

Landlord Name:	Rural Stirling Housing Association Ltd
RSL Reg No.:	232
Report generated date:	27/09/2021 15:30:15

Approval

A1.1	Date approved	12/08/2021
A1.2	Approver	Kirsty Brown
A1.3	Approver job title	Deputy CEO / Director of Finance & Corporate Services

STATEMENT OF COMPREHENSIVE INCOME

	Current Year	Prior Year
	£'000	£'000
Turnover	3,684.6	3,584.3
Operating costs	(3,005.9)	(2,859.8)
Gain/(loss) on disposal of property, plant and equipment	10.0	0.0
Exceptional items	0.0	0.0
Operating surplus/(deficit)	688.7	724.5
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	0.2	0.7
Interest payable	(326.4)	(368.4)
Other financing (costs)/income	0.0	0.0
Release of negative goodwill	0.0	0.0
Movement in fair value of financial instruments	67.8	19.9
Decrease in valuation of housing properties	0.0	0.0
Reversal of previous decrease in valuation of housing properties	0.0	0.0
Total	(258.4)	(347.8)
Surplus/(deficit) before tax	430.3	376.7
Tax (payable)/recoverable	0.0	0.0
Surplus/(deficit) for the year	430.3	376.7
Actuarial (loss)/gain in respect of pension schemes	0.0	0.0
Change in fair value of hedged financial instruments	0.0	0.0
Total comprehensive income for the year	430.3	376.7

Audited Financial Accounts (AFS) 2020-2021

STATEMENT OF CHANGES IN EQUITY

	Share capital	Revenue reserve Restricted fund	Revenue reserve Unrestricted fund	Restricted reserve	Revaluation reserve
	£'000	£'000	£'000	£'000	£'000
Balance at end of the previous year	0.2	0.0	5,712.5	0.0	0.0
Opening balance adjustments	0.0	0.0	0.0	0.0	0.0
Issue of shares	0.0	0.0	0.0	0.0	0.0
Cancellation of shares	0.0	0.0	0.0	0.0	0.0
Surplus/(deficit) from statement of comprehensive income	0.0	0.0	430.3	0.0	0.0
Transfer from revaluation reserve to revenue reserve	0.0	0.0	0.0	0.0	0.0
Transfer of restricted expenditure from unrestricted reserve	0.0	0.0	0.0	0.0	0.0
Balance at end of the current year	0.2	0.0	6,142.8	0.0	0.0

	Total excluding non-controlling interest	Non-controlling interest	Total including non-controlling interest
	£'000	£'000	£'000
Balance at end of the previous year	5,712.7	0.0	5,712.7
Opening balance adjustments	0.0	0.0	0.0
Issue of shares	0.0	0.0	0.0
Cancellation of shares	0.0	0.0	0.0
Surplus/(deficit) from statement of comprehensive income	430.3	0.0	430.3
Transfer from revaluation reserve to revenue reserve	0.0	0.0	0.0
Transfer of restricted expenditure from unrestricted reserve	0.0	0.0	0.0
Balance at end of the current year	6,143.0	0.0	6,143.0



STATEMENT OF FINANCIAL POSITION

	Current Year	Prior Year
	£'000	£'000
<u>Non-current assets</u>		
Intangible assets and goodwill	0.0	0.0
Housing properties - NBV	46,375.2	42,127.4
Negative goodwill	0.0	0.0
Net housing assets	46,375.2	42,127.4
Non-current investments	0.0	0.0
Other plant, property and equipment	926.5	952.0
Investments in joint ventures and associates	0.0	0.0
Total non-current assets	47,301.7	43,079.4
Receivables due after more than one year	0.0	0.0
<u>Current assets</u>		
Investments	0.0	0.0
Stock and work in progress	0.0	0.0
Trade and other receivables due within one year	999.1	573.1
Cash and cash equivalents	1,121.8	898.7
Total current assets	2,120.9	1,471.8
Payables: amounts falling due within one year	(1,798.4)	(1,596.6)
<u>Deferred income: amounts falling due within one year</u>		
Scottish housing grants (SHG)	(783.2)	(798.2)
Other grants	(33.1)	(33.1)
Total deferred income: amounts falling due within one year	(816.3)	(831.3)
Net current assets/(liabilities)	(493.8)	(956.1)
Total assets less current liabilities	46,807.9	42,123.3
Payables: amounts falling due after more than one year	(10,176.2)	(10,544.3)
Provisions	0.0	0.0
Pension asset/(liability)	0.0	0.0
<u>Deferred income: amounts falling due after more than one year</u>		
Scottish housing grants (SHG)	(29,462.6)	(24,807.2)
Other grants	(1,026.1)	(1,059.1)
Total deferred income: amounts falling due after more than one year	(30,488.7)	(25,866.3)
Total long term liabilities	(40,664.9)	(36,410.6)
Net assets	6,143.0	5,712.7
<u>Capital and reserves</u>		
Share capital	0.2	0.2
Revaluation reserves	0.0	0.0
Restricted reserves	0.0	0.0
Revenue reserves	6,142.8	5,712.5
Total reserves	6,143.0	5,712.7

Audited Financial Accounts (AFS) 2020-2021

STATEMENT OF CASH FLOWS

	Current Year	Prior Year
	£'000	£'000
Net cash inflow/(outflow) from operating activities	1,147.8	1,545.8
Tax (paid)/refunded	0.0	0.0
<u>Cash flow from investing activities</u>		
Acquisition and construction of properties	(5,300.6)	(1,806.7)
Purchase of other non-current assets	(8.7)	(583.2)
Sales of properties	10.0	0.0
Sales of other non-current assets	5.1	0.0
Capital grants received	4,979.3	1,049.1
Capital grants repaid	0.0	0.0
Interest received	0.2	0.7
Net cash inflow/(outflow) from investing activities	(314.7)	(1,340.1)
<u>Cash flow from financing activities</u>		
Interest paid	(326.4)	(364.6)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.0	0.0
Funding drawn down	100.0	1,120.0
Funding repaid	(383.6)	(893.1)
Early repayment and associated charges	0.0	0.0
Capital element of finance lease rental payments	0.0	0.0
Withdrawal from deposits	0.0	0.0
Net cash inflow/(outflow) from financing activities	(610.0)	(137.7)
Net change in cash and cash equivalents	223.1	68.0
Cash and cash equivalents at end of the previous year	898.7	830.7
Opening balance adjustment	0.0	
Cash and cash equivalents at end of the current year	1,121.8	898.7

Particulars of turnover, operating costs and operating surplus or deficit – Current Year

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	3,624.2	(3,004.8)	619.4
Other activities	60.4	(1.1)	59.3
Total	3,684.6	(3,005.9)	678.7

Particulars of turnover, operating costs and operating surplus or deficit – Prior Year

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	3,531.4	(2,858.9)	672.5
Other activities	52.9	(0.9)	52.0
Total	3,584.3	(2,859.8)	724.5

Particulars of turnover, operating costs and operating surplus or deficit from affordable letting activities

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Current Year Total	Prior Year Total
	£'000	£'000	£'000	£'000	£'000	£'000
Rent receivable	2,728.7	0.0	26.9	0.0	2,755.6	2,678.2
Service charges	9.1	0.0	0.0	0.0	9.1	9.1
Gross income	2,737.8	0.0	26.9	0.0	2,764.7	2,687.3
Voids	(12.1)	0.0	0.0	0.0	(12.1)	(8.1)
Net income	2,725.7	0.0	26.9	0.0	2,752.6	2,679.2
Grants released from deferred income	807.8	0.0	8.5	0.0	816.3	831.3
Revenue grants from Scottish Ministers	32.8	0.0	0.0	0.0	32.8	20.9
Other revenue grants	22.5	0.0	0.0	0.0	22.5	0.0
Total turnover: letting	3,588.8	0.0	35.4	0.0	3,624.2	3,531.4
Management and maintenance administration costs	(1,014.6)	0.0	(23.1)	0.0	(1,037.7)	(1,066.6)
Service costs	(56.4)	0.0	0.0	0.0	(56.4)	(52.6)
Planned maintenance	(315.0)	0.0	0.0	0.0	(315.0)	(168.1)
Reactive maintenance	(296.5)	0.0	0.0	0.0	(296.5)	(297.7)
Bad debts written (off)/back	(47.3)	0.0	0.0	0.0	(47.3)	0.9
Depreciation: housing	(1,241.9)	0.0	(10.0)	0.0	(1,251.9)	(1,274.8)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
Operating costs	(2,971.7)	0.0	(33.1)	0.0	(3,004.8)	(2,858.9)
Operating surplus/(deficit)	617.1	0.0	2.3	0.0	619.4	672.5
Prior Year						
Total turnover: letting	3,469.2	0.0	62.2	0.0		
Operating costs	(2,822.5)	0.0	(36.4)	0.0		
Operating surplus/(deficit)	646.7	0.0	25.8	0.0		

Particulars of turnover, operating costs and operating surplus or deficit from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total turnover	Other operating costs	Current Year Operating surplus/(deficit)	Prior Year Operating surplus/(deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wider role	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Care and repair	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investment property activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Factoring	0.0	0.0	0.0	3.4	3.4	(1.1)	2.3	2.7
Support activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Care activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contracted out services undertaken for RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contracted out services undertaken for others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Developments for sale to RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Developments for sale to non-RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncapitalised development administration costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other activities	3.5	0.0	0.0	53.5	57.0	0.0	57.0	49.3
Current Year Total	3.5	0.0	0.0	56.9	60.4	(1.1)	59.3	
Prior Year Total	2.1	0.0	0.0	50.8	52.9	(0.9)	52.0	

ANALYSIS - UNITS

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Current Year Total	Prior Year Total
Units owned and managed at year end	601	13	14	0	628	628
Units managed, not owned at year end	0	0	0	0	0	0
Units owned, not managed at year end	0	0	0	0	0	0
Units held for demolition at year end	0	0		0	0	0
Total units owned / managed	601	13	14	0	628	628

COST PER UNIT - Current Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,688	£0	£1,650		£1,652
Planned maintenance	£524	£0	£0		£502
Reactive maintenance	£493	£0	£0		£472
Total direct maintenance	£1,017	£0	£0		£974
Total management & maintenance	£2,706	£0	£1,650		£2,626

COST PER UNIT - Prior Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,735	£0	£1,700	-	£1,698
Planned maintenance	£280	£0	£0	-	£268
Reactive maintenance	£496	£0	£0	-	£474
Total direct maintenance	£776	£0	£0	-	£742
Total management & maintenance	£2,512	£0	£1,700	-	£2,440

Audited Financial Accounts (AFS) 2020-2021

SUPPLEMENTARY ITEMS

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	70.4	66.1
Total key management personnel emoluments	154.6	145.5
Total staff costs	681.4	655.9
External auditors' fees – audit	9.6	9.1
External auditors' fees – other	0.0	0.0
Capitalised maintenance costs	279.6	167.6
Capitalised development administration costs	0.0	0.0
Capitalised interest costs	1.9	0.0
Accumulated depreciation	17,020.7	15,871.9
Receivables - gross rental	127.7	
Receivables – bad debt provision	(69.8)	
Receivables - net rental	57.9	59.5
Total Pension deficit recovery payments due	0.0	0.0
Housing loans due within one year	332.3	358.1
Housing loans due after more than one year	10,078.4	10,336.3
Other loans due within one year	67.8	25.3
Other loans due after more than one year	97.8	208.0
Overdraft / bridging finance	0.0	0.0
Intra-group loans due within one year	0.0	0.0
Intra-group loans due after more than one year	0.0	0.0
Intra-group lending	0.0	0.0
Intra-group receivables (trading)	18.2	20.7
Other intra-group payables (trading)	0.0	0.0

CONTEXTUAL INFORMATION

Accounting year end	March	
Date financial statements authorised	12/08/2021	
Are the financial statements qualified?	No	
Were there any emphasis of matter points raised in the audit report?	No	
External auditors' name	Alexander Sloan	
Number of years since a full procurement exercise was undertaken for the external auditor	3	
Internal auditors' name	Wylie & Bisset	
Number of years since a full procurement exercise was undertaken for the internal auditor	2	
Do you have an Audit Committee?	Yes	
Do you have a Treasury Management Strategy?	Yes	
How do you account for capital grant income?	Accruals method	
Calendar year of last housing asset revaluation	N/A	
Contingent liabilities	Legal action	<input type="checkbox"/>
	LSVT contract compliance	<input type="checkbox"/>
	Pension	<input type="checkbox"/>
	Repayment of SHG	<input type="checkbox"/>
	Other	<input type="checkbox"/>
	None	<input checked="" type="checkbox"/>
SHAPS financial assessment risk rating	N/A	
Are you appealing this risk rating?	N/A	
How many staff members not currently contributing to any scheme?	3	

Staff Pension Schemes

Which scheme(s) are you members of?	How many participating members in each scheme?
Group DC Scheme	16



RATIOS

	Current Year	Prior Year	Prior Year Sector Median
Financial capacity			
Interest cover	351.7%	424.2%	442.1%
Gearing	153.9%	175.6%	54.1%
Efficiency			
Voids	0.4%	0.3%	0.6%
Arrears	2.1%	2.2%	2.2%
Bad debts	1.7%	0.0%	0.8%
Staff costs / turnover	18.5%	18.3%	20.7%
Key management personnel / staff costs	22.7%	22.2%	14.6%
Turnover per unit	£5,867	£5,707	£5,194
Responsive repairs to planned maintenance ratio	2.0	1.1	1.9
Liquidity			
Current ratio	0.8	0.6	1.9
Profitability			
Gross surplus / (deficit)	18.7%	20.2%	19.6%
Net surplus / (deficit)	11.7%	10.5%	11.9%
EBITDA / revenue	45.1%	51.1%	31.4%
Financing			
Debt burden ratio	2.9	3.0	2.1
Net debt per unit	£15,055	£15,970	£7,053
Debt per unit	£16,841	£17,401	£10,560
Diversification			
Income from non-rental activities	25.3%	25.3%	17.5%

Comments

Page	Field	Comment
SOCI	Movement in fair value of financial instruments	Change in value on interest rate swap on RBS loan
SOCE	Issue of shares - Funds & Reserves	3 shares issued in year
SOCE	Cancellation of shares - Funds & Reserves	34 shares cancelled in year
SOCE	Surplus/(deficit) from statement of comprehensive income - Funds & Reserves	151 shares at year end
SOFP	Non-current investments	£1 share in subsidiary
SOFP	Scottish housing grants (SHG)	Large 50 unit scheme development in receipt of total grant income of circa £7m over 2020 & 2021 - project due to complete November 2021. This is a large project for RSHA - other projects delivered over last few years have ranged from 6 units to 23 units per scheme.
SOCF	Acquisition and construction of properties	Large 50 unit scheme development costing circa £9m over 2020 & 2021 - project due to complete November 2021. This is a large project for RSHA - other projects delivered over last few years have ranged from 6 units to 23 units per scheme.
SOCF	Sales of properties	This was the sale of a small amount of land
SOCF	Capital grants received	Large 50 unit scheme development in receipt of total grant income of circa £7m over 2020 & 2021 - project due to complete November 2021. This is a large project for RSHA - other projects delivered over last few years have ranged from 6 units to 23 units per scheme.
Analysis - Affordable Lettings	Voids	Voids fluctuate. Variance not material in value. Impact of COVID-19 on ability to turn properties around in early 2020.
Analysis - Affordable Lettings	Grants released from deferred income	See Deferred Income note in accounts - this gives breakdown. Calculation of release in line with prior years.

Page	Field	Comment
Analysis - Affordable Lettings	Grants from Scottish Ministers	Stage 3 Grant Receipts
Analysis - Affordable Lettings	Management and maintenance administration costs	Temporary office accommodation in prior year total as office premises were being refurbished. Cost savings also achieved from home working during pandemic.
Analysis - Affordable Lettings	Service costs	Landscaping, landlords electricity, close cleaning etc.
Analysis - Affordable Lettings	Planned maintenance	Fire safety upgrades and external painterwork - includes catchup spend from prior year which did not complete due to lockdown in March 2020.
Analysis - Affordable Lettings	Reactive maintenance	Similar to prior year figure - emergency repairs only for part of year due to COVID-19. We are seeing increasing costs and also the cost of PPE being passed on from suppliers/contractors.
Analysis - Affordable Lettings	Bad debts written (off)/back	100% provision against rechargeable repairs debt over 1 year old. Review ongoing due to COVID-19.
Analysis - Affordable Lettings	Depreciation: housing	Depreciation calculation in line with prior years - no new units off site in year. All existing stock and depreciation on component renewals.
Analysis - Other Activities	Other activities	Grants from Scottish Ministers is Admin Allowance for Stage 3 Grants, Income from subsidiary & Income from Solar Panels makes up majority of Other Income
Supplementary Items	Chief Executive emoluments excluding pension contributions	EVH Grading
Supplementary Items	Capitalised maintenance costs	Kitchen replacement programme including catchup of spend not achieved in March 2020 due to lockdown.
Supplementary Items	Other loans due within one year	Derivative financial instrument: interest rate swap
Supplementary Items	Other loans due after more than one year	Derivative financial instrument: interest rate swap
Contextual	How many staff members not	New member of staff opting out

Page	Field	Comment
Information	currently contributing to a pension scheme?	