

DERBY HOMES MANAGEMENT ACCOUNTS 2011/12 – PERIOD 6

Report of the Director and Company Secretary

1. SUMMARY

The report tables the management accounts for Derby Homes for the six months to September 2011. It compares actual expenditure for April to September against budget and extracts a difference.

2. RECOMMENDATION

To note the report and appendices.

3. MATTER FOR CONSIDERATION

- 3.1 Appendix 1 shows the Operating Statement for April 2011 to September 2011. This shows a cumulative operating surplus of £104,000. The forecast for the year shows a surplus of £345,000 on the management fee, and a deficit of £95,000 on the Repairs Team, giving a net surplus of approximately £250,000. This is due mainly to Business Transformation expenditure that will not be completed by the year end but will be carried forward.

Ongoing Operations Funded From Management Fee

- 3.2 Appendix 2 shows the Operating Statement for management fee operations for April 2011 to September 2011. This shows a cumulative operating surplus of £86,000.
- 3.3 Major factors resulting in the surplus for the year to date were as follows:
- Income has over achieved to September 2011 by £68,000. This comprises of £33,000 as a result of a greater take up than budgeted for of tenancy sustainment fees, £21,000 increase in cleaning service charges, and £25,000 additional management fee for Business Transformation. There has been a reduction in recharge for the Repairs Team of £30,000 due to the transfer of personnel between the management fee operations and the Repairs Team. There are a number of other variances, which are offset by increased expenditure.
 - Overall, expenditure variances are under-spent by £19,000. There is an under-spend of £88,000 on employee costs which is due partly to the reduction in pension costs across all areas. Another contributing factor is that the Estates Response staff transferred over to the Repairs Team, and this has been adjusted for via the Repairs Team recharge.

- There is an under-spend of £19,000 for travel expenses, which again is due to the Estates Response Team's vehicles, and associated charges being transferred to the Repairs Team.
- Supplies and Services show an over-spend by £58,000. This is partly due to refurbishment of the London Road training room, and Brook Street Housing Office, as part of Business Transformation. In addition, a VAT penalty of £35,000 was incurred after our recent VAT inspection. A separate report on the VAT Inspection is being presented to the Committee for noting under item C2.

Variances are shown in more detail in Appendix 3.

- 3.4 Appendix 4 shows non-HRA and other Council services. The overall result of these operations in the year to date is a contribution to other company overheads of £33,878.

Repairs and Investment Team Operations

- 3.5 Appendix 5 shows the trading accounts for the Housing Repairs Team from April 2011 to September 2011. Funding for these operations is being received from Derby City Council's (DCC's) HRA Repairs Account in an amount of £12,059,384 for the 12 months April 2011 to March 2012. The summarised trading position is as follows:

	£
Day to day	112
Gas breakdowns	(27)
Voids	(143)
Electrical testing	(9)
Gas servicing	(31)
Facilities Management	(25)
Specialist Works	145
Planned Repairs	(9)
Estates Maintenance	5
Contingency	(1)
Total	(18)

Day to Day Repairs

- 3.6 There is a surplus of £112,000 on day to day repairs. This is due to an under-spend on vehicles, materials and controlled use of sub-contractors.

Gas Breakdown/Servicing

- 3.7 Both the Gas Breakdown and Gas Servicing budgets have now been re-aligned. This has resulted in a budget increase of £169,000 on Gas Breakdowns, and a corresponding decrease in budget for Gas Servicing.
- 3.8 Gas Breakdown now has an over-spend of £28,000, and Gas Servicing £31,000. In overall terms this is a slight reduction of Period 5's position, and is mainly due to Imprest Van Stocks and IT implementation costs being transferred to the balance sheet.

Voids

- 3.9 The deficit on Voids has increased to £143,000. This is due to an increase in over-spend on employee costs of £8,000, increase use of materials of £10,000, and increase spend on sub-contractors of £10,000. The number of Voids completed to the end of September was 657.

Facilities Management

- 3.10 There is a deficit of £25,000 on the facilities management budget due to there being no budgets for apprentices and vehicles transferred from the Estates Response Team. There is a corresponding under-spend on the Estates Response budget in management fee operations. The deficit is unlikely to increase due to two Estates apprentices leaving.

Specialist Works

- 3.11 Specialist works has an under-spend of £145,000, which is mainly due to under-spend on Fire Alarms and drainage. A large number of Fire Alarms have been replaced recently, and therefore, the associated servicing costs will be lower in 2011, and drainage is now being managed by an in-house surveyor.

Planned Repairs

- 3.12 £100,000 of the painting budgets have been held back to fund over-spends within the Repairs Team.

Kitchens and Bathrooms

- 3.13 Appendix 6 shows the operating statement for Kitchens and Bathrooms from April 2011 to September 2011. This covers the Kitchens and Bathrooms replacement programme and management in respect of this programme. Initial funding for these operations is being received from DCC's HRA Capital Programme in an amount of £3,000,000.
- 3.14 The income referred to above is a provisional allocation and is subject to final negotiation with the Council. The current over-spend is under review but it is anticipated that any over-spend at the close of the financial year will be met by the Council.

Public Buildings

- 3.15 Appendix 7 shows the operating statement for Public Buildings from April 2011 to September 2011. Derby Homes manages this service on behalf of Derby City Council (DCC) on a fully funded cost recovery basis. Due to efficiencies made within the Public Building Team, the cost of the service is currently £70,000 below the anticipated budgeted cost.

Repairs Team overheads

- 3.16 Appendix 8 shows central overhead expenditure recharged to the trading accounts for the five months ending September 2011. These charges are included in the trading accounts under Other Over-heads, together with over-heads that can be more specifically identified to each trading account.

Repairs Team Efficiencies

- 3.17 Considerable work has been done by the Repairs Team towards making efficiency savings on materials, the fleet and other areas. These savings should start to be realised over the next six months.

Balance Sheet

- 3.18 The balance sheet for September 2011 is shown in Appendix 9. Included in the balance sheet is a positive balance at bank of £305,000 compared with a positive bank balance of £1,045,000 at the end of August 2011. The bank balance reduced compared to the previous month as approval of the principal management fee had been delayed, plus substantial costs had been incurred on Solar Panels and DCC were not invoiced until after month end.

Forecast Out-turn 2011-12

- 3.19 Appendix 10 shows the forecast out-turn for 2011/12 as follows:

	Forecast out- turn 2011/12 £'000	Total £'000
Management fee operations	345	
Repair, Investment & Public Buildings		
Housing repairs team	(95)	
Capital	0	
Public Buildings	0	
	<hr/>	250
To be added back into Derby Homes reserves:		
Forecast underspend on Business Transformation.	(250)	
	<hr/>	(250)
Underlying results of trading		0

- 3.20 The forecasted deficit on Repairs of £95,000 will remain unfunded, and will impact on Derby Homes consolidated out-turn position.
- 3.21 This forecast assumes no loss of income from Supporting People in the current year. The possible reduction was previously reported at £100,000 but although we have been advised that it is now likely to be £180,000, we understand that it does not take effect until 1 April 2012. The budget for 2012/13 and the forecasts through to 2014/15 have been adjusted accordingly. However, it is understood that the funding for Supporting People is ongoing.

4. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

Those reflected in the body of the report.

The areas listed below have no implications directly arising from this report:

Consultation
Legal and Confidentiality
Council
Personnel
Environmental
Equalities Impact Assessment
Health & Safety
Risk
Policy Review

If Board members or others would like to discuss this report ahead of the meeting please contact the author, or Phil Davies, Chief Executive, phil.davies@derbyhomes.org – Phone: 01332 888528

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Background Information: None

Supporting Information: None.

Summary of results for period 6 - September 2011

	Ongoing Operations	Housing Repairs Team	Capital	Public Buildings	Total Repairs, Investment and Public Buildings	Company Total
Months of operation	6 £'000	6 £'000	6 £'000	6 £'000	6 £'000	£'000
Operating Result: Surplus/(deficit)	86	18	(49)	0	(31)	55
Additional funding:						
HRA Capital Programme			49		49	49
	<u>86</u>	<u>18</u>	<u>0</u>	<u>0</u>	<u>18</u>	<u>104</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Management Fee Operating Statement: September 2011

Period: 6 2011/2012



	Period Budget	Period Actual	Period Variance	Variance %	Budget Year to Date	Actual Year to Date	Variance Year to Date	Variance %	Budget Full Year	Forecast	Variance
	£	£	£		£	£	£		£	£	£
Fee Income	810,042	810,040	(2)	0	4,860,252	4,860,250	(2)	(0)	9,720,500	9,720,500	0
Misc Income:											
Service Charges from Council	62,457	105,211	42,754	68	374,742	439,493	64,751	17	749,500	876,500	127,000
Capital Programme/Estates Pride	10,916	10,916	0	0	65,496	65,496	0	0	131,000	131,000	0
Supporting People Grant - Tenancy Support	22,747	22,293	(454)	(2)	136,482	133,758	(2,724)	(2)	272,975	267,216	(5,759)
Supporting People Grant - Sheltered Housing	61,493	60,265	(1,228)	(2)	368,958	361,584	(7,374)	(2)	737,925	723,168	(14,757)
Derby Homes Rents	3,942	4,613	671	17	23,652	25,642	1,990	8	47,311	38,311	(9,000)
External Management - Rents	26,073	33,610	7,537	29	156,438	175,544	19,106	12	312,895	312,895	0
External Management Fees	6,519	19,706	13,187	202	39,114	49,566	10,452	27	78,263	78,263	0
Other Council Services	13,044	15,055	2,011	15	78,264	68,091	(10,173)	(13)	156,548	156,548	0
Other Income	75,600	103,753	28,153	37	453,600	475,331	21,731	5	907,278	966,794	59,516
Repairs and Investment Recharge	31,498	26,592	(4,906)	(16)	188,988	159,552	(29,436)		378,000	319,000	(59,000)
Total Income	<u>1,124,331</u>	<u>1,212,054</u>	<u>87,723</u>	<u>8</u>	<u>6,745,986</u>	<u>6,814,307</u>	<u>68,321</u>	<u>1</u>	<u>13,492,195</u>	<u>13,590,195</u>	<u>98,000</u>
Employee Costs	568,388	542,853	25,535	4	3,410,328	3,321,964	88,364	3	6,821,259	6,797,259	24,000
Travel Expenses	16,753	14,494	2,259	13	100,518	81,912	18,606	19	201,283	201,283	0
Office Costs	96,923	101,782	(4,859)	(5)	581,538	611,344	(29,806)	(5)	1,163,509	1,163,509	0
Supplies & Services	338,531	424,458	(85,927)	(25)	2,031,186	2,091,000	(58,087)	(3)	4,063,025	3,840,025	223,000
Support Services	103,601	103,600	1	0	621,606	621,606	0	0	1,243,273	1,243,273	0
Total Expenses	<u>1,124,196</u>	<u>1,187,187</u>	<u>(62,991)</u>	<u>(6)</u>	<u>6,745,176</u>	<u>6,727,826</u>	<u>19,078</u>	<u>0</u>	<u>13,492,349</u>	<u>13,245,349</u>	<u>247,000</u>
Net Operating Surplus / (Deficit)	<u>135</u>	<u>24,867</u>	<u>24,732</u>		<u>810</u>	<u>86,481</u>	<u>87,399</u>		<u>(154)</u>	<u>344,846</u>	<u>345,000</u>

PLEASE NOTE: Our convention for presenting financial information is:

- Income will be shown without brackets
- Under achieved income variances will be shown with brackets
- Expenditure will be shown without brackets
- Overspent expenditure variances will be shown with brackets
- Surpluses will be shown without brackets
- Deficits will be shown with brackets

DERBY HOMES LIMITED		Appendix 3	
Management Fee Accounts - Period 6 2011//12			
Analysis of Income and Expenditure Variances			
	Actual		Full year forecast
	Over/(Under) Current Period £'000	Over/(Under) Year to Date £'000	Impact on Full Year £'000
Income Variances			Income not offset by Expenditure £'000
· Income variances made up of :			
· Management fee variance	0	0	0
· Management Fee for LHO rent	0	0	0
· DLO recharge	(5)	(30)	(59)
· Milestone House - Offset by reduced expenditure	1	(4)	0
· Homeless Initiative - offset by reduced expenditure	1	(6)	0
· Under occupancy income - offset by reduced expenditure	0	0	0
· External rent variance - offset by increased expenditure	8	19	0
· DH New Build Rent Income	0	(1)	(9)
· Supporting People - Tenancy Support	(1)	(3)	(5)
· Supporting People - Supporting People	(1)	(7)	(15)
· Funding for Apprentices	9	14	14
· Tenancy Sustainment	11	33	63
· Grounds Maintenance Service Charges	11	11	22
· Cleaning Service Charges	21	21	42
· Management Fee for Business Transformation	25	25	50
· Other minor variances	8	(4)	(5)
Total Income Variances	88	68	98
	Actual		Full year forecast
	(Over)/Under Current Period £'000	(Over)/Under Year to Date £'000	Impact on Full Year £'000
Expenditure Variances			Expenditure not offset by income £'000
· Employee variances made up of :			
Central Pension costs	(13)	(78)	(155)
Regeneration (Posts transferred from Maintenance)	(2)	(41)	(94)
Regeneration Development Officer	(4)	(19)	(45)
Area Management	(1)	(6)	(12)
Arrears	6	41	40
Estate Response	7	50	92
Personnel	(3)	(2)	5
Finance	0	1	10
IT	(2)	(18)	(29)
Performance Management	6	23	35
Estate Security	6	28	40
Enquiry Centre	4	21	30
Housing Officers	10	38	40
Communications	2	13	15
Family intervention project	2	8	7
Supported Living	5	18	35
Tenancy Sustainment	(1)	(3)	(15)
Homeless Initiative	1	9	19
Other employee cost variances	3	5	6
	26	88	24
· Non Pay variances made up of :			(10)
· External Rent Payments	3	(4)	0
· Business Transformation	0	0	250
· DH New Build	2	5	0
· FIP	1	7	0
· Under Occupancy Expenditure	(5)	(1)	0
· Staff Conference and Social	(2)	4	12
· Estate Response	3	22	45
· Homeless Initiative	(4)	(3)	0
· Milestone House	(1)	1	0
· Spirita	(6)	(2)	0
· Eaton Court	0	1	0
· Regeneration energy advice	0	(13)	0
· Mediation Service	15	15	30
· Homefinder Fee	9	9	18
· IT Revenue	(73)	(73)	(146)
· IT Depreciation	18	18	36
· VAT penalty after VAT inspection	(35)	(35)	(35)
· Furniture	(18)	(20)	0
· Other variances	4	0	13
Total Expenditure Variances	(63)	19	247
Total Operating Summary Variance per Appendix 1	25	87	345

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Operating Statement: September 2011

Non-HRA Services & Other Council Services

		YEAR TO DATE		
Contribution to Overherheads Per Property (YTD)		Budget £	Actual £	Variance £
Spirita <66 properties>				
Rents and Service Charges		129,994	140,027	10,033
Fee income		9,405	9,408	3
Other Income		15,626	14,027	(1,599)
Less:				
Direct Employee Costs		6,915	7,040	(126)
Rents		130,000	123,110	6,890
Repairs		13,200	21,138	(7,938)
Other Expenditure		750	2,178	(1,428)
Contribution to Overheads & Managment Costs £151.45		4,160	9,996	5,836
NCHA Bedford Street <33 properties>				
Fee Income		4,300	4,296	(4)
Less:				
Employee Costs		0	0	0
Other Expenditure		0	0	0
Contribution to Overheads				

Total External Management

Rents and Service Charges	156,442	175,819	19,378
Fee Income	23,494	24,138	644
Other Income	15,626	17,035	1,410
Less:			
Employee Costs	6,915	7,040	(126)
Rents	156,448	159,877	(3,430)
Repairs	13,200	21,138	(7,938)
Other Expenditure	6,663	6,895	(233)
Contribution to Overheads & Management Costs	12,337	22,042	9,706

Notes

- 1) Income includes rents collected for managed properties and management fees
- 2) Other expenditure includes payments of rents collected and other management costs

Appendix 4 (Cont'd)

Other Council Services

YEAR TO DATE

	Budget £	Actual £	Variance £
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Housing Options Homeless Initiative

Income (cost plus)	52,159	46,406	(5,753)
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Less:

Employee Costs	16,580	6,929	9,651
Other Expenditure	33,775	37,394	(3,619)

Contribution to Overheads & Management Costs	1,804	2,083	280
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London Road Homeless Accommodation

Income (Budgeted)	16,043	16,044	2
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Less:

Employee Costs	6,834	6,930	(97)
Other Expenditure	7,247	7,057	190

Contribution to Overheads & Management Costs	1,962	2,057	95
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Milestone House

Income (Cost recovered / Repairs only)	10,066	5,641	(4,425)
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Less:

Employee Costs	3,314	0	3,314
Other Expenditure	5,075	4,701	374

Contribution to Overheads & Management Costs	1,678	940	(738)
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Total Other Council Services

Income (agreed to Operating Statement D)	78,267	68,091	(10,176)
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Less:

Employee Costs (included in Operating Statement C)	26,727	13,859	12,868
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Expenses (included in Operating Statement)	46,097	49,152	(3,055)
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Contribution to Overheads	5,443	5,080	(363)
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Notes

1) Operations in respect of the above properties are not viewed as taxable in view of their social benefit nature.

Derby Homes

Contribution to Overheads Per Property

YEAR TO DATE

	Budget £	Actual £	Variance £
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Derby Homes New Build <10 properties>

Rents & Service Charges	23,654	25,642	1,989
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Less:

Employee Costs	0	0	0
Major repairs allowance	5,000	4,999	1
Interest cost	7,500	7,500	0
Other Expenditure	9,350	4,660	4,690

Taxation	0	1,727	(1,727)
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Contribution to Overheads & Management Costs £675.60	1,804	6,756	4,953
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Appendix 5

Derby Homes Repairs Team Trading Accounts to September 2011

		PERIOD	PERIOD	BUDGET	ACTUAL			
<u>Summary Of Repairs</u>	BUDGET 11-12	BUDGET	ACTUAL	YTD	YTD	INCOME	VARIANCE	FORECAST
Day to Day	£4,347,182	£362,258	£295,616	£2,173,554	£2,061,986	£0	£111,568	£50,000 Vehicles, materials, control on subbies, income from recharges
Gas Breakdowns	£897,724	£74,810	£93,001	£448,812	£476,584	£0	£-27,772	£-100,000 Changes in Legislation and start up costs
Voids	£2,443,257	£203,595	£249,552	£1,221,570	£1,374,054	£9,772	£-142,712	£-80,000 Due to additional 50 voids in May
Electrical Testing	£230,739	£19,227	£27,017	£115,362	£124,016	£0	£-8,654	£0
Gas Servicing	£925,464	£77,122	£57,457	£462,732	£493,626	£0	£-30,894	£-100,000 IT costs and start up costs
Facilities Maintenance	£257,127	£21,425	£20,637	£128,550	£152,580	£0	£-24,030	Due to no budget for apprentices or Vehicles - but 2 apprentices gone from p6 onwards so overspend should reduce a bit
Specialist Works	£1,620,963	£135,080	£92,338	£810,456	£665,316	£0	£145,140	£70,000 £50k on Fire alarms, £20k on Drainage
Planned Repairs	£932,002	£77,667	£57,390	£465,984	£239,867	£-234,799	£-8,682	£100,000 £100k to be held back on Painting budgets
Estates Maintenance	£186,970	£15,581	£11,015	£93,474	£88,351	£0	£5,123	£10,000 Possible Saving on Playgrounds
Contingency	£217,956	£18,163	£13,110	£108,972	£109,744	£0	£-772	£0
	£12,059,384	£1,004,928	£917,133	£6,029,466	£5,786,124	£-225,027	£18,315	£-95,000

	BUDGET 11-12	PERIOD BUDGET	PERIOD ACTUAL	BUDGET YTD	ACTUAL YTD	VARIANCE	
INCOME	£12,059,384	£1,004,910	£953,023	£6,029,658	£5,804,631	£-225,027	
Staff Costs	£4,216,911	£351,398	£381,586	£2,108,388	£2,050,108	£58,280	Standby and call out and agency accrual £35k increase in repairs commitment, £167k paid in P6 (117k A6+ 50k LR) £40k invoices still to be paid £118k of invoices paid in P6 that relate to P5 - £200k gas accrual (connaughts and Lovalls) £110k of invoices still waiting to be processed Over Spend caused by one off lump sum payment - not budgeted for Due to Professional charges, Consumables on Gas Servicing and IT Revenue gone through in period 6
Materials	£3,724,768	£310,387	£260,660	£1,862,322	£1,297,514	£564,808	
Subcontractors	£2,454,763	£204,564	£179,110	£1,227,384	£1,510,807	£-283,423	
Vehicles	£475,759	£39,639	£19,434	£237,834	£254,993	£-17,159	
Direct Overhead	£109,670	£9,139	£13,405	£54,835	£144,095	£-89,260	
TOTAL DIRECT COSTS	£10,981,871	£915,127	£854,195	£5,490,763	£5,257,517	£233,246	
GROSS PROFIT	£1,077,513	£89,783	£98,828	£538,895	£547,114	£8,219	
Other Overheads	£1,077,513	£89,793	£85,133	£538,757	£528,661	£10,096	London Road Recharge accrued, DH recharge is actual
UNDER/OVER SPEND	£0	£-10	£13,695	£139	£18,453	£18,315	

Appendix 6

Derby Homes Kitchens & Bathrooms Trading Accounts to September 2011

	BUDGET 11-12	PERIOD BUDGET	PERIOD ACTUAL	BUDGET YTD	ACTUAL YTD	VARIANCE	
BUDGET	£3,089,311	£257,443	£257,442	£1,544,656	£1,544,652	£0	
Staff Costs	£1,063,801	£88,650	£86,050	£531,901	£536,047	£-4,147	Relates to Agency Accrual
Materials	£935,943	£77,995	£164,600	£467,972	£497,061	£-29,090	Buildbase invoices not yet paid and bills paid in period 6 that relate to period 5
Subcontractors	£537,753	£44,813	£22,315	£268,877	£269,355	£-479	£50k of invoices recieved late (july) £50k paid in period 6
Vehicles	£132,645	£11,054	£17,578	£66,323	£85,924	£-19,602	Due to vehicle call off order being reverred out and actual figures supplied by fleet used
Direct Overhead	£10,000	£833	£2,329	£5,000	£8,623	£-3,623	Accrual for IT Expenditure (majority of budget)
TOTAL DIRECT COSTS	£2,680,142	£223,345	£292,872	£1,340,071	£1,397,010	£-56,939	
GROSS PROFIT	£409,169	£34,097	£-35,430	£204,585	£147,642	£-56,939	
Overheads	£409,169	£34,097	£31,363	£204,585	£196,539	£8,046	London Road Recharge accrued, DH recharge is actual
NET SURPLUS/DEFICIT	£0	£0	£-66,793	£0	£-48,897	£-48,894	Over spending - A review is currently being undertaken. DCC Capital should cover.

Appendix 7

Public Buildings Trading Accounts to September 2011

	BUDGET 11-12	PERIOD BUDGET	PERIOD ACTUAL	BUDGET YTD	ACTUAL YTD	VARIANCE
BUDGET	£1,546,034	£128,835	£126,415	£773,010	£703,817	-£69,193
Staff Costs	£515,359	£42,947	£38,336	£257,682	£267,293	-£9,611
Materials	£382,567	£31,879	£42,293	£191,274	£152,773	£38,501
Subcontractors	£264,000	£22,000	£11,902	£132,000	£87,966	£44,034
Vehicles	£102,000	£8,497	£9,571	£50,982	£50,637	£345
Direct Overhead	£146,708	£12,225	£5,127	£25,896	£29,972	-£4,076
TOTAL DIRECT COSTS	£1,410,634	£117,548	£107,229	£657,834	£588,641	£69,193
GROSS PROFIT	£135,400	£11,287	£19,186	£115,176	£115,176	£0
Other Overheads	£135,400	£11,287	£19,186	£115,176	£115,176	£0
NET SURPLUS/DEFICIT	£0	£0	£0	£0	£0	£0

Due to Build base Call Off order being Reversed out
Relates to costs posted in period 6 relating to period 5
Due to vehicle call off order being reversed out and actual figures supplied by fleet used
Still Accruing for 2010-11 charges not yet invoiced for, as well as charges to date

London Road Recharge accrued, DH recharge is actual

Total income due to 30th September 2011
Income already invoice to 31 August 2011
Income due from non-property services jobs
Income due due from Property Services for September 2011

£703,817
£577,402
£31,360
£95,055

Appendix 8

Operating Statement:

Sep-11

Cost Centre=A500000 (London Road)

	Period Budget	Period Actual	Period Variance	Variance %	Budget Year to Date	Actual Year to Date	Variance Year to Date	Variance %	Budget Full Year	Last Year Equivalent
Employee costs										
B1100 Operational Salaries - General	0	160	(160)	n/m	0	160	(160)	n/m	0	0
B1200 Operational Salaries-Er N.I.	2,597	3,008	(411)	(16)	15,582	18,126	(2,544)	(16)	31,166	2,028
B1300 Operationalsalaries-Er LG supn	3,959	3,628	331	8	23,754	21,023	2,731	11	47,506	2,240
B2100 Operational Wages - General	36,319	36,805	(486)	(1)	217,914	214,533	3,381	2	435,836	18,069
B3000 Payments to Subcontractors	0	0	0	n/m	0	0	0	n/m	0	318
B4200 Other Inland Revenue	0	(2)	2	n/m	0	(1)	1	n/m	0	(67)
B4400 First Aid	0	16	(16)	n/m	0	814	(814)	n/m	0	0
B6400 Occupational Health	0	0	0	n/m	0	260	(260)	n/m	0	0
B6900 Training Expenses	0	8	(8)	n/m	0	8	(8)	n/m	0	2,579
B8100 Management Charge	0	0	0	n/m	0	0	0	n/m	0	(90,000)
Subtotal Employee costs	42,875	43,623	(748)	(2)	257,250	254,923	2,327	1	514,508	(64,834)
Office costs										
C1000 Direct Materials	0	(144)	144	n/m	0	0	0	n/m	0	0
C1050 Direct Consumables	0	0	0	n/m	0	0	0	n/m	0	54
C1100 Property Repairs	1,666	10,798	(9,132)	(548)	9,996	17,293	(7,297)	(73)	20,000	3,819
C2100 Electricity	1,185	1,167	18	2	7,110	7,092	18	0	14,220	182
C2500 Gas	1,114	1,086	28	3	6,684	6,655	29	0	13,375	895
C3100 Rent	1,416	1,416	0	0	8,496	8,496	0	0	17,000	0
C3600 Non Domestic Rates	3,000	2,344	656	22	18,000	17,344	656	4	36,000	2,990
C4100 Water	817	0	817	100	4,902	6,902	(2,000)	(41)	9,805	0
C5100 Cleaning Materials	1,346	(1,199)	2,545	189	8,076	13,640	(5,564)	(69)	16,160	0
Subtotal Office Costs	10,544	15,468	(4,924)	(47)	63,264	77,422	(14,158)	(22)	126,560	7,940
Travel costs										
D1100 R and M - Vehicles	0	0	0	n/m	0	494	(494)	n/m	0	0
D1200 Fuel	0	115	(115)	n/m	0	115	(115)	n/m	0	0
D1300 Hire Of Vehicles	0	0	0	n/m	0	110	(110)	n/m	0	0
D2100 Car Allowances-Lump Sum Allow	4,016	0	4,016	100	24,096	6,516	17,580	73	48,200	0
D2200 Car Allowances-Mileage Allow	3,305	103	3,202	97	19,830	1,234	18,596	94	39,675	107
Subtotal Travel costs	7,321	217	7,104	97	43,926	8,469	35,457	81	87,875	107
Supplies & Services										
E1000 Indirect consumables and materials	566	55	511	90	3,396	1,232	2,164	64	6,800	717
E1010 Payment to Subcontractors	0	(287)	287	n/m	0	0	0	n/m	0	0
E1100 Furniture and Equipment	0	314	(314)	n/m	0	4,504	(4,504)	n/m	0	0
E2100 Printing	359	(295)	654	182	2,154	1,500	654	30	4,310	670
E2150 Stationery	544	(62)	606	111	3,264	2,700	565	17	6,530	552
E2200 Photocopying	368	0	368	100	2,208	659	1,549	70	4,420	438
E2400 Postages	143	179	(36)	(25)	858	987	(129)	(15)	1,725	300
E3100 Legal Fees	1,666	1,666	0	0	9,996	9,996	0	0	20,000	21,733
E3200 Professional Charges	4,166	4,166	0	0	24,996	24,996	0	0	50,000	2,713
E3300 Collection and Disposal Of Refuse	451	599	(148)	(33)	2,706	985	1,721	64	5,420	342
E3310 Tipping	17,500	3,024	14,476	83	105,000	98,854	6,146	6	210,000	0
E3350 Removal Expenses - General	0	0	0	n/m	0	295	(295)	n/m	0	124
E3400 Security Services	3,534	3,059	475	13	21,204	20,729	475	2	42,409	(4,633)
E3500 Publicity	0	0	0	n/m	0	0	0	n/m	0	7,170
E4100 Telephones - Land Lines	467	493	(26)	(6)	2,802	2,828	(26)	(1)	5,610	561
E4200 Mobile Phone	0	305	(305)	n/m	0	331	(331)	n/m	0	6
E4600 IT Revenue Expenditure	0	2,250	(2,250)	n/m	0	4,365	(4,365)	n/m	0	6,782
E5100 Miscellaneous Expenditure	625	261	364	58	3,750	3,424	326	9	7,519	9,059
E6100 Travel and Subsistence	0	0	0	n/m	0	50	(50)	n/m	0	0
E6300 Subscriptions and Registrations	213	59	154	72	1,278	1,776	(498)	(39)	2,563	875
E6400 Provisions and Refreshments	0	11	(11)	n/m	0	356	(356)	n/m	0	0
E7300 Public And General Insurance	8,383	14,539	(6,156)	(73)	50,298	47,321	2,977	6	100,607	(63,876)
E8150 Compensation Scheme	0	40	(40)	n/m	0	40	(40)	n/m	0	53
E9120 Staff Care-Uniforms	0	0	0	n/m	0	10	(10)	n/m	0	(698)
F1100 Other Hired and Contracted Svs	1,259	1,200	59	5	7,554	7,495	59	1	15,112	0
G9100 RT overhead recharge (Transfer from)	(110,332)	(100,145)	(10,187)	(9)	(661,992)	(632,139)	(29,853)	(5)	(1,323,991)	(86,938)
J1010 Depreciation Adjustment	0	0	0	n/m	0	0	0	n/m	0	2,786
Subtotal Supplies & Services	(70,088)	(68,570)	(1,518)	(2)	(420,528)	(396,707)	(23,821)	(6)	(840,966)	(101,265)
Support Services										
H1001 Support Services - Telecomms	1,753	1,753	0	0	10,518	10,518	0	0	21,038	(1,203)
H1002 Support Services-Computer Serv	3,622	3,622	0	0	21,732	21,732	0	0	43,464	(10,038)
H1005 Support Svs-Mktg & Comms	0	0	0	n/m	0	0	0	n/m	0	0
H1006 Support Svs-Corp Serv M&A	2,704	2,704	0	0	16,224	16,224	0	0	32,448	(4,677)
H1007 Support Services-Legal	468	468	0	0	2,808	2,808	0	0	5,621	(1,494)
H1008 Support Services-Valuation	69	69	0	0	414	414	0	0	836	(222)
H1009 Support Services-Personnel	0	0	0	n/m	0	0	0	n/m	0	0
H1010 Support Services-Central Services	0	0	0	n/m	0	0	0	n/m	0	(1,664)
H1011 Support Services - Audit	718	718	0	0	4,308	4,308	0	0	8,616	(7,915)
H1012 Support Services-Cash Office	0	0	0	n/m	0	0	0	n/m	0	0
H1013 Support Services-Systems	0	0	0	n/m	0	0	0	n/m	0	(4,835)
H1015 Support Services-Projects	0	0	0	n/m	0	0	0	n/m	0	0
H1016 Support Services-Insurance O/Head	0	0	0	n/m	0	0	0	n/m	0	(6,770)
H1019 Support Services - Grounds Maintenan	0	0	0	n/m	0	0	0	n/m	0	(1,527)
Subtotal Support Services	9,334	9,334	0	0	56,004	56,004	0	0	112,023	(40,345)
Income										
W5300 Other Miscellaneous Income	0	(10)	10	n/m	0	(51)	51	n/m	0	(250)
Total Income	0	(10)	10	n/m	0	(51)	51	n/m	0	(250)
Total Net (Income)/Expenditure	(14)	62	(76)	(542)	(84)	61	(145)	(172)	0	(198,647)

Derby Homes Limited

Balance Sheet as at 30th September 2011



	Period Month End 30.09.11 £'000	Last Month End 31.08.11 £'000	Last Year End 31.03.10 £'000
Fixed Assets	1,072	951	1,129
Current Assets			
Debtors falling due within 1 year:			
Derby City Council intercompany debtors	5,771	4,126	3,584
Other external debtors	1,086	1,293	390
Cash & Bank	305	1,045	3,275
	<u>7,163</u>	<u>6,463</u>	<u>7,249</u>
Creditors falling due within 1 year:			
Derby City Council intercompany creditors	(515)	(477)	(1,863)
Other external creditors	(3,952)	(2,904)	(3,401)
Payroll creditors	(391)	(1,013)	(28)
Taxation	(698)	(432)	(512)
	<u>(5,556)</u>	<u>(4,826)</u>	<u>(5,804)</u>
Net Current Assets/(Liabilities)	1,606	1,638	1,445
Net Assets excluding pensions liability	<u>2,678</u>	<u>2,588</u>	<u>2,574</u>
Pension liability	<u>(9,321)</u>	<u>(9,321)</u>	<u>(9,321)</u>
Total net liability including pensions	<u>(6,643)</u>	<u>(6,733)</u>	<u>(6,747)</u>
Profit and Loss account - opening reserves	(6,747)	(6,747)	(8,546)
Profit & Loss account - current year	<u>104</u>	<u>14</u>	<u>1,799</u>
Total Funds	<u>(6,643)</u>	<u>(6,733)</u>	<u>(6,747)</u>

	Operating statement September 2011	Forecast Operating statement March 2012	Budget Full Year 2011/12	Variance
	£'000	£'000	£'000	£'000
CONSOLIDATED				
INCOME				
Management Fee and miscellaneous income	6,814	13,590	14,596	(1,006)
Repairs, Investment & Public Buildings income	8,053	16,694	16,694	0
Reduction in income due to underspend	50	0		0
	14,917	30,284	31,290	(1,006)
EXPENDITURE				
Ongoing management fee operations:				
Employee Costs	3,592	7,097	8,451	1,354
Recharge of employee costs to Repairs, Investments & Public Buildings	(270)	(300)	0	300
Vehicle and Travel Expenses	82	201	312	111
Office Costs	611	1,164	1,132	(32)
Supplies & Services	2,091	3,840	2,908	(932)
Support Services	622	1,243	1,793	550
	6,728	13,245	14,596	1,351
Repairs, Investment & Public Buildings:				
Employee Costs	2,853	5,840	5,795	(45)
Sub-contractor costs	1,868	3,303	3,153	(150)
Materials	1,948	4,926	5,126	200
Vehicle and Travel Expenses	392	711	711	0
Direct Repairs overheads	183	367	267	(100)
Overheads	841	1,642	1,642	0
	8,085	16,789	16,694	(95)
TOTAL EXPENDITURE	14,813	30,034	31,290	1,256
OPERATING SURPLUS/(DEFICIT)	104	250	0	250