Financial Projections & Assumptions — 2023
Kingdom Housing Association Ltd — 142

Scottish Housing Regulator

PLEASE USE "0" FOR NIL VALUES THROUGHOUT THIS RETURN		2022/23 Year 0	2023/24 Year 1	2024/25 Year 2	2025/26 Year 3	2026/27 Year 4	2027/28 Year 5		
Number of units lost during year to:		£'000	£'000	£'000	£'000	£'000	£'000	Comments	
STATEMENT OF COMPREHENSIVE INCOME									
Gross rents	10	24,949.0	28,000.0	29,340.0	32,532.0	34,866.0	36,816.0		
Service charges	11	995.0	1,021.0	1,077.0	1,123.0	1,163.0	1,192.0		
Gross rents & service charges	12	25,944.0	29,021.0	30,417.0	33,655.0	36,029.0	38,008.0		10+11
Rent loss from voids	13	(257.0)	(287.0)	(301.0)	(333.0)	(357.0)	(376.0)		
Net rent & service charges	14	26,201.0	29,308.0	30,718.0	33,988.0	36,386.0	38,384.0		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	4,207.0	4,685.0	4,986.0	5,254.0	5,540.0	5,616.0		
Grants from Scottish Ministers	17	0.0	0.0	0.0	0.0	0.0	0.0		
Other grants	18	900.0	900.0	945.0	981.0	1,010.0	1,031.0		
Other income	19	3,343.0	3,869.0	4,256.0	4,226.0	4,451.0	4,868.0		
TURNOVER	20	**34,651.0**	**38,762.0**	**40,905.0**	**44,449.0**	**47,387.0**	**49,899.0**		SUM(14:19)
Less:									
Housing depreciation	22	7,396	8,290	9,082	9,668	10,292	10,607		
Impairment written off / (back)	23	0.0	0.0	0.0	0.0	0.0	0.0		
Management costs	25	3,712.0	3,664.0	3,928.0	4,151.0	4,433.0	4,576.0		
Service costs	26	1,003.0	1,197.0	1,262.0	1,321.0	1,375.0	1,422.0		
Planned maintenance - direct costs	27	1,445.0	3,089.0	862.0	1,096.0	1,103.0	720.0		
Re-active & voids maintenance - direct costs	28	6,096.0	7,179.0	7,485.0	8,055.0	8,715.0	9,023.0		
Maintenance overhead costs	29	514.0	500.0	518.0	568.0	620.0	643.0		
Bad debts written off / (back)	30	535.0	316.0	331.0	367.0	392.0	414.0		
Developments for sale costs	31	0.0	0.0	0.0	0.0	0.0	0.0		
Other activity costs	32	0.0	0.0	0.0	0.0	0.0	0.0		
Other costs	33	5,275.0	6,652.0	6,885.0	7,135.0	7,332.0	7,448.0		
	34	18,580.0	22,597.0	21,271.0	22,693.0	23,970.0	24,246.0		SUM (25:33)
Operating Costs	36	**25,976.0**	**30,887.0**	**30,353.0**	**32,361.0**	**34,262.0**	**34,853.0**		22+23+34
Gain/(Loss) on disposal of PPE	37	0.0	0.0	0.0	0.0	0.0	0.0		
Exceptional Items - (Income) / Expense	38	0.0	0.0	0.0	0.0	0.0	0.0		
OPERATING SURPLUS/(DEFICIT)	39	**8,675.0**	**7,875.0**	**10,552.0**	**12,088.0**	**13,125.0**	**15,046.0**		20-36+37-38
Interest receivable and other income	41	658.0	854.0	805.0	722.0	433.0	355.0		
Interest payable and similar charges	42	(5,944.0)	(8,123.0)	(9,244.0)	(9,926.0)	(11,178.0)	(11,050.0)		
Increase / (Decrease) in Negative Goodwill	43	0.0	0.0	0.0	0.0	0.0	0.0		
Other Gains / (Losses)	44	(33)	(31)	(60)	(73)	(93)	(113)		
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	46	**3,356.0**	**575.0**	**2,053.0**	**2,811.0**	**2,287.0**	**4,238.0**		39+41-42+43+44
Tax on surplus on ordinary activities	48	0.0	0.0	0.0	0.0	0.0	0.0		
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	50	**3,356.0**	**575.0**	**2,053.0**	**2,811.0**	**2,287.0**	**4,238.0**		46-48
Actuarial (loss) / gain in respect of pension schemes	52	(414.0)	0.0	0.0	0.0	0.0	0.0		
Change in Fair Value of hedged financial instruments.	53	0.0	0.0	0.0	0.0	0.0	0.0		
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	55	**2,942.0**	**575.0**	**2,053.0**	**2,811.0**	**2,287.0**	**4,238.0**		50+52+53
STATEMENT OF FINANCIAL POSITION									
Non-Current Assets									
Intangible Assets & Goodwill	60	0.0	0.0	0.0	0.0	0.0	0.0		
Housing properties - Gross cost or valuation	63	676,336.0	756,476.0	828,757.0	882,203.0	939,161.0	967,896.0		
Less									
Housing Depreciation	65	71,549.0	79,839.0	88,921.0	98,589.0	108,881.0	119,488.0	130,175	
Negative Goodwill	66								
NET HOUSING ASSETS	67	**604,787.0**	**676,637.0**	**739,836.0**	**783,614.0**	**830,280.0**	**848,408.0**		63-65-66
Non-Current Investments	69	427.0	427.0	427.0	427.0	427.0	427.0		
Other Non Current Assets	70	14,931.0	14,647.0	8,361.0	8,076.0	7,792.0	7,509.0		
TOTAL NON-CURRENT ASSETS	71	**620,145.0**	**691,711.0**	**748,624.0**	**792,117.0**	**838,499.0**	**856,344.0**		60+67+69+70
Current Assets									
Net rental receivables	74	474	474	533	592	624	652		
Other receivables, stock & WIP	75	5,173.0	5,173.0	11,776.0	6,385.0	6,720.0	7,017.0		
Investments (non-cash)	76	0.0	0.0	0.0	0.0	0.0	0.0		
Cash at bank and in hand	77	36,889.0	8,839.0	10,857.0	8,908.0	8,491.0	6,596.0		
TOTAL CURRENT ASSETS	78	**42,536.0**	**14,486.0**	**23,166.0**	**15,885.0**	**15,835.0**	**14,265.0**		SUM(74:77)
Payables : Amounts falling due within One Year									
Loans due within one year	81	92.0	2,358.0	9,479.0	9,621.0	20,141.0	2,880.0		
Overdrafts due within one year	82	0.0	0.0	0.0	0.0	0.0	0.0		
Other short-term payables	83	15,242.0	15,718.0	17,380.0	19,024.0	20,069.0	20,795.0		
TOTAL CURRENT LIABILITIES	84	**15,334.0**	**18,076.0**	**26,859.0**	**28,645.0**	**40,210.0**	**23,675.0**		81+82+83
NET CURRENT ASSETS/(LIABILITIES)	86	**27,202.0**	**(3,590.0)**	**(3,693.0)**	**(12,760.0)**	**(24,375.0)**	**(9,410.0)**		78-84
TOTAL ASSETS LESS CURRENT LIABILITIES	88	**647,347.0**	**688,121.0**	**744,931.0**	**779,357.0**	**814,124.0**	**846,934.0**		71+86
Payables : Amounts falling due After One Year									
Loans due after one year	91	(222,924.0)	(220,598.0)	(250,778.0)	(261,029.0)	(270,682.0)	(297,628.0)		
Other long-term payables	92	0.0	0.0	0.0	0.0	0.0	0.0		
Grants to be released	93	(340,102.0)	(382,627.0)	(407,205.0)	(428,569.0)	(451,508.0)	(453,248.0)		
TOTAL LONG TERM LIABILITIES	94	**(563,026.0)**	**(603,225.0)**	**(657,983.0)**	**(689,598.0)**	**(722,190.0)**	**(750,876.0)**		91+92+93
Provisions for liabilities & charges	96	0.0	0.0	0.0	0.0	0.0	0.0		
Pension asset / (liability)	97	0.0	0.0	0.0	0.0	0.0	0.0		
NET ASSETS	98	**84,321.0**	**84,896.0**	**86,948.0**	**89,759.0**	**91,934.0**	**96,058.0**		88-94-96-97
Capital & Reserves									
Share capital	101	0.0	0.0	0.0	0.0	0.0	0.0		
Revaluation reserve	102	0.0	0.0	0.0	0.0	0.0	0.0		
Restricted reserves	103	0.0	0.0	0.0	0.0	0.0	0.0		
Revenue reserves	104	84,321.0	84,896.0	86,948.0	89,759.0	91,934.0	96,058.0		
TOTAL CAPITAL & RESERVES	105	**84,321.0**	**84,896.0**	**86,948.0**	**89,759.0**	**91,934.0**	**96,058.0**		SUM(101:104)
Intra Group Receivables - as included above	107	0.0	0.0	0.0	0.0	0.0	0.0		
Intra Group Payables - as included above	108	0.0	0.0	0.0	0.0	0.0	0.0		
STATEMENT OF CASHFLOWS									
Net Cash from Operating Activities									
Operating Surplus/(Deficit)	113	8,675.0	7,875.0	10,552.0	12,088.0	13,125.0	15,046.0		39
Depreciation & Amortisation	114	7,448.0	8,362.0	9,156.0	9,744.0	10,371.0	10,689.0		
Impairments / (Revaluation Enhancements)	115	0.0	0.0	0.0	0.0	0.0	0.0		

Increase / (Decrease) in Payables	116	(5,000.0)	-	1,364.0	1,374.0	758.0	651.0	
(Increase) / Decrease in Receivables	117	4,129.0	-	(619.0)	(623.0)	(344.0)	(295.0)	
(Increase) / Decrease in Stock & WIP	118	-	-	(43.0)	(44.0)	(24.0)	(30.0)	
Gain / (Loss) on sale of non-current assets	119	0.0	0.0	0.0	0.0	0.0	0.0	
Other non-cash adjustments	120	(4,621.0)	(4,685.0)	(4,985.0)	(5,253.0)	(5,653.0)	(5,730.0)	
NET CASH FROM OPERATING ACTIVITIES	121	**10,631.0**	**11,552.0**	**15,425.0**	**17,286.0**	**18,233.0**	**20,331.0**	SUM(113:120)
Tax (Paid) / Refunded	123	0.0	0.0	0.0	0.0	0.0	0.0	
Return on Investment and Servicing of Finance								
Interest Received	126	657.0	854.0	805.0	722.0	434.0	369.0	
Interest (Paid)	127	(5,944.0)	(8,123.0)	(9,244.0)	(9,926.0)	(11,178.0)	(11,050.0)	
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	128	**(5,287.0)**	**(7,269.0)**	**(8,439.0)**	**(9,204.0)**	**(10,744.0)**	**(10,681.0)**	126+127
Capital Expenditure & Financial Investment								
Construction or acquisition of Housing properties	131	(56,605.0)	(77,745.0)	(68,835.0)	(49,063.0)	(52,545.0)	(25,853.0)	
Improvement of Housing	132	(3,945.0)	(2,395.0)	(3,447.0)	(4,383.0)	(4,413.0)	(2,883.0)	
Construction or acquisition of other Land & Buildings	133	0.0	0.0	0.0	0.0	0.0	0.0	
Construction or acquisition of other Non-Current Assets	134	(79.0)	(79.0)	(79.0)	(83.0)	(86.0)	(89.0)	
Sale of Social Housing Properties	135	809.0	0.0	0.0	0.0	0.0	0.0	
Sale of Other Land & Buildings	136	0.0	0.0	0.0	0.0	0.0	0.0	
Sale of Other Non-Current Assets	137	0.0	0.0	0.0	0.0	0.0	0.0	
Grants (Repaid) / Received	138	26,159.0	47,687.0	29,860.0	26,886.0	28,768.0	7,430.0	
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	139	**(33,661.0)**	**(32,532.0)**	**(42,501.0)**	**(26,643.0)**	**(28,276.0)**	**(21,395.0)**	SUM(131:138)
NET CASH BEFORE FINANCING	141	**(28,317.0)**	**(28,249.0)**	**(35,515.0)**	**(18,561.0)**	**(20,787.0)**	**(11,745.0)**	121+123+128+139
Financing								
Equity drawdown	144	0.0	0.0	0.0	0.0	0.0	0.0	
Debt drawndown	145	70,000.0	-	40,000.0	20,000.0	30,000.0	30,000.0	
Debt repayment	146	(11,649.0)	(92.0)	(2,758.0)	(9,679.0)	(9,921.0)	(20,441.0)	
Working Capital (Cash) - Drawn / (Repaid)	147	291.0	291.0	291.0	6,291.0	291.0	291.0	
NET CASH FROM FINANCING	148	**58,642.0**	**199.0**	**37,533.0**	**16,612.0**	**20,370.0**	**9,850.0**	SUM(144:147)
INCREASE / (DECREASE) IN NET CASH	150	**30,325.0**	**(28,050.0)**	**2,018.0**	**(1,949.0)**	**(417.0)**	**(1,895.0)**	141+148
Cash Balance								
Balance Brought Forward	153	6,564.0	36,889.0	8,839.0	10,857.0	8,908.0	8,491.0	155 (Prior Year)
Increase / (Decrease) in Net Cash	154	30,325.0	(28,050.0)	2,018.0	(1,949.0)	(417.0)	(1,895.0)	150
CLOSING BALANCE	155	**36,889.0**	**8,839.0**	**10,857.0**	**8,908.0**	**8,491.0**	**6,596.0**	153+154
			0.0	0.0	0.0	0.0	0.0	

ADDITIONAL INFORMATION

Number of units added during year to:								
New Social Rent Properties added	160		353	376	119	239	225	
New MMR Properties added	161		39	17	24	61	38	
New Low Costs Home Ownership Properties added	162		0.0	0.0	0.0	0.0	0.0	
New Properties - Other Tenures added	163		0.0	0.0	0.0	0.0	0.0	
Total number of new affordable housing units added during year	164	**0**	**392**	**393**	**143**	**300**	**263**	SUM(160:163)
Units developed for sale:								
Number of units developed for sale to RSLs	167		0	0	0	0	0	
Number of units developed for sale to non-RSLs	168		0	0	0	0	0	
Please select "No" if these projections do not include all developments identified for this RSL in Local Authorities' Strategic Housing Investment Plans and add a comment. If you have no development plans, please select "Yes".								
Development Assumption	171							
Development Assumption Comment	172	Model assumes schemes identified in SHIP as submitted to SHR 10/22						
	173							
Number of units lost during year from:								
Sales including right to buy	176		0	0	0	0	0	
Demolition	177		0	0	0	0	0	
Other	178		0	0	0	0	0	
Units owned:								
Social Rent Properties	181		5,779	6,155	6,274	6,513	6,738	
MMR Properties	182		703	720	744	805	843	
Low Costs Home Ownership Properties	183		0	0	0	0	0	
Properties - Other Tenures	184		316	316	316	316	316	
Number of units owned at end of period	185	**0**	**6798**	**7191**	**7334**	**7634**	**7897**	SUM(181:184)
Number of units managed at end of period (exclude factored units)	187		6,095	6,471	6,590	6,829	7,054	
Financed by:								
Scottish Housing Grants	190		47,687.0	29,860.0	26,886.0	28,768.0	7,430.0	
Other public subsidy	191		0	0	0	0	0	
Private finance	192		28,942.0	37,899.0	21,062.0	22,628.0	17,363.0	
Sales	193		0	0	0	0	0	
Cash reserves	194		0	0	0	0	0	
Other	195		0	0	0	0	0	
Total cost of new units	196	**0.0**	**76,629.0**	**67,759.0**	**47,948.0**	**51,396.0**	**24,793.0**	SUM(190:195)
Assumptions:								
General Inflation (%)	199		10.0	5.0	3.8	3.0	2.0	
Rent increase - Margin above / below General Inflation (%)	200		(5.0)	0.5	0.5	0.5	0.5	
Operating cost increase - Margin above / below General Inflation (%)	201		0.0	0.0	0.0	0.0	0.0	
Direct maintenance cost increase - Margin above / below General Inflation (%)	202		8.0	0.5	0.5	0.5	0.5	
Actual / Assumed average salary increase (%)	203		5.0	5.0	3.8	3.0	2.0	
Average cost of borrowing (%)	204		3.0	3.8	3.7	3.8	4.0	
Employers Contributions for pensions (%)	205		10.0	10.0	10.0	10.0	10.0	
Employers Contributions for pensions (£'000)	206		770.0	778.0	814.0	856.0	879.0	
SHAPS Pensions deficit contributions (£'000)	207		0.0	0.0	0.0	112.0	115.0	
Minimum headroom cover on tightest interest cover covenant (£'000)	208		874.0	1,244.0	1,336.0	1,185.0	4,957.0	
Minimum headroom cover on tightest gearing covenant (£'000)	209		107,778.0	90,529.0	94,740.0	91,273.0	83,565.0	
Minimum headroom cover on tightest asset cover covenant (£'000)	210							
Total staff costs (including NI & pension costs)	212		10,694.0	11,233.0	11,740.0	12,341.0	12,673.0	
Full time equivalent staff	213		239.0	241.0	245.0	255.0	257.0	
EESSH Revenue Expenditure included above	215							
EESSH Capital Expenditure included above	216							
Total capital and revenue expenditure on maintenance of pre-1919 properties	217		0.0	0.0	0.0	0.0	0.0	
Total capital and revenue expenditure on maintenance of all other properties	218		13,213.0	12,311.0	14,103.0	14,851.0	13,629.0	
		Values	Comment					
Have you included any decarbonisation cost in the figures above?	221							
If so, please add an estimate of what the decarbonisation cost will be	222							

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