

19th October 2020

Dear Shareholder,

Re: Housing Gateway Ltd Audited Accounts Year Ended 31st March 2020

I have pleasure in presenting the final audited accounts for Housing Gateway Ltd (“Housing Gateway”) for the Year ended 31st March 2020. Housing Gateway has made excellent progress throughout the year continuing to deliver significant savings, in excess of £7m, to the Council whilst maintaining a profitable business on operations and growing a significant asset base.

Housing Gateway’s turnover has continued to increase year on year, greatly attributable to excellent performance with regard to reduced void periods, resulting in an increased gross profit of 5% since 2019. Further, the operating profit increase has been brought about by tight control on variable costs.

Whilst Housing Gateway has faced challenges, like most businesses, due to the impact of Covid 19, it is well placed with a solid portfolio and business model, to survive the immediate economic challenges. Housing Gateway’s workforce have acted flexibly, adapting working methods to the new environment whilst ensuring core business functions are maintained and supporting our residents.

Housing Gateway’s property portfolio was valued at year end, in line with Council policy, and included a 5% impairment across the portfolio specifically due to the Covid 19 uncertainty. Since this time our experience is that the property market has remained buoyant and we do not believe that this risk has materialised or worsened to date. Furthermore, this is an accounting “book” loss, which would only be realised were the portfolio sold at the estimated value.

Despite the valuation impairment, the company’s balance sheet is positive, showing shareholders’ reserves of £1.2m. In addition, in 2020 Housing Gateway concluded the portfolio refinancing to ensure the company has a sound financial basis for the future development and diversification through Enfield Let, our ethical lettings agency.

Housing Gateway continues to ensure sound financial management and strives to support the Council’s housing agenda through innovative businesses in the future.

Yours sincerely,

Clr Tim Leaver
Chair, Housing Gateway Limited.

