Co-operative and Community Benefit Society (FCA) No 19564R

Regulator of Social Housing No L1230

Great Places Housing Association

Report and Financial Statements

For the Year ended 31 March 2022

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ASSOCIATION INFORMATION

Board

Chair	A. Davison	
Deputy Chair	C. Amyes	(Deputy Chair, Chair of RAC from 16 September 2021)
Board Members at 31 March 2022	M. Jones	
	M. Hanson	(Chair of AAC from 16 September 2021 to 25 June 2022)
	M. Harrison	
	G. Page	(Chair of AAC from 1 July 2022)
	S. Palmer	(from 16 September 2021)
	P. Ricketts	(from 16 September 2021)
	D. Robinson	
	N. Ruhi Khan	(from 16 September 2021)
Board Members during the year	J. Rayner	(Deputy Chair, Chair of RAC to 16 September 2021)
	J. Green	(Chair of AAC to 16 September 2021)
	C. Cashman	(to 31 December 2021)

*Remuneration and Appraisal Committee (RAC)
**Audit and Assurance Committee (AAC)

Executive Directors

Chief Executive	M. Harrison
Executive Director of Finance and Company Secretary	P. Elvy
Executive Director of Sustainable Assets and Repairs	P. Bojar
Executive Director of Customer Services	G. Cresswell
Executive Director of People, Culture and Business Improvement	A. Dean
Executive Director of Growth	H. Spencer (from 1 February 2022)

Registered office: 2a Derwent Avenue
Manchester
M21 7QP

Website: www.greatplaces.org.uk

Registered Numbers: Regulator of Social Housing No: L1230
Co-operative and Community Benefit Society No: 19564R

External Auditors:	Internal Auditors:	Bankers:
Beever and Struthers	PwC	The Royal Bank of Scotland plc
St George's House	No 1 Spinningfields	Parklands
215 - 219 Chester Road	1 Hardman Square	3 De Havilland Way
Manchester	Manchester	Bolton
M15 4JE	M3 3EB	BL6 4YU

REPORT OF THE BOARD

The Board presents its report and the audited financial statements for the year ended 31 March 2022. A fuller review of Great Places Housing Association ("GPHA" or "the Association") is included within the Strategic Report of its parent Great Places Housing Group Limited ("GPHG" or "the Group").

Principal activities

The Association's principal activities include the development and management of social housing properties for the Group.

Business review

The surplus after tax for the year ended 31 March 2022 was £17,570k (2021: £50,585k), the higher prior year surplus largely reflecting the gain in relation to the Equity Housing Group transfer of engagements that took place on 1 April 2020. At the year-end reserves amounted to £172,713k (2021: £130,837k). The total comprehensive income for the year ended 31 March 2022 was £41,876k (2021: £49,641k). This includes actuarial gains on the defined benefit pension schemes of £10,007k (2021: a loss of £11,519k) and a gain on the movement in fair value of interest rate swap financial instruments of £13,719k (2021: a gain of £9,995k), both of which are recognised in other comprehensive income.

In respect of the year ended 31 March 2022, a gift aid payment of £580k (2021: £580k) was received from Plumlife Homes Limited. No gift aid payment was made in the period from Cube Homes Limited (2021: £1,100k). Cube Homes Limited made a gift aid payment of £2,000k on 8 June 2022, as agreed by their Board on 16 March 2022, this directly related to Cube Homes end of year financial performance for 2021/22. No gift aid was paid by Terra Nova Developments Limited in the year (2021: paid nil).

Housing property assets

Details of changes to the Association's property assets are shown in note 12 of the financial statements, Tangible fixed assets – housing properties.

Donations

During the year ended 31 March 2022 the Association made no political contributions and any charitable donations were made during the course of its ordinary activities (2021: nil).

Post balance sheet events

A Gift Aid payment was made from the wholly owned subsidiary Cube Homes Limited of £2,000k on the 8 June 2022. This Gift Aid payment relates directly to Cube Homes Limited profit position at the 31 March 2022 and was agreed by their Board on the 16 March 2022. Whilst their Board agreed this to be paid, this did not constitute a legal obligation under the financial reporting standards and was therefore not accrued in the statutory accounts for the 2021/22 financial year.

Equality, diversity and inclusion

The Association has and continually reviews, a full and comprehensive policy of equality, diversity and inclusion.

Health and safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Association has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

REPORT OF THE BOARD CONTINUED

The Board members and the executive directors of the Association at 31 March 2022 are set out on page 3 of these financial statements as well as details of all the members and directors that have served during the period from 1 April 2021 up to the date these statements have been signed.

Insurance policies indemnify the Board members and officers against liability when acting for the Group.

Internal Control and risk management

The Association's internal control and risk management is undertaken as part of Great Places Housing Group which are detailed in the Financial Statements and are available at https://www.greatplaces.org.uk/about-us.

Strategic Report

The Association has decided not to include a Strategic Report, on the basis that a Group Strategic Report has been included in the financial statements of its parent company Great Places Housing Group Limited.

Going concern

The Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. In particular, assurance is provided by the Association's latest Business Plan including sensitivity analyses and stress testing which demonstrates that the Association has sufficient funding facilities in place that will meet planned development and other expenditure and that it is fully able to service its debt facilities.

After a thorough Going Concern review of all assets, liabilities and commitments, and taking into account the resulting inherent cash risk in property sales, including forecasts and projections, the Board are assured that there are sufficient cash reserves and agreed facilities in place to meet liabilities as they fall due.

Therefore, the Board continues to adopt the going concern basis in the financial statements.

Annual general meeting (AGM)

The AGM will be held on 22 September 2022.

External auditors

We intend to propose the re-appointment of Beever and Struthers as external auditors at the AGM on 22 September 2022.

Statement of compliance

In preparing this Board report, the Board has complied with the Regulator of Social Housing's Governance and Financial Viability Standard as set out in the Accounting Direction 2022.

Statement of the responsibilities of the Board for the report and financial statements

The Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation require the Board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

REPORT OF THE BOARD CONTINUED

In preparing these financial statements, the Board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the Association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Association's website is the responsibility of the Board members. The Board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In so far as each of the Board members is aware:

- There is no relevant audit information of which the Association's auditors are unaware; and
- The Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

The report of the Board was approved by the Board on 4 August 2022 and signed on its behalf by:

P. Elvy
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO GREAT PLACES HOUSING ASSOCIATION

Opinion
We have audited the financial statements of Great Places Housing Association Limited ('the Association') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the Association's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the Report of the Board, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- the Association has not maintained a satisfactory system of control over transactions; or
- the Association has not kept proper accounting records; or
- the Association's financial statements are not in agreement with books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board
As explained more fully in the Statement of Board's Responsibilities set out on page 6, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO GREAT PLACES HOUSING ASSOCIATION

Extent to which the audit was considered capable of detecting irregularities, including fraud
We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Association's activities.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO GREAT PLACES HOUSING ASSOCIATION

Use of our report

This report is made solely to the Association, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Beever and Struthers
Statutory Auditor
St George's House
215-219 Chester Road
Manchester
M15 4JE

Date: 19 August 2022

STATEMENT OF COMPREHENSIVE INCOME

	Note	2022 £'000	2021 £'000
Turnover	4	147,696	125,891
Operating costs	4	(87,846)	(82,862)
Cost of sales	4	(21,512)	(10,658)
Surplus on sale of fixed assets	5	4,444	2,948
Operating surplus	6	**42,782**	**35,319**
Interest receivable	7	1,076	1,250
Interest payable and financing costs	8	(27,451)	(26,731)
Gift aid	10	580	1,100
Movement in fair value of investment properties	13	1,163	198
Gain on transfer of engagements	32	-	39,449
Surplus on ordinary activities before taxation		**18,150**	**50,585**
Tax on surplus on ordinary activities	9	-	-
Surplus for the financial year		18,150	50,585
Actuarial (losses)/gains on defined benefit pension schemes	26	10,007	(11,519)
Movement in fair value of hedged financial instruments	8	13,719	9,995
Other comprehensive income		**23,726**	**(1,524)**
Total comprehensive income for the year		**41,876**	**49,061**

All amounts relate to continuing activities.

The accompanying notes on pages 14 to 45 form part of these financial statements.

A. Davison	G. Page	P. Elvy
Board member	Board member	Secretary

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

	Note	2022 £'000	2021 £'000
Tangible fixed assets			
Housing properties	12	1,360,023	1,313,743
Investment properties	13	17,075	15,913
Other tangible fixed assets	14	13,397	12,619
		1,390,495	**1,342,275**
Fixed asset investments			
Homebuy loans	15	5,892	6,133
Fixed asset investments	16	461	461
Investment in joint venture	16	-	9
Total fixed asset investments		**6,353**	**6,603**
Total fixed assets		**1,396,848**	**1,348,878**
Debtors: Amounts falling due after one year	18	13,292	19,111
Current assets			
Stock and work in progress	17	24,002	17,381
Debtors	18	24,790	50,833
Investments	19	8,706	7,018
Cash and cash equivalents		110,262	132,632
		167,760	207,864
Creditors: Amounts falling due within one year	20	(78,187)	(96,192)
Net current assets		**89,573**	**111,672**
Total assets less current liabilities		**1,499,713**	**1,479,661**
Creditors:			
Creditors falling due after more than one year	21	(1,314,633)	(1,323,442)
Pension liability	26	(12,367)	(25,382)
Net assets		**172,713**	**130,837**
Capital and reserves			
Share capital (non-equity)	28	-	-
Income and expenditure reserve		196,014	169,001
Revaluation reserve		4,729	3,566
Designated reserve		104	123
Cash flow hedge reserve		(28,134)	(41,853)
Association's funds		**172,713**	**130,837**

The accompanying notes on pages 14 to 45 form part of these financial statements. The financial statements were authorised for issue and approved by the Board on 4 August 2022 and signed on its behalf by:

A. Davison	G. Page	P. Elvy
Board member	Board member	Secretary

STATEMENT OF CHANGES IN RESERVES

	Cash flow hedge reserve	Revaluation reserve	Designated reserve	Income and expenditure reserve	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 April 2020	(51,848)	3,368	142	135,756	87,418
Surplus for the year	-	-	-	50,585	50,585
Actuarial losses on defined benefit pension scheme	-	-	-	(11,519)	(11,519)
Distribution to parent company for pension liabilities (note 26)	-	-	-	(6,222)	(6,222)
Movement in fair value of hedged financial instruments	9,995	-	-	-	9,995
Gift Aid receipt (note 10)	-	-	-	580	580
Transfers	-	198	(19)	(179)	-
As at March 2021	**(41,853)**	**3,566**	**123**	**169,001**	**130,837**
Surplus for the year	-	-	-	18,150	18,150
Actuarial gains on defined benefit pension scheme	-	-	-	10,007	10,007
Distribution to parent company for pension liabilities (note 26)				-	-
Movement in fair value of hedged financial instruments	13,719	-	-	-	13,719
Transfers	-	1,163	(19)	(1,144)	-
As at 31 March 2022	**(28,134)**	**4,729**	**104**	**196,014**	**172,713**

The accompanying notes on pages 14 to 45 form part of these financial statements.

1. Legal status

The Association is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider.

2. Accounting policies

The principal accounting policies are detailed below, and they have all been applied consistently throughout the year.

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Great Places Housing Association included the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers" 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Association is a Public Benefit Entity (PBE) and has applied the provisions for FRS 102 specifically applicable to PBEs.

The Association has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Basic Financial Instruments; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Great Places Housing Group Limited as at 31 March 2022 and these financial statements are available at https://www.greatplaces.org.uk/about-us.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Association management to exercise judgement in applying the Association's accounting policies.

Going concern

The Association's latest Business Plan demonstrates that the Group has sufficient funding facilities in place that will meet planned development and other expenditure and that it is fully able to service its debt facilities. After a thorough review of all assets, liabilities and commitments the Board are assured that there are sufficient cash reserves and agreed facilities in place to meet liabilities as they fall due.

Stress testing were modelled through the business plan with a number of specific mitigation strategies applied to demonstrate recovery from the stress events. The Association is able to mitigate a worst case scenario and avoid a covenant breach by managing the timing of development and repairs expenditure amongst other mitigating actions.

2. Accounting policies (continued)

Going Concern (continued)

A stress test scenario was done for a Going Concern review, based on the Association meeting all contractual commitments but without receiving any property sales receipts at all. The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. Therefore, the Board continues to adopt the going concern basis in the financial statements.

Income

Income is measured at the fair value of the consideration received or receivable. The Association generates the following material income streams:

- Rental income receivable (after deducting lost rent from void properties available for letting);
- Sale of first tranche Low Cost Home Ownership and other housing properties developed for sale;
- Service charge receivable; and
- Revenue grants and amortisation of capital grants.

Rental income is recognised from the point when properties under development reach practical completion and are formally let. Income from first tranche sales, properties built for sale and proceeds from the sale of land or property are recognised at completion of the sale.

Rent and service charge agreements

The Association has both fixed and variable service charges for its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

The Association has made arrangements with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate. The Association has reviewed its social housing rent arrears where a formal repayment schedule is in place and has determined that the net book value adjustment for these arrangements are not material so no adjustment has been made for these other than any bad debt provision provided.

Grants

Grants in respect of revenue expenditure are credited to the income statement when the conditions for receipt of agreed grant funding are met.

Capital grant is released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected.

Interest payable

Interest is capitalised on borrowings to finance developments up to the date of practical completion if it represents either:

a) interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
b) interest on borrowings of the Association as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income statement in the year.

2. Accounting policies (continued)

Interest receivable

Interest receivable is credited to the income statement in the year.

Leased assets

Where assets are financed by leasing agreements that give rights similar to ownership (finance leases), the assets are treated as if they have been purchased outright. The assets leased by the Association under finance leases are Investment Properties and are therefore accounted for under FRS 102 as Investment Properties. The corresponding leasing commitments are shown as amounts payable to the lessor.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Comprehensive Income over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. The annual rentals are charged to the income statement on a straight-line basis over the term of the lease.

Property managed by agents

Where the Association carries the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the income and expenditure account of the Association.

Where the agency carries the financial risk, the income statement includes only that income and expenditure which relates to the Association.

In both cases, where revenue grants are claimed by the Association, these are included as income in the Statement of Comprehensive Income to the extent that they are passed to the agent.

Derivative instruments and hedge accounting

The Association holds floating rate loans which expose the Association to interest rate risk. To mitigate against this risk the Association uses interest rate swaps. These instruments are measured at fair value at each reporting date. They are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The Association has designated the swaps against a portfolio of floating rate debt, being a group of liabilities and highly probable forecast transactions in the business plan. As a result the hedges are 100% effective, with movements in fair value recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Hedge accounting is applied in line with accounting standard FRS102.

It is the parent company GPHG which is the legal party to the swap agreements, but its subsidiary, the Association, has indemnified GPHG against any obligations in relation to the swaps and the ultimate cost is borne by the Association. The swap fair values have been obtained from the valuations provided by the swap counterparties at each reporting date and compared with valuations obtained from the Group's treasury advisors for assurance.

Value Added Tax (VAT)

GPHA is VAT registered as part of the Great Places Housing Group Limited registration. A large proportion of its income, rents and service charges, is exempt for VAT purposes thus giving rise to a partial exemption calculation. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

2. Accounting policies (continued)

Tangible fixed assets

Housing properties

Housing properties are principally properties which are available for rent and are stated at cost less depreciation and impairment. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Works to existing properties which replace a component that has been treated separately for depreciation purposes are capitalised. Works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Shared ownership properties and staircasing

Under low cost home ownership arrangements, the Association disposes of a long lease on low cost home ownership units for a share ranging between 35% and 75% of value. The buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset. The remaining element, is classed as Property, Plant and Equipment (PPE) and included in completed housing properties at cost, less any provisions needed for depreciation or impairment. Sales of subsequent tranches are treated as a part disposal of PPE. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Depreciation of housing properties

Housing land and property is split between land, structure and other major components that are expected to require replacement over time. Land is not depreciated on account of its indefinite useful economic life. Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

The cost of all other housing property (net of accumulated depreciation to date and impairment, where applicable) and components is depreciated over the useful economic lives of the assets on the following basis:

Structure	100 years	Heating systems	15* - 25 years
Roofs	60 years	External doors	25 years
Bathrooms	25 years	Solar and photovoltaic panels	25 years
Windows	25 years	Kitchens	20 years
Lifts	25 years	Boilers	12 years
Electrical rewire**	25 years		

* Where Boilers were included within the heating system.

** Not normally a component within Great Places but this has been a component where properties have transferred into the association.

2. Accounting policies (continued)

Impairment
The housing property portfolio for the Association is assessed for indicators of impairment at each balance sheet date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or Cash Generating Units ("CGUs") for which impairment is indicated to their recoverable amounts. Initially the Association compares the fair value less costs to sell by reference to EUV-SH. If this is lower than the net book value, the CGUs are then assessed for their value in use by calculating a Depreciated Replacement Cost ("DRC") for each CGU.

The DRC will be based upon the lower of:

- the cost of constructing an equivalent asset on the same site together with the original land costs; or
- the cost of acquiring an equivalent asset on the open market.

The Association defines CGUs as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger generating units. Where the recoverable amount of an asset or CGU is lower than its carrying value, an impairment is recorded through the income statement.

Stock swaps
Housing properties acquired from other social landlords in exchange for non-monetary assets, or a combination of monetary and non-monetary assets, are measured at fair value. Where there is government grant associated with housing properties acquired as part of the stock swap, the obligation to repay or recycle the grant transfers to the Association. The fair value of the properties is included within property, plant and equipment and accordingly no grant is disclosed within creditors. In the event of the housing properties being disposed, the Association is responsible for the recycling of the grant.

Investment properties
Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by external valuers and derived from either Market Value – Vacant Possession ("MV-VP") or Market Value – Subject to Tenancies ("MV-ST"). The rental income of each property has been individually assessed and for certain properties it has been ascertained that in arriving at MV-ST no deduction from the prevailing MV-VP needs to be made. No depreciation is provided. Changes in fair value are recognised in the income statement.

Other tangible fixed assets
Other fixed assets, other than investment properties, are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rate used for Freehold and leasehold offices is 50 years, or the life of the lease if shorter, and Office equipment, fixtures and fittings 4 to 25 years.

2. Accounting policies (continued)

Reserves
The Association designates those reserves which have been set aside for uses which, in the judgement of the Directors, prevent them from being regarded as part of the free reserves of the Association. The only reserve which constitutes free reserves is the Income and Expenditure reserve. The Association has a reserve that is designated for use in the support, training and development of apprentice maintenance employees. The revaluation reserve is created from surpluses on the revaluation of investment properties held by the Association.

The Association has a cash flow hedge reserve which is used for the effective hedges that are in place for the standalone interest rate swap agreements. Where an effective hedge is in place the fair value movement on the swap is recognised in the cash flow hedge reserve. Where a hedge is ineffective the movement is recognised in the revenue reserve.

Homebuy loans
Homebuy loans are treated as concessionary loans. They are initially recognised as a loan at the amount paid to the purchaser and are subsequently updated to reflect accrued interest and any impairment loss is recognised in the income statement to the extent that it cannot be offset against the Homebuy grant. Grant relating to Homebuy equity is recognised as deferred income until the loan is redeemed and the grant becomes recyclable when the loans are repaid up to the amount of the original grant and to the extent that the proceeds permit. The Association is able to retain any surplus proceeds less sale costs attributable to the equivalent loaned percentage share of the property. If there is a fall in the value of the property the shortfall in proceeds is offset against the recycled grant.

Investment in subsidiaries and joint ventures
Investments in subsidiaries and joint ventures are accounted for at cost less any accumulated impairment.

Properties for sale
Shared ownership first tranche sales, completed properties for outright sale and properties under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal. They are also reviewed for impairment as part of determining the net realisable value.

Materials stock
Stock is stated at the lower of cost and net realisable value. Costs comprise parts and materials for use by our in house repairs team for the repair and maintenance of our housing properties and stocks are valued at purchase price using the first in, first out method. Materials stock is held in the Distribution Centre and in the van fleet.

Debtors and Creditors
Debtors and Creditors with no stated interest rate and receivable are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Social housing grant receivable
SHG due from Homes England is included as a current asset. SHG received in advance from Homes England is included as a current liability.

Recoverable amount of rental and other trade receivables
The Association estimates the recoverable amount of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

2. Accounting policies (continued)

Investments

All investments held by the Association are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historic cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Association has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historic cost. Investments that are receivable within one year are not discounted.

Contingent liability

A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Leaseholder sinking funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received is included in creditors.

Finance costs

The cost of raising loan finance is initially capitalised and offset against the loan principal and is amortised to the income statement on a straight line basis over the term of the loan.

Government grants

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Grant in relation to newly acquired or existing housing properties is accounted for using accruals model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the income statement on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with the SORP the useful life of the housing property structure has been used and, where applicable, its individual components (excluding land).

Where social housing grant funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the income statement.

Other Government Grant taken to income includes furlough payments received or receivable during the year. Grants due from government organisations or received in advance are included as current assets or liabilities.

2. Accounting policies (continued)

Recycled Capital Grants

On the occurrence of certain relevant events, primarily the sale of dwellings, Homes England can direct the Association to recycle capital grants or to make repayments of the recoverable amount. The Association adopts a policy of recycling, for which a separate fund is maintained. If unused within a three year period, it will be repayable to Homes England with interest. Any unused recycled capital grant held within the recycled capital grant fund, which it is anticipated will not be used within one year is disclosed in the balance sheet under "creditors due after more than one year". The remainder is disclosed under "creditors due within one year".

Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in section 11 of FRS 102 are initially recorded at the transaction price less any transaction costs (historic cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Association has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historic cost. Loans that are payable within one year are not discounted.

Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the income statement. At each year end, the instruments are revalued to fair value, with the movements posted to the income statement, unless hedge accounting is applied.

Pensions

The Association participates in three funded multi-employer defined benefit schemes, the Social Housing Pension Scheme ("SHPS"), and two Local Government Pension Schemes ("LGPS") one administered by the South Yorkshire Pension Authority ("SYPA") and the second administered by the Greater Manchester Pension Fund ("GMPF"). At 31 March 2022 there were 141 active members of the SHPS scheme, three active members of the SYPA scheme and one active member of the GMPF scheme.

For these schemes, scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted as appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Association.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Actuarial gains and losses are reported in other comprehensive income.

The Association froze its defined benefit scheme operated by the Social Housing Pension Scheme at 31 March 2022. Contributions payable under this scheme are charged in the income statement in the period to which they relate. No liabilities crystallised as a result of this.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates and judgements. The material areas of either estimation or judgement are set out below. Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events.

Key Judgement include:

- On 1 April 2020 (2020/21 financial year) the activities of Equity Housing Group (EHG) were transferred to GPHA through a transfer of engagements. There was no consideration and it has been accounted for as a gift using the acquisition method of accounting as applicable to public benefit entities. The assets and liabilities of EHG on the date of transfer were brought into GPHA at fair value and the net gain taken to the Statement of Comprehensive Income. The housing properties, loans and pension asset were independently valued, but still required judgement in relation to the assumptions used. Other assets and liabilities were included at book values, the most appropriate measure of fair value.
- Hedging effectiveness is a judgement, based on the different factors that affect the valuation of the hedging instruments and the hedged items, including highly probably forecast transactions. The assessment of hedging arrangements is that they are fully effective. Hedge accounting is applied in line with accounting standard FRS102.
- Indicators of impairment of the Association's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. We have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on Existing Use Value - Social Housing ("EUV-SH") or depreciated replacement cost.
- What constitutes a cash generating unit when indicators of impairment require there to be an impairment review.
- The anticipated costs to complete on a development scheme is based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, they then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the Director's best estimate of sales value based on economic conditions within the area of development.
- The appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership properties between current and fixed assets.
- Whether leases entered into by the Association either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- The categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.
- Cash collateral held by third parties is reported under current asset investments. We believe this provides greater clarity to users of the financial statements by clearly differentiating investment related balances from other debtors.

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Tangible fixed assets (see notes 12 to 14). Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components. The following table shows the financial impact of changes in those useful economic lives:

Component	Change in assumption	Increase in annual charge (£'000)
Roof	Component life reduced from 60 to 50 years	128
Windows	Component life reduced from 25 to 20 years	365
Kitchen	Component life reduced from 20 to 15 years	904
Bathroom	Component life reduced from 25 to 20 years	306
Boiler	Component life reduced from 15 to 10 years	799

Pensions
The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rates and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

	Change in Assumption	Change in Liabilities	Change in Liabilities (£'000)
Discount Rate	Increase of 0.1% p.a.	Decrease by 2.7%	(2,985)
Rate of inflation	Increase of 0.1% p.a.	Increase by 2.7%	2,985
Rate of salary growth	Increase of 0.1% p.a.	Increase by 0.2%	221
Rate of mortality	Probability of surviving each year increased by 10%	Increase by 2.5%	2,764
Value of plan assets	Change in asset values of -5%	Decrease of 5%	(4,514)

Investment Properties
Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by external valuers (refer to note 2). The fair value of the property held within these investments is estimated noting the difficulty in predicting the outlook of the UK property market. A sensitivity analysis is provided below:

	Change in assumption	Change in value (£'000)
Investment Properties	Increase/decrease of 10%	1,591

Bad Debt provision
Bad debts are provided for dependent on whether a customer is still a tenant and then the value of the debt. Given the current cost of living rises increases were applied to these assumptions this year meaning £292k extra was provided for in the year to March 2022. If a further 10% of our debts over £1,000 was applied this would see a change in value of £262k.

4. Particulars of turnover, cost of sales, operating costs and operating surplus

Where revenue grants are claimed by the Association, these are included as income in the income statement and expenditure to the extent that they are passed to the agent.

	Turnover £'000	Cost of sales £'000	Operating costs £'000	2022 Operating surplus £'000
Social housing lettings	**114,711**	**-**	**(80,173)**	**34,538**
Other social housing activities				
First tranche shared ownership sales	22,585	(19,568)	-	3,017
Housing First	3,454	(1,944)	(1,267)	243
Support Funding/Income	1,828	-	(1,737)	91
Properties managed but owned by other organisations	885	-	(721)	164
Community/neighbourhood services	249	-	(979)	(730)
Other social housing income	1,743	-	(1,701)	42
	30,744	**(21,512)**	**(6,405)**	**2,827**
Non-social housing activities				
Commercial property income	1,031	-	(469)	562
Other	1,210	-	(799)	411
	2,241	**-**	**(1,268)**	**973**
Surplus on disposal of fixed assets (note 5)				4,444
	147,696	**(21,512)**	**(87,846)**	**42,782**

	Turnover £'000	Cost of sales £'000	Operating costs £'000	2021 Operating surplus £'000
Social housing lettings	**108,742**	**-**	**(78,872)**	**29,870**
Other social housing activities				
First tranche shared ownership sales	11,055	(9,363)	-	1,692
Housing First	2,064	(1,289)	(770)	5
Support Funding/Income	1,848	-	(1,756)	92
Properties owned but managed by others	776	-	(618)	158
Community/neighbourhood services	89	-	(702)	(613)
	15,832	**(10,652)**	**(3,846)**	**1,334**
Non-social housing activities				
Commercial property income	795	-	(144)	651
Other	522	(6)	-	516
	1,317	**(6)**	**(144)**	**1,167**
Surplus on disposal of fixed assets (note 5)				2,948
	125,891	**(10,658)**	**(82,862)**	**35,319**

The commercial property income line for 2021 includes £27k of receipts in relation to the government's job retention scheme, no funds were claimed in respect of this in 2022.

4. Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

	General needs housing	Supported housing*	Low cost home ownership	Key worker housing	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Rent receivable net of identifiable service charges	78,976	7,279	6,502	312	93,069	88,991
Service charge income	3,904	4,662	2,554	-	11,120	9,567
Amortisation of government grants	4,886	898	594	-	6,378	6,336
Government grant taken to income	-	-	-	-	-	115
Other income	1,767	1,855	522	-	4,144	3,732
Turnover from social housing lettings	**89,533**	**14,694**	**10,172**	**312**	**114,711**	**108,741**
Management	(15,014)	(2,705)	(4,976)	(56)	(22,751)	(22,011)
Service charge costs	(3,935)	(5,207)	(2,524)	(58)	(11,724)	(10,899)
Routine maintenance	(10,874)	(1,344)	(108)	(16)	(12,342)	(11,099)
Planned maintenance	(2,773)	(158)	(4)	-	(2,935)	(4,166)
Major repairs expenditure	(8,746)	(381)	(5)	-	(9,132)	(8,098)
Bad debts	(224)	55	(20)	31	(158)	(1,237)
Property lease charges	(172)	(11)	-	-	(183)	(195)
Depreciation of housing properties:						
-annual charge	(16,617)	(2,017)	(1,589)	(25)	(20,248)	(19,863)
-accelerated on disposal of components	(553)	-	-	-	(553)	(1,013)
Other costs	(131)	(1)	(15)	-	(147)	(291)
Operating expenditure on social housing lettings	**(59,039)**	**(11,769)**	**(9,241)**	**(124)**	**(80,173)**	**(78,872)**
Operating surplus on social housing lettings	**30,494**	**2,925**	**931**	**188**	**34,538**	**29,869**
Void losses	(359)	(173)	(2)	14	(520)	(600)

** Supported Housing includes Housing for Older People*

The government grant taken to income line includes £115k of receipts in 2021 in relation to the government's job retention scheme. No funds were claimed in respect of this in 2022.

5. Surplus on sale of fixed assets

	Disposal proceeds	Carrying value of asset	Capital grant recycled	Total Surplus 2022	Total Surplus 2021
	£'000	£'000	£'000	£'000	£'000
Shared Ownership	7,819	(4,634)	(1,180)	2,005	1,138
Other Housing properties	8,764	(5,002)	(1,491)	2,271	1,720
Homebuy	406	(8)	(230)	168	90
Total	**16,989**	**(9,644)**	**(2,901)**	**4,444**	**2,948**

6. Operating surplus

This is arrived at after charging:

	2022 £'000	2021 £'000
Depreciation of housing properties	20,258	19,875
Accelerated depreciation on component disposal	553	1,013
Depreciation of other tangible fixed assets	927	310
Amounts paid under operating leases:		
-Land and buildings	182	195
-Vehicles	628	680
Auditor's remuneration (excluding VAT)		
-for the audit of the financial statements	80	70
-for other services	31	4

7. Interest receivable and other income

	2022 £'000	2021 £'000
Interest receivable	168	101
Interest receivable from Group companies	836	1,124
Interest receivable from joint ventures	1	-
Interest from fixed asset investments	71	-
Income from fixed asset investments	-	25
	1,076	1,250

8. Interest payable and financing costs

	2022 £'000	2021 £'000
Intra group loans	23,750	21,445
Loans and bank overdrafts	3,983	4,149
Net interest payable on pension liabilities	522	225
Finance leases	608	203
Payable on recycled grant	21	12
Arrangement fees amortised or written off	855	1,625
Other finance costs including non-utilisation fees and commitment fees	876	960
	30,615	28,619
Interest payable capitalised on housing properties under construction	(3,164)	(1,888)
	27,451	**26,731**
Other financing costs (note 22d)		
Gain on fair value of non-hedged derivative instruments	-	-
Other financing costs through other comprehensive income		
(Gain)/loss on fair value of hedged derivative instruments	(13,719)	(9,995)
	13,732	**16,736**

Capitalised interest was charged at rates of 0.50% (2021: 0.50%) receivable and 4.77% (2021: 4.81%) payable, based on the weighted average cost of borrowing during the year.

9. Taxation

The Association benefits from the exemptions from corporation tax afforded to charitable companies by Part 11, Corporation Tax Act 2010.

10. Gift aid

	2022 £'000	2021 £'000
Gift Aid from subsidiary undertakings	-	1,100
Gift Aid from other group undertakings	580	580
	580	**1,680**

11. Directors and members

The non-executive directors of the Association and the Chief Executive are the members of the Board.

Executive Directors

The Executive Directors transferred from Great Places Housing Group to the Association on 1 March 2021 under TUPE regulations. The Executive Directors include the Chief Executive and those officers who are executive directors and who report directly to the Chief Executive. Non-Executive directors are Board members and their Deed of Appointment novated from Great Places Housing Group to the Association on 1 April 2021.

	2022 £'000	2021 £'000
Executive directors	908	66
Non-Executive directors	93	-
	1,001	66

The highest paid executive officer who served during the year was the Chief Executive who was an employee of Great Places Housing Association. Emoluments of the Chief Executive Officer who received emoluments, excluding pension contributions, totalling £195k (2021: £15k). The Chief Executive was paid by Great Places Housing Group until the 1 March 2021. The Chief Executive is an ordinary member of the Social Housing Pension Scheme. The scheme is a career average salary scheme funded by contributions from the employer and employee. A contribution of £13k (2021: £1k) was paid by the employer in addition to those made by the Chief Executive himself.

	2022 £'000	2021 £'000
Emoluments excluding pensions	195	15
Pension contributions	13	1
Total	208	16

Emoluments of £93k were paid to the members of the Board during the year by Great Places Housing Association following their Deed of Appointments with Great Places Housing Association from 1 April 2021 (2021: £nil).

All employees transferred under TUPE regulations from Great Places Housing Group to Great Places Housing Association on 1 March 2021.

11. Directors and members (continued)

The full time equivalent number of staff whose remuneration is £60,000 or more (including pension contributions) is disclosed below:

	2022 No.	2021 No.
£60,001 to £70,000	10	4
£70,001 to £80,000	7	2
£80,001 to £90,000	8	-
£90,001 to £100,000	3	3
£100,001 to £110,000	1	-
£150,001 to £160,000	3	-
£170,001 to £180,000	1	1
£200,001 to £210,000	1	-

12. Tangible fixed assets – housing properties

Tangible fixed assets – housing properties

	Social housing properties held for letting £'000	Housing properties for letting under construction £'000	Completed shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Other social housing properties held for letting £'000	Total housing properties 2022 £'000
Cost						
Opening balance	1,193,159	83,629	207,754	31,953	1,048	1,517,543
Additions	562	57,268	448	9,967	-	68,245
Components capitalised	10,204	-	-	-	-	10,204
Interest capitalised	-	1,336	-	1,829	-	3,165
Schemes completed	28,508	(28,508)	10,496	(10,496)	-	-
Disposals	(10,048)	-	(6,210)	-	-	(16,258)
Component disposals	(2,366)	-	-	-	-	(2,366)
As at 31 March 2022	**1,220,019**	**113,725**	**212,488**	**33,253**	**1,048**	**1,580,533**
Depreciation and impairment						
Opening balance	(193,007)	-	(10,612)	-	(181)	(203,800)
Charged in year	(18,787)	-	(1,463)	-	(8)	(20,258)
Disposal	1,269	-	466	-	-	1,735
Component disposals	1,813	-	-	-	-	1,813
As at 31 March 2022	**(208,712)**	**-**	**(11,609)**	**-**	**(189)**	**(220,510)**
NBV as at 31 March 2022	**1,011,307**	**113,725**	**200,879**	**33,253**	**859**	**1,360,023**
NBV as at 31 March 2021	1,000,152	83,629	197,142	31,953	867	1,313,743

Interest capitalised

Cumulative interest capitalised in housing properties is £15,558k (2021: £12,393k).

12. Tangible fixed assets – housing properties (continued)

Expenditure to works on existing properties

	2022 £'000	2021 £'000
Amounts capitalised	10,204	9,263
Amounts charged to income statement	9,132	8,098
	19,336	**17,361**

Housing properties book value, net of depreciation impairment

	2022 £'000	2021 £'000
Freehold land and buildings	1,360,023	1,004,253
Long leasehold land and buildings	-	309,490
	1,360,023	**1,313,743**

13. Tangible fixed assets – investment properties

	2022 £'000	2021 £'000
Valuation		
At the beginning on the year	15,913	15,315
Additions	-	400
Revaluations	1,162	198
At the end of the year	**17,075**	**15,913**

Historical cost of completed investment properties

	2022 £'000	2021 £'000
Gross cost	13,481	13,081
Transfer of engagements	-	400
Accumulated depreciation based on historical cost	(5,259)	(5,121)
Historical cost net book value	**8,222**	**8,360**

The investment properties were valued at 31 March 2022 by Aspin and Company Chartered Surveyors ("Aspin"), on the basis of Market Value, as defined in the Valuation Global Standards of the Royal Institution of Chartered Surveyors ("Red Book Global").

The revaluation gain on investment properties of £1,163k has been credited to the revaluation reserve as it represents an increase to the original property values rather than a reversal of a previous negative revaluation.

14. Tangible fixed assets – other

	Freehold offices	Furniture and Equipment	IT and Computers	Total
	£'000	£'000	£'000	£'000
Cost				
As at 1 April 2021	11,583	552	2,902	15,037
Additions	305	-	1,400	1,705
As at 31 March 2022	**11,888**	**552**	**4,302**	**16,742**
Depreciation and Impairment				
As at 1 April 2021	(1,266)	(126)	(1,026)	(2,418)
Charged in year	(185)	(69)	(673)	(927)
As at 31 March 2022	**(1,451)**	**(195)**	**(1,699)**	**(3,345)**
NBV as at 31 March 2022	**10,437**	**357**	**2,603**	**13,397**
NBV as at 31 March 2021	10,317	426	1,876	12,619

15. Investments – Homebuy loans

	2022	2021
	£'000	£'000
At the beginning of the year	6,133	6,513
Loans redeemed	(241)	(380)
At the end of the year	**5,892**	**6,133**

16. Fixed asset investment

	Fixed asset investments	Joint Venture
	£'000s	£'000s
As at 1 April 2021	461	9
Additions	-	-
Disposal	-	(9)
As at 31 March 2022	**461**	**-**

Fixed asset investments relate to shared equity loans of £461k (2021: £461k). These loans were funded by Great Places Housing Association (GPHA) and not Homes England. The joint venture was with Reviva Urban Renewal Limited ("Reviva") which is a company in which GPHA had a one third interest. The other parties to this joint venture were Mosscare St Vincent's Housing Group and Irwell Valley Housing Association. Reviva had been dormant for the previous six years prior to the investment being repaid and was dissolved in 2022.

17. Stock and work in progress

	2022 £'000	2021 £'000
Shared ownership properties:		
- completed	2,416	853
- under construction	20,759	15,766
Materials stock	827	762
	24,002	**17,381**

The figures above include £1,472k (2021: £930k) of capitalised interest.

18. Debtors

	2022 £'000	2021 (Restated) £'000
Due within one year		
Rent and service charges receivable	7,232	6,248
Provision for bad and doubtful debts	(3,525)	(3,328)
	3,707	2,920
Due from group undertakings	10,454	21,237
Trade debtors	467	550
Social housing grant receivable	6,413	20,759
Other debtors	960	4,576
Prepayments and accrued income	2,789	792
	24,790	**50,834**
Due after more than one year		
Due from Cube Homes	13,292	19,111
	13,292	**19,111**

Amounts due in less than one year from group undertakings are interest free and due on demand.

A reclassification of some of the debtors within other debtors has seen rent and service charge receivable increase by £1,669k and other debtors decrease by this amount in 2021.

19. Current asset investments

	2022 £'000	2021 £'000
Investments held by lenders		
THFC EIB £20m facility to cover security withdrawal	3,406	2,816
AHF PLC's £20.5m facility to cover 12 months interest	824	823
AHF PLC's £29.5m facility to cover 12 months interest	728	725
AHF PLC's £29.5m facility to cover security withdrawal	1,746	1,710
THFC L68 £15m facility to cover 12 months interest	825	823
THFC L68 £15m facility to cover security withdrawal	192	121
	7,722	**7,018**
Investment held by parent undertaking		
Barclays £74m facility to cover security withdrawn	984	-
	8,706	**7,018**

20. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Debt, net of arrangement fees (note 22b)	952	834
Loan due to parent undertaking (note 22a)	10,367	9,978
Obligations under finance lease (note 22c)	87	84
Interest rate swap due to parent undertaking (note 22d)	3,971	3,842
Deferred capital grant (note 23)	6,595	6,515
Recycled capital grant fund (note 24)	-	2,743
Trade creditors	1,062	329
Rent and service charges received in advance	2,278	2,219
Social housing grant received in advance	11,942	23,216
Owed to group undertakings	3,156	7,900
Other taxation and social security	644	702
Leaseholder sinking funds	15,978	14,351
Other creditors	10,662	14,064
Accruals and deferred income	10,493	9,415
	78,187	**96,192**

Leaseholder sinking funds are held in trust for leaseholders to cover anticipated future expenditure in relation to their sinking fund liabilities. Amounts due in less than one year from group undertakings are interest free and due on demand.

21. Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Debt, net of arrangement fees (note 22b)	108,596	109,403
Loan due to parent undertaking (note 22a)	582,938	593,304
Obligations under finance lease (note 22c)	3,120	2,805
Interest rate swap due to parent undertaking (note 22d)	24,163	38,011
Deferred capital grant (note 23)	585,540	570,864
Recycled capital grant fund (note 24)	10,276	9,055
	1,314,633	**1,323,442**

22. Debt Analysis

	2022 £'000	2021 £'000
Loan due to parent	593,305	603,282
Loans: principal and fair value of loans	95,167	96,289
Bond Issue and Premium	20,600	20,605
	709,072	720,176
Less: arrangement fees	(6,220)	(6,656)
	702,852	**713,520**

The weighted average interest rate of these loans at 31 March 2022 is 3.84% (2021: 3.84%).

22. Debt analysis (continued)

Loans are repayable at varying rates of interest in instalments. Debt is secured by specific charges on the Association's housing properties or cash.

a) Loan due to parent undertaking

The loan due to parent undertaking is split between fixed and variable interest rates as detailed below:

	2022 £'000	2021 £'000
In one year or less or on demand	10,367	9,978
In more than one year, but not more than two years	7,718	10,367
In more than two years, but not more than five years	28,590	30,245
In more than five years	546,630	552,692
	582,938	593,304
	593,305	**603,282**

Loans due to parent undertaking comprise bank loans of £198.8m (2021: £207.0m) and a £345m bond which, including the related premiums and discounts had a balance of £394.5m (2021: £396.3m). The bond was issued in stages as set out below.

On 22 October 2012 Great Places Housing Group Limited ("Great Places") issued a £200m bond of which £50m was retained. £150m was immediately on lent to Great Places Housing Association. The bond has a 30 year term at a fixed interest rate of 4.811%.

On 5 December 2013, Great Places released part of the £50m retained bond which was immediately on lent to Great Places Housing Association. The release resulted in the issue of £31.78m of bonds at a spread of 1.04% over the gilt yield to provide a fixed rate funding at an all in cost of 4.574%.

On 9 October 2014, Great Places released the final part of the retained bond of £18.22m at a spread of 1.02% over the gilt yield to provide a fixed rate funding at an all in cost of 4.002% which was immediately on lent to Great Places Housing Association.

On 19 March 2018, Great Places tapped its existing bond for £145m, including £70m retained for later sale. £75m was immediately on lent to Great Places Housing Association. The bond matures in October 2042, in line with the 2012 issue, and achieved a spread of 1.40% over the gilt yield to provide a fixed rate of funding at an all in cost of 3.334%.

On 27 January 2021, Great Places released the £70m retained bond which was immediately on lent to Great Places Housing Association. The bond matures in October 2042, in line with the 2012 issue, and achieved a spread of 1.20% over the gilt yield to provide a fixed rate of funding at an all in cost of 1.998%.

22. Debt analysis (continued)

b) Loans repayable

Loans are repayable as follows:

	2022	2021
	£'000	£'000
In one year or less or on demand	952	834
In more than one year, but not more than two years	978	1,010
In more than two years, but not more than five years	5,325	3,728
In more than five years	108,512	111,322
	115,767	**116,894**

The split between bonds and loans is as follows:

	2022	2021
	£'000	£'000
Bond - fixed rate	20,600	20,605
Fixed rate loans	95,167	96,289
	115,767	**116,894**

c) Obligations under finance leases

	2022	2021
	£'000	£'000
In one year or less or on demand	87	84
In more than one year, but not more than two years	91	87
In more than two years, but not more than five years	298	284
In more than five years	2,731	2,434
	3,207	**2,889**

22. Debt analysis (continued)

d) Interest rate swaps fair values due to parent undertaking

	2022	**2021**
	£'000	**£'000**
In one year or less or on demand	3,971	3,842
In more than one year, but not more than two years	3,854	3,842
In more than two years, but not more than five years	10,401	10,946
In more than five years	9,907	23,223
	28,133	**41,853**

The Association's parent, Great Places Housing Group (GPHG), has entered into a number of standalone interest rate swap agreements in order to fix the Group's exposure to SONIA interest rate movements. The loans, which GPHG has interest rate swaps in place against, have been on lent to the Association under an Intra-group loan agreement. Under the terms of this agreement the Association has indemnified GPHG in relation to any costs in relation to the interest rate swaps or similar hedging arrangements. It is the Association that ultimately recognises any fair value gains and losses in its income statement.

The notional amount of the swap agreements is £107m against SONIA rates and the fixed swap rates are between 4.20% and 4.97% with maturity dates between 2024 and 2037. Further details are given in note 25 Financial Instruments. The swap fair values have been obtained from swap counterparties and verified by the Association's treasury advisors at each reporting date. The repayment profile set out above is calculated based on expected future swap payments required based on estimated SONIA rates.

23. Deferred capital grant

	Social housing grant	Homebuy grant	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Total grant at start of period	652,650	6,133	658,783	556,904
Transfer of engagements	-	-	-	80,672
Grants received in the year	26,389	-	26,389	24,790
Grants recycled in the year	(2,661)	(230)	(2,891)	(2,448)
Grants disposed in the year	(3,016)	(11)	(3,027)	(1,135)
Total grant at end of period	**673,362**	**5,892**	**679,254**	**658,783**
Total amortisation at start of period	(81,404)	-	(81,404)	(75,642)
Released to income in the period - social housing	(6,387)	-	(6,387)	(6,345)
Released on disposal	672	-	672	583
Total amortisation at end of period	**(87,119)**	**-**	**(87,119)**	**(81,404)**
Net book value at end of period	**586,243**	**5,892**	**592,135**	**577,379**
Net book value at start of period	571,246	6,133	577,379	481,262
Of which:				
Due within one year			6,595	6,515
Due after more than one year			585,540	570,864
			592,135	**577,379**

24. Recycled capital grant fund

	2022	2021
	£'000	£'000
At the beginning of the year	11,798	12,715
Grants recycled		
- Housing Properties	1,491	922
- Shared Ownership	1,180	1,173
- Homebuy	230	353
Interest accrued	21	12
Transfers from other group members	66	25
Transfer of engagements	-	1,618
Development of properties	(4,511)	(5,020)
At the end of the year	**10,275**	**11,798**
Of which:		
Due within one year	-	2,743
Due greater than one year	10,275	9,055
	10,275	**11,798**

25. Financial instruments

	2022 £'000	2021 £'000
Financial assets		
Financial assets measured at historical cost:		
Homebuy loans	5,892	6,133
Trade receivables	467	550
Other receivables	39,615	69,395
Current asset investments	7,723	7,018
Cash and cash equivalents	110,263	132,632
Total financial assets	**163,960**	**215,728**

	2022 £'000	2021 £'000
Financial liabilities		
Financial liabilities measured at historical cost:		
Loans payable	702,852	713,520
Trade creditors	1,062	329
Other creditors	65,427	83,664
Finance leases	3,207	2,889
Deferred capital grant	592,136	577,379
Derivative financial instruments hedged*	28,134	41,853
Total financial liabilities	**1,392,818**	**1,419,634**

**Derivative financial instruments designated as hedges of variable interest rate risk derived from swaps*

The cash flows arising from the interest rate swaps will continue until their maturity in the periods 20 November 2024 to 19 December 2037. The change in fair value in the period resulted in a decrease in the liability of £13,719k (2021: decrease £9,995k) with the entire charge being recognised in other comprehensive income as the swaps were all designated as effective hedges.

26. Pensions

The Association participates in three funded multi-employer defined benefit schemes, the Social Housing Pension Scheme (SHPS) and two Local Government Pension Schemes (LGPS) one administered by the South Yorkshire Pension Authority (SYPA) and the second administered by the Great Manchester Pension Fund (GMPF). For these schemes, assets are measured at fair values and liabilities are measured on an actuarial basis using the projected unit method and are discounted as appropriate high quality corporate bond rates.

Social Housing Pension Scheme

The Association participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a "last-man standing arrangement". Therefore, the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The full three year actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation showed assets of £5,148m, liabilities of £6,708m and a deficit of £1,560m. To eliminate this funding shortfall, the trustees and the participating employers have agreed additional contributions over the 2017 valuation planned. Deficit contributions will increase to £175m p.a. compared to the 2017 plan and will be payable from 1 April 2022 to 31 March 2028. This is 18 months' later than the 2017 valuation planned. Deficit contributions will increase at 5.5% p.a. with the first increase in April 2023.

All pension liabilities transferred into GPHA under TUPE during 2020/21 including Equity Housing Group and those from Great Places Housing Group are included in this amount.

The Association's contribution to the SHPS deficit for the year ended 31 March 2022 was £2,302k (2021: £1,835k). We estimate that the contributions to be paid in the next financial year will be £2,931k.

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

Local Government Pension Schemes

The Association participates in two Local Government Pension Schemes ("LGPS"), one administered by South Yorkshire Pensions Authority ("SYPA") and one by Greater Manchester Pension Fund ("GMPF"). They are both defined benefit multi-employer benefit schemes administered under the Regulations governing the Local Government Pension Scheme. In accordance with accounting standards, the Association has grouped the disclosures of the two local government pension schemes in line with FRS 102.

26. Pensions (continued)

At 31 March 2022 there were four active members of the Schemes employed by the Association. The employer's contribution rate is 19.1% (2021: 19.1%) for SYPA and 23.5% (2021: 20.6%) for GMPF of pensionable pay. We estimate that the contributions to be paid in the next financial year will be £25k.

A full actuarial valuation was carried out at 31 March 2017 and supplementary figures were provided for 31 March 2022 by a qualified independent actuary.

Pension liabilities

	LGPS	SHPS	Total 2022	LGPS	SHPS	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Present value of funded obligations	(5,022)	(102,014)	(107,036)	(4,859)	(105,711)	(110,570)
Fair value of plan assets	4,389	90,280	94,669	4,060	81,128	85,188
Net liability	**(633)**	**(11,734)**	**(12,367)**	**(799)**	**(24,583)**	**(25,382)**

Analysis of the amount charged to the income statement:

	LGPS	SHPS	Total 2022	LGPS	SHPS	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Current service cost	42	(18)	24	35	858	893
Past service cost	-	-	-	-	-	-
Administrative expenses	-	68	68	-	50	50
Total charge to operating costs	**42**	**50**	**92**	**35**	**908**	**943**
Interest on plan assets	(85)	(1,811)	(1,896)	(78)	(1,386)	(1,464)
Interest on pension scheme liabilities	103	2,315	2,418	93	1,596	1,689
Total charge to other finance costs	**18**	**504**	**522**	**15**	**210**	**225**

Analysis of the amount charged to the other comprehensive income:

	LGPS	SHPS	Total 2022	LGPS	SHPS	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Experience on plan assets - gain (loss)	304	5,549	5,853	641	5,681	6,322
Experience gains and losses arising on the plan liabilities - gain (loss)	(12)	(6,675)	(6,687)	76	1,543	1,619
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	10	1,531	1,541	(10)	(368)	(378)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(93)	9,393	9,300	(791)	(18,291)	(19,082)
Total other comprehensive income	**209**	**9,798**	**10,007**	**(84)**	**(11,435)**	**(11,519)**

26. Pensions (continued)

Changes in present value of defined benefit obligation:

	LGPS	SHPS	Total 2022	LGPS	SHPS	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation at start of period	(4,859)	(105,711)	(110,570)	(4,092)	(47,003)	(51,095)
Current service cost	(42)	18	(24)	(35)	(858)	(893)
Past service cost	-	-	-	-	-	-
Expenses	-	(68)	(68)	-	(50)	(50)
Interest expense	(103)	(2,315)	(2,418)	(93)	(1,596)	(1,689)
Member contributions	(6)	(18)	(24)	(7)	(11)	(18)
Actuarial losses (gains) due to scheme experience	(12)	(6,675)	(6,687)	76	1,543	1,619
Actuarial losses (gains) due to changes in demographic assumptions	10	1,531	1,541	(10)	(368)	(378)
Actuarial losses (gains) due to changes in financial assumptions	(93)	9,393	9,300	(791)	(18,291)	(19,082)
Benefits paid and expenses	83	1,831	1,914	93	1,817	1,910
Liabilities acquired in a business combination	-	-	-	-	(18,612)	(18,612)
Liabilities transferred within Group companies	-	-	-	-	(22,282)	(22,282)
Defined benefit obligation at end of period	**(5,022)**	**(102,014)**	**(107,036)**	**(4,859)**	**(105,711)**	**(110,570)**

Changes in fair value of plan assets:

	LGPS	SHPS	Total 2022	LGPS	SHPS	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Fair value of plan assets at start of period	4,060	81,128	85,188	3,409	40,894	44,303
Interest income	85	1,811	1,896	78	1,386	1,464
Experience on plan assets - gain (loss)	304	5,549	5,853	641	5,681	6,322
Employer contributions	17	3,605	3,622	18	2,491	2,509
Member contributions	6	18	24	7	11	18
Benefits paid and expenses	(83)	(1,831)	(1,914)	(93)	(1,817)	(1,910)
Assets acquired in a business combination	-	-	-	-	16,422	16,422
Assets transferred within Group companies	-	-	-	-	16,060	16,060
Fair value of plan assets at end of period	**4,389**	**90,280**	**94,669**	**4,060**	**81,128**	**85,188**

Financial Assumptions:

In calculating the scheme assets and liabilities, the fund actuary had to make a number of assumptions about events and circumstances in the future. These assumptions represent the best estimate of expected outcomes, but it is possible that actual outcomes will differ from those indicated. The main assumptions used by the actuary were:

	2022 LGPS	2022 SHPS	2022 Total	2021 Total
	% per annum	% per annum	% per annum	% per annum
Discount rate	2.70% - 2.75%	2.79%	2.70% - 2.79%	2.00% - 2.20%
Pension increase	0.00% - 0.00%	3.49%	0.00% - 3.49%	2.80% - 2.85%
Inflation rate (CPI)	3.15% - 3.20%	3.15%	3.15% - 3.20%	2.70% - 2.85%
Salary Growth	3.95% - 4.15%	4.15%	3.95% - 4.15%	3.60% - 3.95%
Allowance for commutation of pension for cash at retirement		75%		75%

26. Pensions (continued)

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

Mortality Assumptions	**2022**	**2022**	**2022**	**2021**
Life expectancy at age 65 (Years)	**LGPS**	**SHPS**	**Total**	**Total**
Male retiring now	20.3 - 22.6	21.1	21.1 - 22.6	21.6 - 22.5
Female retiring now	23.2 - 25.4	23.7	23.7 - 25.4	23.5 - 25.3
Male retiring in 20 years	21.6 - 24.1	22.4	22.4 - 24.1	22.9 - 24.0
Female retiring in 20 years	25.1 - 27.3	25.2	25.2 - 27.3	25.1 - 27.2

Major categories of plan assets as a percentage of total plan assets:

	2022				**2021**	
	LGPS		**SHPS**		**Total**	
	£'000	**%**	**£'000**	**%**	**£'000**	**%**
Equities	2,955	67.3%	26,802	29.7%	25,226	29.6%
Bonds	839	19.1%	18,096	20.0%	20,945	24.6%
Property	375	8.6%	11,192	12.4%	9,016	10.6%
Cash/Liquidity	220	5.0%	307	0.3%	196	0.2%
Other	-	0.0%	33,883	37.6%	29,805	35.0%
Total	**4,389**	**100.0%**	**90,280**	**100.0%**	**85,188**	**100.0%**

27. Employees

The average number of employees, including the Executive Team, expressed as full time equivalents during the year was as follows:

	2022	**2021**
	No	**No**
Housing, support and care	314	310
Maintenance	150	129
Development	67	-
Administration	233	4
	764	**443**

Employee costs were as follows:

	2022	**2021**
	£'000	**£'000**
Wages and salaries	25,780	13,389
Social security costs	2,386	1,128
Other pension costs	1,248	602
	29,414	**15,119**

28. Non-equity share capital

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up. Shares in the Association issued to members are not transferable. Upon a shareholder ceasing to be a member, his/her share is forfeited and the value is credited to the revenue reserve.

	2022	2021
	£	£
Shares of £1 each issued and fully paid		
At the beginning of the year	13	13
Shares issued during the year	3	2
Shares surrendered during the year	(3)	(2)
At the end of the year	**13**	**13**

29. Financial commitments

a) Capital Commitments

Capital expenditure commitments were as follows:

	2022	2021
	£'000	£'000
Expenditure contracted but not provided for in the accounts	181,487	167,981
Expenditure authorised by the Board, but not contracted	50,424	36,088
	231,911	**204,069**

The expenditure referred to above is not all due in the next 12 months.

Capital commitments will be funded as follows:

	2022	2021
	£'000	£'000
Existing loan facilities	16,734	23,093
First tranche sales	42,020	42,271
Grants	62,894	23,293
Existing reserves	110,263	115,412
	231,911	**204,069**

b) Operating Leases

The Association had minimum lease payments under non-cancellable operating leases as set out below:

	2022	2021
	£'000	£'000
In one year or less or on demand	645	666
In more than one year, but not more than two years	336	339
In more than two years, but not more than five years	571	571
In more than five years	1,185	1,185
	2,737	**2,761**

30. Accommodation in management and development

At the end of the year, number of units in management for each class of accommodation was as follows:

	Owned not managed	Managed not owned	Owned and Managed	2022 Total Owned and Managed	2021 Total Owned and Managed
General Needs - social rent	140	672	10,081	10,893	10,921
General Needs - affordable rent	-	-	5,431	5,431	5,142
Low Cost Home Ownership	9	-	2,777	2,786	2,641
Supported Housing	196	76	1,120	1,392	1,392
Supported - Housing for older people	-	-	479	479	479
Intermediate Rent	-	-	338	338	382
Non Social Rented	99	-	163	262	264
Social Leased	1	44	1,163	1,208	1,173
Non Social Leased	49	-	37	86	86
Total	**494**	**792**	**21,589**	**22,875**	**22,480**
Accommodation in development at year end				1,504	1,399

The note below is a reconciliation of the movement in unit numbers broken down by the category of asset. There was a net increase of 395 properties in the year principally driven by development of new housing.

	General Needs - social rent	General Needs - affordable rent	Low Cost Home Ownership	Supported housing	Intermediate rent	Other	Total
Opening unit numbers	**10,921**	**5,142**	**2,641**	**1,871**	**382**	**1,523**	**22,480**
Transfer from another RP	-	-	-	-	-	(1)	(1)
New stock acquired	36	290	233	-	-	-	559
Sales to another RP	(1)	(20)	-	-	(28)	-	(49)
Sales to the open market	(12)	(3)	-	-	(3)	-	(18)
Sales to tenants freehold	(4)	(5)	(57)	-	-	-	(66)
Sales to tenants leasehold	-	(5)	-	-	-	-	(5)
Other sales	(6)	-	-	(3)	-	(4)	(13)
Movement from social rent stock category	(68)	(23)	(41)	(10)	(13)	(67)	(222)
Movement to social rent stock category	27	55	10	13	-	105	210
Net change in stock	(28)	289	145	-	(44)	33	395
Closing Stock	**10,893**	**5,431**	**2,786**	**1,871**	**338**	**1,556**	**22,875**

31. Contingent liabilities

The Association has a future obligation to recycle such grant once the properties are disposed of. At 31 March 2022, the value of grant received in respect of these properties that had not been disposed of was £27,770k (2021: £27,957k).

Cross guarantees

Following the refinancing exercise in December 2007 by GPHG, cross guarantees are in place with GPHA. These facilities are loans to GPHG and then on-lent to GPHA under a guarantee structure; i.e. the loans are secured against the assets of both the Association and those of the Group.

The guarantee structure also covers the interest rate swaps entered into by GPHG. As disclosed in note 22a, £593m (2021: £603m) of the Group's loans are on lent to GPHA under this arrangement.

32. Transfer of engagements

On 1 April 2020 the activities of Equity Housing Group ("EHG") were transferred to GPHA through a transfer of engagements. There was no consideration and it was accounted for in FY 2021 using the acquisition method of accounting. The assets and liabilities of EHG on the date of transfer were brought into GPHA at fair value and the net gain displayed in the Statement of Comprehensive Income for that year.

There were no acquisitions or transfers of engagement in the year ended 31 March 2022.

33. Related parties

During the year the Association had intra-group transactions with its subsidiary Terra Nova Developments Limited, a non-regulated entity, incurring costs of £2,988k (2021: £1,151k) relating to housing property design and build services. At 31 March 2022 the Association owed Terra Nova Developments Limited £222k (2021: £218k).

The Association has a loan with its subsidiary, Cube Homes Limited ("Cube"), a non-regulated entity. At the end of the year the value of the loan was £13,292k (2021: £19,111k). Interest of £836k (2021: £1,124k) was charged by the Association to Cube on this loan during the year.

The Association has taken advantage of the exemption available under FRS 102 not to disclose transactions with regulated Group Companies.

34. Ultimate controlling party

The ultimate controlling party of the Association is Great Places Housing Group Limited, which is a company registered under the Co-operative and Community Benefit Societies Act 2014 and a registered provider of social housing under the Housing Act. The consolidated accounts of Great Places Housing Group Limited can be obtained from Great Places Housing Group Limited, 2a Derwent Avenue, Manchester, M21 7QP, or via its website at www.greatplaces.org.uk.

Great Places Housing Association is the parent company of Terra Nova Developments Limited and Cube Homes Limited, both of which traded during the year and are incorporated in the United Kingdom.

35. Post balance sheet events

A Gift Aid payment was made from the wholly owned subsidiary Cube Homes Limited of £2,000k on the 8 June 2022. This Gift Aid payment relates directly to Cube Homes Limited profit position at the 31 March 2022 and was agreed by their Board on the 16 March 2022. Whilst their Board agreed this to be paid, this did not constitute a legal obligation under the financial reporting standards and was therefore not accrued in the statutory accounts for the 2021/22 financial year.