

Landlord Name:	Rural Stirling Housing Association Ltd
RSL Reg No.:	232
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Approval

A1.1	Date approved	19/05/2022
A1.2	Approver	Kirsty Brown
A1.3	Approver job title	Deputy CEO/Director of Finance & Corporate Services
A1.9	General Comment	

STATEMENT OF COMPREHENSIVE INCOME						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Gross rents	2,913.8	3,157.0	3,271.4	3,600.3	3,906.1	4,023.7
Service charges	9.1	9.5	9.6	10.1	10.3	10.6
Gross rents & service charges	2,922.9	3,166.5	3,281.0	3,610.4	3,916.4	4,034.3
Rent loss from voids	29.2	35.1	36.5	30.1	29.0	29.9
Net rent & service charges	2,893.7	3,131.4	3,244.5	3,580.3	3,887.4	4,004.4
Developments for sale income	0.0	0.0	0.0	1,972.5	0.0	0.0
Grants released from deferred income	986.3	1,049.8	1,127.2	1,346.1	1,346.1	1,346.1
Grants from Scottish Ministers	32.1	0.0	0.0	0.0	0.0	0.0
Other grants	0.0	0.0	0.0	0.0	0.0	0.0
Other income	65.2	52.8	54.4	55.5	56.6	57.7
TURNOVER	3,977.3	4,234.0	4,426.1	6,954.4	5,290.1	5,408.2
Less:						
Housing depreciation	1,470.8	1,513.7	1,629.5	1,849.6	1,849.6	1,849.6
Impairment written off / (back)	0.0	0.0	0.0	0.0	0.0	0.0
Management costs	1,106.7	1,210.9	1,156.5	1,187.0	1,216.9	1,238.3
Service costs	73.7	75.5	75.5	84.6	86.2	88.0
Planned maintenance - direct costs	344.8	280.0	264.2	262.5	311.2	285.6
Re-active & voids maintenance - direct costs	375.0	339.9	336.8	377.8	401.0	411.0
Maintenance overhead costs	0.0	0.0	0.0	0.0	0.0	0.0
Bad debts written off / (back)	23.9	58.6	60.8	50.2	48.4	49.9
Developments for sale costs	0.0	0.0	0.0	1,972.5	0.0	0.0
Other activity costs	0.0	0.0	0.0	0.0	0.0	0.0
Other costs	38.0	35.0	35.0	35.0	28.0	28.0
	1,962.1	1,999.9	1,928.8	3,969.6	2,091.7	2,100.8
Operating Costs	3,432.9	3,513.6	3,558.3	5,819.2	3,941.3	3,950.4
Gain/(Loss) on disposal of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional Items - (Income) / Expense	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING SURPLUS/(DEFICIT)	544.4	720.4	867.8	1,135.2	1,348.8	1,457.8
Interest receivable and other income	0.0	3.5	1.6	0.9	1.0	1.1
Interest payable and similar charges	327.7	540.8	545.8	609.3	626.8	623.4
Increase / (Decrease) in Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Other Gains / (Losses)	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	216.7	183.1	323.6	526.8	723.0	835.5
Tax on surplus on ordinary activities	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	216.7	183.1	323.6	526.8	723.0	835.5
Actuarial (loss) / gain in respect of pension schemes	0.0	0.0	0.0	0.0	0.0	0.0
Change in Fair Value of hedged financial instruments.	108.0	50.0	8.0	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	324.7	233.1	331.6	526.8	723.0	835.5

STATEMENT OF FINANCIAL POSITION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Current Assets	£'000	£'000	£'000	£'000	£'000	£'000
Intangible Assets & Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Housing properties - Gross cost or valuation	67,487.8	70,970.5	82,788.7	86,008.5	86,549.4	87,135.6
Less:						
Housing Depreciation	18,325.0	19,838.7	21,468.2	23,317.8	25,167.4	27,017.0
Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
NET HOUSING ASSETS	49,162.8	51,131.8	61,320.5	62,690.7	61,382.0	60,118.6
Non-Current Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Current Assets	909.7	885.0	855.0	825.3	802.6	780.1
TOTAL NON-CURRENT ASSETS	50,072.5	52,016.8	62,175.5	63,516.0	62,184.6	60,898.7
Current Assets						
Net rental receivables	78.2	68.0	93.8	97.2	107.0	116.2
Other receivables, stock & WIP	259.4	158.8	136.4	142.8	142.1	136.6
Investments (non-cash)	0.0	0.0	0.0	0.0	0.0	0.0
Cash at bank and in hand	4,397.2	2,642.5	692.4	916.1	955.7	1,031.6
TOTAL CURRENT ASSETS	4,734.8	2,869.3	922.6	1,156.1	1,204.8	1,284.4
Payables : Amounts falling due within One Year						
Loans due within one year	450.0	552.3	571.9	673.8	697.6	1,523.4
Overdrafts due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term payables	1,195.0	678.0	359.6	272.6	284.8	284.5
TOTAL CURRENT LIABILITIES	1,645.0	1,230.3	931.5	946.4	982.4	1,807.9
NET CURRENT ASSETS/(LIABILITIES)	3,089.8	1,639.0	(8.9)	209.7	222.4	(523.5)
TOTAL ASSETS LESS CURRENT LIABILITIES	53,162.3	53,655.8	62,166.6	63,725.7	62,407.0	60,375.2
Payables : Amounts falling due After One Year						
Loans due after one year	14,902.5	14,278.6	14,208.9	16,037.3	15,341.8	13,820.6
Other long-term payables	7.9	0.0	0.0	0.0	0.0	0.0
Grants to be released	31,784.3	32,678.0	40,926.8	40,130.7	38,784.5	37,438.4
TOTAL LONG TERM LIABILITIES	46,694.7	46,956.6	55,135.7	56,168.0	54,126.3	51,259.0
Provisions for liabilities & charges	0.0	0.0	0.0	0.0	0.0	0.0
Pension asset / (liability)	0.0	0.0	0.0	0.0	0.0	0.0
NET ASSETS	6,467.6	6,699.2	7,030.9	7,557.7	8,280.7	9,116.2
Capital & Reserves						
Share capital	0.2	0.2	0.2	0.2	0.2	0.2
Revaluation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Restricted reserves	0.0	0.0	0.0	0.0	0.0	0.0
Revenue reserves	6,467.4	6,699.0	7,030.7	7,557.5	8,280.5	9,116.0
TOTAL CAPITAL & RESERVES	6,467.6	6,699.2	7,030.9	7,557.7	8,280.7	9,116.2
Intra Group Receivables - as included above	10.0	20.0	20.0	20.0	20.0	20.0
Intra Group Payables - as included above	0.0	0.0	0.0	0.0	0.0	0.0

STATEMENT OF CASHFLOWS						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cash from Operating Activities						
Operating Surplus/(Deficit)	544.4	720.4	867.8	1,135.2	1,348.8	1,457.8
Depreciation & Amortisation	1,510.0	1,548.7	1,664.5	1,884.6	1,877.6	1,877.6
Impairments / (Revaluation Enhancements)	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Payables	(1,284.0)	(1,526.8)	(1,437.6)	(1,433.0)	(1,333.9)	(1,346.4)
(Increase) / Decrease in Receivables	(30.0)	110.2	(3.4)	(9.8)	(9.1)	(3.5)
(Increase) / Decrease in Stock & WIP	0.0	0.0	0.0	0.0	0.0	0.0
Gain / (Loss) on sale of non-current assets	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash adjustments	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM OPERATING ACTIVITIES	740.4	852.5	1,091.3	1,577.0	1,883.4	1,985.5
Tax (Paid) / Refunded	0.0	0.0	0.0	0.0	0.0	0.0
Return on Investment and Servicing of Finance						
Interest Received	0.0	3.5	1.6	0.9	1.0	1.0
Interest (Paid)	(316.1)	(538.7)	(543.6)	(607.1)	(624.6)	(621.2)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	(316.1)	(535.2)	(542.0)	(606.2)	(623.6)	(620.2)
Capital Expenditure & Financial Investment						
Construction or acquisition of Housing properties	(3,814.0)	(2,142.5)	(11,290.5)	(2,772.0)	(197.0)	0.0
Improvement of Housing	(444.0)	(1,341.0)	(527.7)	(447.8)	(344.0)	(586.2)
Construction or acquisition of other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Non-Current Assets	(22.0)	(10.0)	(5.0)	(5.3)	(5.4)	(5.5)
Sale of Social Housing Properties	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Grants (Repaid) / Received	2,193.5	1,943.3	9,376.0	550.0	0.0	0.0
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(2,086.5)	(1,550.2)	(2,447.2)	(2,675.1)	(546.4)	(591.7)
NET CASH BEFORE FINANCING	(1,662.2)	(1,232.9)	(1,897.9)	(1,704.3)	713.4	773.6
Financing						
Equity drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt drawdown	5,400.0	0.0	500.0	2,500.0	0.0	0.0
Debt repayment	(462.6)	(521.8)	(552.2)	(572.0)	(673.8)	(697.7)
Working Capital (Cash) - Drawn / (Repaid)	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM FINANCING	4,937.4	(521.8)	(52.2)	1,928.0	(673.8)	(697.7)
INCREASE / (DECREASE) IN NET CASH	3,275.2	(1,754.7)	(1,950.1)	223.7	39.6	75.9
Cash Balance						
Balance Brought Forward	1,122.0	4,397.2	2,642.5	692.4	916.1	955.7
Increase / (Decrease) in Net Cash	3,275.2	(1,754.7)	(1,950.1)	223.7	39.6	75.9
CLOSING BALANCE	4,397.2	2,642.5	692.4	916.1	955.7	1,031.6

ADDITIONAL INFORMATION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Number of units added during year to:						
New Social Rent Properties added	50	9	34	52	0	0
New MMR Properties added	0	0	0	0	0	0
New Low Costs Home Ownership Properties added	0	0	0	0	0	0
New Properties - Other Tenures added	0	0	0	0	0	0
Total number of new affordable housing units added during year	50	9	34	52	0	0
Units developed for sale:						
Number of units developed for sale to RSLs	0	0	0	0	0	0
Number of units developed for sale to non-RSLs	0	0	0	10	0	0
Development Assumption Indicator	No					
Number of units lost during year from:						
Sales including right to buy	0	0	0	0	0	0
Demolition	0	0	0	0	0	0
Other	0	0	0	0	0	0
Units owned:						
Social Rent Properties	660	668	702	754	754	754
MMR Properties	5	6	6	6	6	6
Low Costs Home Ownership Properties	13	13	13	13	13	13
Properties - Other Tenures	0	0	0	0	0	0
Number of units owned at end of period	678	687	721	773	773	773
Number of units managed at end of period (exclude factored units)	0	0	0	0	0	0
Financed by:						
Scottish Housing Grants	6,999.0	900.0	3,542.5	8,413.0	0.0	0.0
Other public subsidy	0.0	0.0	0.0	345.2	0.0	0.0
Private finance	2,550.0	482.0	1,717.5	2,588.3	0.0	0.0
Sales	0.0	0.0	0.0	1,972.5	0.0	0.0
Cash reserves	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	10.0	0.0	0.0
Total cost of new units	9,549.0	1,382.0	5,260.0	13,329.0	0.0	0.0
Assumptions:						
General Inflation (%)	1.0	5.0	3.0	2.0	2.0	2.0
Rent increase - Margin above General Inflation (%)	0.0	1.0	1.0	1.0	1.0	1.0
Operating cost increase - Margin above General Inflation (%)	0.2	0.2	0.2	0.2	0.2	0.2
Direct maint. cost increase - Margin above General Inflation (%)	0.5	0.5	0.5	0.5	0.5	0.5
Actual / Assumed average salary increase (%)	3.0	5.2	3.2	2.2	2.2	2.2
Average cost of borrowing (%)	2.6	3.6	3.6	3.8	3.8	4.0
Employers Contributions for pensions (%)	9.0	9.0	9.0	9.0	9.0	9.0
Employers Contributions for pensions (£'000)	49.3	60.8	60.1	56.8	56.8	56.8
SHAPS Pensions deficit contributions (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Min. headroom cover on tightest interest cover covenant (£'000)	32.6	53.5	54.2	60.6	62.4	62.0
Minimum headroom cover on tightest gearing covenant (£'000)	8.8	7.2	5.4	4.5	5.4	6.4
Minimum headroom cover on tightest asset cover covenant (£'000)	627.3	938.2	1,259.0	1,590.0	1,925.2	2,270.4
Total staff costs (including NI & pension costs)	797.3	842.7	819.0	773.0	773.0	773.0
Full time equivalent staff	17.4	17.7	17.2	16.2	16.2	16.2

EESH Revenue Expenditure included above	0.0	0.0	0.0	0.0	0.0	0.0
EESH Capital Expenditure included above	0.0	880.0	100.0	100.0	100.0	100.0
Total capital & revenue expenditure on maint. pre-1919 properties	0.0	0.0	0.0	0.0	0.0	0.0
Total capital & revenue expenditure on maint. all other properties	1,164.0	1,961.0	1,128.6	1,088.1	1,056.1	1,282.7

Estimated decarbonisation cost indicator	No
Estimated decarbonisation cost	-

TRENDS & COMPARATORS

RATIOS	Year -2	Year -1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	National Median
Financial capacity	Actual	Actual	Outturn	Forecast	Forecast	Forecast	Forecast	Forecast	
Interest cover	424.200%	351.700%	234.230%	158.901%	201.049%	259.908%	301.697%	319.784%	442.066%
Gearing	175.600%	153.900%	169.387%	181.938%	200.378%	208.992%	182.155%	157.000%	54.112%
Efficiency									
Voids	0.300%	0.400%	0.999%	1.108%	1.112%	0.834%	0.740%	0.741%	0.622%
Arrears	2.200%	2.100%	2.702%	2.172%	2.891%	2.715%	2.752%	2.902%	2.188%
Bad debts	0.000%	1.700%	0.826%	1.871%	1.874%	1.402%	1.245%	1.246%	0.769%
Staff costs / turnover	18.300%	18.500%	20.046%	19.903%	18.504%	11.115%	14.612%	14.293%	20.732%
Turnover per unit	5,707	5,867	£5,866	£6,163	£6,139	£8,997	£6,844	£6,996	5,194
Responsive repairs to planned maintenance	1.1	2.0	2.1	4.8	2.4	1.9	1.6	2.1	1.9
Liquidity									
Current ratio	0.6	0.8	2.9	2.3	1.0	1.2	1.2	0.7	1.9
Profitability									
Gross surplus / (deficit)	20.200%	18.700%	13.688%	17.015%	19.606%	16.323%	25.497%	26.955%	19.572%
Net surplus / (deficit)	10.500%	11.700%	5.448%	4.325%	7.311%	7.575%	13.667%	15.449%	11.884%
EBITDA / revenue	51.100%	45.100%	39.504%	21.094%	44.500%	36.481%	53.957%	50.316%	31.379%
Financing									
Debt Burden	3.0	2.9	3.9	3.5	3.3	2.4	3.0	2.8	2.1
Net debt per unit	£15,970	£15,055	£16,158	£17,741	£19,540	£20,433	£19,513	£18,515	£7,053
Debt per unit	£17,401	£16,841	£22,644	£21,588	£20,500	£21,618	£20,750	£19,850	£10,560
Diversification									
Income from non-rental activities	25.300%	25.300%	27.245%	26.042%	26.696%	28.134%	26.516%	25.957%	17.477%
INDICATORS									
Turnover	3,584.3	3,684.6	3,977.3	4,234.0	4,426.1	4,981.9	5,290.1	5,408.2	
Operating costs	1,585.0	1,754.0	1,962.1	1,999.9	1,928.8	3,969.6	2,091.7	2,100.8	
Net housing assets	42,127.4	46,375.2	49,162.8	51,131.8	61,320.5	62,690.7	61,382.0	60,118.6	
Cash & current investments	898.7	1,121.8	4,397.2	2,642.5	692.4	916.1	955.7	1,031.6	
Debt	10,694.4	10,410.7	15,352.5	14,830.9	14,780.8	16,711.1	16,039.4	15,344.0	
Net assets / capital & reserves	5,712.7	6,143.0	6,467.6	6,699.2	7,030.9	7,557.7	8,280.7	9,116.2	

Comments

Page	Field	Comment
SOCI	Gross rents	Year 0 had 50 new units offsite, staggered over the year. These rents will be available for the full of year 2 along with an additional 9 units expected offsite, a further 34 units expected offsite during year 2 and 52 units expected offsite in year 3.
SOCI	Change in Fair Value of hedged financial instruments.	Interest rate SWAP ends September 2023.
SOFP	Intangible Assets & Goodwill	Capitalised loan arrangement fee detailed here on prior returns. Now offset against loan balance - treatment adopted following 2021 external audit.
SOFP	Loans due after one year	New finance required of £3.0m - expected drawdowns £0.5m Year 2 and £2.5m Year 3.
SOFP	Pension asset / (liability)	Pension scheme is defined contribution scheme.
SOFP	Intra Group Receivables - as included above	Intercompany loan balance due at year end from subsidiary company. This is cleared annually.
SOCF	Construction or acquisition of Housing properties	Assumed no further development after current programme.
SOCF	Balance Brought Forward	
Additional Information	New Social Rent Properties added	No further development assumed after current programme ends - further 95 units in plan over years 1 to 3.
Additional Information	Number of units developed for sale to non-RSLs	6 NSSE and 4 key worker units.
Additional Information	Development Assumption	Development programme in line with Stirling Council's Strategic Housing Investment Plan (SHIP). The business model includes established projects only.
Additional Information	Other public subsidy	The majority of the £6,999k grant funding received for units offsite in Year 0 was received in the prior year 2020/21.
Additional Information	Private finance	Additional private finance drawn to help with component renewals.
Additional	General Inflation (%)	Year 0 = prior year inflation assumption

Page	Field	Comment
Information		
Additional Information	Rent increase - Margin above General Inflation (%)	Management Board agreed to a 1% above inflation rent increase for first 10 years of the updated 30 Year Projections at its March 2022 meeting.
Additional Information	Employers Contributions for pensions (£'000)	Year 0 - not all employees in pension scheme. Projections years 1 - 5 assume all employees are in scheme. Decreasing figures show reduction in contracted hours and end to one fixed term contract.
Additional Information	Total staff costs (including NI & pension costs)	Maternity leave cover included in Year 1. End of one 3 year fixed term contract from Year 3 onwards.
Additional Information	Full time Equivalent Staff Curr Year	Year 1: one staff member reduced hours to 4 days per week from 5 and one 0.5 FTE maternity cover included. Year 3 onwards - end of one fixed term post.
Additional Information	ESSH Capital Expenditure included above	Audit of all properties now carried out and report findings are currently being reviewed. The £880k in Year 1 represents new heating, with 50% of cost covered by matched funding from the Net Zero Heat Fund. Spend in future years is estimate only with spend continuing until year 10 of current business plan model. Costs will be updated once the report has been reviewed.
Additional Information	Total capital and revenue expenditure on maintenance of pre-1919 properties	No such properties.