Financial Projections & Assumptions 2019

Sanctuary Scotland Housing Association Ltd 302

Scottish Housing Regulator

PLEASE USE "0" FOR NIL VALUES THROUGHOUT THIS RETURN		2018/19 Year 0 £'000	2019/20 Year 1 £'000	2020/21 Year 2 £'000	2021/22 Year 3 £'000	2022/23 Year 4 £'000	2023/24 Year 5 £'000	
STATEMENT OF COMPREHENSIVE INCOME								
Gross rents	10 :	32,035.5	35,627.4	38,483.7	41,698.7	44,964.0	47,993.4	
Service charges	11 :	630.4	661.3	683.6	706.2	729.4	752.9	
Gross rents & service charges	12 :	32,665.8	36,288.7	39,167.3	42,404.9	45,693.4	48,746.3	10+11
Rent loss from voids	13 :	328.5	388.7	519.8	567.4	614.1	661.4	
Net rent & service charges	14 :	32,337.3	35,900.0	38,647.5	41,837.5	45,079.3	48,084.9	12-13
Developments for sale income	15 :	0.0	0.0	0.0	0.0	0.0	0.0	
Grants released from deferred income	16 :	0.0	0.0	0.0	0.0	0.0	0.0	
Grants from Scottish Ministers	17 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other grants	18 :	83.3	82.8	82.8	82.8	82.8	82.8	
Other income	19 :	470.2	373.8	381.3	388.9	396.7	404.6	
TURNOVER	20 :	**32,890.7**	**36,356.6**	**39,111.6**	**42,309.2**	**45,558.8**	**48,572.3**	SUM(14:19)
Less:								
Housing depreciation	22 :	2,669.6	3,378.2	3,848.0	4,311.2	4,622.4	4,995.4	
Impairment written off / (back)	23 :							
Management costs	25 :	6,354.4	6,245.0	6,403.0	6,569.7	6,739.9	6,913.4	
Planned maintenance - direct costs	26 :	1,150.2	1,009.6	1,054.8	1,137.9	1,227.9	1,317.8	
Re-active & voids maintenance - direct costs	27 :	4,541.2	4,894.9	5,039.5	5,256.6	5,487.8	5,720.1	
Maintenance overhead costs	28 :	0.0	0.0	0.0	0.0	0.0	0.0	
Bad debts written off / (back)	29 :	(72.6)	224.0	355.2	402.5	448.4	494.2	
Developments for sale costs	30 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other activity costs	31 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other costs	32 :	1,548.1	1,907.9	1,946.1	1,985.0	2,024.7	2,065.2	
	33 :	13,521.4	14,281.5	14,798.5	15,351.6	15,928.6	16,510.6	SUM (25:32)
Operating Costs	35 :	**16,191.0**	**17,659.7**	**18,646.5**	**19,662.8**	**20,551.0**	**21,506.0**	22+23+33
Gain/(Loss) on disposal of PPE	36 :	0.0	0.0	0.0	0.0	0.0	0.0	
Exceptional Items - (Income) / Expense	37 :	0.0	0.0	0.0	0.0	0.0	0.0	
OPERATING SURPLUS/(DEFICIT)	38 :	**16,699.7**	**18,696.9**	**20,465.1**	**22,646.4**	**25,007.8**	**27,066.3**	20-35+36-37
Interest receivable and other income	40 :	51.3	0.0	5.0	7.5	10.0	10.0	
Interest payable and similar charges	41 :	8,702.6	9,650.1	9,884.4	11,171.1	12,371.9	12,785.4	
Increase / (Decrease) in Negative Goodwill	42 :	0.0	0.0	0.0	0.0	0.0	0.0	

	Other Gains / (Losses)	43 :	(6.2)	0.0	0.0	0.0	0.0	0.0	
	SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	45 :	**8,042.2**	**9,046.8**	**10,585.7**	**11,482.8**	**12,645.9**	**14,290.9**	38+40-41+42+43
	Tax on surplus on ordinary activities	47 :	12.4	0.0	0.0	0.0	0.0	0.0	
	SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	49 :	**8,029.8**	**9,046.8**	**10,585.7**	**11,482.8**	**12,645.9**	**14,290.9**	45-47
	STATEMENT OF FINANCIAL POSITION								
	Non-Current Assets								
	Intangible Assets & Goodwill	54 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Housing properties - Gross cost or valuation	57 :	662,098.7	734,652.1	810,375.6	870,639.1	928,420.9	986,901.6	
	Less								
	Housing Depreciation	59 :	32,074.7	35,452.9	39,300.9	43,612.1	48,234.5	53,229.8	
	Negative Goodwill	60 :	0.0	0.0	0.0	0.0	0.0	0.0	
	NET HOUSING ASSETS	61 :	**630,024.0**	**699,199.2**	**771,074.7**	**827,027.0**	**880,186.4**	**933,671.7**	57-59-60
	Non-Current Investments	63 :	1.3	1.3	1.3	1.3	1.3	1.3	
	Other Non Current Assets	64 :	503.2	619.7	712.7	768.8	787.3	767.4	
	TOTAL NON-CURRENT ASSETS	65 :	**630,528.6**	**699,820.2**	**771,788.7**	**827,797.1**	**880,975.0**	**934,440.4**	54+61+63+64
	Current Assets								
	Net rental receivables	68 :	1,864.4	1,864.4	1,864.4	1,864.4	1,864.4	1,864.4	
	Other receivables, stock & WIP	69 :	12,671.4	13,294.8	15,416.1	13,408.6	14,271.9	15,085.4	
	Investments (non-cash)	70 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Cash at bank and in hand	71 :	4,355.3	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	
	TOTAL CURRENT ASSETS	72 :	**18,891.1**	**16,159.1**	**18,280.5**	**16,272.9**	**17,136.3**	**17,949.8**	SUM(68:71)
	Payables : Amounts falling due within One Year								
	Loans due within one year	75 :	14,810.0	8,320.5	7,331.6	3,718.3	10,335.7	2,878.4	
	Overdrafts due within one year	76 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Other short-term payables	77 :	16,647.5	16,647.5	16,647.5	16,647.5	16,647.5	16,647.5	
	TOTAL CURRENT LIABILITIES	78 :	**31,457.5**	**24,968.0**	**23,979.0**	**20,365.8**	**26,983.1**	**19,525.9**	75+76+77
	NET CURRENT ASSETS/(LIABILITIES)	80 :	**(12,566.4)**	**(8,808.9)**	**(5,698.5)**	**(4,092.9)**	**(9,846.8)**	**(1,576.1)**	72-78
	TOTAL ASSETS LESS CURRENT LIABILITIES	82 :	**617,962.2**	**691,011.3**	**766,090.2**	**823,704.2**	**871,128.2**	**932,864.3**	65+80
	Payables : Amounts falling due After One Year								
	Loans due after one year	85 :	228,088.0	243,998.8	279,297.1	306,302.8	320,284.7	345,445.1	
	Other long-term payables	86 :	1,402.0	1,402.0	1,402.0	1,402.0	1,402.0	1,402.0	
	Grants to be released	87 :	323,378.3	371,469.9	400,664.6	419,790.3	440,586.4	462,871.4	
		88 :	**552,868.3**	**616,870.7**	**681,363.7**	**727,495.2**	**762,273.1**	**809,718.5**	85+86+87
	Provisions for liabilities & charges	89 :	0.0	0.0	0.0	0.0	0.0	0.0	
	NET ASSETS	90 :	**65,093.9**	**74,140.6**	**84,726.5**	**96,209.0**	**108,855.1**	**123,145.8**	82-88-89
	Capital & Reserves								
	Share capital	93 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Revaluation reserve	94 :	0.0	0.0	0.0	0.0	0.0	0.0	

	Restricted reserves	95 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Revenue reserves	96 :	65,093.9	74,140.6	84,726.5	96,209.0	108,855.1	123,145.8	
	TOTAL CAPITAL & RESERVES	97 :	**65,093.9**	**74,140.6**	**84,726.5**	**96,209.0**	**108,855.1**	**123,145.8**	SUM(93:96)
	Pension Liability - as included above	99 :	1,402.0	1,402.0	1,402.0	1,402.0	1,402.0	1,402.0	
	Intra Group Receivables - as included above	100 :	5,444.0	5,444.0	5,444.0	5,444.0	5,444.0	5,444.0	
	Intra Group Payables - as included above	101 :	5,127.6	5,127.6	5,127.6	5,127.6	5,127.6	5,127.6	
	Balance check	102 :	**TRUE**	**TRUE**	**TRUE**	**TRUE**	**TRUE**	**TRUE**	
	STATEMENT OF CASHFLOWS								
	Net Cash from Operating Activities								
	Operating Surplus/(Deficit)	106 :	16,699.7	18,696.9	20,465.1	22,646.4	25,007.8	27,066.3	38
	Depreciation & Amortisation	107 :	2,755.0	3,436.7	3,933.5	4,437.2	4,789.6	5,204.6	
	Impairments / (Revaluation Enhancements)	108 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Increase / (Decrease) in Payables	109 :	(947.0)	0.0	0.0	0.0	0.0	0.0	
	(Increase) / Decrease in Receivables	110 :	(404.0)	0.0	0.0	0.0	0.0	0.0	
	(Increase) / Decrease in Stock & WIP	111 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Gain / (Loss) on sale of non-current assets	112 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Other non-cash adjustments	113 :	(530.0)	0.0	0.0	0.0	0.0	0.0	
	NET CASH FROM OPERATING ACTIVITIES	114 :	**17,573.7**	**22,133.6**	**24,398.6**	**27,083.6**	**29,797.4**	**32,270.9**	SUM(106:113)
	Tax (Paid) / Refunded	116 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Return on Investment and Servicing of Finance								
	Interest Received	119 :	43.0	0.0	5.0	7.5	10.0	10.0	
	Interest (Paid)	120 :	(9,527.0)	(10,035.7)	(11,021.8)	(12,812.6)	(14,298.6)	(15,181.5)	
	RETURNS ON INVESTMENT AND SERVICING OF FINANCE	121 :	**(9,484.0)**	**(10,035.7)**	**(11,016.8)**	**(12,805.1)**	**(14,288.6)**	**(15,171.5)**	119+120
	Capital Expenditure & Financial Investment								
	Construction or acquisition of Housing properties	124 :	(41,953.9)	(70,969.4)	(74,706.8)	(62,917.8)	(59,526.4)	(60,403.3)	
	Improvement of Housing	125 :	(4,496.1)	(4,348.0)	(4,348.4)	(3,942.1)	(4,594.9)	(4,093.8)	
	Construction or acquisition of other Land & Buildings	126 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Construction or acquisition of other Non-Current Assets	127 :	(57.0)	(175.0)	(178.5)	(182.1)	(185.7)	(189.4)	
	Sale of Social Housing Properties	128 :	5,294.0	2,562.4	933.5	7,178.8	4,222.6	4,307.0	
	Sale of Other Land & Buildings	129 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Sale of Other Non-Current Assets	130 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Grants (Repaid) / Received	131 :	17,905.0	48,091.6	30,603.2	22,027.3	23,784.7	25,363.3	
	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	132 :	**(23,308.0)**	**(24,838.3)**	**(47,697.1)**	**(37,835.8)**	**(36,299.8)**	**(35,016.2)**	SUM(124:131)
	NET CASH BEFORE FINANCING	134 :	**(15,218.3)**	**(12,740.4)**	**(34,315.3)**	**(23,557.3)**	**(20,791.0)**	**(17,916.8)**	114+116+121+132
	Financing								
	Equity drawdown	137 :	0.0	0.0	0.0	0.0	0.0	0.0	
	Debt drawndown	138 :	47,000.0	220.0	220.0	220.0	220.0	160.0	
	Debt repayment	139 :	(26,377.4)	(14,810.0)	(8,320.5)	(7,331.7)	(3,718.3)	(10,335.7)	
	Working Capital (Cash) - Drawn / (Repaid)	140 :	0.0	23,975.1	42,415.8	30,669.0	24,289.3	28,092.5	
	NET CASH FROM FINANCING	141 :	**20,622.6**	**9,385.1**	**34,315.3**	**23,557.3**	**20,791.0**	**17,916.8**	SUM(137:140)

INCREASE / (DECREASE) IN NET CASH	143 :	**5,404.3**	**(3,355.3)**	**0.0**	**0.0**	**0.0**	**0.0**	134+141
Cash Balance								
Balance Brought Forward	146 :	(1,049.0)	4,355.3	1,000.0	1,000.0	1,000.0	1,000.0	148 (Prior Year)
Increase / (Decrease) in Net Cash	147 :	5,404.3	(3,355.3)	0.0	0.0	0.0	0.0	143
CLOSING BALANCE	148 :	**4,355.3**	**1,000.0**	**1,000.0**	**1,000.0**	**1,000.0**	**1,000.0**	146+147
Difference between Closing Balance and Cash at bank and in hand	149 :	0.0	0.0	0.0	0.0	0.0	0.0	148-71
ADDITIONAL INFORMATION								
Units:								
Number of units owned at end of period	154 :	7,208	**7,556**	**7,968**	**8,466**	**8,773**	**9,062**	[prevyr]154+161-173-174-175
Number of units managed at end of period (exclude factored units)	155 :	7,208	7,556	7,968	8,466	8,773	9,062	
New Social Rent Properties added	157 :	344	314	390	441	276	300	
New MMR Properties added	158 :	134	10	11	70	40	0	
New Low Costs Home Ownership Properties added	159 :	63	60	24	85	50	50	
New Properties - Other Tenures added	160 :	0	0	0	0	0	0	
Total number of new affordable housing units added during year	161 :	**541**	**384**	**425**	**596**	**366**	**350**	SUM (157:160)
Financed by:								
Scottish Housing Grants	164 :	29,886.5	28,738.0	32,345.7	45,271.3	28,103.5	27,113.7	
Other public subsidy	165 :	0.0	0.0	0.0	0.0	0.0	0.0	
Private finance	166 :	38,541.7	24,300.0	30,977.3	40,659.0	25,897.6	25,323.9	
Sales	167 :	4,790.9	4,349.4	1,872.5	6,887.3	4,123.7	4,200.8	
Cash reserves	168 :	0.0	0.0	0.0	0.0	0.0	0.0	
Other	169 :	0.0	0.0	0.0	0.0	0.0	0.0	
Total cost of new units	170 :	**73,219.1**	**57,387.4**	**65,195.5**	**92,817.6**	**58,124.8**	**56,638.4**	SUM (164:169)
Number of units lost during year from:								
Sales including right to buy	173 :	63	36	13	98	59	61	
Demolition	174 :	90	0	0	0	0	0	
Other	175 :	0	0	0	0	0	0	
Assumptions:								
General Inflation (%)	178 :	2.5	3.2	2.5	2.5	2.5	2.5	
Rent increase - Margin above General Inflation (%)	179 :	0.5	(0.2)	0.5	0.5	0.5	0.5	
Operating cost increase - Margin above General Inflation (%)	180 :	0.0	0.0	0.0	0.0	0.0	0.0	
Direct maintenance cost increase - Margin above General Inflation (%)	181 :	0.0	0.0	0.0	0.0	0.0	0.0	
Average cost of borrowing (%)	182 :	3.9	4.3	4.4	4.4	4.5	4.4	
Employers Contributions for pensions (%)	183 :	22.9	10.5	10.5	10.5	10.5	10.5	
Employers Contributions for pensions (£'000)	184 :	419.1	214.4	205.6	197.3	189.6	182.4	
SHAPS Pensions deficit contributions (£'000)	185 :	0.0	0.0	0.0	0.0	0.0	0.0	

	Total staff costs (including NI & pension costs)	187 :	2,425.3	2,397.0	2,452.2	2,501.2	2,551.2	2,602.3	
	Full time equivalent staff	188 :	67.0	67.0	67.0	67.0	67.0	67.0	
	EESSH Capital Expenditure included above	190 :	2,192.0	2,076.0	500.0	250.0	100.0	0.0	
	EESSH Revenue Expenditure included above	191 :	0.0	0.0	0.0	0.0	0.0	0.0	

Ratios

Sanctuary Scotland Housing Association Ltd 302

Scottish Housing Regulator

	2018/19 Year 0	2019/20 Year 1	2020/21 Year 2	2021/22 Year 3	2022/23 Year 4	2023/24 Year 5
Financial capacity						
Interest cover %	184.9	220.5	221.4	211.4	208.5	212.6
Gearing %	366.5	339.0	337.1	321.2	302.8	282.0
Efficiency						
Voids %	1.0	1.1	1.3	1.3	1.3	1.4
Arrears %	5.8	5.2	4.8	4.5	4.1	3.9
Bad debts %	(0.2)	0.6	0.9	1.0	1.0	1.0
Staff costs / turnover %	7.4	6.6	6.3	5.9	5.6	5.4
Turnover per unit (£)	4,563.1	4,811.6	4,908.6	4,997.5	5,193.1	5,360.0
Responsive repairs to planned maintenance	(0.7)	(0.7)	(0.7)	(0.5)	(0.6)	(0.5)
Liquidity						
Current ratio	0.6	0.6	0.8	0.8	0.6	0.9
Profitability						
Gross surplus / Deficit %	50.8	51.4	52.3	53.5	54.9	55.7
Net surplus / Deficit %	24.4	24.9	27.1	27.1	27.8	29.4
EBITDA / revenue (%)	56.1	53.9	53.4	52.4	54.5	53.4
Financing						
Debt Burden	7.4	6.9	7.3	7.3	7.3	7.2
Net debt per unit (£)	33,094.2	33,260.9	35,847.0	36,501.4	37,572.1	38,327.5
Debt per unit (£)	33,698.4	33,393.2	35,972.5	36,619.5	37,686.1	38,437.8
Diversification						
Income from non-rental activities %	1.4	1.0	1.0	0.9	0.9	0.8
Other Activities Surplus to Operating Surplus %	2.8	2.0	1.9	1.7	1.6	1.5