







Beyond Housing

Financial Performance September 2022

Unaudited Figures









Financial performance I&E 2022/23

	Actual Sept 2021	Budget	Variance to budget	Fav/un fav
	£m	£m	£m	
Turnover	44.574	47.833	3.259	
Operating Costs	34.602	36.391	1.789	
Operating Surplus	9.972	11.442	1.470	
Net Interest Payable	3.280	3.406	0.126	
Disposal of Fixed Assets	(0.725)	(0.329)	(0.296)	
Net Surplus excl asset sales	6.692	8.036	1.344	

 Turnover – arising as a result of slower sales and new development units coming on stream.

 Operating costs – lower new homes outright sale costs, lower corporate overheads

Financial performance B/S 2022/23

	Actual Sept 2021	Actual March 2022	Movement	Fav/un fav
	£m	£m	£m	
Fixed Assets	415.894	399.618	16.276	
Current Assets	46.462	58.967	12.505	
Current Liabilities	12.907	19.525	6.618	
Net Current Assets	33.555	39.442	5.887	
Long term Liabilities - loans	229.998	230.003	5	
Capital & Reserves	449.449	439.060	10.389	

 Current Assets – lower cash and prepayments

 Current Liabilities – lower creditors

Treasury framework

- Board approved business plan sets 'golden rules' at tighter levels than lender covenants to ensure a healthy buffer is sustained
- Cash balance c£31m September 2021
- Beyond completed at £250m ESG 30 year bond refinancing May 2021 (£85m retained with £165m drawn to principally refinance £135m of existing loans)
- Moodys credit rating update at Sept 2022 (A2 unstable).

	Golden rule	Performance (as at August 2022)*
EBITDA-MRI interest cover	121%	279%-285%
Asset cover ratio	126.5%	119%-137%
Net borrowing: Housing assets at cost	<63%	39%-43%
Net debt per unit	<£22,500	£13.591
Cash and cash equivalents	To cover at least 21 months or requirements	more than 36 months
Current ratio	>1.0	2.6
Open market sales	<20% of turnover p.a.	0%

*Performance funder's highest figure provided

Current ratio is high due to cash balances from refinancing May 2021

Current facilities by lender

Beyond Housing debt September 20221 consists of loans from four lenders:

- Lloyds (7.5% of the portfolio)
- Nationwide (19.5% of the portfolio)
- Royal Bank of Scotland (14% of the portfolio)
- Bond (59% of the portfolio)

- ✓ £235m of the drawn debt, total facility debt £424m loan average life of 19.5 years
- ✓ £104m of facility represents Revolving Credit Facility (RCF)
- ✓ Undrawn facilities total £189m of which £104m is RCF, £85m bond.

Lender – March 2020	RCF	Fixed/drawn	Sub total	Undrawn	Total
	£	£	£	£	£
Lloyds	20,000,000	12,300,000	32,300,000	20,000,000	32,300,000
RBS	30,000,000	28,300,000	58,300,000	30,000,000	58,300,000
Nationwide	54,000,000	29,300,000	83,300,000	54,000,000	83,300,000
Bond	0	165,000,000	165,000,000	85,000,000	250,000,000
Total	104,000,000	234,900,000	338,900,000	189,000,000	423,900,000

Development – performance

New supply will meet the following board KPIs – Sept performance

- Planned model programme 2022/23 294 units (351 units contracted 2021/22)
- Financial performance – £17.9m spend v £32.7m budget due to planning constraints, nutrient neutrality, slower development market
- **17 schemes on site** – no scheme losses to date, programme as 5 year positive NPV.
- 35 outright sales year to date, target 64.

New supply will meet the following management KPIs (reported to IAP and to board)

90%

New home customer satisfaction

INCOME

Programme cost variance less than £100,000 of approved

COSTS

Programme income variance less than £100,000 of approved

90 DAYS

Sales completions within 90 days of forecast

4 MONTHS

Sales reservations before completion (4 months)


Homes
England

Homes England targets, starts, completions, grant