



PRESS RELEASE

28 July 2021

bpha continues strong financial performance in 2021

bpha today (28 July 21) released its financial statements for the year ended 31 March 2021, reporting a continuation of its strong financial performance.

The report shows that core operating business continues to perform strongly with a margin of 43% (2020: 43%) from an increased turnover of £110m (2020: £103m).

As anticipated, the Development and Sales business was directly impacted by Government restrictions during the pandemic however still demonstrated a strong performance with turnover of £40m (2020: £42m).

The number of first tranche shared ownership units sold was 124 (2020: 173) producing surplus of £4m (2020: £8m), which was a creditable performance in a difficult market. This was alongside profits on disposal of fixed assets (primarily shared ownership staircasing) producing £7m (2020: £7m).

Our highlights of 2020/21 include:

- £60m operating surplus
- Completion of 366 new affordable homes, despite pandemic restrictions
- Investing £26m in our existing homes
- Retaining A+ (negative) Credit Rating

Investment for growth

bpha invested £38m in the provision of new affordable homes in the year ended 31 March 2021, delivering 366 new affordable homes. bpha continues to invest in technology and people to ensure it has a modern, scalable and efficient operational structure. Investment in these areas helped to ensure we were well prepared to meet the challenges of the pandemic.



Strong cash generation and liquidity levels

Our net cashflow from operating activities is sufficient to cover both debt interest and capital expenditure on existing assets, showing that our core operations are cash generative. During the year the net cashflow from operating activities combined with the proceeds from sales, was greater than our development expenditure and our net debt fell slightly to £797m (2020: £808m).

This was due to the slow down in our development programme as a result of the pandemic. Our continued strong liquidity means that all future committed developments can be funded from existing facilities, without the need to raise new funding.

Julian Pearce, bpha's Chief Financial Officer, said:

"bpha remains in a strong financial position after a challenging year. Our core operating business has demonstrated its strength and resilience during the pandemic with increased surpluses and operating cash flows."

"Our continued strong financial performance means we can continue investing in the maintenance of our customers' existing homes, as well as progressing our ambitious development programme. In spite of the uncertain economic environment robust financial management, coupled with our investment in people and technology, has allowed us to continue to support our customers and develop much needed, new affordable homes for the future."

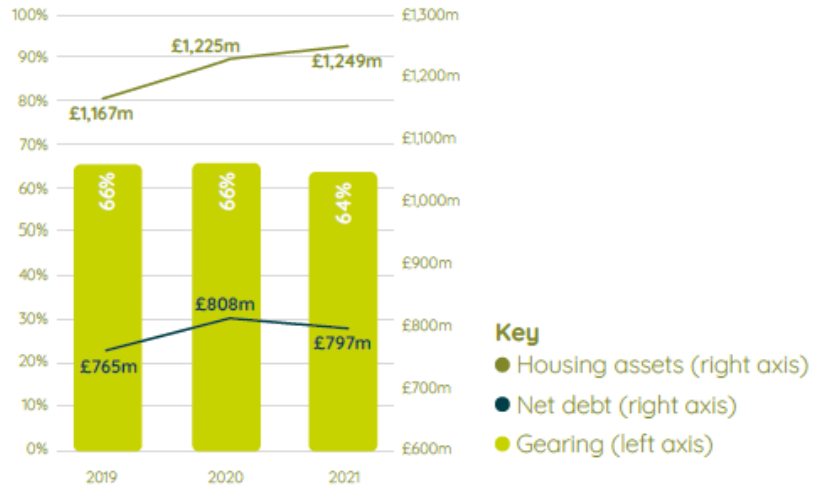
The bpha group 2021 Financial Statements are available at:

www.bpha.org.uk/investor-relations.

Appendix – Tables:

	Operating Surplus		
	2019 £'000	2020 £'000	2021 £'000
Core Operating Business	44,395	44,705	47,732
Development & Sales Business	19,613	14,811	10,471
Fair Value Adjustments on investment properties	3,935	863	1,321
	67,943	60,380	59,524

Gearing, Assets and Debt



-ENDS-

Notes to editors:

For more information please contact Sarah Mortimer, Head of Communications and Insight, at bpha by emailing communications@bpha.org.uk or call 01234 791135.

About bpha

bpha is a leading Housing Association located in the Oxford to Cambridge Arc. It is committed to providing its customers with high quality, value for money services whilst continuing to develop more, new affordable homes. bpha owns or manages over 19,500 homes and employs c.450 staff. Please note that bpha is always written in the lower case.