



Flagship Housing Group Limited (Flagship) trading update, draft financial performance for the year ended 31 March 2023 and Regulator grading update

Flagship, the parent company of Flagship Finance Plc and a Registered Provider of Social Housing that owns and manages 32,721 homes in the east of England, announces its unaudited trading highlights for the 2022/23 financial year.

Flagship headline unaudited results and highlights:

- Owns and manage 32,721 homes (32,192 as of 31 March 2022)
- Credit rating of A2 (Negative) from Moody's
- Delivered 635 new affordable homes
- Financial performance remains robust with annual turnover increasing by 8.2% to £250.9m (2021: £231.9m)
- Despite facing inflationary cost pressures, annual operating surpluses were maintained at £83m
- Delivered an operating margin, including gains on disposal, of 33.1% (2022: 35.9%)
- All financial covenants met
- Year end cash of £59m and undrawn facilities of £232m

Message from Interim Chief Financial Officer

Jonathan McManus, Interim Chief Financial Officer at Flagship, said: "The past financial year has seen a number of challenges with high levels of cost inflation and increased expenditure on repairs and maintenance to ensure we maintain compliant high-quality affordable homes. Despite these challenges we have delivered a really strong set of financial results which continues to be underpinned by our healthy liquidity position.

We were pleased to maintain our A2 credit rating with Moody's.

We have continued to deliver more affordable homes to the communities we operate in and have increased the percentage of homes that meet EPC-C, which remains a key focus for delivery by 2030."

Regulator rating update

The Regulator of Social Housing has today downgraded Flagship Group's governance rating from G1 to G2. The Regulator has confirmed its existing compliant V2 grade for viability and that its financial plans are consistent with and support our financial strategy, continuing to meet our financial covenants.

A rating of G2 is compliant and means that Flagship meets the Regulator's governance requirements however Flagship will be focussed on returning back to a G1 rating.



For more information, please contact:

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