

**The Sollhull Care Housing Association Limited**  
**Financial Statements**  
**Year Ended 31 March 2020**

Registered Society number: 27223R  
Home & Communities Agency number: L4191

# **The Sollhull Care Housing Association Limited**

## **Financial Statements**

**Year Ended 31<sup>st</sup> March 2020**

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# **The Solihull Care Housing Association Limited**

## **Information**

**Year Ended 31<sup>st</sup> March 2020**

**Members of the board**

Mr D C Mattocks JP (Chairman)  
Mr J Baynton  
Dr G Grewal MBChB, MRCPsych  
Ms M Edwards ( Resigned Sept 2019)  
Mr M L Hooper FCCA  
Mrs S Pittaway, ( Resigned Sept 2019)  
Mr A Evans  
Mr S Thorne  
Dr J Chauhan

**General manager and Secretary**

Mr G Singh

**Registered office**

Phoenix House  
2 Swallows Meadow  
Shirley  
Solihull  
West Midlands  
B90 4PQ

**Auditor**

Jerroms  
Lumaneri House  
Blythe Gate  
Blythe Valley Park  
Solihull  
West Midlands  
B90 8AH

**Solicitor**

Wright Hassall  
Olympus Avenue  
Leamington Spa  
Warwickshire  
CV34 6BF

**Bankers**

Lloyds Bank PLC  
2<sup>nd</sup> Floor  
125 Colmore Row  
Birmingham  
B3 3SD

# **The Solihull Care Housing Association Limited**

## **Report of the board**

### **Year Ended 31<sup>st</sup> March 2020**

The board of The Solihull Care Housing Association Limited (SCHA) presents their report, and the audited financial statements of the Registered Provider (RP) for the year ended 31st March 2020.

The day to day running of SCHA is undertaken by the General Manager, Gurdev Singh. The Finance Officer is Dee Rowe. The Board holds quarterly meetings to monitor the activities and performance of the Association (as of February 2020 Board meetings reverted back to a quarterly cycle).

#### **Objectives and strategies for achieving those objectives**

The principle activity of SCHA is the provision of housing accommodation and related services, for people who have special needs, including frail and elderly persons, people who have learning disabilities and people with mental health needs.

SCHA does not itself provide care. Care is provided within some of its schemes by agreements between Solihull Council and care agencies.

Properties in management, as at 31st March 2020, comprised:

- a) Cranmore Court, Shirley: 12 flats let on assured tenancies for people with mental health needs.
- b) Oakfield Olton: 7 flats let on assured tenancies for people with mental health needs.
- c) Brighton House, Olton: 8 bedsits let on assured tenancies for people with mental health needs.
- d) Wildmoor Road, Shirley: 2 small homes providing support for 5 people with learning disabilities
- e) Danzey Green Road, Castle Bromwich: 3 bungalows registered for the provision of housing and care for people with learning disabilities.
- f) Yorkminster Drive, Chelmsley Wood: 3 bungalows registered for the provision of housing and care for people with learning disabilities
- g) Phoenix House: 43 rented apartments and 6 shared ownership apartments for people aged over 55 with care and support needs.
- h) Trinity Apartments: 38 rented apartments and 13 shared ownership apartments for people aged 55 and over with care and support needs.

Occupancy levels remained high throughout the year. Voids across all schemes averaged 0.89% compared to the budget of 3%. There has been high levels of turnover at extra care services and a relative increase in void loss this year when compared to recent years. This increased void loss has been largely due to an unplanned period of scheme manager absence at Phoenix House during summer 2019, following an unfortunate fatality at the scheme. Nevertheless, void performance is still significantly better than sector wide benchmark of 3% void loss.

The sale of SCHA owned apartments at Trinity Apartments concluded in 2019-2020, with the sale of number 19 for £180,000. Sales of leasehold units for older persons has not been straightforward since we completed Trinity Apartments in 2015. Appetite for older person's leasehold units within Solihull remained poor. Solihull Metropolitan Borough Council (SMBC), have within their Market Position Statement, indicated that leasehold ownership within mixed (rental and sale) extra care schemes was becoming less attractive as a form of housing provision. We have reflected on our experiences and will use our knowledge to help inform our future growth and development strategy.

The association continued to provide a responsive and efficient repairs service and also to invest in existing schemes for the benefit of residents.

An increasing number of the day-to-day repairs were completed by the Association's two maintenance operatives. During the course of this year one operative has undertaken and successfully completed an Electrical Installation qualification and become qualified to undertake a range of electrical works. This service is now able to deliver a greater number of responsive repairs and offers more robust arrangements in place for health and safety checks

# **The Solihull Care Housing Association Limited**

## **Report of the board**

**Year Ended 31<sup>st</sup> March 2020**

### **Housing Related Support Services**

Housing related support is provided by the Association to tenants of the schemes at Cranmore Court, Brighton House and Oakfield, most of whom have an enduring mental illness. The Association aims to support residents to maintain their tenancies and adhere to their tenancy agreements in order to ensure they remain housed and do not have to return to an institutionalised living environment.

Solihull MBC's Housing Related Support programme superseded Supporting People funding in 2018 for SCHA. Funding under this new regime only offers the security of short fixed term contracts. The funding received for 2019-2020 was £58,300. A contract extension was signed in March 2020 which will run to March 2022.

### **Care Provision**

The provision of high standards of care and good working relationship between SCHA and care providers is pivotal to the ongoing sustainability of tenancies.

Care services at Phoenix House and Trinity Apartments were re-tendered by Solihull MBC for the period 2019-2022. At Phoenix House they are provided by Friendship Care and Housing (part of the Longhurst Group). An announcement inspection of the care services provided in Phoenix House was undertaken by the Care Quality Commission in March 2017 resulting from which all categories were assessed were rated as 'Good'.

Care services in Trinity Apartments are provided by Friendship Care and Housing.

CareTech Community Services Ltd is commissioned by Solihull Council to provide care to residents of the properties owned by the Association in Danzey Green Rd, Castle Bromwich and Yorkminster Drive, Chelmsley Wood.

Aspects Care Ltd is commissioned by Solihull Council to provide care to residents of properties leased by the Association in Wildmoor Rd, Shirley.

### **Principle risks and uncertainties**

Providing high quality housing and services for people with special needs in an increasing complex and challenging operating environment involves some significant risks. The Board recognises that many of the organisation's activities involved risk and that risks cannot be entirely eliminated. However, actions are taken to ensure that risks are properly controlled and responsibilities clearly established.

Risk management is now at the very heart of our business management and planning processes. It is not a process that is simply bolted onto existing practices but is becoming an increasingly integral part of ongoing management of the business.

The key objectives of our risk management strategy are to:

- Embed risk management into the culture of the Association and its operational activities
- Adopt an integrated and systematic approach
- Avoid major costs and disruption by highlighted inefficient/inappropriate practices
- Provide a sharper focus on what is and is not worth pursuing
- Avoid the adverse reputational impact of poor service provision
- Ensure responsibilities are clearly assigned for addressing and mitigating risk.

It is intended to support the achievement of our corporate objectives – not to get in the way; and to facilitate better informed decision-making.

# **The Solihull Care Housing Association Limited**

## **Report of the board**

### **Year Ended 31<sup>st</sup> March 2020**

#### **Assessment of Compliance with the Governance and Financial Viability Standard**

The board confirms compliance with the Governance and Viability Standard issued by the Homes and Communities Agency in April 2015 relevant to the size and scale of the Association's activities.

#### **Code of Governance**

The board has adopted the National Housing Federation Code of Governance 2015 and confirms its compliance with the Code with the exception of the appraisal of individual Board members and the Board's collective performance as a decision-making body.

#### **Analysis using financial and non-financial key performance indicators**

- Surplus for the year –£530,944
- Current rent and service charge arrears as a percentage of annual rent collected – 1.21%
- Average re-let time – 40 days
- Valid gas safety certificates 100%
- Emergency repairs completed on time – 84.5\*
- Urgent repairs completed within 5 working days – 86.0\*
- Routine repairs completed within 20 working days – 88.0\*

\* The repairs recording system has been overhauled in 2019-20. Within the system upgrade, data gaps became apparent and this, along with some mis-classification, has resulted in our below average performance this year. This is a data issue and not a reflection of poor service in practice. Six months into operating our new repairs recording system, we are now back at high 90%'s in meeting recorded turnaround times.

#### **Assessment of how the RP is achieving value for money**

The Board recognises the importance of running the organisation in a business-like way in order to maximise the resources available to invest in the services provided to residents who are at the centre of all that we do.

We seek to do this by working together with like-minded suppliers and contractors. They help us deliver services in a more cost-effective and efficient way by working collaboratively to offer joined up solutions which are more innovative and better targeted. By working together and sharing skills and experience, we can seek to achieve more.

We control our costs and manage expenditure with budget-holders having clear accountability around budget lines and commitment to spend. In addition, we constantly review our services and operations to ensure we achieve greater efficiencies and deliver value to our residents.

To illustrate this point, tendering exercises were carried out on Health & Safety and Human Resources consultancy services, phone contracts, electricity and gas contracts on several schemes and photocopier lease review during 2019-2020.

SCHA has prepared the groundwork to report against an agreed set of measures for Value for Money, that were required from April 2018 to the Regulator for Social Housing (RSH). These Value for Money Metrics (Reinvestment, Supply, Gearing, EBITDAMRI, Cost per Unit, Operating Margin & ROCE) will underpin a revised SCHA Value for Money Strategy, which in turn will build on the associations first comprehensive Tenant Satisfactory Survey. Links with smaller association forums have been nurtured since 2018 to allow us to explore appropriate benchmarking opportunities. SCHA has joined Acuity benchmarking group of regional smaller housing associations in 2019 and actively engages in performance review and good practice discussions. SCHA can offer the following information for VFM metrics for the year end March 2020:-

## **The Solihull Care Housing Association Limited**

### **Report of the board**

#### **Year Ended 31<sup>st</sup> March 2020**

Metrics 1 – Reinvestment : 0.85%

Metrics 2 – No new supply 0

Metrics 3 – Gearing : 3.52%

Metrics 4 – EBITDAMRI : 1704%

Metrics 5 – Social Housing CPU : £7,702

Metrics 6 – Operating Margin

- A Social Housing lettings only :20%
- B Operating Margin overall : 26%

Metric 7 – Return on Capital Employed : 4.05%

#### **Reference to Board's annual review of internal control**

The Board is responsible for maintaining a sound system of internal control which:

- Focuses on the significant risks that threaten the organisation's ability to meet its objectives; and
- Provides reasonable assurances for the safeguarding of assets

The Board is also responsible for reviewing the effectiveness of the system of internal control.

The internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, and not absolute assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing. This process has been in place for the year ended 31 March 2020 and up to the date of approval of the annual report and financial statements and is regularly reviewed by the Board.

The Board monitors that there are appropriate control procedures in place and that these procedures are being followed through the work of external audit.

The main policies which the Board has established and which are designed to provide effective internal control are as follows

- A risk strategy and risk register which includes the key risks faced by the Association and the existing/planned measures to mitigate the risks. Key risk areas identified are: External influences, Financial, People, Infrastructure, Property Maintenance, Business Growth and Reputation. The risk register is updated and reviewed by the Board bi-annually , with key points cascaded to staff.
- A commitment to quality and competence and an appropriate organisation structure with clearly defined lines of responsibility and delegation of authority which combine to create an appropriate environment.
- Information systems for detailed financial reporting, budgeting and planning against which performance is monitored. Performance indicators are to be used to identify trends in current financial and non-financial data.
- Financial control procedures based upon clearly defined responsibilities and authorities of the Board, and delegation to staff members.

The Board has reviewed the effectiveness of the systems of internal financial controls for the period from 1 April 2019 to the date in which these accounts were approved. The review revealed no material weaknesses in internal financial control that required disclosure

# **The Solihull Care Housing Association Limited**

## **Report of the board**

**Year Ended 31<sup>st</sup> March 2020**

### **Future prospects**

The Board is mindful of the further challenges which may be faced resulting from decisions yet to be made by Government on the future of Supporting Housing. Although during the course of 2017 Government took the decision to abandon plans to cap future Housing Benefit payments to Local Housing Allowance levels, their revised proposals are yet to be finalised.

In addition, resourcing issues caused by financial constraints in the Local Authority's Adult Social Care Department are impacting increasingly on the timely referral and assessment of applicants for the two extra care schemes in particular – this may adversely affect the Association's ability to let vacant units promptly. Changes to Service Specification within Solihull MBC's re-tendered Care Contract for our extra care schemes has led to the association needing to consider carrying out additional tasks (overnight supplement for care ) and potentially look at upgrades to installations (warden call, door entry and barriers). We have during 2019-20 kept the existing service specification offered by the more favourable earlier contract while we negotiate with Solihull MBC a satisfactory solution.

### **Board's responsibilities**

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions



# **The Sollhull Care Housing Association Limited**

## **Report of the board**

**Year Ended 31<sup>st</sup> March 2020**

### **Disclosure of Information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Board Report, we also approve the Strategic Report included therein, in our capacity as company directors

On behalf of the board



Mr B.C. MATTOCKS (Chairman)

Date: 25<sup>th</sup> September 2020

# **The Solihull Care Housing Association Limited**

## **Independent Auditor's Report to the Members**

**Year ended 31<sup>st</sup> March 2020**

### **Opinion**

We have audited the financial statements of The Solihull Care Housing Association Limited (the 'association') for the year ended 31 March 2020 which comprise Statement of Comprehensive Expenditure (including the income and expenditure account), the Statement of Financial Position, the Cash Flow Statement and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at [date], and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# The Solihull Care Housing Association Limited

## Independent Auditor's Report to the Members

Year ended 31<sup>st</sup> March 2020

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the association has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the association's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### Responsibilities of the board

As explained more fully in the board's responsibilities statement [set out on page 5], the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Richard Alan Horton FCCA (Senior Statutory Auditor)  
For and on behalf of Jerroms

Chartered Certified Accountants

25<sup>th</sup> September 2020

Lumaneri House  
Blythe Gate  
Blythe Valley Park  
Solihull  
B90 8AH

**The Sollhull Care Housing Association Limited**

**Statement of Comprehensive Income**

**Year ended 31<sup>st</sup> March 2020**

		<b>2020</b>	<b>2019</b>
	Note	£	£
<b>Turnover</b>	2	1,939,816	1,896,745
<b>Administrative expenditure</b>	2	(1,375,127)	(1,312,321)
<b>Operating surplus</b>	2	<u>564,689</u>	<u>584,424</u>
<b>Interest payable and similar expenses</b>	5	(33,745)	(62,605)
<b>Surplus for the year before taxation</b>	3	<u>530,944</u>	<u>521,819</u>
<b>Total comprehensive income for the year</b>		<u><u>530,944</u></u>	<u><u>521,819</u></u>

On behalf of the Board

  
..... Mr D C MATTOCKS (Chairman)

  
..... Mr M L HOOPER

  
..... Mr G SINGH (Secretary)

# The Sollhull Care Housing Association Limited

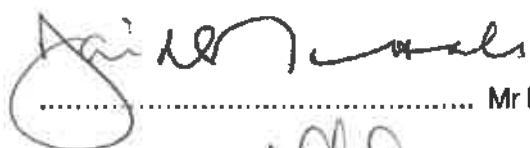
## Statement of Financial Position

Year ended 31<sup>st</sup> March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	8,9	10,422,516	10,557,148
Investments in subsidiaries	10	1	1
		<u>10,422,517</u>	<u>10,557,149</u>
<b>Current assets</b>			
Stocks	11	408,334	482,280
Debtors	12	102,666	78,143
Cash at bank and in hand		214,606	246,457
		<u>725,606</u>	<u>806,880</u>
<b>Creditors: amounts falling due within one year</b>	13	(369,829)	(270,190)
<b>Deferred Government grants due within one year</b>		(126,370)	(126,370)
<b>Net current assets</b>		<u>229,407</u>	<u>410,320</u>
<b>Total assets less current liabilities</b>		<u>10,651,924</u>	<u>10,967,469</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(336,875)	(1,056,994)
<b>Deferred Government grants due after more than 1 year</b>	16	(5,300,065)	(5,426,435)
<b>Total net assets</b>		<u>5,014,984</u>	<u>4,484,040</u>
<b>Reserves</b>			
Called up share capital	18	9	9
Income and expenditure reserve	19	5,014,975	4,484,031
<b>Total Reserves</b>		<u>5,014,984</u>	<u>4,484,040</u>

The financial statements were approved and authorised for issue by the Board on 25<sup>th</sup> September 2020

Signed on behalf of the board



..... Mr D C MATTOCKS (Chairman)



..... Mr M L HOOPER



..... Mr G SINGH (Secretary)

The notes on pages 13 to 27 form parts of these accounts.

## The Sollhull Care Housing Association Limited

### Statement of Changes In Equity / Reserves

Year ended 31<sup>st</sup> March 2020

	Called-up share capital	Income and expenditure reserves	Total
	£	£	£
<b>At 1<sup>st</sup> April 2018</b>	<b>8</b>	<b>3,962,212</b>	<b>3,962,220</b>
Issued during the year	1	-	1
Surplus during the year	-	521,819	521,819
<b>At 31<sup>st</sup> March 2019</b>	<b>9</b>	<b>4,484,031</b>	<b>4,484,040</b>
Issued during the year	-	-	-
Surplus during the year	-	530,944	530,944
<b>At 31<sup>st</sup> March 2020</b>	<b>9</b>	<b>5,014,975</b>	<b>5,014,984</b>

# The Sollahull Care Housing Association Limited

## Statement of Cash Flows

Year Ended 31<sup>st</sup> March 2020

	Note	2020 £	2019 £
<b>Cash flow from operating activities</b>			
Cash generated from operations	20	833,624	798,384
Interest paid		(33,745)	(62,605)
<b>Net cash flow from operating activities</b>		<u>799,879</u>	<u>735,779</u>
<b>Cash flow from financing activities</b>			
Proceeds from issue of shares		-	1
Repayment of long term loans		(724,180)	(734,306)
<b>Net cash flow from financing activities</b>		<u>(724,180)</u>	<u>(734,305)</u>
<b>Net (decrease) in cash and cash equivalents</b>		(31,851)	1,474
<b>Cash and cash equivalents at 1<sup>st</sup> April 2019</b>		246,457	244,983
<b>Cash and cash equivalents at 31<sup>st</sup> March 2020</b>		<u>214,606</u>	<u>246,457</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		214,606	246,457
<b>Cash and cash equivalents at 31<sup>st</sup> March 2020</b>		<u>214,606</u>	<u>246,457</u>

# The Sollhull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

The RP is incorporated under the Industrial and Provident Societies Act 1965 and the Friendly and Industrial Provident Societies Act 1968 (now Co-operative and Community Benefit Societies Act 2014), a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the RP Information on page 3 of these financial statements. The nature of the RP's operations and principal activities are the provision of housing accommodation and related services, for people who have special needs, including frail elderly persons, people who have learning disabilities and people with mental health needs.

The RP constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and Cooperative and Community Benefit Societies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the RP, and rounded to the nearest pound, which is the functional currency of the RP.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Group accounts

The RP has been exempted by the FCA from the requirement to prepare group accounts. The subsidiary is dormant.

#### (c) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Shared ownership properties are split between housing properties in fixed assets and current assets. The split is determined by the expected percentage of the property to be sold under a first tranche disposal.

Land and other assets donated by local authorities and other government sources related to a specific development is added to cost at the fair value of the land at the time of the donation.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	2%
Improvement to buildings	10 years straight line
Office equipment	5-10 years straight line
Freehold land	Not depreciated



# **The Sollhull Care Housing Association**

## **Notes to the Financial Statements**

**Year ended 31<sup>st</sup> March 2020**

Major components of housing properties, such as lifts and warden alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful lives and are included in property fixtures and fittings.

The useful economic lives of all tangible assets are reviewed annually.

### **(C) Capitalisation programme**

Rates of depreciation for the different categories of fixed assets are determined by SCHA, and are in line with standard social housing association practice. In the main a 10 year lifespan is assumed for the majority of new electrical installations, bathrooms, kitchens and boilers. Lifespans will be reviewed periodically based on manufactures/installer's guidance or actual outcome experience.

Any works to housing properties which do not replace a component or result in an incremental future benefit are charged as expenditure in the Income & Expenditure Accounts.

Expenditure on items which would normally be capitalised will be written off in the year of purchase if an individual item or a group of items if purchased together costs less than £3,000.

### **(d) Stocks**

Stocks, including property developed for outright sale or shared ownership is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

### **(e) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

### **(f) Cash and cash equivalents**

Cash and cash equivalents included cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings and current liabilities.

### **(g) Investments**

The investment in a dormant subsidiary is included at cost.

### **(h) Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

### **(i) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is considered by the cash generating unit (CGU). ACGU is a property in management as detailed in the Board Report. The key indicators considered are objective evidence that as a result of one or more events that occurred after the initial recognition of the asset, the estimated future flows have been affected.

## **The Sollhull Care Housing Association**

### **Notes to the Financial Statements**

#### **Year ended 31<sup>st</sup> March 2020**

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

#### **(j) Provisions**

Provisions are recognised when the RP has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

#### **(k) Leases**

Rentals payable and receivable under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

#### **(l) Tax**

No corporation or deferred tax is accounted for by the RP, since it has charitable status and its activities are exempt from tax.

Irrecoverable VAT which can be attributable to a capital item or operating expenditure is added to the cost of the capital item or expenses. The activities of the RP are partially exempt from VAT. Because of the small amounts involved, expenditure is shown gross and the VAT recoverable is included in the income.

#### **(m) Turnover and other income**

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes England.

The disposal proceeds from the first tranche of shared ownership properties are included in turnover at the point of legal completion.

#### *Rendering of services*

When the outcome of a transaction can be estimated reliably, turnover from supporting people contracts is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to the date.

Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

#### *Interest receivable*

Interest income is recognised using the effective interest method as the RP's right to receive payment is established.

# **The Solihull Care Housing Association**

## **Notes to the Financial Statements**

**Year ended 31<sup>st</sup> March 2020**

### *Other Income*

The licences and other income from rooms is recognised when the Association obtains the right to consideration.

### **(n) Government grants**

Government grants, from Homes Communities Agency are received in respect of a contribution towards capital costs of various schemes. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Such grants are only repayable in certain limited circumstances.

Where disposal of government donated assets are required to be recycled, a liability is included to recognise this obligation.

### **(o) Employee benefits**

When employees have rendered service to the RP, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The RP operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### **(p) Financial instruments**

The RP has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# **The Sollhull Care Housing Association**

## **Notes to the Financial Statements**

### **Year ended 31<sup>st</sup> March 2020**

#### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

#### *Derecognition of financial assets*

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

## **The Solihull Care Housing Association**

### **Notes to the Financial Statements**

**Year ended 31<sup>st</sup> March 2020**

#### **(q) Judgements and key sources of estimation uncertainty**

In the application of the RP's accounting policies the Board are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Impairment of Social Housing properties:** The Board have to make an assessment as to whether an indicator of impairment exists. In making the judgement they considered the detailed criteria set out in the SORP.

The Board have made estimations regarding the costs of the shared ownerships properties for the remaining 6 flats. This is £408,334 included in stock. The Board are expecting the selling price less the costs to complete and sell to be greater than this cost.

**The Solihull Care Housing Association**

**Notes to the Financial Statements**

**Year ended 31<sup>st</sup> March 2020**

**2 Particulars of turnover, cost of sales, administrative expenditure and operating surplus**

<b>2020</b>	<b>Turnover</b>	<b>Operating Expenditure</b>	<b>Operating surplus</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Social housing lettings	<u>1,527,640</u>	<u>1,292,069</u>	<u>235,571</u>
<b>Other social housing activities:</b>			
First tranche property sales	180,000	83,058	96,942
Supporting people	58,300		58,300
Amortised government grants	126,370		126,370
Other	47,506		47,506
	<u>412,176</u>	<u>83,058</u>	<u>329,118</u>
<b>Total</b>	<u><b>1,939,816</b></u>	<u><b>1,375,127</b></u>	<u><b>564,689</b></u>
<b>2019</b>	<b>Turnover</b>	<b>Operating Expenditure</b>	<b>Operating surplus</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Social housing lettings	<u>1,497,764</u>	<u>1,229,611</u>	<u>268,153</u>
<b>Other social housing activities:</b>			
First tranche property sales	185,500	82,710	102,790
Supporting people	58,296		58,296
Amortised government grants	126,370		126,370
Other	28,815		28,815
	<u>398,981</u>	<u>82,710</u>	<u>316,271</u>
<b>Total</b>	<u><b>1,896,745</b></u>	<u><b>1,312,321</b></u>	<u><b>584,424</b></u>
		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>Void losses</b>		<u><b>12,221</b></u>	<u><b>17,180</b></u>

# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

**3 Surplus on ordinary activities**  
Surplus on ordinary activities is stated after charging

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	7,620	7,200
Bad debts	2,126	1,246
Depreciation of tangible assets	242,182	238,034
Depreciation of other assets	-	2,104
Operating rent	48,187	46,548

**4 Accommodation owned, managed and In development**

	<b>Number of units at 31<sup>st</sup> March 2020</b>	<b>Number of units at 31<sup>st</sup> March 2019</b>
Completed units:		
Supported housing	32	32
Housing for older people	100	100
Care homes providing personal care under the Care Standards Act 200	24	24
	<hr/> <b>156</b>	<hr/> <b>156</b>

# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 5 Interest and other finance income and expenses<sup>4</sup>

#### a) Interest receivable and similar income

	2020 £	2019 £
Bank interest receivable	-	-
	<u>-</u>	<u>-</u>

#### b) Interest payable and similar expenses

	2020 £	2019 £
Bank loans and overdrafts	33,745	62,605
	<u>33,745</u>	<u>62,605</u>

### 6 Board and key management personnel remuneration

Key management personnel received £38,295 (2019: £37,361) during the period. Members of the Board received no expenses or remuneration in the year.

### 7 Staff costs

The average monthly number of employees, including members of the executive team, during the year was as follows:

	2020	2019
Head office management and administration	6	5
Housing management	3	3
Wardens, cleaners and maintenance	3	3
Support	3	5
	<u>15</u>	<u>16</u>

The aggregate remuneration of such employees was as follows:

	2020 £	2019 £
Wages and salaries	379,129	289,453
Social security	24,818	20,399
Other pension costs	17,094	8,876
	<u>421,041</u>	<u>318,638</u>

There are no employees who received more than £60,000 as their employee package.



**The Solihull Care Housing Association**

**Notes to the Financial Statements**

**Year ended 31<sup>st</sup> March 2020**

**8 Tangible fixed assets – housing properties**

	Housing properties for letting	Shared ownership properties	Property fixtures and fittings	Total
	£	£	£	£
<b>Cost:</b>				
At 1 <sup>st</sup> April 2019	11,999,047	662,645	61,893	12,723,585
<b>Additions</b>	41,827		65,723	107,550
At 31 <sup>st</sup> March 2020	12,040,874	662,645	127,616	12,831,135
<b>Depreciation:</b>				
At 1 <sup>st</sup> April 2019	2,031,696	72,848	61,893	2,166,437
<b>Charge for year</b>	226,275	13,252	2,655	242,182
At 31 <sup>st</sup> March 2020	2,257,971	86,100	64,548	2,408,619
<b>Net book value:</b>				
At 31 <sup>st</sup> March 2020	9,782,903	576,545	63,068	10,422,516
At 31 <sup>st</sup> March 2019	9,967,351	589,797	-	10,557,148

The net book value of land and buildings comprised:

	2020 £	2019 £
<b>Land and buildings:</b>		
Freehold	9,200,248	9,384,388
Long leasehold	399,200	412,760
Land	760,000	760,000
	<u>10,359,448</u>	<u>10,557,148</u>
	<u>10,359,448</u>	<u>10,557,148</u>

Social housing properties with a net book value of £10,359,448 (2019 - £10,557,148) have been pledged as security for liabilities of the RP. These assets have restricted title.

# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 9 Tangible fixed assets – other

	Fixtures and fittings £
Cost or valuation:	
At 1 <sup>st</sup> April 2019	10,538
At 31 <sup>st</sup> March 2020	10,538
Depreciation:	
At 1 <sup>st</sup> April 2019	10,538
At 31 <sup>st</sup> March 2020	10,538
Net book value:	
At 31 <sup>st</sup> March 2020	-
At 31 <sup>st</sup> March 2019	-

### 10 Fixed asset investments

	Total £
Cost or valuation	
At 31 <sup>st</sup> March 2019	1
At 31 <sup>st</sup> March 2020	1
Carrying amount:	
At 31 <sup>st</sup> March 2020	1
At 31 <sup>st</sup> March 2019	1

The RP owns 100% of the issued ordinary shares of Solihull Care (Property) Limited, a company that did not trade during the year, unlisted and incorporated in England and Wales. It's profit for the year amounted to £Nil (2019 - £Nil). It's accumulated capital and reserves at 31 March 2020 stands at £1 (2019 - £1).

# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 11 Stocks

	2020 £	2019 £
<b>First tranche shared ownership properties:</b>		
Completed housing properties for sale	408,334	482,280
	<u>408,334</u>	<u>482,280</u>

The sale proceeds from the sale of these properties is pledged to reduce the Parkgate development loan.

### 12 Debtors

	2020 £	2019 £
Trade debtors (gross social housing rent arrears, service charge arrears and supporting people income outstanding)	75,341	50,374
Prepayments and accrued income	27,325	27,614
VAT	-	155
	<u>102,666</u>	<u>78,143</u>

### 13 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	108,713	112,774
Trade creditors	90,353	70,802
Creditor in respect of Parkgate Development	10,000	10,000
Other creditors	8,142	13,451
Rents in advance	90,363	42,410
Accruals and deferred income	62,708	20,753
	<u>369,829</u>	<u>270,190</u>

### 14 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	336,875	1,056,994
	<u>336,875</u>	<u>1,056,994</u>

## The Sollihull Care Housing Association

### Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

#### 15 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 Land & buildings £	2019 Land & buildings £
Not later than one year	46,958	43,534
Later than one and not later than five years	186,029	142,712
Later than five years	271,050	291,370
	<u>504,036</u>	<u>477,616</u>

The RP has a 125 year lease on Cranmore Court from June 1992. For the first 40 years a fixed annual rent of £30,678 is payable. In addition, a rent which is reviewed every 5 years and is currently £5,000 per annum is payable.

Also, there is a five year lease on two properties in Wildmoor Rd from November 2014 with a current rental of £11,784 per annum reducing by 1% each year under current guidelines.

#### 16 Government Grant

Grants of £6,868,478 received, to assist with the purchase and construction costs of housing properties and therefore there is an ongoing linkage between the property costs and the government grants. As the housing properties are measured at cost, the accrual model for recognising the grant, reflects the substance of the overall transaction, as grants are matched to the life of the underlying asset. The grants are being amortised and treated as income over fifty years, being equal to the number of years over which the underlying assets are being depreciated.

	2020 £	2019 £
Due within one year	126,370	126,370
Due after one year	5,300,065	5,426,435
	<u>5,426,435</u>	<u>5,552,805</u>

Such grants are only repayable in certain circumstances.

# The Sollhull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 17 Borrowings

	2020 Housing loans £	2019 Housing loans £
Less than one year on demand	108,712	112,774
Between one and two years	40,915	120,412
Between two and five years	185,323	398,166
After five years	110,637	538,416
	<u>445,587</u>	<u>1,169,768</u>

Loans totalling £445,587 are secured by specific charges on the RP housing properties.

At the year end the loans relating to housing properties.

		2020 £	2019 £
Phoenix House fixed term	4.85%	375,939	413,113
Phoenix House variable rate	2.90% above base rate		-
		<u>375,939</u>	<u>413,113</u>
Trinity apartments variable rate	2.70% above base rate	69,648	756,655
Total		<u>445,587</u>	<u>1,169,768</u>

### 18 Share capital

Each member of the board holds one Ordinary share of £1 in the Association.

	Number	£
Allotted called up and fully paid At 1 <sup>st</sup> April 2019	9	9
At 31 <sup>st</sup> March 2020	<u>9</u>	<u>9</u>

There have been no changes to the membership during the year.

The shares do not have rights to any dividends, nor to a distribution in a winding-up, and they are not redeemable. Each share carries one vote in a general meeting of the association.

# The Sollhull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 19 Reserves

	2020 £	2019 £
Balance at 1 <sup>st</sup> April 2019	4,484,031	3,962,212
Surplus for the year	530,944	521,819
	<u>5,014,975</u>	<u>4,484,031</u>

### 20 Reconciliation of operating surplus to cash flow from operating activities

	2020 £	2019 £
<b>Operating surplus for the year</b>	<b>564,689</b>	<b>584,424</b>
Depreciation and Impairment of tangible fixed assets	242,182	240,138
Decrease in stock	73,946	80,380
Decrease in trade and other debtors	(24,523)	(13,180)
Increase in trade and other creditors	103,700	32,992
Government grants utilised in the year	(126,370)	(126,370)
<b>Net cash flow from operating activities</b>	<b>833,624</b>	<b>798,384</b>

### 21 Pensions and other post-retirement benefits

As part of the government auto enrolment requirements, a pension scheme with National Employment Saving Trust (NEST) was set up on 1<sup>st</sup> April 2017 and all eligible employees have been enrolled into this scheme.

### 22 Events after the end of the period

The Trustees have considered the effect of the Covid-19 outbreak that has been spreading throughout the world in early 2020 on the associations activities. This outbreak is likely to cause some disruption to the associations business but at the date of approval of these financial statements, the extent and quantum of the disruption remains uncertain.

### 23 Controlling party

The controlling parties are the members of the board.

### 24 Related party transactions

At the date of these financial statements non of the Associations Board members were tenants/shared owners of the RP properties and no special terms applied.

# The Sollhull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

### 25 Financial Instruments

The carrying amounts of the RP's financial instruments are as follows:

	2020 £	2019 £
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors (note 12)	75,841	50,374
- Other debtors (note 12)	<u>27,325</u>	<u>27,769</u>
	102,666	78,143
Equity instruments measured at cost less impairment:		
- Fixed asset unlisted investments (note 10)	<u>1</u>	<u>1</u>
	102,667	78,144
<i>Financial liabilities</i>		
Measured at amortised cost		
- Bank loans and overdraft (notes 17)	445,588	1,169,768
- Trade creditors (notes 13-14)	190,266	123,212
- Other creditors (notes 13-14)	<u>70,850</u>	<u>34,204</u>
	706,704	1,327,184

# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

	2020		2019	
	£	£	£	£
<b>Income</b>				
Rents		1,285,828		1,268,063
Void rents		(11,456)		(4,944)
Shared ownership service charges		116,075		111,548
Void service charges		(765)		(12,236)
Income from resales		29,796		13,189
Care provider licence fee		137,958		135,333
Housing related support		58,300		58,296
Hire of rooms		2,440		4,583
Other income		15,270		11,043
<b>Total income</b>		<u>1,633,446</u>		<u>1,584,875</u>
<b>Catering costs</b>	157,143		216,554	
Catering salaries	100,057		1,480	
Service maintenance contracts	49,489		46,859	
Equipment	7,138		9,098	
Building and equipment maintenance	79,962		94,524	
Maintenance salaries	47,531		36,029	
Cleaning and waste disposal	51,540		62,822	
Salaries	308,309		281,129	
Staff expenses	627		1,000	
Rent, council tax and void council tax	48,187		49,000	
Heat, light and power	88,813		87,445	
Water	22,005		17,359	
Telephone	12,741		11,192	
Grounds maintenance	6,971		8,979	
Van expenses	4,322		4,083	
Stationary and postage	3,779		3,000	
Travelling	2,324		3,135	
Computer maintenance	6,989		4,424	
Computer equipment	-		1,874	
Printing	2,477		2,970	
Training	5,733		2,415	
Insurance	19,749		18,802	
Subscriptions and licences	4,251		5,472	
Sundry expenses	4,682		3,861	
Bank charges	321		434	
Consultancy and professional fees	4,406		7,087	
Audit	8,214		7,200	
Bank loan interest	33,745		62,605	
Bad debts	2,126		1,246	
Depreciation	242,183		240,138	
Amortisation of grants	(126,370)		(126,370)	
<b>Total expenditure</b>		<u>(1,199,444)</u>		<u>(1,165,846)</u>
<b>Surplus before property sales</b>		434,002		419,029



# The Solihull Care Housing Association

## Notes to the Financial Statements

Year ended 31<sup>st</sup> March 2020

Sale of apartments	180,000	185,500
Cost of apartments	<u>(83,058)</u>	<u>(82,710)</u>
Surplus on property sales	96,942	102,790
Net surplus	<u>530,944</u>	<u>521,819</u>

