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 2023

CONTENTS

ASSOCIATION INFORMATION

Board:

Chair	A. Davison	
Deputy Chair	C. Amyes	(Chair of RAC*)
Board Members at 31 March 2023:	M. Jones	
	M. Harrison	
	G. Page	(Chair of AAC** from 1 July 2022)
	S. Palmer	
	P. Ricketts	
	D. Robinson	
	N. Ruhi-Khan	
Board Members during the year:	M. Hanson	(to 25 June 2022, also Chair of AAC** to 25 June 2022)

*Remuneration and Appraisal Committee (RAC)

**Audit and Assurance Committee (AAC)

Executive Directors at 31 March 2023:

Chief Executive	M. Harrison
Deputy Chief Executive and Executive Director of People & Culture	A. Dean
Executive Director of Finance and Company Secretary	P. Elvy
Executive Director of Sustainable Assets and Repairs	P. Bojar (to 30/06/2023)
Executive Director of Customer Services	G. Cresswell
Executive Director of Growth	H. Spencer

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
One Express	No 1 Spinningfields	Parklands
1 George Leigh St	1 Hardman Square	3 De Havilland Way
Ancoats	Manchester	Bolton
Manchester	M3 3EB	BL6 4YU
M4 HDL		

REPORT OF THE BOARD

The Board presents its report and the audited financial statements for the year ended 31 March 2023. 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 2023 was £21,565k (2022: £18,150k), the lower prior year surplus largely reflecting the decrease in surplus on sale of fixed assets and gift aid receipts. At the year-end reserves amounted to £212,889k (2022: £172,713k). The total comprehensive income for the year ended 31 March 2023 was £40,176k (2022: £41,876k). This includes actuarial losses on the defined benefit pension schemes of £1,640k (2022: a gain of £10,007k) and a gain on the movement in fair value of interest rate swap financial instruments of £20,251k (2022: a gain of £13,719k), both of which are recognised in other comprehensive income.

In respect of the year ended 31 March 2023, no gift aid payment was made by Plumlife Homes Limited (2022: £580k). Cube Homes Limited gift aided £3,750k (2022: nil). Cube Homes Limited made a gift aid payment of £2,000k (included in £3,750k) on 8 June 2022, as agreed by their Board on 16 March 2022, this directly related to Cube Homes Limited's financial performance for 2021/22. No gift aid was paid by Terra Nova Developments Limited in the year (2022: 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 2023 the Association made no political contributions and any charitable donations were made during the course of its ordinary activities (2022: nil).

Post balance sheet events

Great Places Housing Group announced during the 2022/23 an intention to merge with Mosscare St Vincent's Housing Group ("MSV"). This is on target to happen on 1st October 2023. The new organisation will retain the name Great Places and will continue to have its Head Office in West Didsbury. The new Board will be formed with six members from both the existing Great Places and MSV Boards. Charlie Norman, currently Chief Executive at MSV, is Chief Executive designate.

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. Board members and executive directors

The Board members and the executive directors of the Association at 31 March 2023 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 2022 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.

A merger with Mosscare St Vincent's Housing Group (MSV) on the 1st October 2023 (detailed in the Great Places Housing Group Statutory Accounts) will assist us in maintaining and improving our financial strength and resilience an enable us to do great things including improving customer service, maintaining our development programme and facing the challenges of the future including meeting our net zero carbon targets.

Annual general meeting (AGM)

The AGM will be held on 21 September 2023.

External auditors

We intend to propose the re-appointment of Beever and Struthers as external auditors at the AGM on 21 September 2023.

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 2019.

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).

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 2022. 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 3 August 2023 and signed on its behalf by:

P. Elvy
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 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 2023 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 2023 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.

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 THE MEMBERS OF GREAT PLACES HOUSING ASSOCIATION (continued)

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
One Express
1 George Leigh Street
Ancoats
Manchester
M4 5DL

Date:
23/8/23

STATEMENT OF COMPREHENSIVE INCOME

	Note	2023 £'000	2022 £'000
Turnover	4	154,008	147,696
Operating costs	4	(98,379)	(87,846)
Cost of sales	4	(19,418)	(21,512)
Surplus on sale of fixed assets	5	6,242	4,444
Operating surplus	6	**42,453**	**42,782**
Interest receivable	7	2,612	1,076
Interest payable and financing costs	8	(27,305)	(27,451)
Gift Aid	10	3,750	580
Movement in fair value of investment properties	13	55	1,163
Surplus on ordinary activities before taxation		**21,565**	**18,150**
Tax on surplus on ordinary activities	9	-	-
Surplus for the financial year		**21,565**	**18,150**
Actuarial (losses)/gains on defined benefit pension schemes	26	(1,640)	10,007
Movement in fair value of hedged financial instruments	8	20,251	13,719
Other comprehensive income		**18,611**	**23,726**
Total comprehensive income for the year		**40,176**	**41,876**

All amounts relate to continuing activities.

The accompanying notes on pages 14 to 43 form part of these financial statements.

A. Davison
Board member

G. Page
Board member

P. Elvy
Secretary

GREAT PLACES HOUSING ASSOCIATION

As at 31 March 2023

STATEMENT OF FINANCIAL POSITION

	Note	2023 £'000	2022 £'000
Tangible fixed assets			
Housing properties	12	1,436,556	1,360,023
Investment properties	13	17,130	17,075
Other tangible fixed assets	14	13,145	13,397
		1,466,831	**1,390,495**
Fixed asset investments			
Homebuy loans	15	5,395	5,892
Fixed asset investments	16	461	461
Total fixed asset investments		**5,856**	**6,353**
Total fixed assets		**1,472,687**	**1,396,848**
Debtors: Amounts falling due after one year	18	15,602	13,292
Current assets			
Stock and work in progress	17	26,456	24,002
Debtors	18	33,165	24,790
Investments	19	8,214	8,706
Cash and cash equivalents		92,746	110,262
		160,581	167,760
Creditors: Amounts falling due within one year	20	(116,577)	(78,187)
Net current assets		**44,004**	**89,573**
Total assets less current liabilities		**1,532,293**	**1,499,713**
Creditors:			
Creditors falling due after more than one year	21	(1,307,764)	(1,314,633)
Pension liability	26	(11,640)	(12,367)
Net assets		**212,889**	**172,713**
Capital and reserves			
Share capital (non-equity)	28	-	-
Income and expenditure reserve		215,906	196,014
Revaluation reserve		4,784	4,729
Designated reserve		82	104
Cash flow hedge reserve		(7,883)	(28,134)
Association's funds		**212,889**	**172,713**

The accompanying notes on pages 14 to 43 form part of these financial statements. The financial statements were authorised for issue and approved by the Board on 3 August 2023 and signed on its behalf by:

A. Davison
Board member

G. Page
Board member

P. Elvy
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 2021	(41,853)	3,566	123	169,001	130,837
Surplus for the year	-	-	-	18,150	18,150
Actuarial losses 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
Interest credited from income and expenditure reserve	-	-	-	-	-
Transfers	-	1,163	(19)	(1,144)	-
As at 31 March 2022	**(28,134)**	**4,729**	**104**	**196,014**	**172,713**
Surplus for the year	-	-	-	21,565	21,565
Actuarial gains on defined benefit pension scheme	-	-	-	(1,640)	(1,640)
Distribution to parent company for pension liabilities (note 26)				-	-
Movement in fair value of hedged financial instruments	20,251	-	-	-	20,251
Interest credited from income and expenditure reserve	-	-	(2)	2	-
Transfers	-	55	(20)	(35)	-
As at 31 March 2023	**(7,883)**	**4,784**	**82**	**215,906**	**212,889**

The accompanying notes on pages 14 to 43 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 2023 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.

The Association is able to mitigate a worst case scenario and avoid a covenant breach by managing the timing of development and repairs expenditure among other mitigating actions.

The planned merger with MSV is predicated on improving our future resilience as a business. The group is aiming to achieve this with improved financial strength and robust governance, both organisations have G1 / V2 ratings.

2. Accounting policies (continued)

Going Concern (continued)

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 each of the swaps, against existing drawn floating rate debt. To the extent the hedge is effective, other than adjustments for own or counter party credit risk, movements in fair value adjustments are recognised in other comprehensive income. For the Credit Suisse swap which is not effectively hedged movements are charged to the income statement. This swap expired during the year.

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. Components costs capitalised include the staffing costs from the team associated with the development or the replacement programme.

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 rates used for other assets are:

Freehold and leasehold office property	50 years
Office equipment, fixtures and fittings	4 to 25 years
ICT equipment	3 to 4 years
Software	4 to 5 years

2. Accounting policies (continued)

Capitalisation of overheads
Colleagues who work on the component replacement programme are capitalised and depreciated over the life of the component. Salaries of the assets team are apportioned over the programmes completed within the year.

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 stand alone 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 there is no effective hedge it 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 within one year 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 2023 there were over 800 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 benefits scheme operated by the Social Housing Pension Scheme at 31st March 2022. Contributions payable under this scheme are charged in the income statement in the period to which they relate.

Gift Aid

The Boards of Cube, Terra Nova and Plumlife agree prior to year-end, and based on management accounts reports and the cash position an amount of their surplus / profit payable to GPHA. Dependant on whether GPHA is the parent organisation these funds will be paid over either prior to the 31st March or within nine months of the year end as per the board decision.

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

The preparation of financial statements in compliance with accounting principles 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.

- 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.

- 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.

- What constitutes a cash generating unit when indicators of impairment require there to be an impairment review.

- The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

- 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.

- Interest rate derivatives (IRDs, or "swaps") are valued by the bank counterparties, based on their estimated value of their exposure on each agreement. Market rates change over time and the value of the IRD agreements will oscillate depending on the movement of interest rates and UK gilt yields. Generally, if rates move up the value of the contract to the lender will decrease, and if rates fall the value of the contract to the lender will increase.

- The actuarial valuation of the two local government pensions schemes showed a surplus position of £1,449k (2022: deficit £243k) at the year end. Due to the level of this that could be recoverable, no asset is shown in the accounts.

- A legal dispute dating back to 2016, which occurred in Equity Housing Group which transferred its engagement to GPHA on 1st April 2020, was resolved in June 2023. No provision has been detailed in these accounts as it is deemed immaterial and will be accounted for in 2023/24.

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	135
Windows	Component life reduced from 25 to 20 years	376
Kitchen	Component life reduced from 20 to 15 years	983
Bathroom	Component life reduced from 25 to 20 years	342
Boiler	Component life reduced from 15 to 10 years	892

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 1.7%	(1,139)
Rate of inflation	Increase of 0.1% p.a.	Increase by 1.6%	1,072
Rate of salary growth	Increase of 0.1% p.a.	Increase by 0.1%	67
Rate of mortality	Probability of surviving each year increased by 10%	Increase by 1.7%	1,139

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 there is difficulty in predicting the outlook of the UK property market. A sensitivity analysis is provided for this below.

	Change in assumption	Change in value (£'000)
Investment Properties	Increase/decrease of 10%	2,510

Bad Debt provision
Bad debts are provided for dependent on whether a customer is still a tenant and on the age of the debt. No changes were applied to these assumptions this year, although some were for the year ended March 2022. If a further 10% provision was applied to our debts over £1k this would see a change in value of £386k.

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	Cost of sales	Operating costs	2023 Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings	**122,443**	**-**	**(90,401)**	**32,042**
Other social housing activities				
First tranche shared ownership sales	20,834	(17,687)	-	3,147
Housing First	3,426	(1,731)	(1,312)	383
Supporting people	1,938	-	(1,841)	97
Properties managed but owned by other organisations	950	-	(701)	249
Community/neighbourhood services	220	-	(1,629)	(1,409)
Other social housing income	2,201	-	(1,847)	354
	29,569	**(19,418)**	**(7,330))**	**2,821**
Non-social housing activities				
Commercial property income	641	-	42	683
Other	1,355	-	(690)	665
	1,996	**-**	**(648)**	**1,348**
Surplus on disposal of fixed assets (note 5)				6,242
	154,008	**(19,418)**	**(98,379)**	**42,453**

	Turnover	Cost of sales	Operating costs	2022 Operating surplus
	£'000	£'000	£'000	£'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
Supporting people	1,828	-	(1,737)	91
Properties owned but managed by others	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**

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 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Rent receivable net of identifiable service charges	82,412	8,812	7,362	289	98,875	93,069
Service charge income	3,965	5,213	2,289	-	11,467	11,120
Amortisation of government grants	4,958	894	672	-	6,524	6,378
Other income	3,036	1,822	719	-	5,577	4,144
Turnover from social housing lettings	**94,371**	**16,741**	**11,042**	**289**	**122,443**	**114,711**
Management	(20,583)	(2,966)	(5,007)	(65)	(28,621)	(22,751)
Service charge costs	(3,993)	(5,998)	(2,285)	(83)	(12,359)	(11,724)
Routine maintenance	(14,348)	(611)	(93)	(2)	(15,054)	(12,342)
Planned maintenance	(3,545)	(71)	(15)	-	(3,631)	(2,935)
Major repairs expenditure	(7,315)	120	(153)	(100)	(7,448)	(9,132)
Bad debts	(546)	(290)	(82)	(3)	(921)	(158)
Property lease charges	(92)	(11)	-	-	(103)	(183)
Depreciation of housing properties:						
-annual charge	(17,145)	(2,030)	(1,742)	(25)	(20,942)	(20,248)
-accelerated on disposal of components	(1,178)	-	-	-	(1,178)	(553)
Impairment of housing properties	-	-	-	-	-	-
Other costs	(143)	(1)	-	-	(144)	(147)
Operating expenditure on social housing lettings	**(68,888)**	**(11,858)**	**(9,377)**	**(278)**	**(90,401)**	**(80,173)**
Operating surplus on social housing lettings	**25,483**	**4,883**	**1,665**	**11**	**32,042**	**34,538**
Void losses	(502)	(191)	(8)	(24)	(725)	(520)

** Supported Housing includes Housing for Older People*

5. Surplus on sale of fixed assets

	Disposal proceeds	Carrying value of asset	Capital grant recycled	Total Surplus 2023	Total Surplus 2022
	£'000	£'000	£'000	£'000	£'000
Shared Ownership	7,750	(4,128)	(1,205)	2,417	2,005
Other Housing properties	13,208	(7,893)	(1,738)	3,577	2,271
Homebuy	770	(26)	(496)	248	168
Total	**21,728**	**(12,047)**	**(3,439)**	**6,242**	**4,444**

6. Operating surplus

This is arrived at after charging:

	2023 £'000	2022 £'000
Depreciation of housing properties	20,942	20,258
Accelerated depreciation on component disposal	1,178	553
Depreciation of other tangible fixed assets	1,206	927
Amounts paid under operating leases:		
-Land and buildings	103	182
-Vehicles	179	628
Auditor's remuneration (excluding VAT)		
-for the audit of the financial statements	99	80
-for other services such as professional fees	30	31

7. Interest receivable and other income

	2023 £'000	2022 £'000
Interest receivable	2,027	168
Interest receivable from Group companies	585	836
Interest receivable from Joint Ventures	-	1
Interest receivable from fixed asset investments	-	71
	2,612	1,076

8. Interest payable and financing costs

	2023 £'000	2022 £'000
Intra group loans	24,480	23,750
Loans and bank overdrafts	3,957	3,983
Net interest payable on pension liabilities	297	522
Finance leases	248	608
Payable on recycled grant	255	21
Arrangement fees amortised or written off	386	855
Other finance costs including non-utilisation fees and commitment fees	829	876
	30,452	30,615
Interest payable capitalised on housing properties under construction	(3,147)	(3,164)
	27,305	**27,451**
Other financing costs through other comprehensive income		
(Gain)/loss on fair value of hedged derivative instruments	(20,251)	(13,719)
	7,054	**13,732**

Capitalised interest was charged at rates of 0.5% (2022: 0.50%) receivable and 4.47% (2022: 4.77%) 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

	2023 £'000	2022 £'000
Gift Aid from subsidiary undertakings	3,750	-
Gift Aid from other group undertakings	-	580
	3,750	**580**

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 include the Chief Executive and those officers who are executive directors and who report directly to the Chief Executive.

	2023 £'000	2022 £'000
Executive directors	1,161	908
Non Executive directors	97	93
	1,258	1,001

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, excluding pension contributions, totalled £197k (2022: £195k). The Chief Executive is an ordinary member of the Social Housing Pension Scheme. The scheme is a defined contribution salary sacrifice scheme funded by contributions from the employer. A contribution of £19k (2022: £13k) was paid by the employer.

	2023 £'000	2022 £'000
Emoluments excluding pensions	197	195
Pension contributions	19	13
Total	216	208

Emoluments of £97k were paid to the members of the Board (2022: £93k).

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:

	2023 No.	2022 No.
£60,001 to £70,000	21	10
£70,001 to £80,000	14	7
£80,001 to £90,000	6	8
£90,001 to £100,000	7	3
£100,001 to £110,000	1	1
£110,001 to £120,000	1	-
£130,001 to £140,000	1	-
£150,001 to £160,000	-	3
£160,001 to £170,000	4	-
£170,001 to £180,000	1	1
£200,001 to £210,000	-	1
£210,001 to £220,000	1	-

12. Tangible fixed assets – housing properties

	Social housing properties held for letting	Housing properties for letting under construction	Completed shared ownership housing properties	Shared ownership housing properties under construction	Other social housing properties held for letting	Total housing properties 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
Opening balance	1,220,019	113,725	212,488	33,253	1,048	1,580,533
Additions	656	65,514	208	33,147	-	99,525
Components capitalised	13,746	-	-	-	-	13,746
Interest capitalised	-	1,289	-	1,858	-	3,147
Schemes completed	45,916	(45,916)	13,471	(13,471)	-	-
Disposals	(14,287)	-	(5,553)	-	-	(19,840)
Component Disposals	(3,583)	-	-	-	-	(3,583)
As at 31 March 2023	**1,262,467**	**134,614**	**220,613**	**54,788**	**1,048**	**1,673,530**
Depreciation and impairment						
Opening balance	(208,712)	-	(11,609)	-	(189)	(220,510)
Charged in year	(19,192)	-	(1,745)	-	(10)	(20,947)
Disposal	1,962	-	374	-	-	2,336
Component disposals	2,147	-	-	-	-	2,147
As at 31 March 2023	**(223,794)**	**-**	**(12,980)**	**-**	**(200)**	**(236,974)**
NBV as at 31 March 2023	**1,038,673**	**134,614**	**207,633**	**54,788**	**848**	**1,436,556**
NBV as at 31 March 2022	1,011,307	113,725	200,879	33,253	859	1,360,023

Interest capitalised

Cumulative interest capitalised in housing properties is £18,705k (2022: £15,558k).

12. Tangible fixed assets – housing properties (continued)

Expenditure to works on existing properties

	2023 £'000	2022 £'000
Amounts capitalised	13,746	10,204
Amounts charged to income statement	7,448	9,132
	21,194	**19,336**

Housing properties book value, net of depreciation and impairment

	2023 £'000	2022 £'000
Freehold land and buildings	1,138,757	1,051,744
Long leasehold land and buildings	297,799	308,282
	1,436,556	**1,360,023**

13. Tangible fixed assets – investment properties

	2023 £'000	2022 £'000
Valuation		
At the beginning on the year	17,075	15,913
Additions	-	-
Disposals	-	-
Revaluations	55	1,162
At the end of the year	**17,130**	**17,075**

Historical cost of completed investment properties

	2023 £'000	2022 £'000
Gross cost	13,481	13,481
Accumulated depreciation based on historical cost	(5,394)	(5,259)
Historical cost net book value	**8,087**	**8,222**

The investment properties were valued at 31 March 2023 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 of investment properties is £55k (2022: £1,162k). This £55k 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 2022	11,888	552	4,302	16,742
Additions	232	-	722	954
As at 31 March 2023	**12,120**	**552**	**5,024**	**17,696**
Depreciation and Impairment				
As at 1 April 2022	(1,451)	(195)	(1,699)	(3,345)
Charged in year	(194)	(97)	(915)	(1,206)
As at 31 March 2023	**(1,645)**	**(292)**	**(2,614)**	**(4,551)**
NBV as at 31 March 2023	**10,475**	**260**	**2,410**	**13,145**
NBV as at 31 March 2022	10,437	357	2,603	13,397

15. Investments – Homebuy loans

	2023	2022
	£'000	£'000
At the beginning of the year	5,892	6,133
Loans redeemed	(497)	(241)
At the end of the year	**5,395**	**5,892**

16. Fixed asset investment

	Fixed asset investments
	£'000s
As at 1 April 2022	461
Additions	-
Disposal	-
As at 31 March 2023	**461**

Fixed asset investments relate to shared equity loans of £461k (2022: £461k). These loans were funded by Great Places Housing Association (GPHA) and not Homes England.

17. Stock and work in progress

	2023 £'000	2022 £'000
Shared ownership properties:		
- completed	9,797	2,416
- under construction	15,694	20,759
Materials stock	965	827
	26,456	**24,002**

The figures above include £2,879k (2022: £1,472k) of capitalised interest.

18. Debtors

	2023 £'000	2022 £'000
Due within one year		
Rent and service charges receivable	10,153	7,232
Provision for bad and doubtful debts	(5,053)	(3,525)
	5,100	3,707
Due from group undertakings	2,038	10,454
Trade debtors	1,734	467
Social housing grant receivable	18,775	6,413
Other debtors	2,814	960
Prepayments and accrued income	2,704	2,789
	33,165	**24,790**
Due after more than one year		
Due from subsidiary undertakings (note 32)	15,602	13,292
	15,602	**13,292**

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

19. Current asset investments

	2023 £'000	2022 £'000
Investments held by lenders		
THFC EIB £20m facility to cover security withdrawal	3,653	3,406
AHF PLC's £20.5m facility to cover 12 months interest	830	824
AHF PLC's £29.5m facility to cover 12 months interest	740	728
AHF PLC's £29.5m facility to cover security withdrawal	2,032	1,746
THFC L68 £15m facility to cover 12 months interest	837	825
THFC L68 £15m facility to cover security withdrawal	122	192
	8,214	**7,722**
Investment held by parent undertaking		
Barclays £74m facility to cover security withdrawn	-	984
	8,214	**8,706**

20. Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Debt, net of arrangement fees (note 22b)	978	952
Loan due to parent undertaking (note 22a)	11,677	10,367
Obligations under finance lease (note 22c)	61	87
Interest rate swap due to parent undertaking (note 22d)	740	3,971
Deferred capital grant (note 23)	6,788	6,595
Recycled capital grant fund (note 24)	-	-
Trade creditors	275	1,062
Rent and service charges received in advance	4,103	2,278
Social housing grant received in advance	39,142	11,942
Owed to group undertakings	9,113	3,156
Other taxation and social security	764	644
Leaseholder sinking funds	16,424	15,978
Other creditors	12,696	10,662
Accruals and deferred income	13,816	10,493
	116,577	**78,187**

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

	2023	2022
	£'000	£'000
Debt, net of arrangement fees (note 22b)	107,985	108,596
Loan due to parent undertaking (note 22a)	571,261	582,938
Obligations under finance lease (note 22c)	3,096	3,120
Interest rate swap due to parent undertaking (note 22d)	7,142	24,163
Deferred capital grant (note 23)	609,364	585,540
Recycled capital grant fund (note 24)	8,916	10,276
	1,307,764	**1,314,633**

22. Debt Analysis

	2023	2022
	£'000	£'000
Loan due to parent	582,938	593,305
Loans: principal and fair value of loans	94,220	95,167
Bond Issue and Premium	20,595	20,600
	697,753	709,072
Less: arrangement fees	(5,852)	(6,220)
	691,901	**702,852**

The weighted average interest rate of these loans at 31 March 2023 is 3.83% (2022: 3.84%).

22. Debt analysis (continued)

Loans are repayable at varying rates of interest in instalments. Further details are given in note 25 Financial instruments. Debt is secured by specific charges on the Group's housing properties.

a) Loan due to parent undertaking

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

	2023 £'000	2022 £'000
In one year or less or on demand	11,677	10,367
In more than one year, but not more than two years	17,859	7,718
In more than two years, but not more than five years	22,764	28,590
In more than five years	530,638	546,630
	571,261	582,938
	582,938	**593,305**

Loans due to parent undertaking comprise bank loans of £190.4m (2022: £198.8m) and a £345m bond which, including the related premiums and discounts had a balance of £392.6m (2022: £394.5m). 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 which was immediately on lent to Great Places Housing Association. The bond was sold at a spread of 1.02% over the gilt yield to provide a fixed rate funding at an all in cost of 4.002%

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:

	2023 £'000	2022 £'000
In one year or less or on demand	978	952
In more than one year, but not more than two years	1,006	978
In more than two years, but not more than five years	6,899	5,325
In more than five years	105,932	108,512
	114,815	**115,767**

The bond and loan split is as follows:

	2023 £'000	2022 £'000
Bond - fixed rate	20,595	20,600
Fixed rate loans	94,220	95,167
	114,815	**115,767**

c) Obligations under finance leases

	2023 £'000	2022 £'000
In one year or less or on demand	61	87
In more than one year, but not more than two years	72	91
In more than two years, but not more than five years	298	298
In more than five years	2,726	2,731
	3,157	**3,207**

d) Interest rate swaps fair values due to parent undertaking

	2023 £'000	2022 £'000
In one year or less or on demand	740	3,971
In more than one year, but not more than two years	740	3,854
In more than two years, but not more than five years	2,257	10,401
In more than five years	4,145	9,907
	7,882	**28,133**

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 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 reduction in swap exposure over time.

23. Deferred capital grant

	Social housing grant	Homebuy grant	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Total grant at start of period	673,363	5,892	679,255	658,783
Grants received in the year	37,243	-	37,243	26,389
Grants recycled in the year	(2,943)	(496)	(3,439)	(2,891)
Grants disposed in the year	(4,167)	(1)	(4,168)	(3,027)
Total grant at end of period	**703,496**	**5,395**	**708,891**	**679,254**
Total amortisation at start of period	(87,119)	-	(87,119)	(81,404)
Released to income in the period - social housing	(6,529)	-	(6,529)	(6,387)
Released on disposal	909	-	909	672
Total amortisation at end of period	**(92,739)**	**-**	**(92,739)**	**(87,119)**
Net book value at end of period	**610,757**	**5,395**	**616,152**	**592,135**
Net book value at start of period	586,244	5,892	592,136	577,379
Of which:				
Due within one year			6,788	6,595
Due after more than one year			609,364	585,540
			616,152	**592,135**

24. Recycled capital grant fund

	2023	2022
	£'000	£'000
At the beginning of the year	10,276	11,798
Grants recycled		
- Housing Properties	1,738	1,491
- Shared Ownership	1,205	1,180
- Homebuy	496	230
Interest accrued	255	21
Transfers from other group members	18	66
Development of properties	(5,072)	(4,511)
At the end of the year	**8,916**	**10,275**
Of which:		
Due within one year	-	-
Due greater than one year	8,916	10,275
	8,916	**10,275**

25. Financial instruments

	2023 £'000	2022 £'000
Financial assets		
Financial assets measured at historical cost:		
Homebuy loans	5,395	5,892
Trade receivables	1,734	467
Other receivables	47,033	39,615
Current asset investments	8,214	7,723
Cash and cash equivalents	92,739	110,263
Total financial assets	**155,115**	**163,960**

	2023 £'000	2022 £'000
Financial liabilities		
Financial liabilities measured at historical cost:		
Loans payable	691,901	702,852
Trade creditors	275	1,062
Other creditors	120,372	65,427
Finance leases	3,157	3,207
Deferred capital grant	600,752	592,136
Derivative financial instruments hedged*	7,882	28,134
Total financial liabilities	**1,424,339**	**1,392,818**

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

The cash flows arising from the hedged interest rate swaps will continue until their maturity in the periods November 2024 to December 2037, coincidental with the repayment of the term loans. The change in fair value in the period was a decrease in the liability of £20,251k (2022: decrease of £13,720k) with the entire charge being recognised in other comprehensive income as the swaps are all 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.

26. Pensions (continued)

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 2023 was £2,996k (2022: £2,302k). We estimate that the contributions to be paid in the next financial year will be £3,092k.

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.

At 31 March 2023 there were four active members of the Schemes employed by the Association. The employer's contribution rate is 19.1% (2022: 19.1%) for SYPA and 20.6% (2022: 20.6%) for GMPF of pensionable pay. We estimate that the contributions to be paid in the next financial year will be £17k.

A full actuarial valuation was carried out at 31 March 2017 and supplementary figures were provided for 31 March 2023 by a qualified independent actuary.

26. Pensions (continued)

Pension liabilities

	LGPS £'000	SHPS £'000	Total 2023 £'000	LGPS £'000	SHPS £'000	Total 2022 £'000
Present value of funded obligations	(3,024)	(66,984)	(70,008)	(5,022)	(102,014)	(107,036)
Fair value of plan assets	4,473	55,344	59,817	4,389	90,280	94,669
Net asset /(liability)	**1,449**	**(11,640)**	**(10,191)**	**(633)**	**(11,734)**	**(12,367)**
Pension surplus not recognised	(1,449)	-	(1,449)	-	-	-
Net asset / (liability) recognised	**-**	**(11,640)**	**(11,640)**	**(633)**	**(11,734)**	**(12,367)**

The combined plans for Greater Manchester Pension Fund (GMPF) and South Yorkshire Pension Fund (SYPF) have a gross surplus at the reporting date of £1,449K. The Group has considered whether to recognise an asset in the balance sheet to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds from either scheme. The plan surpluses (asset ceiling) have been calculated by the scheme actuaries to be £48K (£32k GMPF and £16K SYPF) and the surplus totalling £1,449K has not been recognised in the balance sheet as a result.

Analysis of the amount charged to the income statement:

	LGPS £'000	SHPS £'000	Total 2023 £'000	LGPS £'000	SHPS £'000	Total 2022 £'000
Current service cost	40	-	40	42	(18)	24
Past service cost	-	-	-	-	-	-
Administrative expenses	-	59	59	-	68	68
Total charge to operating costs	**40**	**59**	**99**	**42**	**50**	**92**
Interest on plan assets	(120)	(2,523)	(2,643)	(85)	(1,811)	(1,896)
Interest on pension scheme liabilities	127	2,813	2,940	103	2,315	2,418
Total charge to other finance costs	**7**	**290**	**297**	**18**	**504**	**522**

Analysis of the amount charged to the Other comprehensive income:

	LGPS £'000	SHPS £'000	Total 2023 £'000	LGPS £'000	SHPS £'000	Total 2022 £'000
Experience on plan assets - gain (loss)	(1,430)	(37,885)	(39,315)	304	5,549	5,853
Experience gains and losses arising on the plan liabilities - gain (loss)	454	2,190	2,644	(12)	(6,675)	(6,687)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	9	144	153	10	1,531	1,541
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	1,630	33,248	34,878	(93)	9,393	9,300
Total other comprehensive income	**663**	**(2,303)**	**(1,640)**	**209**	**9,798**	**10,007**

26. Pensions (continued)

Changes in present value of defined benefit obligation:

	LGPS £'000	SHPS £'000	Total 2023 £'000	LGPS £'000	SHPS £'000	Total 2022 £'000
Defined benefit obligation at start of period	(5,022)	(102,014)	(107,036)	(4,859)	(105,711)	(110,570)
Current service cost	(40)	-	(40)	(42)	18	(24)
Expenses	-	(59)	(59)	-	(68)	(68)
Interest expense	(127)	(2,813)	(2,940)	(103)	(2,315)	(2,418)
Member contributions	(6)	-	(6)	(6)	(18)	(24)
Actuarial losses (gains) due to scheme experience	454	2,190	2,644	(12)	(6,675)	(6,687)
Actuarial losses (gains) due to changes in demographic assumptions	9	144	153	10	1,531	1,541
Actuarial losses (gains) due to changes in financial assumptions	1,630	33,248	34,878	(93)	9,393	9,300
Benefits paid and expenses	78	2,320	2,398	83	1,831	1,914
Defined benefit obligation at end of period	**(3,024)**	**(66,984)**	**(70,008)**	**(5,022)**	**(102,014)**	**(107,036)**

Changes in fair value of plan assets:

	LGPS £'000	SHPS £'000	Total 2023 £'000	LGPS £'000	SHPS £'000	Total 2022 £'000
Fair value of plan assets at start of period	4,389	90,280	94,669	4,060	81,128	85,188
Interest income	120	2,526	2,646	85	1,811	1,896
Experience on plan assets - gain (loss)	19	(38,133)	(38,114)	304	5,549	5,853
Employer contributions	17	2,996	3,013	17	3,605	3,622
Member contributions	6	-	6	6	18	24
Benefits paid and expenses	(78)	(2,325)	(2,403)	(83)	(1,831)	(1,914)
Fair value of plan assets at end of period	**4,473**	**55,344**	**59,817**	**4,389**	**90,280**	**94,669**

The LGPS asset has not been fully recognised as the Group consider that is won't be able to recover the surplus either through reduced contributions in the future, or through refunds from either LGPS scheme.

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:

	2023 LGPS % per annum	2023 SHPS % per annum	2023 Total % per annum	2022 Total % per annum
Discount rate	4.75% - 4.75%	4.84%	4.75%-4.84%	2.70% - 2.75%
Pension increase	0.00% - 0.00%	3.17%	0.00% - 3.17%	0.00% - 0.00%
Inflation rate (CPI)	2.95% - 3.00%	2.79%	2.79% - 3.00%	3.15% - 3.2%
Salary Growth	3.55% - 3.80%	3.79%	3.55% - 3.80%	3.95% - 4.15%
Allowance for commutation of pension for cash at retirement			75%	75%

26. Pensions (continued)

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

Mortality Assumptions Life expectancy at age 65 (Years)	2023 LGPS	2023 SHPS	2023 Total	2022 Total
Male retiring now	19.3 - 20.5	21.0	20.5 - 21.0	21.1 - 22.6
Female retiring now	22.9 - 23.7	23.4	23.4 - 23.7	23.7 - 25.4
Male retiring in 20 years	21.4 - 21.5	22.2	21.5 - 22.2	22.4 - 24.1
Female retiring in 20 years	24.2 - 25.2	24.9	24.9 - 25.2	25.2 - 27.3

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

	2023 LGPS £'000	2023 LGPS %	2023 SHPS £'000	2023 SHPS %	2023 Total £'000	2023 Total %
Equities	2,087	69.0%	3,516	6.4%	29,757	31.4%
Bonds	556	18.6%	7,416	13.4%	18,935	20.0%
Property	242	8.0%	10,373	18.7%	11,567	12.2%
Cash/Liquidity	138	4.4%	399	0.7%	527	0.6%
Other	-	0.0%	33,640	60.8%	33,883	35.8%
Total	**3,024**	**100.0%**	**55,344**	**100.0%**	**94,669**	**100.0%**

27. Employees

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

	2023 No	2022 No
Housing, support and care	314	314
Maintenance	214	150
Development	76	67
Administration	205	233
	809	**764**

Employee costs were as follows:

	2023 £'000	2022 £'000
Wages and salaries	27,884	25,780
Social security costs	2,772	2,386
Other pension costs	1,584	1,248
	32,240	**29,414**

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.

	2023	2022
	£	£
Shares of £1 each issued and fully paid		
At the beginning of the year	13	13
Shares issued during the year	3	3
Shares surrendered during the year	-	(3)
At the end of the year	**16**	**13**

29. Financial commitments

a) Capital Commitments

Capital expenditure commitments were as follows:

	2023	2022
	£'000	£'000
Expenditure contracted, but not provided for in the accounts	230,358	181,487
Expenditure authorised by the Board, but not contracted	44,348	50,424
	274,706	**231,911**

Capital commitments will be funded as follows:

	2023	2022
	£'000	£'000
Existing loan facilities	100,292	16,734
First tranche sales	42,801	42,020
Grants	38,867	62,894
Existing reserves	92,746	110,263
	274,706	**231,911**

b) Operating Leases

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

	2023	2022
	£'000	£'000
In one year or less or on demand	349	645
In more than one year, but not more than two years	245	336
In more than two years, but not more than five years	311	571
In more than five years	840	1,185
	1,745	**2,737**

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	2023 Total Owned and Managed	2022 Total Owned and Managed
General Needs - social rent	140	672	9,951	10,763	10,893
General Needs - affordable rent	-	83	5,800	5,883	5,431
Low Cost Home Ownership	9	35	3,150	3,194	2,786
Supported Housing	194	76	1,125	1,395	1,392
Supported - Housing for older people	-	-	478	478	479
Intermediate Rent	-	-	315	315	338
Non Social Rented	99	-	163	262	262
Social Leased	-	48	1,002	1,050	1,208
Non Social Leased	49	-	49	98	86
Total	**491**	**914**	**22,033**	**23,438**	**22,875**

	2023	2022
Accommodation in development at year end	1,607	1,504

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 563 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	Inter mediate rent	Other	Total
Opening unit numbers	**10,893**	**5,431**	**2,786**	**1,871**	**338**	**1,556**	**22,875**
Correction to Opening numbers	-	(1)	-	-	-	1	-
Reclassification of restricted LCHO units	-	-	203	-	-	(203)	-
New stock acquired	19	361	263	6	-	-	649
New stock into management	-	83	35	-	-	49	167
Management contracts ceased	-	-	-	-	-	(39)	(39)
Sales to another RP	(79)	(1)	(12)	-	(10)	-	(102)
Sales to the open market	(12)	(4)	-	-	(3)	-	(19)
Sales to tenants freehold	(4)	(10)	(40)	-	-	(19)	(73)
Sales to tenants leasehold	(12)	(11)	(42)	-	-	65	-
Other losses	(15)	-	(2)	(3)	-	-	(20)
Move FROM social rent stock category	(39)	(4)	-	(1)	(10)	-	(54)
Move TO social rent stock category	12	39	3	-	-	-	54
Calculated net change in stock	**(130)**	**452**	**408**	**2**	**(23)**	**146**	**563**
Calculated closing Stock number	**10,763**	**5,883**	**3,194**	**1,873**	**315**	**1,410**	**23,438**

31. Contingent liabilities

The Association has a future obligation to recycle grant in relation to properties acquired from other registered providers once the properties are disposed of. At 31 March 2023, the value of grant received in respect of these properties that had not been disposed of was £27,639k (2022: £27,770k).

31. Contingent liabilities (continued)

Cross guarantees

Following the refinancing exercise in December 2007 by Great Places Housing Group Limited ("Great Places"), cross guarantees are in place with Great Places Housing Association. These facilities are loans to Great Places 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 Great Places. As disclosed in note 22a, £583m (2022: £593m) of the Group's loans are on lent to GPHA under this arrangement.

32. 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 £15,043k (2022: £2,988k) relating to housing property design and build services, and in-house construction services. At 31 March 2023 the Association owed Terra Nova Developments Limited £1,493k (2022: £222k).

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 £15,602k (2022: £13,292k). Interest of £584k (2022: £837k) 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.

33. 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.

34. Post balance sheet events

A legal dispute dating back to 2016, which occurred in Equity Housing Group which transferred its engagement to GPHA on 1st April 2020, regarding solar panel works has been resolved in June 2023. No provision has been detailed in these accounts as it is deemed immaterial and will be accounted for in 2023/24.

Great Places Housing Group announced, during the 2022/23, an intention to merge with Mosscare St Vincent's Housing Group ("MSV"). This is on target to happen on 1st October 2023. The new organisation will retain the name Great Places and will continue to have its Head Office in West Didsbury. The new Board will be formed with six members from both the existing Great Places and MSV Boards. Charlie Norman, currently Chief Executive at MSV, is Chief Executive designate.