



## Belong Limited – Trading Statement

27 June 2019

Belong Limited is today issuing its consolidated trading update for the year ended 31 March 2019. These figures are unaudited.

### Commenting on the results, Tracey Stakes, CEO, said:

“I am delighted to report another successful year at Belong as we expand our reach and improve the quality of the services on offer. It is particularly pleasing that we now have four ‘outstanding’ ratings from the CQC. Belong is unique in having over 40% of its villages holding the top rating<sup>1</sup> – a reflection of the dedication and commitment of our staff as well as the systems we have put in place”.

### Key Points

#### Performance

- Belong continues to expand its operations in line with its strategic business plan.
- Belong operates five established villages and two new villages, Didsbury which opened in 2017 and Newcastle-under-Lyme which opened in 2018.
- In addition Belong is developing two further villages as set out in its original business plan – Birkdale due to open in January 2020 and Chester in April 2020
- A domiciliary service is provided from each village under the Belong at Home brand.
- The outcome for the year is approximately 5% ahead of budget, largely driven by the performance of the established villages.
- The two new villages continue to increase household occupancy broadly in line with plans.
- Established villages’ results for the financial year (average):

	2017/18	2018/19
Household Occupancy	97.5%	97.6%
Household Fee Levels Per Week	£958	£1,019
Apartment Occupancy	95.0%	93.9%
EBITDARM Per Village	£1.16m	£1.33m

<sup>1</sup> Villages household care services are rated separately to Belong at Home services. Three of seven villages have the top CQC rating for household care provision.

## CQC Ratings<sup>2</sup>

- 43% of regulated household care services which have undergone an inspection are rated 'outstanding'.
- Of the remaining four villages to have undergone inspection three are rated as 'good' and one is rated as 'requires improvement'<sup>3</sup>.
- One of the regulated domiciliary care services which has undergone inspection<sup>4</sup> is rated 'outstanding'.
- Of the remaining four services to have undergone inspection all are rated as 'good'.

## Household Occupancy

- Within established villages average occupancy has continued to be consistent with previous performance at 97.6%<sup>5</sup>. This compares to industry average of 88.7%<sup>6</sup>.

## Average Household Fees and Resident Mix

- Average fees increased 6.1% from 2017/18 to 2018/19 within established villages.
- Average fees within newly developed villages are in excess of £1,000 per week.
- On average private paying residents constitute circa 70% of residents.

## Awards

- Belong won the Excellence in the Third Sector award at the Investors in People Awards and the Innovative Quality Outcomes Award at the 3<sup>rd</sup> Sector Care Awards.
- Individual villages and team members were recognised in several regional/national awards.

## Public Reviews

- Belong villages average a score of 9.7<sup>7</sup> within the online care home review directory carehome.co.uk for household care services.
- Belong at Home services average a score of 9.6<sup>6</sup> within the online home care review directory homecare.co.uk for its domiciliary service.

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<sup>2</sup> As at June 2019.

<sup>3</sup> All of the actions resulting from this inspection have been implemented under the oversight of the Board of Directors.

<sup>4</sup> Five of the seven domiciliary services have undergone a CQC inspection. The most recent services; Belong at Home Warrington and Belong at Home Didsbury are awaiting inspections.

<sup>5</sup> Established villages household occupancy has exceeded 97% in each of the last 8 years.

<sup>6</sup> Knight Frank Care Home Trading Performance Review 2018; all UK and relevant to operations of 60-79 beds.

<sup>7</sup> As at April 2019.

## Financials

<b>Turnover</b>	<b>2017/18</b> £'000	<b>2018/19</b> £'000
Belong Established Villages	20,829	22,579
Belong New Villages <sup>8</sup>	1,102	4,075
Non-Recurring Grant Income	1,238	69
<b>Total</b>	<b>23,169</b>	<b>26,723</b>

<b>EBITDAR</b>	<b>2017/18</b> £'000	<b>2018/19</b> £'000
Belong Established Villages	5,796	6,662
Belong New Villages <sup>8</sup>	(630)	65
Non-Recurring Grant Income	1,238	69
Central Overhead	(2,373)	(2,701)
<b>Total</b>	<b>4,031</b>	<b>4,095</b>

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<sup>8</sup> Recently developed villages which opened in 2017 and 2018.