



# RHP Unaudited Half Year Accounts 2023/24

Charitable Registered Society number: 30939R

RSH Number: L4279



# Half year accounts

**We are pleased to present our results for the half year to 30 September 2023. We continue to deliver results that are within budgeted expectations whilst ensuring we look after our customers and employees against the backdrop of the ongoing challenging economic environment.**

The half year to 30 September 2023 has seen high inflation impacting our results but we continue to demonstrate a high degree of control on our cost base. Key highlights for the first half include delivering an overall surplus of £7.1m compared to our budget of £5.3m, and an operating surplus of £9.8m compared to a budget of £8.2m.

Turnover in the 6 months was lower than the same period last year due to a lack of shared ownership sales income in the current year. Underlying rental income increased £1.9m (6.7%) year on year. Operating costs increased by £0.4m which given the high inflation experienced with energy costs alone increasing by £2m, represents strong cost control. Our operating margin has fallen slightly compared to prior year but remains higher than the full year margin for the 12 months to March 2023. Net interest charges were £0.6m lower than last year with the increasing interest rates resulting in higher levels of interest received on surplus funds held, without a corresponding impact on interest expenditure due to fixed rate debt.



# How we have performed

Our key income and expenditure (unaudited) half year highlights are as follows:

## TURNOVER

**£33.3m**

(half year 2022: £34.9m)

## OPERATING COSTS

**£23.9m**

(half year 2022: £23.6m)

## OPERATING SURPLUS

(including asset sales)

**£9.8m**

(half year 2022: £11.5m)

## OPERATING MARGIN

**30%**

(half year 2022: 33%)

## SURPLUS AFTER TAX

**£7.1m**

(half year 2022: £8.2m)

## CAPITAL SPEND

**£16.4m**

(half year 2022: £13.4m)

(£'000)	6 months to 30.09.23	6 months to 30.09.22	12 months to 31.03.23
Turnover	33,312	32,075	63,609
Shared ownership first tranche sales	-	2,803	3,275
<b>Total Turnover</b>	<b>33,312</b>	<b>34,878</b>	<b>66,884</b>
Operating costs and cost of sales	(23,989)	(23,567)	(50,091)
Gain on sale of fixed assets	513	209	1,854
<b>Operating surplus</b>	<b>9,836</b>	<b>11,520</b>	<b>18,647</b>
Net interest charge	(2,718)	(3,299)	(6,560)
Movements in fair value of investment properties	-	-	(450)
<b>Surplus for the year</b>	<b>7,118</b>	<b>8,221</b>	<b>11,637</b>
Actuarial gain on pensions	-	-	1,737
<b>Total comprehensive income</b>	<b>7,118</b>	<b>8,221</b>	<b>13,374</b>

# The next six months: what to expect

In the next six months we expect to see an increase in expenditure with stock investment being a particular area of focus. A full year spend of £25m on stock investment is being forecast which is an increase of £1m on the prior year. We also expect income to increase with the completion of a number of first tranche sales expected in the next six months.

Our control over costs in general remains tight to ensure we continue to operate within all our financial hurdles.

We forecast to invest £32m in the year on new developments and deliver 169 new homes in the year. We also forecast to spend £2m on our IT programme to continue to improve our operating efficiency and the customer experience.

(£'000)	30.09.23	30.09.22	31.03.23
Housing Properties at cost less depreciation	<b>459,022</b>	437,264	447,460
Investment properties, other tangible and intangible fixed assets	<b>18,186</b>	17,462	17,923
Net current assets	<b>28,814</b>	40,426	34,124
<b>Total assets less current liabilities</b>	<b>506,022</b>	<b>495,152</b>	<b>499,507</b>
Creditors: amounts due after 1 year	<b>342,059</b>	341,097	342,614
Provision for liabilities	<b>94</b>	94	94
Net pension liability	<b>2,983</b>	5,346	3,031
<b>Total net assets</b>	<b>160,886</b>	<b>148,615</b>	<b>153,768</b>

If you have any further questions, please email [investor.relations@rhp.org.uk](mailto:investor.relations@rhp.org.uk).