

Belong Limited – Trading Statement

20 May 2024

Belong is today issuing its consolidated trading update for the year to 31 March 2024. The figures for 2023/24 are currently unaudited.

Commenting on the results, Chris Hughes, Chief Finance Officer, said:

“I am pleased to report that the organisation recovered from the challenges of 2022/23 to report an increase in EBITDA to £5.0m for the financial year 2023/24. This reflected a continued improvement in each of our main financial metrics, aided by higher household occupancy and average household fees over the period.

Household occupancy across the established villages rose to an average of 96.8%, up from 94.9% last year and continues to compare favourably to the sector. Community income streams also continued to improve throughout 2023/24. They have now reached c75% of pre-pandemic levels, compared to c50% in 2022/23.

Our commitment to delivering quality services continues to be recognised through consistently high regulatory and satisfaction scores. The CQC rates over 90%¹ of all our regulated services as ‘Good’ or ‘Outstanding’ overall, with 43%¹ rated ‘Outstanding’. This is an exceptional performance and compares to a national average of 4%. In Belong Warrington, the only home rated as “Requires improvement” in 2022, we have completed our improvement plan and now await reinspection from the CQC.

Belong were reassessed in early 2024 by Investors in People and are pleased to retain our ‘Gold’ Investors in People accreditation.

Belong Chester is currently our only new village. It is a wholly owned freehold site and opened on 18 July 2022. This village includes 72 household rooms across six households, 23 apartments and a 25-place pre-school nursery, operated by Ready Generations. At the end of March 2024, the village had four households open with 42 residents residing in those households, 22 of the 23 apartments were also occupied at the end of March 2024. The fifth household is due to open shortly. This performance is in line with our business plan which anticipates a build up to mature household occupancy within 3 years of opening.

Construction at Belong Birkdale continues. Belong Birkdale, which is a predominantly leased site, is expected to open in the summer of 2025.

Key Points

Performance

- Belong operates seven established villages at the end of the financial year, with an eighth, Belong Chester, now over halfway to full occupancy.
- Belong continues to expand its operations in line with its strategic business plan with Belong Birkdale due for delivery in summer 2025..

Awards

- Belong was awarded the ‘Innovation in Care’ award at the Laing and Buisson awards 2023 for our intergenerational work in Belong Chester.
- Individual villages and team members were recognised in several regional/national awards.

¹ Excludes Belong Chester which is yet to have undertaken its first CQC inspection.

Financials

Average Occupancy	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Belong Established Villages	94.8%	94.9%	96.8%
Belong New ² Villages	88.3%	n/a	n/a
Belong Chester Village	n/a	16.8%	47.5%

Household Fees	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Belong Established Villages	£1,186	£1,289	£1,397
Belong New ² Villages	£1,210	n/a	n/a
Belong Chester Village	n/a	£1,251	£1,425

Turnover	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Belong Established Villages	£25.2m	£38.0m	£42.0m
Belong New ² Villages	£9.6m	n/a	n/a
Belong Chester Village	n/a	£0.9m	£3.1m
Total	£34.8m	£38.9m	£45.1m

EBITDA	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Belong Established Villages	£6.3m	£7.3m	£10.4m
Belong New ² Villages	£2.5m	n/a	n/a
Belong Chester Village	n/a	(£0.9m)	(£0.1m)
Central Overhead	(£3.4m)	(£4.0m)	(£4.2m)
Rent	(£1.0m)	(£1.1m)	(£1.1m)
Total	£4.4m	£1.3m	£5.0m

² New villages are Belong Newcastle-under-Lyme and Belong Morris Feinmann. These two villages are included within the Established Villages for 2022/23 onwards.