u>45,096</u>
OVERHEADS					
1,000	Advertising	(9)	500	1,639	(1,139)
17,000	Audit Fees		11,000	10,440	560
1,200	Bank Charges		600	1,176	(576)
17,330	Depreciation - Other Fixed Assets		8,665	8,664	1
9,000	General Expenses	(10)	6,000	2,412	3,588
1,500	General Expenses - Committee		750	636	114
12,790	Heating, Lighting, Cleaning	(11)	6,393	4,251	2,142
15,121	Insurance - Other	(8)	15,121	17,542	(2,421)
2,500	Legal fees - Other		1,250	151	1,099
1,000	Office Repairs		500	456	44
57,258	Office Equipment - Maintenance	(12)	28,629	36,755	(8,126)
7,500	Printing/Stationery		3,750	2,585	1,165
31,186	Professional Fees	(13)	15,593	57,885	(42,292)
5,500	Postage		2,748	1,631	1,117
2,500	Rent/Rates		1,252	1,383	(131)
10,000	Training - Committee	(14)	5,000	2,567	2,433
10,000	Training - Staff	(15)	5,000	4,711	289
0	Staff Recruitment	(16)	-	1,076	(1,076)
16,808	Subscriptions	(17)	8,808	14,608	(5,800)
6,000	Telephones	(18)	3,000	5,001	(2,001)
<u>225,192</u>			<u>124,558</u>	<u>175,570</u>	<u>(51,012)</u>
OTHER OPERATING COSTS					
6,000	Community Participation	(19)	2,440	0	2,440
11,150	Wider Action	(20)	9,072	2,943	6,129
0	Bad Debts - Other		0	0	-
<u>17,150</u>			<u>11,512</u>	<u>2,943</u>	<u>8,569</u>
<u>1,736,957</u>	TOTAL MANAGEMENT EXPENSES		<u>944,497</u>	<u>938,148</u>	<u>6,349</u>

CRAIGDALE HOUSING ASSOCIATION LTD.
Management Expenses - Variance Analysis
Quarter 2, 1st April 2022 to 30th September 2022

1. Salaries **4,479 Under Budget** 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. Furthermore the Employer Allowance was £1k higher than budgeted.

2. Expenses **792 Under Budget** Fewer expenses incurred in the period to date than budgeted. Expenses relate to mileage, subsistence and other travel costs.

3. Agency Staff	(1,574)	Over Budget	Est	Actual	Variance
Finance Services			23,967	17,643	6,324
Maintenance Services			0	0	0
Welfare Rights			10,400	18,298	(7,898)
Interim Director Fees			0	0	0
Admin			0	0	0
			34,367	35,941	(1,574)

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 balance has been paid in its entirety for the year. This will be under budget by year end.

4. Reactive & Void Repairs **16,612 Under Budget** There have been a number of high cost void repairs in the year which were not anticipated. There have been fewer reactive repairs in the year than anticipated.

5. Cyclical Maintenance	57,395	Under Budget	Est	Actual	Variance
Emergency Repairs Callout Service			3,600	0	3,600
Gas Servicing			22,239	22,442	(203)
Gas Quality Control Checks			501	0	501
Electrical Safety Checks			21,000	0	21,000
Stairlighting			7,800	0	7,800
Close Door Servicing: Phase 1, 2 & 3			0	0	0
Garden Maintenance			18,000	14,983	3,017
Roof Anchor Checks			1,153	1,020	133
Landlord Supplies, TV Amps & Doors			1,440	2,480	(1,040)
Close Cleaning, De-littering			15,600	18,390	(2,790)
Annual Deep Clean Closes			7,200	0	7,200
Bulk Uplift			5,049	6,036	(987)
Gutter Cleaning			20,000	0	20,000
Energy Performance Certificates			6,000	2,986	3,014
Misc			0	3,850	(3,850)
			129,582	72,187	57,395

Under budget due to a number of works that have not been undertaken in the period to date. Miscellaneous costs primarily relate to alarm costs which were not budgeted for. Electrical safety tenders will take place later in the year than planned. Similarly deep cleaning and EPC work will also fall into Q3. The annual stairlighting invoice has not been received from GCC, expected in Q3. Gutter cleaning is currently on site and costs will be incurred in Q3.

6. Major Repairs	(5,502)	Over Budget	Est	Actual	Variance
Decoration Allowance			20,000	0	20,000
Misc			0	25,502	(25,502)
			20,000	25,502	(5,502)

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. Additionally there have been a number of door replacements in the year which were not budgeted for.

7. Medical Adaptations **(19,272) 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 **(9,159) Over** Insurance costs were higher than expected for both housing and non housing insurance.

CRAIGDALE HOUSING ASSOCIATION LTD.
Management Expenses - Variance Analysis
Quarter 2, 1st April 2022 to 30th September 2022

12. Office Equipment - Maintenance	(8,126)	Over Budget	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. In the prior quarter costs were over budget by £16k.
12. Professional Fees	(42,292)	Over Budget	Primarily over budget due to loan facility and arrangement fees totalling £36.3k. Pension tool costs were higher than budget (higher by £1k), as were ARC validation costs (higher by £0.1k). Satisfaction survey costs are circa £2.1k higher than expected at this point in the year. There were fees charged for the buy back which were not budgeted for (£1.3k).
14. Training - Committee	2,433	Under Budget	Costs incurred in the year relate to Board as an Employer, Maintenance for the Board training sessions, annual conferences and business planning costs.
15. Training - Staff	289	Under Budget	Costs are broadly in line with budget. Training has included SDM training, Conferences and Management Development training.
16. Staff Recruitment	(1,076)	Over Budget	There were no staff recruitment costs budgeted for. Costs relate to temporary placement of staff member.
17. Subscriptions	(5,800)	Over Budget	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. In the prior quarter costs were over budget by £7k.
18. Telephones	(2,001)	Over Budget	Telephones are over budget as Resource Network costs to date are higher than the amount budgeted for the entire year. Costs to BT are also slightly higher than budgeted.
19. Community Participation	2,440	Under Budget	There have been no costs to date. Budget included away days, fathers day and good neighbour costs which have not been incurred.
20. Wider Action	6,129	Under Budget	Costs relate to Dollywood books and food pantry costs. There have been no

CRAIGDALE HOUSING ASSOCIATION LTD.**Ratio Analysis as at 30 September 2022
Quarter 2, 1st April 2022 to 30th September 2022**

Annual budget	Est to date	Act to date	Variance
Costs per unit			
£1,669 Management costs per unit (£)	£1,006	£1,149	-£143
£434 Reactive maintenance costs per unit (£)	£226	£181	£45
£521 Planned maintenance costs per unit (£)	£402	£262	£140
Primary ratios			
1343% Interest Cover (%)	1976%	325%	-1651%
17.34% Gearing (%)	21.30%	11.10%	10.20%
Efficiency ratios			
0.50% Voids (%)	0.50%	0.25%	0.25%
3.00% Rent arrears - gross (%)	3.00%	2.23%	0.77%
1.50% Rent arrears - net (%)	1.50%	0.79%	0.71%
0.50% Bad debts (%)	0.53%	0.00%	0.53%
18.24% Staff costs/turnover (%)	18.82%	15.69%	3.13%
5,211 Turnover per unit (£)	2,741	2,795	54
Liquidity			
3.24 Current Ratio	3.01	2.63	-0.38
Profitability			
18.30% Gross Surplus (%)	7.37%	10.03%	2.65%
16.23% Net Surplus (%)	6.53%	9.17%	2.64%
Financing			
£8,243 Debt per Unit (£)	£9,275	£7,505	£1,771
£3,228 Net Debt per Unit (£)	£4,191	£2,249	£1,943

CRAIGDALE HOUSING ASSOCIATION LTD.
Covenants as at
30 September 2022
Quarter 2, 1st April 2022 to 30th September 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.

	COVENANT	ACTUAL	COVENANT SATISFIED
Nationwide			
1. Operating Surplus / Interest Payable	> 110%	953%	YES
Bank of Scotland			
2. Operating Profit + Depreciation / Interest Payabl	> 1.25	37.47	YES

