BUIDHEANN TIGHEADAS LOCH AILLSE AGUS AN EILEIN SGITHEANAICH LIMITED

LOCHALSH AND SKYE HOUSING ASSOCIATION

FINANCIAL PLAN 2024-2029

SUMMARY FINANCIAL PLAN 2024 - 2054

BUIDHEANN TIGHEADAS LOCH AILLSE AGUS AN EILEIN SGITHEANAICH LIMITED

LOCHALSH AND SKYE HOUSING ASSOCIATION

TABLE OF CONTENTS	Page(s)
Scorecard………………………………………………………………………………..	3
Charts…………………………………………………………………………………..	4
Assumptions for Thirty Years to 31 March 2054…………………………………….	5 to 8
Statement of Comprehensive Income 2024/2029……………………………………	9 to 10
Statement of Financial Position 2024/2029………………………………………….	11
Cashflow 2024/2029…………………………………………………………………	12
Summary Statement of Comprehensive Income 2024/2054………………………	13 to 15
Summary Statement of Financial Position 2024/2054………………………………	16 to 18
Summary Cashflow 2024/2054……………………………………………………….	19 to 21
Loan Covenants………………………………………………………………………	22

Lochalsh and Skye Housing Association
Finance Scorecard, projected for the five-year financial plan period 2024 - 2029

Strategic Finance Measure

Sustainability

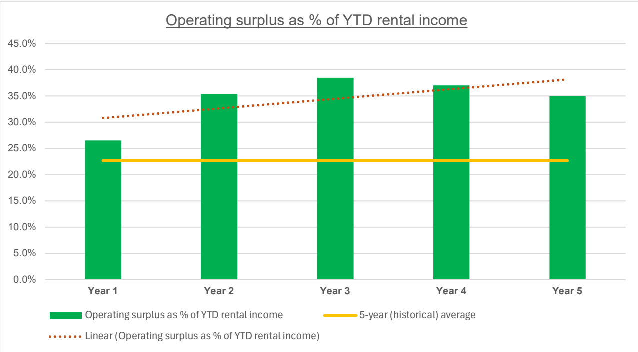
		5 year avg	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Operating surplus as % of YTD rental income		22.7%	23.7%	26.5%	35.4%	38.5%	37.0%	35.0%
Operating surplus as % of YTD total income		16.5%	15.0%	16.5%	21.7%	23.2%	23.2%	22.7%
Staff costs as % of rental income		54.9%	44.2%	48.4%	47.6%	45.4%	43.2%	41.5%
Debt per unit			£ 28,556	£ 30,793	£ 32,416	£ 34,632	£ 37,077	£ 37,082

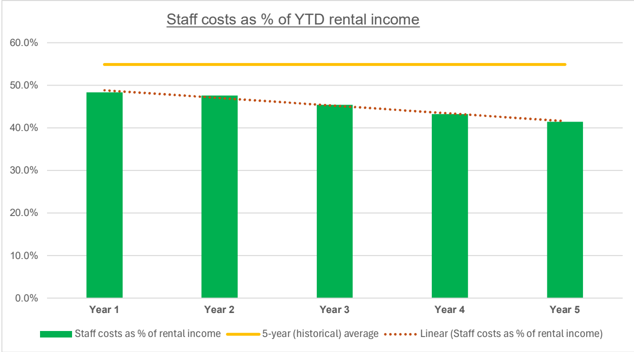
Covenant Compliance

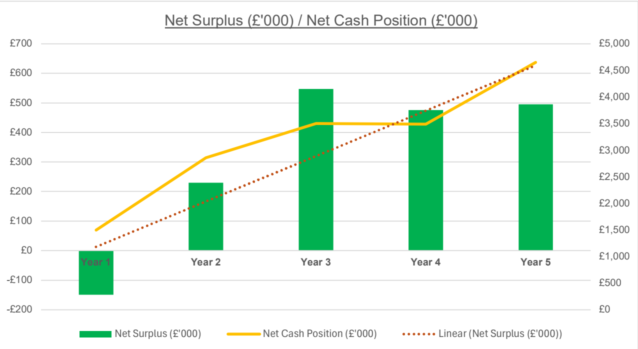
		Current	Year 1	Year 2	Year 3	Year 4	Year 5
Interest Cover	>110%	☑	143.9%	175.3%	204.4%	191.2%	195.8%
Gearing	<28%	☑	20.9%	21.1%	20.9%	21.4%	21.4%
Debt Service	>110%	☑	166.3%	181.2%	178.7%	168.9%	164.5%
Security		☑					
Negative Pledge		☑					

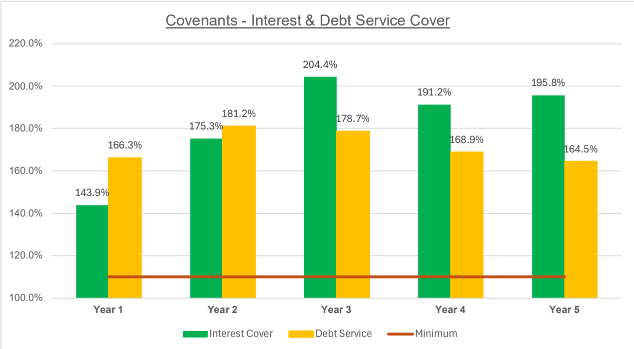
Lochalsh and Skye Housing Association
Finance Scorecard, projected for the five-year financial plan period 2024 - 2029

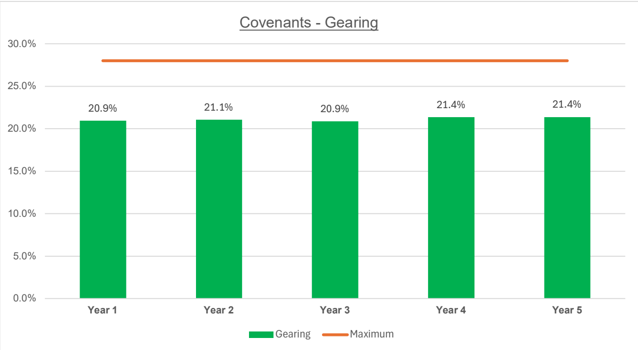
Charts

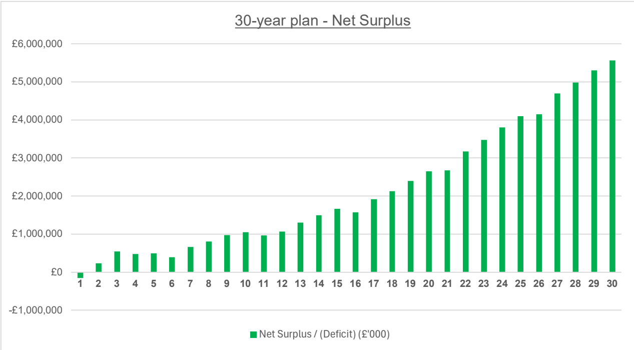


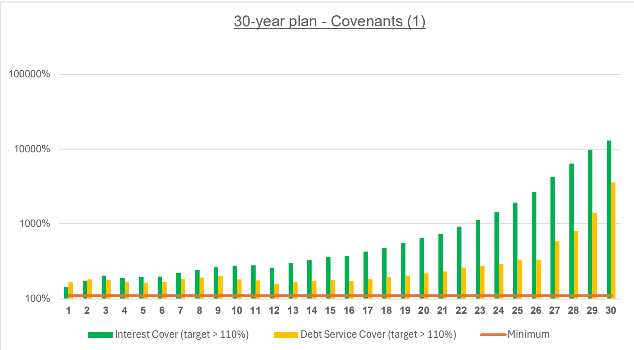


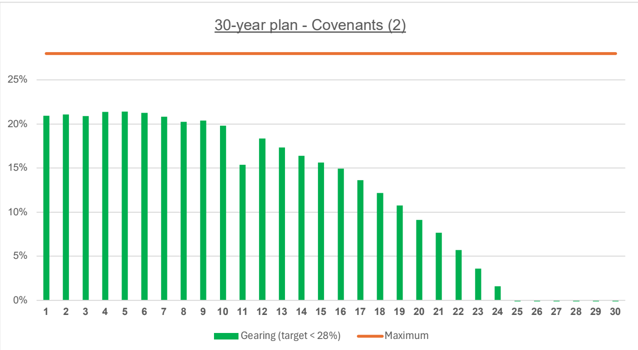












FINANCIAL PLAN 2024 ==> 2054 : BASELINE ASSUMPTIONS

GENERAL ASSUMPTIONS

1 This financial plan has been prepared in detail for a 5 year period commencing 1 April 2024.

2 Year one represents the Association's approved budget for 2024/25

3 Income is shown net of VAT. Expenditure includes VAT except those few instances where the VAT is recoverable

4 Inflation, price increases and interest rates are assumed as follows

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
General increase/CPI (Sept 2023 = 6.1%)	**5.98%**	**3.19%**	**2.19%**	**2.00%**	**2.00%**	**2.00%**
Salaries increase	**6.00%**	**3.29%**	**2.29%**	**2.10%**	**2.10%**	**2.10%**
Bank Rate	**5.19%**	**4.25%**	**3.26%**	**3.20%**	**2.80%**	**2.80%**

RENT INCOME

5 **Rents**

The annual rental income is based on the rents chargeable from 1 April 2023 with new properties coming on stream in line with the Development Plan. Annual rent increases across the period of the plan are shown below.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Annual increase (CPI+1%)	**7.7%**	4.2%	3.2%	3.0%	3.0%	3.0%
Rent income	**£ 4,509,366**	**£ 4,819,170**	**£ 5,204,511**	**£ 5,596,733**	**£ 5,959,690**	

6 **Service Charges**

Service charges are based on the full recovery of estimated costs. Annual increases have been applied in line with the increase in rents.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Annual increase in service charges	7.7%	4.2%	3.2%	3.0%	3.0%	3.0%
	£ 68,463	**£ 71,351**	**£ 73,627**	**£ 75,836**	**£ 78,111**	

7 **Shared Ownership Management Charges**

Management charges for shared ownership properties are based on the full recovery of estimated costs. There are no proposals to increase the charges over the next 5 years.
It is estimated that 1 of our shared ownership properties will be sold each year and that this income will gradually diminish over the next 20 years until all the properties have been sold

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Annual increase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	£ 2,220	**£ 2,100**	**£ 1,980**	**£ 1,860**	**£ 1,740**	

GRANTS FROM THE SCOTTISH GOVERNMENT, HIGHLAND COUNCIL AND OTHER INCOME

8 **Release of Deferred Housing Grants**

Grants received for the construction and acquisition of housing properties are deferred and released as income in annual instalments over the life of the properties concerned.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Social Housing Grant	£ 1,502,310	£ 1,670,821	£ 1,899,143	£ 2,038,049	£ 2,079,723	Based on future development
Other Housing Grants	£ 56,156	£ 56,156	£ 56,156	£ 81,156	£ 94,156	
	£ 1,558,466	**£ 1,726,977**	**£ 1,955,299**	**£ 2,119,206**	**£ 2,173,879**	

9 **Project Management Fees**

Internal fees for years 1 to 5 are taken from the Development Plan and are based on the amount required to operate the plan with an annual allowance for inflation.
External fees for years 1 to 5 are based on fees receivable for projects managed for external organisations with an annual allowance for inflation.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Internal fee income	£ 135,417	£ 214,750	£ 260,984	£ 208,936	£ 105,121	£ -
External fee income	£ -	£ 11,280	£ 53,580	£ -	£ -	£ -
	£ 135,417	£ 226,030	£ 314,564	£ 208,936	£ 105,121	

10 **Care & Repair Administration Grant**

Care and Repair is funded by Highland Council in line with the agreed Care & Repair Agency Agreement.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
THC admin grant	£ 62,802	£ 62,802	£ 62,802	£ 62,802	£ 62,802	
Drawing Fees	£ 4,000	£ 4,000	£ 4,000	£ 4,000	£ 4,000	£ -
	£ 66,802	£ 66,802	£ 66,802	£ 66,802	£ 66,802	

11 **Shared Equity Admin Allowance**

The anticipated number each year and the level of allowance is assumed to be as follows:-

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Target	6	6	6	6	6	6
Grant	£ 500	£ 516	£ 527	£ 538	£ 549	Annual inflation
Total	£ 3,000	£ 3,096	£ 3,162	£ 3,228	£ 3,294	

12 **Disabled Adaptation - Admin Grant**

The target for each of the years covered and the revenue generated is shown below. Annual increases for years 6 to 30 have been estimated using our general assumptions on inflation (see above).

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Gross expenditure	£ 100,000	£ 100,000	£ 100,000	£ 100,000	£ 100,000	Annual inflation
Admin grant included above	10%	10%	10%	10%	10%	10%
Total admin grant	£ 9,091	£ 9,091	£ 9,091	£ 9,091	£ 9,091	

13 **CDM Coordinator Fees**

Years 1 to 5 are taken from the Development Plan.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Internal fee income	£ 76,960	£ 74,848	£ 84,403	£ 50,960	£ 33,443	£ -
External fee income	£ -	£ 3,525	£ 14,100	£ -	£ -	£ -
	£ 76,960	£ 78,373	£ 98,503	£ 50,960	£ 33,443	£ -

14 Clerk of Works Fees

Years 1 to 5 are taken from the Development Plan.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Internal fee income	£ 101,563	£ 161,062	£ 195,738	£ 156,702	£ 78,841	£ -
External fee income	£ 7,601	£ 6,267	£ 29,767	£ -	£ -	£ -
	£ 109,163	£ 167,329	£ 225,504	£ 156,702	£ 78,841	£ -

15 Factoring Fees

The fees are set annually by the Association and assumed increases based on CPI plus 1%.

For details see the factoring database

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Number of properties	100	102	104	106	108	Annual inflation
Average charge (prior year avg adjusted for inflation)	117	121	124	126	129	
	£ 11,723	£ 12,338	£ 12,856	£ 13,365	£ 13,890	

16 Handyperson Income

The Handyperson Service secures its income on a year by year basis. Year 1 assumes £30k/qtr funding uplift

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
NHS grant	£ 236,197	£ 236,197	£ 236,197	£ 236,197	£ 236,197	
THC grant	£ 47,078	£ 47,078	£ 47,078	£ 47,078	£ 47,078	£ -
Total	£ 283,275	£ 283,275	£ 283,275	£ 283,275	£ 283,275	

17 Energy Advice Income

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29
EPCs	£ -	£ -	£ -	£ -	£ -
Grant income	£ -	£ -	£ -	£ -	£ -
Total	£ -	£ -	£ -	£ -	£ -

18 Commercial and Other Rents

Offices Bridge Road, Portree - £19,250 p.a. Tech Services Store - £7,000 p.a. 5 Station Road, Kyle - £10,500 p.a. Main Street Kyle Unit 1 - £5,400 p.a.

Main Street Kyle Unit 2 - £7,500 p.a.

Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
£ 49,650	£ 51,234	£ 52,356	£ 53,403	£ 54,471	Annual inflation

19 Property Management Fees

Income is received for managing properties on behalf of other organisations as follows:

LINK (12 Properties) £8,373 p.a	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Total	£ 8,373	£ 8,640	£ 8,829	£ 9,006	£ 9,186	Annual inflation

20 Renewable Heat Incentives

Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
£ 105,263	£ 85,348	£ 53,156	£ 31,019	£ 25,747	Per RHI schedule

21 Other income from Energy

Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
£ -	£ -	£ -	£ -	£ -	£ -

22 Other Income not included elsewhere

Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
£ -	£ -	£ -	£ -	£ -	£ -

23 Income for Projects and Services Carried out on Behalf of Other Organisations

See Note 37 below for corresponding expenditure

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
The Highland Council - Care & Repair Grants	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ -
The Highland Council - Housing Projects	£ -	£ -	£ -	£ -	£ -	£ -
	£ 300,000	£ 300,000	£ 300,000	£ 300,000	£ 300,000	£ -

24 Gains/Losses on disposal of assets

This is based on an assumption of gains arising on 1 outright shared ownership sale each year and losses arising from the disposal of housing components which are being replaced as part of the Association's asset management strategy .

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 11 2030 to 2054
Gains on shared ownership sales	£ 50,000	£ 50,000	£ 50,000	£ 50,000	£ 50,000	£ 50,000
Less losses on disposal of components	£ 50,000	£ 50,000	£ 50,000	£ 50,000	£ 50,000	£ 50,000
	£ -	£ -	£ -	£ -	£ -	£ -

25 Bank Interest Receivable

This is an amalgamation of all interest earned by the association and assumes an average interest rate equivalent to the prevailing bank base minus 0.5%.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Base rate	5.19%	4.25%	3.26%	3.20%	2.80%	2.80%
Deposit rate - Aggregator (70% base rate less fees)	3.41%	2.75%	2.06%	2.02%	1.74%	1.74%
Deposit rate - RBS (25% base rate)	1.30%	1.06%	0.82%	0.80%	0.70%	0.70%
	£ 65,232	£ 34,284	£ 46,365	£ 51,729	£ 54,569	

EXPENDITURE

26 Salaries & Associated Costs

Basic Assumptions	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Overtime	0%	0%	0%	0%	0%	0%
Employers NI (average rate)	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%
Pensions Care 1/80th	11.6%	11.6%	11.6%	11.6%	11.6%	11.6%
Pensions - other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Salaries	£ 1,792,444	£ 1,882,192	£ 1,939,021	£ 1,983,647	£ 2,025,303
Employer's NI Costs	£ 237,429	£ 249,318	£ 256,847	£ 262,758	£ 268,276
Pensions - Defined Contribution Scheme	£ 17,273	£ 17,941	£ 18,453	£ 18,872	£ 19,268
Pensions - Defined Benefit Scheme	£ 146,429	£ 155,581	£ 160,174	£ 163,828	£ 167,269
Pension Deficit Contributions	£ -	£ -	£ -	£ -	£ -
Provision for accrued holiday pay	£ 4,175	£ -	£ -	£ -	£ -
Total salary costs	£ 2,197,750	£ 2,305,032	£ 2,374,494	£ 2,429,104	£ 2,480,116

Total salary costs include the following amounts which relate to Direct Labour and other salaries that have been allocated to other account areas:

£ 597,706	£ 678,460	£ 693,967	£ 707,827	£ 722,678

27 Recruitment Costs

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
	£ 12,200	£ 5,389	£ 5,507	£ 5,617	£ 5,729	Annual inflation

28 Other Staff Costs

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
	£ 37,155	£ 1,548	£ 1,582	£ 1,614	£ 1,646	Annual inflation

29 Staff Travel & Subsistence

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
	£ 14,000	£ 14,447	£ 14,763	£ 15,058	£ 15,359	Annual inflation

30 Motor Vehicles

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Vehicle costs	£ 184,391	£ 189,915	£ 194,077	£ 197,948	£ 201,914	Annual inflation

The totals above include the following amounts which relate to Direct Labour and have been allocated to other account areas:

£ 99,279	£ 102,446	£ 104,690	£ 106,784	£ 108,919

31 Office Related Costs

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Office Rates/Water Charges	£ 2,500	£ 2,580	£ 2,640	£ 2,690	£ 2,740	
Rents payable	£ 31,000	£ 31,000	£ 31,000	£ 31,000	£ 31,000	
Office Repairs	£ 6,250	£ 6,450	£ 6,590	£ 6,720	£ 6,850	
Office Property Insurance	£ 3,080	£ 3,180	£ 3,250	£ 3,320	£ 3,390	
General Insurances	£ 29,250	£ 30,180	£ 30,840	£ 31,460	£ 32,090	
Telephone	£ 13,100	£ 12,140	£ 12,410	£ 12,660	£ 12,910	
Heat & Light	£ 22,000	£ 22,480	£ 22,970	£ 23,430	£ 23,900	
Postage	£ 4,000	£ 3,681	£ 3,572	£ 3,458	£ 3,354	
Stationery	£ 8,500	£ 8,770	£ 8,960	£ 9,140	£ 9,320	
Printing	£ 1,500	£ 1,377	£ 1,340	£ 1,302	£ 1,264	
Publicity and Advertising	£ 1,000	£ 1,030	£ 1,050	£ 1,070	£ 1,090	
Equipment Repairs & Renewals	£ 500	£ 520	£ 530	£ 540	£ 550	
ICT Costs	£ 105,175	£ 107,598	£ 104,628	£ 76,672	£ 78,696	
Courses, Seminars, & Training	£ 11,000	£ 12,000	£ 12,000	£ 12,000	£ 12,000	
Conferences	£ 1,500	£ 1,500	£ 1,500	£ 1,500	£ 1,500	
Subscriptions	£ 26,000	£ 26,830	£ 27,420	£ 27,970	£ 28,530	Annual inflation
HHR - Admin	£ 7,500	£ 7,740	£ 7,910	£ 8,070	£ 8,230	
HHR -Other	£ -	£ -	£ -	£ -	£ -	
Board Costs	£ 7,600	£ 7,770	£ 7,940	£ 8,100	£ 8,260	
Community Engagement, Collaboration & Sponsorships	£ 2,500	£ 2,550	£ 2,610	£ 2,660	£ 2,710	
Tenant Participation	£ 14,000	£ 14,450	£ 14,770	£ 15,070	£ 15,370	
Office Cleaning	£ 2,800	£ 2,890	£ 2,950	£ 3,010	£ 3,070	
Handyperson costs	£ 10,000	£ 10,220	£ 10,440	£ 10,650	£ 10,860	
Health and Safety	£ 5,000	£ 5,110	£ 5,220	£ 5,320	£ 5,430	
Room Hire	£ 1,000	£ 1,030	£ 1,050	£ 1,070	£ 1,090	
Hospitality	£ -	£ -	£ -	£ -	£ -	
Compensation	£ 1,500	£ 1,550	£ 1,580	£ 1,610	£ 1,640	
Office Consumables	£ 3,500	£ 3,580	£ 3,660	£ 3,730	£ 3,800	
Bank charges	£ 13,500	£ 13,930	£ 14,240	£ 14,520	£ 14,810	
Covid 19	£ -	£ -	£ -	£ -	£ -	
Vat recoverable	£ (1,500)	£ (1,550)	£ (1,600)	£ (1,650)	£ (1,700)	

The totals above include the following amounts which relate to Direct Labour and have been allocated to other account areas:

£ 41,900	£ 43,020	£ 43,812	£ 37,703	£ 38,457

32 Professional Costs

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Consultancy	£ 25,000	£ 25,000	£ 25,000	£ 10,000	£ 10,000	
Audit & Accountancy	£ 20,160	£ 20,800	£ 21,260	£ 21,690	£ 22,120	Annual inflation
Legal Fees	£ 20,000	£ 20,640	£ 21,090	£ 21,510	£ 21,940	

33 Housing Property Costs

Expenditure is shown net of income received from insurance recoveries.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Reactive Repairs						
Reactive Repairs	£ 328,611	£ 109,500	£ 119,154	£ 153,682	£ 175,430	
Direct Labour	£ 350,151	£ 361,485	£ 369,609	£ 373,652	£ 381,424	
Total (to Income and Expenditure a/c)	**£ 678,762**	**£ 470,985**	**£ 488,763**	**£ 527,334**	**£ 556,854**	
Cyclical Maintenance						
Cyclical maintenance	£ 242,103	£ 264,435	£ 277,571	£ 313,832	£ 338,911	
Direct Labour	£ 200,074	£ 206,550	£ 211,192	£ 213,502	£ 217,943	
Total (to Income and Expenditure a/c)	**£ 442,177**	**£ 470,985**	**£ 488,763**	**£ 527,334**	**£ 556,854**	
Planned Maintenance (see note 38 below)						
Planned Maintenance - Capital Components	£ 1,307,609	£ 1,136,047	£ 1,140,517	£ 1,160,488	£ 1,173,280	
Direct Labour	£ 135,929	£ 140,329	£ 143,483	£ 145,043	£ 148,059	Per Asset Management Strategy
Total (to Capital a/c)	**£ 1,443,538**	**£ 1,276,376**	**£ 1,284,000**	**£ 1,305,531**	**£ 1,321,339**	
Other Planned Maintenance	£ -	£ -	£ -	£ -	£ 3,950	
Direct Labour	£ -	£ -	£ -	£ -	£ -	
Total (to Income and Expenditure a/c)	**£ -**	**£ -**	**£ -**	**£ -**	**£ 3,950**	
Property Service Charges						
Service charges - expenditure	£ 3,764	£ 4,008	£ 4,185	£ 4,355	£ 4,530	
Direct Labour	£ 52,730	£ 54,437	£ 55,660	£ 56,269	£ 57,440	
Total (to Income and Expenditure a/c)	**£ 56,494**	**£ 58,445**	**£ 59,845**	**£ 60,624**	**£ 61,970**	
Property Insurance	£ 103,739	£ 108,739	£ 113,739	£ 118,739	£ 123,739	Annual Inflation
Tenancy Sustainment Fund	**£ -**	**£ -**	**£ -**	**£ -**	**£ -**	

34 Other Housing Costs

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Bad Debts to be Written Off - Rents	£ 11,000	£ 12,000	£ 13,000	£ 14,000	£ 15,000	
Bad Debts to be Written Off - Others	£ 5,000	£ 5,160	£ 5,273	£ 5,378	£ 5,486	Annual Inflation
Voids	£ 23,000	£ 24,000	£ 26,000	£ 28,000	£ 30,000	

35 Expendiure on Projects and Services Carried out on Behalf of Other Organisations

Expenditure is reimbursed in full - see Note 24 above for corresponding income

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
The Highland Council - Care & Repair Grants	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ -
The Highland Council - Housing Projects	£ -	£ -	£ -	£ -	£ -	£ -
	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ 330,000	£ -

36 Depreciation

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Depreciation based on existing policy						
Housing Properties - % based on components	£ 2,339,961	£ 2,618,888	£ 2,974,017	£ 3,125,440	£ 3,218,116	
Office and other premises - % based on components	£ 13,108	£ 12,728	£ 12,359	£ 12,000	£ 11,652	Based on future development and other fixed assets programme
Office Equipment - 15% reducing balance	£ 1,091	£ 1,255	£ 1,389	£ 1,499	£ 1,589	
IT Equipment - 33.3% straight line	£ 12,609	£ 12,443	£ 12,632	£ 11,241	£ 9,398	
Motor Vehicles - 25% reducing balance	£ 1,019	£ 764	£ 573	£ 430	£ 322	

37 Finance Costs

The cost of finance is taken from the loans budget using detailed repayment schedules. Actual interest rates are used to forecast the cost of existing loans. The following assumptions are used to forcast the cost of future borrowing.

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Borrowing rate	5.19%	4.25%	3.26%	3.20%	2.80%	2.80%
Margin	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Total interest rate	6.69%	5.75%	4.76%	4.70%	4.30%	4.30%
Annual interest - housing properties	£ 1,408,442	£ 1,509,645	£ 1,499,300	£ 1,646,273	£ 1,639,076	
Net Interest on Pension Liability	£ -	£ -	£ -	£ -	£ -	

Ordinary Bank Interest and Bank Charges are simply estimated on present levels with an uplift for greater activity

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 6 to 30
Bank interest payable	£ 500	£ 520	£ 530	£ 540	£ 550	Inflation
Loan fees	£ 4,328	£ 4,414	£ 4,502	£ 4,592	£ 4,683	
Non-Utilisation fees	£ -	£ -	£ -	£ -	£ -	
Valuation fees	£ 5,000	£ 5,000	£ 5,000	£ 5,000	£ 5,000	
Annual loan fees etc	£ 9,328	£ 9,414	£ 9,502	£ 9,592	£ 9,683	

38 Capital Expenditure

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Housing Property - driven by Development Plan	£ 12,612,251	£ 11,074,816	£ 14,660,704	£ 11,967,625	£ 4,512,900	
Planned Maintenance (see note 33 above)	£ 1,443,538	£ 1,276,376	£ 1,284,000	£ 1,305,531	£ 1,321,339	
Office and Other Premises	£ -	£ -	£ -	£ -	£ -	Based on future development
Office Equipment	£ 2,000	£ 2,000	£ 2,000	£ 2,000	£ 2,000	
IT Equipment	£ 32,016	£ 12,110	£ 13,010	£ 8,460	£ 5,710	
Motor Vehicles - net replacement costs	£ -	£ -	£ -	£ -	£ -	
Total capital expenditure	**£ 14,089,805**	**£ 12,365,302**	**£ 15,959,714**	**£ 13,283,616**	**£ 5,841,949**	

39 Finance Utilised

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Grant	£ 11,357,183	£ 8,460,217	£ 11,294,891	£ 7,057,179	£ 2,448,976	
Private Finance	£ -	£ 5,000,000	£ 5,000,000	£ 5,000,000	£ 4,000,000	Based on future development and other fixed assets programme
Refinanced Loans	£ -	£ -	£ -	£ -	£ -	
Other funding	£ -	£ -	£ -	£ 1,136,800	£ 568,400	
Shared Equity sales income	£ -	£ -	£ -	£ -	£ -	
Total finance utilised	**£ 11,357,183**	**£ 13,460,217**	**£ 16,294,891**	**£ 13,193,979**	**£ 7,017,376**	
Shares issued	£ 10	£ 10	£ 10	£ 10	£ 10	

40 Loans repaid

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Years 6 to 30 2030 to 2054
Scheduled Loan Repayments						
Private Finance - Housing	£ 712,773	£ 872,997	£ 1,279,316	£ 1,425,033	£ 1,577,275	Based on future development
Private Finance - Other	£ -	£ -	£ -	£ -	£ -	
Total scheduled loan repayments	**£ 712,773**	**£ 872,997**	**£ 1,279,316**	**£ 1,425,033**	**£ 1,577,275**	
Early Repayments/Maturities						
Alia Bond Maturity	£ -	£ -	£ -	£ -	£ -	
Total Early Repayments/Maturities	**£ -**	**£ -**	**£ -**	**£ -**	**£ -**	

DEVELOPMENT

41 Units to be constructed

For years 1 to 5 the total number of new units has been assumed at:

	New Units
Affordable Rent	165
Shared Equity	12
Mid-Market Rent	0

From year 6 onwards the the number of new units each year has been assumed at:

	Year 6+ New Units
Affordable Rent	0
Shared Equity	0
Mid-Market Rent	0

42 Cost of construction

Unit cost - based on SG 3 person equivalent grant level achieved

Unit Cost	Total Cost
£ 235,000	£ 265,000

43 Development Funding

General needs housing	Percentage	
Grant	66.8%	£ 177,000
Private Finance	33.2%	£ 88,000
Other Funding		

OTHER FIXED ASSETS

44 Office Equipment

Years 1 to 5 per Financial Plan then £2,000 per year plus inflation

45 IT Equipment

Years 1 to 5 per Financial Plan then 5 year average plus inflation

46 Motor Vehicles

Years 1 to 5 per Financial Plan then vehicles renewed on a 3 year cycle thereafter

47 Housing furniture

Funded 100% from the Furniture Replacement Reserve.

STATEMENT OF COMPREHENSIVE INCOME

PROJECTIONS FOR FIVE YEARS TO 31/03/29

INCOME	Year to 31/03/2025 £	Year to 31/03/2026 £	Year to 31/03/2027 £	Year to 31/03/2028 £	Year to 31/03/2029 £
Rents Receivable					
Rent	4,509,366	4,819,170	5,204,511	5,596,733	5,959,690
Service Charges	68,463	71,351	73,627	75,836	78,111
Management Charges	2,220	2,100	1,980	1,860	1,740
Voids	(23,000)	(24,000)	(26,000)	(28,000)	(30,000)
	4,557,049	**4,868,621**	**5,254,118**	**5,646,429**	**6,009,541**
The Scottish Government/Highland Council Grants and Other Income					
Release of Deferred Social Housing Grant	1,502,310	1,670,821	1,899,143	2,038,049	2,079,723
Release of Other Deferred Housing Grants	56,156	56,156	56,156	81,156	94,156
Project Management Fees - Internal	135,417	214,750	260,984	208,936	105,121
Project Management Fees - External	-	11,280	53,580	-	-
Care and Repair Revenue Grants	66,802	66,802	66,802	66,802	66,802
Shared Equity Admin Allowance	3,000	3,096	3,162	3,228	3,294
Admin Grant - Disabled Adaptation	9,091	9,091	9,091	9,091	9,091
CDM Coordinator Fees	76,960	78,373	98,503	50,960	33,443
Clerk of Works Fees	109,163	167,329	225,504	156,702	78,841
Factoring Fees	11,723	12,338	12,856	13,365	13,890
Handyperson Income	283,275	283,275	283,275	283,275	283,275
Energy Advice Service - Income	-	-	-	-	-
Commercial and other rent income	49,650	51,234	52,356	53,403	54,471
Property Management Fees - Other	8,373	8,640	8,829	9,006	9,186
Renewable Heat Incentives	105,263	85,348	53,156	31,019	25,747
Other Income	-	-	-	-	-
	2,417,183	**2,718,532**	**3,083,397**	**3,004,993**	**2,857,040**
Projects for Other Organisations					
The Highland Council - Care & Repair Grants	330,000	330,000	330,000	330,000	330,000
The Highland Council - Housing Projects	-	-	-	-	-
	330,000	**330,000**	**330,000**	**330,000**	**330,000**
TOTAL INCOME	**7,304,232**	**7,917,153**	**8,667,515**	**8,981,422**	**9,196,581**
OPERATING COSTS					
Staff Related Costs					
Salaries	1,792,444	1,882,192	1,939,021	1,983,647	2,025,303
Employer's NI Costs	237,429	249,318	256,847	262,758	268,276
Pensions - Defined Contribution Scheme	17,273	17,941	18,453	18,872	19,268
Pensions - Defined Benefit Scheme	146,429	155,581	160,174	163,828	167,269
Pension Deficit Contribution	-	-	-	-	-
Accrued holiday pay	4,175	-	-	-	-
Recruitment Costs	12,200	5,389	5,507	5,617	5,729
Other Staff Costs	37,155	1,548	1,582	1,614	1,646
Staff Travel & Subsistence	14,000	14,447	14,763	15,058	15,359
Motor Vehicle Expenses	184,391	189,915	194,077	197,948	201,914
Sub total	2,445,496	2,516,331	2,590,423	2,649,341	2,704,764
Allocated to other account areas	(696,985)	(780,906)	(798,657)	(814,611)	(831,597)
	1,748,511	**1,735,426**	**1,791,766**	**1,834,730**	**1,873,167**
Office Related Costs					
Office Rates	2,500	2,580	2,640	2,690	2,740
Rents payable	31,000	31,000	31,000	31,000	31,000
Property Repairs (Non-Housing)	6,250	6,450	6,590	6,720	6,850
Office Property Insurance	3,080	3,180	3,250	3,320	3,390
General Insurances	29,250	30,180	30,840	31,460	32,090
Telephone	13,100	12,140	12,410	12,660	12,910
Heat & Light	22,000	22,480	22,970	23,430	23,900
Postage	4,000	3,681	3,572	3,458	3,354
Stationery	8,500	8,770	8,960	9,140	9,320
Printing	1,500	1,377	1,340	1,302	1,264
Publicity and Advertising	1,000	1,030	1,050	1,070	1,090
Equipment Repairs & Renewals	500	520	530	540	550
ICT Costs	105,175	107,598	104,628	76,672	78,696
Courses, Seminars & Training	11,000	12,000	12,000	12,000	12,000
Conferences	1,500	1,500	1,500	1,500	1,500
Subscriptions	26,000	26,830	27,420	27,970	28,530
Highland CHR - Admin	7,500	7,740	7,910	8,070	8,230
Highland CHR - Other	-	-	-	-	-
Board Costs	7,600	7,770	7,940	8,100	8,260
Community Engagement, Collaboration & Sponsorships	2,500	2,550	2,610	2,660	2,710
Tenant Participation	14,000	14,450	14,770	15,070	15,370
Office Cleaning	2,800	2,890	2,950	3,010	3,070
Handyperson materials etc	10,000	10,220	10,440	10,650	10,860
Health and Safety	5,000	5,110	5,220	5,320	5,430
Room Hire	1,000	1,030	1,050	1,070	1,090
Hospitality	-	-	-	-	-
Compensation	1,500	1,550	1,580	1,610	1,640
Office Consumables	3,500	3,580	3,660	3,730	3,800
Bank Charges	13,500	13,930	14,240	14,520	14,810
Covid 19	-	-	-	-	-
VAT recoverable	(1,500)	(1,550)	(1,600)	(1,650)	(1,700)
Allocated to other account areas	(41,900)	(43,020)	(43,812)	(37,703)	(38,457)
	291,855	**297,566**	**297,658**	**279,389**	**284,296**

STATEMENT OF COMPREHENSIVE INCOME

PROJECTIONS FOR FIVE YEARS TO 31/03/29

OPERATING COSTS (continued)	Year to 31/03/2025	Year to 31/03/2026	Year to 31/03/2027	Year to 31/03/2028	Year to 31/03/2029
	£	£	£	£	£
Professional Costs					
Consultancy	25,000	25,000	25,000	10,000	10,000
Audit & Accountancy	20,160	20,800	21,260	21,690	22,120
Legal Fees	20,000	20,640	21,090	21,510	21,940
	65,160	**66,440**	**67,350**	**53,200**	**54,060**
Property Costs					
Repairs and Maintenance	678,762	470,985	488,763	527,334	556,854
Cyclical Maintenance	442,177	470,985	488,763	527,334	556,854
Planned Maintenance (not capitalised)	-	-	-	-	3,950
Property Service Charges	56,494	58,445	59,845	60,624	61,970
Property Insurance	103,739	108,739	113,739	118,739	123,739
Exceptional Circumstances Fund	-	-	-	-	-
Bad Debts - rents and services charges	11,000	12,000	13,000	14,000	15,000
Bad Debts - other	5,000	5,160	5,273	5,378	5,486
	1,297,172	**1,126,314**	**1,169,383**	**1,253,409**	**1,323,853**
Biomass System					
Expenditure for Other Organisations					
The Highland Council - Care & Repair Grants	330,000	330,000	330,000	330,000	330,000
The Highland Council - Housing Projects	-	-	-	-	-
	330,000	**330,000**	**330,000**	**330,000**	**330,000**
Depreciation:					
Housing Property	2,339,961	2,618,888	2,974,017	3,125,440	3,218,116
Office Property	13,108	12,728	12,359	12,000	11,652
Office Equipment	1,091	1,255	1,389	1,499	1,589
IT Equipment	12,609	12,443	12,632	11,241	9,398
Motor Vehicles	1,019	764	573	430	322
	2,367,788	**2,646,078**	**3,000,970**	**3,150,610**	**3,241,077**
Total Operating Costs	**6,100,486**	**6,201,824**	**6,657,126**	**6,901,337**	**7,106,452**
Operating Surplus/(Deficit)	**1,203,746**	**1,715,329**	**2,010,389**	**2,080,085**	**2,090,129**
Gains/(Losses) on Disposal of Assets	**-**	**-**	**-**	**-**	**-**
Bank Interest Receivable	**65,232**	**34,284**	**46,365**	**51,729**	**54,569**
Finance Costs:					
Bank Interest	500	520	530	540	550
Annual loan fees	9,328	9,414	9,502	9,592	9,683
Private Finance Loan Interest	1,408,442	1,509,645	1,499,300	1,646,273	1,639,076
Interest on Pension Liability	-	-	-	-	-
Finance Costs	**1,418,270**	**1,519,579**	**1,509,332**	**1,656,405**	**1,649,309**
NET SURPLUS/(DEFICIT)	**(149,292)**	**230,034**	**547,422**	**475,409**	**495,389**

STATEMENT OF FINANCIAL POSITION

	31/03/2025 £	31/03/2026 £	31/03/2027 £	31/03/2028 £	31/03/2029 £
TANGIBLE FIXED ASSETS					
Housing Properties					
Hosing Properties - Cost	126,889,838	139,241,029	155,185,734	168,458,890	174,293,128
Housing properties Depreciation	(27,913,012)	(30,531,900)	(33,505,917)	(36,631,357)	(39,849,473)
	98,976,826	108,709,129	121,679,817	131,827,533	134,443,655
Other tangible fixed assets					
Investment Properties	372,500	372,500	372,500	372,500	372,500
Office Premises	438,886	426,158	413,799	401,799	390,147
Office Equipment	4,972	5,717	6,328	6,829	7,240
IT Equipment	25,219	24,886	25,264	22,483	18,795
Motor Vehicles	3,057	2,293	1,720	1,290	968
	99,821,461	**109,540,684**	**122,499,428**	**132,632,434**	**135,233,306**
INVESTMENTS	**1**	**1**	**1**	**1**	**1**
CURRENT ASSETS					
Receivables - falling due within one year					
Rent Arrears (net of bad debt provision)	60,000	66,000	73,000	77,000	80,000
Trade Debtors (net of bad debt provision)	20,000	20,000	20,000	20,000	20,000
Care & Repair debtor	25,000	25,000	25,000	25,000	25,000
Other debtors	50,000	50,000	50,000	50,000	50,000
Prepayments & Accrued Income	40,000	40,000	40,000	40,000	40,000
Funding Receivable	-	-	-	-	-
Due from group undertaking	-	-	-	-	-
	195,000	**201,000**	**208,000**	**212,000**	**215,000**
Cash & Bank	**1,494,946**	**2,860,009**	**3,501,972**	**3,490,126**	**4,647,876**
CURRENT LIABILITIES					
Payables - falling due within one year					
Loans repayable within one year	872,997	1,279,316	1,425,033	1,577,275	1,516,079
Bank Overdrafts	-	-	-	-	-
Trade Creditors	70,000	70,000	70,000	70,000	70,000
Other Creditors	20,000	20,000	20,000	20,000	20,000
Care & Repair creditor	10,000	10,000	10,000	10,000	10,000
Social Security and other taxation	35,000	35,000	35,000	35,000	35,000
Accrued Charges & Prepaid Income	50,000	50,000	50,000	50,000	50,000
	1,057,997	**1,464,316**	**1,610,033**	**1,762,275**	**1,701,079**
Deferred income -falling due within one year					
Scottish Housing Grants	1,502,310	1,670,821	1,899,143	2,038,049	2,079,723
Other Housing Grants	56,156	56,156	81,156	94,156	94,156
Non-Housing Grants					
	1,558,466	**1,726,977**	**1,980,299**	**2,132,206**	**2,173,879**
NET CURRENT ASSETS	**(926,517)**	**(130,284)**	**119,640**	**(192,355)**	**987,918**
TOTAL ASSETS LESS CURRENT LIABILITIES	**98,894,944**	**109,410,401**	**122,619,069**	**132,440,080**	**136,221,225**
LONG-TERM LIABILITIES					
Payables - falling due after more than one year					
Housing Loans repayable after more than one year	27,196,676	30,917,361	34,492,327	37,915,053	40,398,974
Other Loans repayable after more than one year					
	27,196,676	**30,917,361**	**34,492,327**	**37,915,053**	**40,398,974**
Deferred income - falling due after more than one year					
Scottish Housing Grants	64,139,509	70,760,394	79,927,820	84,808,043	85,135,624
Other Housing Grants	1,605,081	1,548,925	1,467,768	2,510,412	2,984,655
Non-Housing Grants	-	-	-	-	-
	65,744,590	**72,309,319**	**81,395,588**	**87,318,455**	**88,120,279**
Net Pension Liability	**-**	**-**	**-**	**-**	**-**
PROVISIONS					
Holiday Pay	24,000	24,000	24,000	24,000	24,000
Pension Deficit	-	-	-	-	-
	24,000	**24,000**	**24,000**	**24,000**	**24,000**
NET ASSETS	**5,929,678**	**6,159,721**	**6,707,154**	**7,182,572**	**7,677,972**
CAPITAL AND RESERVES					
Called Up Share Capital	108	118	128	138	148
Furniture Replacement Reserve	-	-	-	-	-
Revenue Reserve	5,929,570	6,159,604	6,707,026	7,182,435	7,677,825
	5,929,678	**6,159,722**	**6,707,154**	**7,182,573**	**7,677,973**

CASHFLOW FORECAST	Quarter to 30-Jun-24	Quarter to 30-Sep-24	Quarter to 31-Dec-24	Quarter to 31-Mar-25	Year to 31-Mar-25	Year to 31-Mar-26	Year to 31-Mar-27	Year to 31-Mar-28	Year to 31-Mar-29
	£000	£000	£000	£000	£000	£000	£000	£000	£000
CASH INFLOW									
Rents & Service Charges	1,139,262	1,139,262	1,139,262	1,139,262	4,557,049	4,868,621	5,254,118	5,646,429	6,009,541
Grants and Other Income	214,679	214,679	214,679	214,679	858,716	991,555	1,128,098	885,787	683,161
Other Organisations	82,500	82,500	82,500	82,500	330,000	330,000	330,000	330,000	330,000
Bank Interest Receivable	16,308	16,308	16,308	16,308	65,232	34,284	46,365	51,729	54,569
Capital Grant	257,299	1,627,741	4,018,531	5,453,611	11,357,183	8,460,217	11,294,891	7,057,179	2,448,976
Other capital funding	-	-	-	-	-	-	-	1,136,800	568,400
Private Finance	-	-	-	-	-	5,000,000	5,000,000	5,000,000	4,000,000
Sale of other assets		-		-	-	-	-	-	-
Shares				10	10	10	10	10	10
Movement in Debtors	-	-	-	513,035	513,035	(6,000)	(7,000)	(4,000)	(3,000)
Total Inflow	**1,710,049**	**3,080,491**	**5,471,281**	**7,419,405**	**17,681,225**	**19,678,686**	**23,046,481**	**20,103,935**	**14,091,658**
CASH OUTFLOW									
Staff Costs	437,128	437,128	437,128	437,128	1,748,511	1,735,426	1,791,766	1,834,730	1,873,167
Office Related Costs	72,964	72,964	72,964	72,964	291,855	297,566	297,658	279,389	284,296
Professional Costs	16,290	16,290	16,290	16,290	65,160	66,440	67,350	53,200	54,060
Property Costs	324,293	324,293	324,293	324,293	1,297,172	1,126,314	1,169,383	1,253,409	1,323,853
Other Organisations	82,500	82,500	82,500	82,500	330,000	330,000	330,000	330,000	330,000
Finance Costs	354,568	354,568	354,568	354,568	1,418,270	1,519,579	1,509,332	1,656,405	1,649,309
Development Costs	1,324,948	1,627,741	4,056,442	5,603,119	12,612,251	11,074,816	14,660,704	11,967,625	4,512,900
Capital maintenance	360,885	360,885	360,885	360,885	1,443,538	1,276,376	1,284,000	1,305,531	1,321,339
Other capital expenditure	8,504	8,504	8,504	8,504	34,016	14,110	15,010	10,460	7,710
Scheduled Loan Repayments	178,193	178,193	178,193	178,193	712,773	872,997	1,279,316	1,425,033	1,577,275
Movement in Creditors	-	-	-	469,736	469,736	-	-	-	-
Total Outflow	**3,160,272**	**3,463,065**	**5,891,766**	**7,908,179**	**20,423,282**	**18,313,623**	**22,404,519**	**20,115,781**	**12,933,908**
Net Movement in Cash	**(1,450,223)**	**(382,575)**	**(420,486)**	**(488,774)**	**(2,742,057)**	**1,365,063**	**641,963**	**(11,846)**	**1,157,750**
Opening Cash and Bank	**4,237,003**	**2,786,780**	**2,404,205**	**1,983,720**	**4,237,003**	**1,494,946**	**2,860,009**	**3,501,972**	**3,490,126**
Closing Cash and Bank	**2,786,780**	**2,404,205**	**1,983,720**	**1,494,946**	**1,494,946**	**2,860,009**	**3,501,972**	**3,490,126**	**4,647,876**

STATEMENT OF COMPREHENSIVE INCOME

Projections for 30 Years from 1 April 2024	Year 1 to 31-Mar-25 £000	Year 2 to 31-Mar-26 £000	Year 3 to 31-Mar-27 £000	Year 4 to 31-Mar-28 £000	Year 5 to 31-Mar-29 £000	Year 6 to 31-Mar-30 £000	Year 7 to 31-Mar-31 £000	Year 8 to 31-Mar-32 £000	Year 9 to 31-Mar-33 £000	Year 10 to 31-Mar-34 £000
Income										
Rents Receivable	4557	4869	5254	5646	6010	6243	6431	6624	6823	7028
Other Income	2417	2719	3083	3005	2857	2503	2474	2470	2467	2463
Projects for Other Organisations	330	330	330	330	330	330	330	330	330	330
Total Income	**7304**	**7917**	**8668**	**8981**	**9197**	**9077**	**9234**	**9424**	**9619**	**9821**
TOTAL NET INCOME	**7304**	**7917**	**8668**	**8981**	**9197**	**9077**	**9234**	**9424**	**9619**	**9821**
Operating Costs										
Staff Costs	1749	1735	1792	1835	1873	1518	1548	1579	1611	1643
Office/Admin Costs	292	298	298	279	284	290	296	302	308	314
Professional Costs	65	66	67	53	54	55	56	57	59	60
Property Costs	1297	1126	1169	1253	1324	1652	1505	1519	1508	1532
Expenditure for Other Organisations	330	330	330	330	330	330	330	330	330	330
Depreciation	2368	2646	3001	3151	3241	3288	3333	3374	3434	3490
Total Operating Costs	**6100**	**6202**	**6657**	**6901**	**7106**	**7133**	**7069**	**7161**	**7248**	**7368**
Operating Surplus/(Deficit)	**1204**	**1715**	**2010**	**2080**	**2090**	**1944**	**2166**	**2263**	**2371**	**2452**
Gain/Loss on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Bank Interest Receivable	65	34	46	52	55	37	23	15	8	1
Less Finance Costs	1418	1520	1509	1656	1649	1586	1525	1469	1411	1398
NET SURPLUS/(DEFICIT)	**(149)**	**230**	**547**	**475**	**495**	**395**	**663**	**809**	**968**	**1055**

STATEMENT OF COMPREHENSIVE INCOME

Projections for 30 Years from 1 April 2024	Year 11 to 31-Mar-35 £000	Year 12 to 31-Mar-36 £000	Year 13 to 31-Mar-37 £000	Year 14 to 31-Mar-38 £000	Year 15 to 31-Mar-39 £000	Year 16 to 31-Mar-40 £000	Year 17 to 31-Mar-41 £000	Year 18 to 31-Mar-42 £000	Year 19 to 31-Mar-43 £000	Year 20 to 31-Mar-44 £000
Income										
Rents Receivable	7239	7456	7680	7910	8148	8393	8645	8904	9172	9447
Other Income	2460	2457	2454	2451	2449	2446	2444	2441	2439	2438
Projects for Other Organisations	330	330	330	330	330	330	330	330	330	330
Total Income	**10029**	**10243**	**10464**	**10692**	**10927**	**11169**	**11418**	**11676**	**11941**	**12215**
TOTAL NET INCOME	**10029**	**10243**	**10464**	**10692**	**10927**	**11169**	**11418**	**11676**	**11941**	**12215**
Operating Costs										
Staff Costs	1676	1709	1743	1778	1814	1850	1887	1925	1963	2002
Office/Admin Costs	320	327	333	340	347	353	361	368	375	383
Professional Costs	61	62	63	65	66	67	69	70	71	73
Property Costs	1745	1579	1591	1575	1599	1830	1643	1652	1631	1652
Expenditure for Other Organisations	330	330	330	330	330	330	330	330	330	330
Depreciation	3558	3608	3670	3733	3793	3898	4001	4086	4160	4227
Total Operating Costs	**7689**	**7615**	**7731**	**7821**	**7947**	**8329**	**8291**	**8431**	**8531**	**8667**
Operating Surplus/(Deficit)	**2339**	**2628**	**2733**	**2871**	**2979**	**2840**	**3128**	**3245**	**3411**	**3548**
Gain/Loss on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Bank Interest Receivable	2	52	7	7	6	7	2	3	3	2
Less Finance Costs	1375	1610	1443	1382	1319	1271	1211	1123	1012	900
NET SURPLUS/(DEFICIT)	**966**	**1070**	**1297**	**1495**	**1667**	**1577**	**1920**	**2125**	**2401**	**2650**

STATEMENT OF COMPREHENSIVE INCOME

Projections for 30 Years from 1 April 2024	Year 21 to 31-Mar-45 £000	Year 22 to 31-Mar-46 £000	Year 23 to 31-Mar-47 £000	Year 24 to 31-Mar-48 £000	Year 25 to 31-Mar-49 £000	Year 26 to 31-Mar-50 £000	Year 27 to 31-Mar-51 £000	Year 28 to 31-Mar-52 £000	Year 29 to 31-Mar-53 £000	Year 30 to 31-Mar-54 £000
Income										
Rents Receivable	9731	10023	10324	10635	10954	11283	11622	11971	12331	12701
Other Income	2436	2434	2433	2432	2431	2430	2429	2429	2428	2428
Projects for Other Organisations	330	330	330	330	330	330	330	330	330	330
Total Income	**12497**	**12788**	**13087**	**13396**	**13715**	**14043**	**14381**	**14730**	**15089**	**15459**
TOTAL NET INCOME	**12497**	**12788**	**13087**	**13396**	**13715**	**14043**	**14381**	**14730**	**15089**	**15459**
Operating Costs										
Staff Costs	2042	2083	2125	2167	2211	2255	2300	2346	2393	2441
Office/Admin Costs	390	398	406	414	422	431	440	448	457	466
Professional Costs	74	76	77	79	80	82	84	85	87	89
Property Costs	1903	1692	1697	1668	1686	1957	1719	1718	1680	1693
Expenditure for Other Organisations	330	330	330	330	330	330	330	330	330	330
Depreciation	4297	4359	4415	4505	4568	4644	4723	4816	4914	5020
Total Operating Costs	**9037**	**8938**	**9050**	**9163**	**9298**	**9699**	**9595**	**9744**	**9861**	**10040**
Operating Surplus/(Deficit)	**3460**	**3850**	**4037**	**4234**	**4417**	**4344**	**4786**	**4985**	**5228**	**5420**
Gain/Loss on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Bank Interest Receivable	6	8	21	36	50	72	91	124	162	208
Less Finance Costs	789	681	577	470	365	263	178	123	85	66
NET SURPLUS/(DEFICIT)	**2677**	**3176**	**3481**	**3800**	**4101**	**4152**	**4698**	**4986**	**5305**	**5562**

STATEMENT OF FINANCIAL POSITION

Projections for 30 Years from 1 April 2024

						( )	-	-	( )	-
	Year 1 to 31-Mar-25 £000	**Year 2 to 31-Mar-26** £000	**Year 3 to 31-Mar-27** £000	**Year 4 to 31-Mar-28** £000	**Year 5 to 31-Mar-29** £000	**Year 6 to 31-Mar-30** £000	**Year 7 to 31-Mar-31** £000	**Year 8 to 31-Mar-32** £000	**Year 9 to 31-Mar-33** £000	**Year 10 to 31-Mar-34** £000
Fixed Assets										
Housing properties	98977	108709	121680	131828	134444	132777	130759	128695	126891	125082
Other fixed assets	845	832	820	805	790	782	773	765	1997	1988
Total Fixed Assets	**99821**	**109541**	**122499**	**132632**	**135233**	**133559**	**131533**	**129460**	**128888**	**127071**
Current assets										
Debtors	195	201	208	212	215	219	224	228	233	237
Bank	1495	2860	3502	3490	4648	3026	2094	1365	514	612
Total Current Assets	**1690**	**3061**	**3710**	**3702**	**4863**	**3246**	**2318**	**1593**	**746**	**850**
Payables - falling due within one year	1058	1464	1610	1762	1701	1645	1649	1685	2081	2165
Deferred income -falling due within one year	1558	1727	1980	2132	2174	2164	2154	2144	2134	2124
Net Current Assets	**(927)**	**(130)**	**120**	**(192)**	**988**	**(564)**	**(1485)**	**(2235)**	**(3468)**	**(3439)**
TOTAL ASSETS LESS CURRENT LIABILITIES	98895	109410	122619	132440	136221	132995	130048	127224	125420	123632
LONG-TERM LIABILITIES										
Payables - falling due after more than one year	27197	30917	34492	37915	40399	38942	37486	35997	35358	34639
Deferred income - falling due after more than one year	65745	72309	81396	87318	88120	85956	83803	81659	79525	77401
Provisions	24	24	24	24	24	24	24	24	24	24
Net Pension Liability	-	-	-	-	-	-	-	-	-	-
Net Assets	**5930**	**6160**	**6707**	**7183**	**7678**	**8072**	**8735**	**9545**	**10513**	**11568**
Furniture Replacement Reserve	-	-	-	-	-	-	-	-	-	-
Revenue Reserve	5930	6160	6707	7182	7678	8072	8735	9545	10513	11568
Total Reserves	**5930**	**6160**	**6707**	**7182**	**7678**	**8072**	**8735**	**9545**	**10513**	**11568**

STATEMENT OF FINANCIAL POSITION

	-	( )	-	-	( )	-	-	-	-	-
Projections for 30 Years from 1 April 2024	**Year 11 to 31-Mar-35** £000	**Year 12 to 31-Mar-36** £000	**Year 13 to 31-Mar-37** £000	**Year 14 to 31-Mar-38** £000	**Year 15 to 31-Mar-39** £000	**Year 16 to 31-Mar-40** £000	**Year 17 to 31-Mar-41** £000	**Year 18 to 31-Mar-42** £000	**Year 19 to 31-Mar-43** £000	**Year 20 to 31-Mar-44** £000
Fixed Assets										
Housing properties	123654	121560	119625	117582	115422	114274	112529	110464	108272	105755
Other fixed assets	(5499)	1316	859	822	1373	1118	495	(10)	(17)	(24)
Total Fixed Assets	**118155**	**122876**	**120484**	**118404**	**116795**	**115392**	**113024**	**110454**	**108255**	**105732**
Current assets										
Debtors	242	247	252	257	262	267	273	278	284	289
Bank	6409	1214	1219	1133	1240	685	747	777	661	1149
Total Current Assets	**6651**	**1461**	**1471**	**1390**	**1502**	**953**	**1020**	**1055**	**945**	**1438**
Payables - falling due within one year	7947	2624	2586	2666	2799	2890	2846	2910	2895	2802
Deferred income -falling due within one year	2114	2104	2094	2084	2074	2064	2054	2044	2034	2024
Net Current Assets	**(3410)**	**(3267)**	**(3209)**	**(3360)**	**(3371)**	**(4001)**	**(3880)**	**(3899)**	**(3984)**	**(3388)**
TOTAL ASSETS LESS CURRENT LIABILITIES	114745	119609	117275	115044	113424	111392	109144	106554	104271	102344
LONG-TERM LIABILITIES										
Payables - falling due after more than one year	26900	32798	31260	29617	28405	26860	24746	22075	19424	16871
Deferred income - falling due after more than one year	75287	73183	71089	69005	66931	64868	62814	60770	58736	56712
Provisions	24	24	24	24	24	24	24	24	24	24
Net Pension Liability	-	-	-	-	-	-	-	-	-	-
Net Assets	**12534**	**13604**	**14902**	**16397**	**18064**	**19641**	**21560**	**23685**	**26087**	**28737**
Furniture Replacement Reserve	-	-	-	-	-	-	-	-	-	-
Revenue Reserve	12534	13604	14902	16397	18064	19641	21560	23685	26087	28737
Total Reserves	**12534**	**13604**	**14902**	**16397**	**18064**	**19641**	**21560**	**23685**	**26087**	**28737**

STATEMENT OF FINANCIAL POSITION

Projections for 30 Years from 1 April 2024	Year 21 to 31-Mar-45 £000	Year 22 to 31-Mar-46 £000	Year 23 to 31-Mar-47 £000	Year 24 to 31-Mar-48 £000	Year 25 to 31-Mar-49 £000	Year 26 to 31-Mar-50 £000	Year 27 to 31-Mar-51 £000	Year 28 to 31-Mar-52 £000	Year 29 to 31-Mar-53 £000	Year 30 to 31-Mar-54 £000
	-	-	-	-	-	-	-	-	-	-
Fixed Assets										
Housing properties	103691	100962	98182	95923	93115	90731	88178	85736	83200	80863
Other fixed assets	(30)	(36)	(42)	(47)	(53)	(58)	(63)	(68)	(73)	(77)
Total Fixed Assets	**103661**	**100926**	**98140**	**95875**	**93062**	**90673**	**88115**	**85668**	**83128**	**80786**
Current assets										
Debtors	295	301	307	313	319	326	332	339	346	353
Bank	1320	2764	4573	6109	8710	10846	14695	19079	24345	30089
Total Current Assets	**1615**	**3065**	**4880**	**6422**	**9030**	**11172**	**15028**	**19418**	**24691**	**30442**
Payables - falling due within one year	2706	2712	2798	2598	2706	1723	1381	926	522	304
Deferred income -falling due within one year	2014	2004	1994	1984	1974	1964	1954	1944	1934	1924
Net Current Assets	**(3105)**	**(1650)**	**88**	**1840**	**4350**	**7485**	**11693**	**16548**	**22235**	**28215**
TOTAL ASSETS LESS CURRENT LIABILITIES	100556	99276	98228	97715	97412	98158	99808	102216	105363	109001
LONG-TERM LIABILITIES										
Payables - falling due after more than one year	14420	11967	9433	7105	4674	3231	2137	1502	1278	1278
Deferred income - falling due after more than one year	54698	52694	50700	48717	46743	44779	42825	40881	38947	37023
Provisions	24	24	24	24	24	24	24	24	24	24
Net Pension Liability	-	-	-	-	-	-	-	-	-	-
Net Assets	**31414**	**34590**	**38071**	**41870**	**45971**	**50124**	**54822**	**59808**	**65114**	**70676**
Furniture Replacement Reserve	-	-	-	-	-	-	-	-	-	-
Revenue Reserve	31414	34590	38071	41870	45971	50124	54822	59808	65114	70676
Total Reserves	**31414**	**34590**	**38071**	**41870**	**45971**	**50124**	**54822**	**59808**	**65114**	**70676**

CASH FLOW

Projections for 30 Years from 1 April 2024	Year 1 to 31-Mar-25 £000	Year 2 to 31-Mar-26 £000	Year 3 to 31-Mar-27 £000	Year 4 to 31-Mar-28 £000	Year 5 to 31-Mar-29 £000	Year 6 to 31-Mar-30 £000	Year 7 to 31-Mar-31 £000	Year 8 to 31-Mar-32 £000	Year 9 to 31-Mar-33 £000	Year 10 to 31-Mar-34 £000
INCOME										
Rents	4557	4869	5254	5646	6010	6243	6431	6624	6823	7028
Other operating income	859	992	1128	886	683	339	320	326	333	339
Other Organisations	330	330	330	330	330	330	330	330	330	330
HAG	11357	8460	11295	7057	2449	-	-	-	-	-
Other capital grants	-	-	-	1137	568	-	-	-	-	-
Private finance	-	5000	5000	5000	4000	-	-	-	-	1241
Sale of assets	-	-	-	-	-	-	-	-	-	-
Movement in debtors	513	(6)	(7)	(4)	(3)	(4)	(4)	(4)	(5)	(5)
Total cash inflow	**17616**	**19644**	**23000**	**20052**	**14037**	**6908**	**7076**	**7276**	**7481**	**8934**
EXPENDITURE										
Operating costs (excluding depreciation)	3403	3226	3326	3421	3535	3515	3405	3457	3485	3548
Other Organisations	330	330	330	330	330	330	330	330	330	330
Finance costs	1418	1520	1509	1656	1649	1586	1525	1469	1411	1398
Development	12612	11075	14661	11968	4513	-	-	-	-	-
Capitalised Maintenance	1444	1276	1284	1306	1321	1597	1290	1284	1603	1655
Other fixed assets	34	14	15	10	8	17	17	17	18	18
Loans repaid	713	873	1279	1425	1577	1516	1457	1456	1488	1881
Movement in creditors	470	-	-	-	-	6	6	6	6	6
Total cash outflow	**20423**	**18314**	**22405**	**20116**	**12934**	**8567**	**8031**	**8019**	**8341**	**8836**
Cash inflow/(outflow) for year	(2807)	1331	596	(64)	1103	(1658)	(955)	(744)	(860)	98
Cash balance b/f	4237	1495	2860	3502	3490	4648	3026	2094	1365	514
Cash balance at year end	**1430**	**2826**	**3456**	**3438**	**4593**	**2989**	**2071**	**1350**	**505**	**611**
Interest receivable	65	34	46	52	55	37	23	15	8	1
Cash balance c/f	**1495**	**2860**	**3502**	**3490**	**4648**	**3026**	**2094**	**1365**	**514**	**612**

Buidheann Tigheadas Loch Aillse agus an Eilein Sgitheanaich Ltd.
Lochalsh and Skye Housing Association

CASH FLOW

Projections for 30 Years from 1 April 2024

	Year 11 to 31-Mar-35 £000	Year 12 to 31-Mar-36 £000	Year 13 to 31-Mar-37 £000	Year 14 to 31-Mar-38 £000	Year 15 to 31-Mar-39 £000	Year 16 to 31-Mar-40 £000	Year 17 to 31-Mar-41 £000	Year 18 to 31-Mar-42 £000	Year 19 to 31-Mar-43 £000	Year 20 to 31-Mar-44 £000
INCOME										
Rents	7239	7456	7680	7910	8148	8393	8645	8904	9172	9447
Other operating income	346	353	360	367	375	382	390	398	406	414
Other Organisations	330	330	330	330	330	330	330	330	330	330
HAG	-	-	-	-	-	-	-	-	-	-
Other capital grants	-	-	-	-	-	-	-	-	-	-
Private finance	7478	1487	1281	831	803	1361	1114	498	-	-
Sale of assets	-	-	-	-	-	-	-	-	-	-
Movement in debtors	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(6)	(6)
Total cash inflow	**15388**	**9621**	**9646**	**9434**	**9650**	**10461**	**10473**	**10125**	**9902**	**10185**
EXPENDITURE										
Operating costs (excluding depreciation)	3801	3677	3731	3758	3825	4100	3959	4015	4040	4110
Other Organisations	330	330	330	330	330	330	330	330	330	330
Finance costs	1375	1610	1443	1382	1319	1271	1211	1123	1012	900
Development	-	-	-	-	-	-	-	-	-	-
Capitalised Maintenance	2103	1487	1708	1663	1605	2723	2228	1993	1940	1682
Other fixed assets	18	19	19	19	20	20	21	21	21	22
Loans repaid	1960	7739	2412	2369	2445	2573	2660	2612	2671	2651
Movement in creditors	6	6	6	6	6	5	5	5	5	5
Total cash outflow	**9594**	**14867**	**9648**	**9527**	**9549**	**11023**	**10414**	**10098**	**10020**	**9700**
Cash inflow/(outflow) for year	5795	(5246)	(2)	(93)	101	(562)	59	26	(119)	485
Cash balance b/f	612	6409	1214	1219	1133	1240	685	747	777	661
Cash balance at year end	**6407**	**1162**	**1212**	**1126**	**1234**	**678**	**745**	**774**	**658**	**1147**
Interest receivable	2	52	7	7	6	7	2	3	3	2
Cash balance c/f	**6409**	**1214**	**1219**	**1133**	**1240**	**685**	**747**	**777**	**661**	**1149**

CASH FLOW

Projections for 30 Years from 1 April 2024	Year 21 to 31-Mar-45 £000	Year 22 to 31-Mar-46 £000	Year 23 to 31-Mar-47 £000	Year 24 to 31-Mar-48 £000	Year 25 to 31-Mar-49 £000	Year 26 to 31-Mar-50 £000	Year 27 to 31-Mar-51 £000	Year 28 to 31-Mar-52 £000	Year 29 to 31-Mar-53 £000	Year 30 to 31-Mar-54 £000
INCOME										
Rents	9731	10023	10324	10635	10954	11283	11622	11971	12331	12701
Other operating income	422	430	439	448	457	466	475	485	494	504
Other Organisations	330	330	330	330	330	330	330	330	330	330
HAG	-	-	-	-	-	-	-	-	-	-
Other capital grants	-	-	-	-	-	-	-	-	-	-
Private finance	-	-	-	-	-	-	-	-	-	-
Sale of assets	-	-	-	-	-	-	-	-	-	-
Movement in debtors	(6)	(6)	(6)	(6)	(6)	(6)	(7)	(7)	(7)	(7)
Total cash inflow	**10477**	**10778**	**11087**	**11406**	**11735**	**12073**	**12421**	**12779**	**13148**	**13529**
EXPENDITURE										
Operating costs (excluding depreciation)	4410	4249	4305	4328	4400	4725	4542	4598	4617	4689
Other Organisations	330	330	330	330	330	330	330	330	330	330
Finance costs	789	681	577	470	365	263	178	123	85	66
Development	-	-	-	-	-	-	-	-	-	-
Capitalised Maintenance	2204	1602	1606	2216	1730	2231	2140	2344	2347	2652
Other fixed assets	22	23	23	24	24	25	25	26	26	27
Loans repaid	2553	2452	2453	2534	2328	2431	1442	1095	635	224
Movement in creditors	5	5	5	5	5	5	4	4	4	4
Total cash outflow	**10313**	**9341**	**9299**	**9907**	**9183**	**10009**	**8662**	**8520**	**8044**	**7992**
Cash inflow/(outflow) for year	164	1437	1789	1499	2552	2064	3759	4259	5104	5537
Cash balance b/f	1149	1320	2764	4573	6109	8710	10846	14695	19079	24345
Cash balance at year end	**1313**	**2756**	**4553**	**6073**	**8661**	**10774**	**14605**	**18955**	**24183**	**29882**
Interest receivable	6	8	21	36	50	72	91	124	162	208
Cash balance c/f	**1320**	**2764**	**4573**	**6109**	**8710**	**10846**	**14695**	**19079**	**24345**	**30089**

LOAN COVENANTS

The Association's ongoing development programme will result in an increase in the level of private finance. The Association is aware of the need to ensure that future financial performance will continue to meet the requirements of all the covenants required by its loans.

The table below shows a forecast how the Association expects to comply with the main financial covenants over the 30 year period. Covenants, and the way that compliance is measured, can vary between different lenders. The measurements used in the table are based on the most restrictive of those covenants.

Covenant	Requirement		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Interest cover	More than	110%	144%	175%	204%	191%	196%	198%	224%	242%	265%	278%
Gearing	Less than	28%	21%	21%	21%	21%	21%	21%	21%	20%	20%	20%
Debt service	More than	110%	166%	181%	179%	169%	165%	168%	184%	192%	199%	180%

Covenant	Requirement		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Interest cover	More than	110%	280%	261%	303%	332%	361%	373%	425%	477%	553%	646%
Gearing	Less than	28%	15%	18%	17%	16%	16%	15%	14%	12%	11%	9%
Debt service	More than	110%	176%	156%	165%	175%	179%	175%	183%	196%	205%	218%

Covenant	Requirement		Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Interest cover	More than	110%	736%	920%	1130%	1451%	1936%	2692%	4276%	6443%	9743%	13067%
Gearing	Less than	28%	8%	6%	4%	2%	-1%	-3%	-5%	-8%	-10%	-13%
Debt service	More than	110%	231%	261%	278%	290%	332%	333%	585%	802%	1405%	3592%

Notes:

Interest cover - compares operating surplus with loan interest payable

Gearing - compares net loan debt with historic cost of fixed assets. Lenders' requirements vary between 28% and 50% for this covenant

Debt service - compares adjusted operating surplus with total loan payments (capital + interest)