solo housing
Housing Solutions for single people in East Anglia

Summary of Solo Housing Accounts 2020/2021

Following the audit undertaken by Lovewell Blake they have issued a clean & clear audit result

Summary of information highlighted by Lovewell Blake as follows:

- Income was up a little mainly due to grant funding for the Off the Street, Women's Accommodation Service and Charity Aid Funding plus some feasibility funding and Covid grant.
- Expenditure was down in part due to some delayed repair costs (about £45,000) which if spent would have reduced the overall surplus.
- The operating total surplus was £211,593
- Every five years Solo carries out property valuations. A key movement in the accounts 2020 to 21 was the change in the value of the property portfolio.
- Since the last valuation there has been a downwards valuation to the property portfolio. When the properties were revalued 5/6 years ago, they were valued at open market value.
- The 2020/21 valuation method used was the Existing Use Value – Social Housing (EUV-SH) as required by the Housing SORP 2018. The method reduced the values of the properties held at the balance sheet date by £217,000 & the amount has been charged to the profit and loss account; with £63,000 charged against the revaluation fund; reducing the revaluation reserve (the revaluation fund shows in the accounts)
- Previous Fixed assets had been valued at £1,170,000 plus £120,000 for the property added in 2020 with a reduction of £280k based on the revised valuations of £1,010,000 (there had also been depreciation of fixed assets of £8,280)
- Value For Money metrics were positive in relation to the EBITDA MRI metric; which shows Solo can cover the current cost of borrowing and in relation to gearing had more cash held at year end than loans to repay.
- The Statement of Changes in reserves highlights that a total of £68,407 came off the balance sheet for 2020 to 21 mainly due to the revaluation of the properties. Without the reduction in the property valuation the net surplus was £211k.
- Solo has a 6 months reserves policy as an internal policy. There were unrestricted reserves of £318,445 (equal to 2.8 months operating costs).There was a designated reserve of £16,400 previously designated for Head Office costs.
- The Benjamin Foundation (TBF) housing management agreement income was recorded in the accounts based on the housing management fees received and TBF to include any costs incurred or income received in relation to the project properties in their accounts.
- The audit identified a few minor unadjusted items primarily in connection with prepayment calculations, expenditure cut off and holiday pay accruals all of which were immaterial individually and in total therefore no adjustment was required.

- A few minor recommendations were made by Lovewell Blake to further strengthen the internal controls. All recommendations were ranked as medium and low priority. No significant deficiencies were identified