

CRAIGDALE HOUSING ASSOCIATION LTD

AUDIT & ASSURANCE COMMITTEE MEETING MONDAY 20TH FEBRUARY 2023

AGENDA ITEM: 8A FINANCE: MANAGEMENT ACCOUNTS – QUARTER 3, 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:

- Q3 - Management Accounts to 31st December 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 31st December 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 9 months to 31 December 2022 projects a surplus of around £200k. The actual results for the same period show a surplus of around £154k. There is therefore a negative variance for the year to date of around £46k.

This variance arises primarily from the following items-

- Lower rent/lower voids (£38k)
- Higher medical adaptations £2k
- Higher management costs (£37k)
- Lower overall repair costs £23k
- Lower bad debts £6k
- Lower wider action costs £9k

- Lower net interest charges £11k
- Pension deficit costs to SOCI (£23k)

Information received from TPT regarding changes in actuarial assumptions resulted in a nil deficit arising at March 22 and accordingly pension deficit payments are charged to the SOCI. These payments ceased in September 2022.

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

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position at 31 December 2022 is showing net assets of around £7.61m.

New build spend in the period to date totals around £2.7m with costs being funded by grant and private finance. The budget for the year assumed full completion by September 22 but handovers took place between the end of November and February 23.

Capital and component spend for the year of £242k is largely in line with budget. Spend includes one property acquisition as well as carry over of spend assumed for 21/22. Boiler/Central Heating spend of £254k is not expected to be incurred in full during 22/23.

The cash position of the Association is showing a positive variance of around £180k and remains healthy at £2.1m.

Debtors currently stand at £54k and short term creditors at £116k. A breakdown of what makes up these figures can be seen on page 4a of the accounts.

Long term loans now stand at £3.2m and the pension liability is currently showing a balance of nil.

Deferred Capital Grant Income is showing on the Balance Sheet at £12.2m.

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
February 2023

CRAIGDALE HOUSING ASSOCIATION LTD.
STATEMENT OF COMPREHENSIVE INCOME TO
31 December 2022
Quarter 3, 1st April 2022 to 31st December 2022

Annual budget	Est to date £	Act to date £	Variance £
£			
2,125,890 Turnover	1,572,197	1,557,319	(14,878)
<u>(1,736,957) Less: Operating Costs</u>	<u>(1,345,904)</u>	<u>(1,364,992)</u>	<u>(19,088)</u>
388,932 Operating Surplus	226,293	192,328	(33,965)
0 Gain/(Loss) on Disposal of Assets	0	0	0
2,000 Interest Receivable	(1) 1,500	5,652	4,152
(45,988) Interest Payable	(2) (27,792)	(21,056)	6,735
0 Other Finance Charges	0	0	0
<u>344,944</u>	<u>200,002</u>	<u>176,923</u>	<u>(23,078)</u>

CRAIGDALE HOUSING ASSOCIATION LTD.
INCOME AND EXPENDITURE TO
31 December 2022
Quarter 3, 1st April 2022 to 31st December 2022

INCOME AND EXPENDITURE FROM LETTINGS

**Annual
budget**

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

EXPENDITURE

675,030	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

1,717,485 TOTAL

406,083 SURPLUS FROM LETTINGS

	Est to date £	Act to date £	Variance £
(1)	1,249,968	1,208,542	(41,426)
	0	0	0
	1,249,968	1,208,542	(41,426)
(2)	(6,250)	(2,627)	3,623
	1,243,718	1,205,915	(37,803)
	316,068	316,068	(0)
(3)	11,250	35,336	24,087
	1,571,036	1,557,319	(13,717)

(4)	522,666	560,029	(37,362)
(5)	136,277	106,333	29,944
(5)	160,996	143,204	17,792
(5)	20,000	44,502	(24,502)
(3)	10,227	32,124	(21,897)
	473,170	473,170	(0)
	6,359		6,359
	1,329,695	1,359,362	(29,667)

241,341 197,958 (43,384)

INCOME AND EXPENDITURE FROM OTHER ACTIVITIES

**Annual
budget**

£	Income
2,322	Factoring
0	Other Income
2,322	Total Income From Other Activities

Expenditure

2,322	Factoring
6,000	Community Participation
11,150	Wider Action
0	Bad Debts - Other
19,472	Total Expenditure From Other Activities

(17,150) Surplus From Other Activities

	Est to date £	Act to date £	Variance £
(1)	1,161	0	(1,161)
	0	0	0
	1,161	0	(1,161)

	1,161	0	1,161
(2)	5,940	2,188	3,752
(2)	9,108	3,442	5,666
	0	0	0
	16,209	5,630	10,579

(15,048) (5,630) 9,418

CRAIGDALE HOUSING ASSOCIATION LTD.
Income and Expenditure Analysis
Quarter 3, 1st April 2022 to 31st December 2022

Lettings

- 1 Rental Income is £41.4k under budget
This is due to some properties not coming offsite when expected.
- 2 Void Loss is currently £3.6k 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 £37.3k 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 £23.2k
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 (£3k), Dollywood Books (£0.1k), Xmas/ Halloween Party costs (£2.2k) and LENS Camera Club costs (£0.3k).

Other non operating income and expenditure

- 1 Interest Receipts - 4.1k over budget due to increases in interest rates.
- 2 Interest Payments - under budget by £6.7k due to higher rates and no new build loan charges to SOCI in the quarter.

CRAIGDALE HOUSING ASSOCIATION LTD.
Statement of Financial Position as at
Quarter 3, 1st April 2022 to 31st December 2022

31 December 2022

Annual budget		Est to date	Act to date	Variance
£	Fixed Assets	£	£	£
31,258,794	Housing Properties - Gross Cost	31,258,794	30,209,576	(1,049,218)
(9,856,656)	Depreciation	(9,698,933)	(9,591,584)	107,349
<u>21,402,138</u>		<u>21,559,861</u>	<u>20,617,992</u>	<u>(941,869)</u>
338,910	Other Non Current Assets	343,243	354,914	11,671
21,741,048	Total Fixed Assets	21,903,104	20,972,906	(930,198)
Current Assets				
120,545	Receivables	120,545	53,848	(66,697)
2,045,876	Cash at Bank and in Hand	1,899,454	2,080,169	180,715
<u>2,166,421</u>		<u>2,019,999</u>	<u>2,134,018</u>	<u>114,018</u>
Liabilities < One Year				
(246,494)	Misc Payables	(246,494)	(116,465)	130,029
0	Loans	0	0	0
<u>(246,494)</u>		<u>(246,494)</u>	<u>(116,465)</u>	<u>130,029</u>
1,919,927	Net Current Assets	1,773,505	2,017,552	244,047
Total Assets Less				
23,660,974	Current Liabilities	23,676,609	22,990,458	(686,151)
Liabilities > One Year				
(3,363,013)	Loans	(3,406,729)	(3,184,141)	222,589
(84,303)	Pension Liability	(95,808)	-	95,808
<u>(3,447,316)</u>		<u>(3,502,537)</u>	<u>(3,184,141)</u>	<u>318,396</u>
Deferred Income				
(12,616,821)	HAG	(12,722,178)	(12,189,563)	532,615
-	Other Capital Grants	-	-	-
<u>(12,616,821)</u>		<u>(12,722,178)</u>	<u>(12,189,563)</u>	<u>532,615</u>
7,596,837		7,451,894	7,616,755	164,861
Capital and Reserves				
74	Share Capital	74	78	4
7,596,763	Reserves	7,451,820	7,616,677	164,857

7,596,837

7,451,894

7,616,755

164,861

CRAIGDALE HOUSING ASSOCIATION LTD.
Balance Sheet Analysis
Quarter 3, 1st April 2022 to 31st December 2022

1 Capital Expenditure

	Budget	Actual
New Build Costs	3,136,480	2,685,157
	3,136,480	2,685,157

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

Component Expenditure	Budget	Actual
	£	£
Boilers/Central Heating	253,500	13,980
Kitchen Valuation/QS Fees	0	127,016
Buy Back	0	71,410
Wetroom Replacement	0	4,251
Bathroom Replacement	0	18,820
Other	0	6,576
	253,500	242,053

There has been seven 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 four bathroom replacement in the period to date.

One property was bought back in Q1. Funding was obtained to recoup £35k of costs for the buy back.

Boilers/Central Heating spend budgeted at £254k for the year not now likely to be incurred.

Other relates to QS fees (£2.9k) and costs for replacing windows (£3.6k).

2 Other Fixed Assets

	Budget	Actual
	£	£
Office Furniture	1,000	0
Misc	0	1,032
	1,000	1,032

Other costs relate to 1 laptop and two office chairs.

3 Summary of Cash Balances

Account	£
Current Accounts	453,421
Investment Account	646,994
Community Account	32
6 Month Deposit	500,000
Clydesdale Servicing Account	0
Allpay	28,949
Nationwide Deposit-instant access	450,000
Petty Cash	775
	2,080,169

Funds are on deposit until December 2023 at a rate of 2.8%.

CRAIGDALE HOUSING ASSOCIATION LTD.
Balance Sheet Analysis
Quarter 3, 1st April 2022 to 31st December 2022

4 Receivables	£
Rent Arrears	53,054
Rent Rec Variances-Allpay	(24,446)
Bad Debt Provision - Rent	(24,500)
Factoring Arrears	3,976
Rechargeable Repairs	1,784
Bad Debt Provision - Other	(210)
Sundry Debtors	39,491
Suspense - Insurance	4,700
	53,848

Sundry debtors primarily relates to prepayments (circa £39k).

5 Short Term Payables	£
Rent Prepayments	75,561
Factoring Prepayments	2,088
Factoring Floats	662
Sundry Creditors	5,345
Purchase Ledger Control Account	32,809
	116,465

Sundry Creditors include £5k holiday accruals.

Purchase Ledger Control Account includes payments for invoices approved but not paid at end of December.

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
3 December 22	53,054	15,212	37,842	75,561
0 March 23		0	0	
	Jun 22	Sept 22	Dec 22	Mar 23
Gross Arrears %	2.91%	2.23%	3.13%	0.00%
Technical Arrears %	1.01%	0.69%	0.90%	0.00%
Net Arrears %	1.89%	1.54%	2.23%	0.00%
Annual Rental Income	1,695,622	1,695,622	1,695,622	1,208,542

CRAIGDALE HOUSING ASSOCIATION LTD.
Cashflow Statement to 31 December 2022
Quarter 3, 1st April 2022 to 31st December 2022

Budget		Est Ytd	Act Ytd	Variance
£		£	£	£
Net Cashflow from Operating Activities				
388,932	Operating Surplus	226,293	192,328	(33,965)
630,893	Depreciation - Housing	473,170	473,170	0
17,330	Depreciation - Other	12,998	12,997	(1)
(421,424)	Amortisation of Grants	(316,068)	(316,068)	0
-	Increase/(Decrease) in Creditors	-	(651,406)	(651,406)
-	(Increase)/Decrease in Debtors	-	62,892	62,892
(46,019)	PSD Payments	(34,514)	(23,010)	11,505
-	Other Finance Charges	-	-	0
569,712		361,878	(249,097)	(610,975)
Investing Activities				
(3,136,480)	Construction of New Properties	(3,136,480)	(2,685,157)	451,323
-	Purchase of Property	-	-	-
(253,500)	Other Capital Expenditure - Housing	(253,500)	(242,053)	11,447
(1,000)	Capital Expenditure - Other	(1,000)	(1,032)	(32)
903,296	Capital Grant Income	903,296	748,950	(154,346)
-	Sales Income	-	-	-
(2,487,684)		(2,487,684)	(2,179,293)	308,392
Financing Activities				
2,000	Interest Received	1,500	5,652	4,152
(45,988)	Interest Paid	(27,792)	(21,056)	6,735
(130,199)	Loan Repayments	(86,483)	(61,007)	25,477
-	Share Capital	-	1	1
2,233,184	Loan Drawdown	2,233,184	1,971,699	(261,486)
2,058,997		2,120,410	1,895,289	(225,121)
141,025	Increase/(Decrease) in Cash	(5,397)	(533,101)	(527,704)
2,045,876	Closing Cash Balance	1,899,454	2,080,169	180,715
1,904,851	Opening Cash Balance	1,904,851	2,613,271	708,420
141,025		(5,397)	(533,102)	(527,705)

CRAIGDALE HOUSING ASSOCIATION LTD.
Management Expenses to 31 December 2022
Quarter 3, 1st April 2022 to 31st December 2022

Annual budget		Est to date	Act to date	Variance
£		£	£	£
STAFF COSTS				
278,596	Salaries	208,947	216,282	(7,334)
28,351	Employer National Insurance	20,260	19,715	545
32,848	Employer Pensions	24,636	16,803	7,834
	DB Pension Costs	0	0	-
339,796		(1) 253,843	252,799	1,044
2,006	Expenses	(2) 1,504	528	977
341,802		255,347	253,327	2,021
60,800	Agency Staff	(3) 48,567	41,813	6,754
402,601		303,914	295,140	8,774
ESTATE COSTS				
135,036	Reactive Maintenance	(4) 100,777	80,503	20,274
40,000	Void Repairs	(4) 35,500	25,830	9,670
192,412	Cyclical Maintenance	(5) 160,996	143,204	17,792
20,000	Major Repairs	(6) 20,000	44,502	(24,502)
13,636	Medical Adaptations	(7) 10,227	32,124	(21,897)
630,893	Property Depreciation	473,170	473,170	(0)
4,000	Bank Charges - Housing	3,000	3,052	(52)
40,559	Insurance - Housing	(8) 40,559	47,297	(6,738)
5,000	Legal Fees - Housing	3,750	4,059	(309)
8,478	Bad Debts - Housing	6,359	-	6,359
2,000	Misc	0	0	-
1,092,014		854,337	853,740	597
OVERHEADS				
1,000	Advertising	(9) 750	1,639	(889)
17,000	Audit Fees	13,000	8,553	4,447
1,200	Bank Charges	900	1,470	(570)
17,330	Depreciation - Other Fixed Assets	12,998	12,997	1
9,000	General Expenses	(10) 7,500	2,015	5,485
1,500	General Expenses - Committee	1,125	691	434
12,790	Heating, Lighting, Cleaning	(11) 10,655	6,153	4,502
15,121	Insurance - Other	(8) 15,121	17,542	(2,421)
2,500	Legal fees - Other	1,875	205	1,670
1,000	Office Repairs	750	677	73
57,258	Office Equipment - Maintenance	(12) 42,944	50,784	(7,840)
7,500	Printing/Stationery	5,625	7,511	(1,886)
31,186	Professional Fees	(13) 23,390	60,041	(36,652)
5,500	Postage	4,122	3,231	891
2,500	Rent/Rates	1,876	2,185	(309)
10,000	Training - Committee	(14) 8,334	2,618	5,716
10,000	Training - Staff	(15) 8,334	7,461	873
0	Staff Recruitment	(16) -	2,382	(2,382)
16,808	Subscriptions	(17) 8,808	15,102	(6,294)
6,000	Telephones	(18) 4,500	7,226	(2,726)
225,192		172,605	210,482	(37,877)
OTHER OPERATING COSTS				
6,000	Community Participation	(19) 5,940	2,188	3,752
11,150	Wider Action	(20) 9,108	3,442	5,666
0	Bad Debts - Other	0	0	-
17,150		15,048	5,630	9,418
1,736,957	TOTAL MANAGEMENT EXPENSES	1,345,904	1,364,992	(19,088)

CRAIGDALE HOUSING ASSOCIATION LTD.
Management Expenses - Variance Analysis
Quarter 3, 1st April 2022 to 31st December 2022

1. Salaries **1,044 Under Budget** Overspends in salaries have been offset by savings in pensions and NI. Salaries are over budget as there is an additional staff member that was not budgeted for. 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.

2. Expenses **977 Under Budget** Fewer expenses incurred in the period to date than budgeted. Expenses relate to mileage, subsistence, meals and other travel costs.

	Est	Actual	Variance
3. Agency Staff 6,754 Under Budget			
Finance Services	32,967	23,515	9,452
Maintenance Services	0	0	0
Welfare Rights	15,600	18,298	(2,698)
Interim Director Fees	0	0	0
Admin	0	0	0
	48,567	41,813	6,754

Finance costs are lower than anticipated. Over the course of the year costs are estimated to be lower than budget. Welfare Rights balance has been paid in its entirety for the year. This will be under budget by year end (£2.5k).

4. Reactive & Void Repairs **29,944 Under Budget** There have been fewer reactive and void repairs than anticipated in the year to date.

	Est	Actual	Variance
5. Cyclical Maintenance 17,792 Under Budget			
Emergency Repairs Callout Service	3,600	8	3,592
Gas Servicing	33,359	34,368	(1,009)
Gas Quality Control Checks	751	37	714
Electrical Safety Checks	21,000	9,915	11,085
Stairlighting	7,800	0	7,800
Close Door Servicing: Phase 1, 2 & 3	0	0	0
Garden Maintenance	27,000	22,641	4,359
Roof Anchor Checks	1,153	0	1,153
Landlord Supplies, TV Amps & Doors	2,160	4,384	(2,224)
Close Cleaning, De-littering	23,400	30,846	(7,446)
Annual Deep Clean Closes	7,200	0	7,200
Bulk Uplift	7,573	8,346	(773)
Gutter Cleaning	20,000	26,458	(6,458)
Energy Performance Certificates	6,000	2,804	3,196
Misc	0	3,397	(3,397)
	160,996	143,204	17,792

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 Q4. The annual stairlighting invoice has not been received from GCC, expected in Q4. Any overspends have been offset by savings in work yet to be completed. Assuming all planned work is completed in Q4 will be over budget at the year end.

	Est	Actual	Variance
6. Major Repairs (24,502) Over Budget			
Decoration Allowance	20,000	0	20,000
Misc	0	44,502	(44,502)
	20,000	44,502	(24,502)

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 (£8.4k). These items were not included in the budget. Additionally there have been 21 door replacements in the year which were not budgeted for (£28.9k). There have also been boundary fence works, hoist repair and one off expensive kitchen tap repair (circa £7.1k).

7. Medical Adaptations **(21,897) Over Budget** There have been a number of significant medical adaptations work completed in the year to date. Additional funding was made available later in the year and this will be fully utilised by year end.

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 3, 1st April 2022 to 31st December 2022

12. Office Equipment - Maintenance	(7,840)	Over Budget	Primarily costs in the year 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	(36,652)	Over Budget	Primarily over budget due to loan facility and arrangement fees totalling £36.3k.
14. Training - Committee	5,716	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	873	Under Budget	Costs are broadly in line with budget. Training has included SDM training, Conferences and Management Development training.
16. Staff Recruitment	(2,382)	Over Budget	There were no staff recruitment costs budgeted for. Costs relate to temporary placement of staff member.
17. Subscriptions	(6,294)	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.
18. Telephones	(2,726)	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	3,752	Under Budget	Costs to date relate to Halloween Party and Xmas parties. There are a number of budgeted items for which there has been no cost in the year to date.
20. Wider Action	5,666	Under	Costs relate to Dollywood books, LENS and food pantry costs. There have been

CRAIGDALE HOUSING ASSOCIATION LTD.**Ratio Analysis as at 31 December 2022****Quarter 3, 1st April 2022 to 31st December 2022**

Annual budget	Est to date	Act to date	Variance
Costs per unit			
£1,654 Management costs per unit (£)	£1,405	£1,501	-£96
£434 Reactive maintenance costs per unit (£)	£366	£285	£81
£521 Planned maintenance costs per unit (£)	£487	£503	-£17
Primary ratios			
1343% Interest Cover (%)	1432%	1846%	414%
17.34% Gearing (%)	20.23%	14.49%	5.73%
Efficiency ratios			
0.50% Voids (%)	0.50%	0.22%	0.28%
3.00% Rent arrears - gross (%)	3.00%	3.13%	-0.13%
1.50% Rent arrears - net (%)	1.50%	1.68%	-0.18%
0.50% Bad debts (%)	0.51%	0.00%	0.51%
18.24% Staff costs/turnover (%)	18.44%	16.27%	2.17%
5,211 Turnover per unit (£)	4,226	4,175	-51
Liquidity			
3.24 Current Ratio	3.02	3.97	0.94
Profitability			
18.30% Gross Surplus (%)	14.39%	12.35%	-2.04%
16.23% Net Surplus (%)	12.72%	11.36%	-1.36%
Financing			
£8,243 Debt per Unit (£)	£9,158	£8,560	£598
£3,228 Net Debt per Unit (£)	£4,052	£2,968	£1,084

CRAIGDALE HOUSING ASSOCIATION LTD.
Covenants as at
31 December 2022
Quarter 3, 1st April 2022 to 31st December 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%	940%	YES
Bank of Scotland			
2. Operating Profit + Depreciation / Interest Payable	> 1.25	31.61	YES

