

Co-operative and Community Benefit Society (FCA) No 30045R
Regulator of Social Housing No L4465

Great Places Housing Group Limited

Report and Financial Statements

For the year ended 31 March 2024

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

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GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

ASSOCIATION INFORMATION**Board Members at 31 March 2024**

M. Jones	Chair	Board member for full year and appointed Chair 1 January 2024
C. Amyes	Deputy Chair	Also Chair of Remuneration and Appraisal Committee
M. Harrison	Executive Board Member	Resigned 30 June 2024
G. Page	Board Member	Also Chair of Audit and Assurance Committee
S. Palmer	Board Member	
P. Ricketts	Board Member	Board member for full year and appointed Chair of Customer Cttee* 14 March 2024
E. Mountford	Board Member	Appointed to Group Board on 1 November 2023, Cube Board member for full year and appointed Chair of Cube Board from 21 September 2023
M. Hemmings	Board Member	Appointed 14 March 2024
S. Soin	Board Member	Appointed 14 March 2024
N. Clegg	Board Member	Appointed 14 March 2024

*Customer Committee established 14th March 2024

Board Members since 1 April 2024

K. Ward	Board Member	Appointed 1 April 2024
A. Dean	Executive Board Member	Appointed 1 July 2024

Board Members resigned during the year

A. Davison	Chair	Resigned 31 December 2023
N. Ruhi-Khan	Board Member	Resigned 30 September 2023
D. Robinson	Board Member	Resigned 21 September 2023. Also resigned as Chair of Cube Board 21 September 2023

Executive Directors at 31 March 2024

M. Harrison	Chief Executive	Resigned 30 June 2024
A. Dean	Deputy Chief Executive and Executive Director of People & Culture	Chief Executive from 1 July 2024
M. Gerrard	Chief Financial Officer	Appointed 13 November 2023
G. Cresswell	Executive Director of Customer Services	
H. Spencer	Executive Director of Growth	

Executive Directors since 1 April 2024

S. Mather	Chief Property Officer	Appointed 13 May 2024
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Executive Directors resigned during the year

P. Elvy	Executive Director of Finance	Resigned 15 March 2024
P. Bojar	Executive Director of Sustainable Assets and Repairs	Resigned 30 June 2023

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

ASSOCIATION INFORMATION (Continued)

Registered office: 2a Derwent Avenue
Manchester
M21 7QP

Website: www.greatplaces.org.uk

Registered Numbers: Regulator of Social Housing No: L4465
Co-operative and Community Benefit Society No: 30045R

External Auditors:
Beever and Struthers
One Express
1 George Leigh St
Ancoats
Manchester
M4 5DL

Internal Auditors:
BDO LLP
3 Hardman Street
Spinningfields
Manchester
M3 3AT

Bankers:
The Royal Bank of Scotland plc
Parklands
3 De Havilland Way
Bolton
BL6 4YU

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

REPORT OF CHAIR

We continue to be working in a challenging economic and operating environment with economic and regulatory pressures impacting on the sector, our customers, our contractors, suppliers and colleagues.

The impact of recent inflationary cost rises across supply chains and our customers continues to be felt across our sector, including Great Places. Alongside the ongoing economic pressures, there has been a continued increase in demand for our services.

Despite the challenges of the past 12 months, we have continued to see some significant achievements.

Financial performance

In 2023/4 the Great Places Group generated turnover of £172m (2023:£ 168m) with an operating surplus of £46.7m (2023: £45.9m) and a surplus before tax of £23.6m (2023: £21.4m).

Our total debt at the end of March 2024 was £687.8m (2023: £697.8m) with the majority of our debt (96.3%) being fixed rate and protecting us from the high interest rates we have seen in recent years. In addition, we held group cash balances of £39.8m (inclusive of those held on behalf of others).

The Corporate Plan for 2023/24 was a one year tactical plan, built around the themes of stability, collaboration and ambition. In May 2024, the Board approved a new three year plan – “Here for our Customers”. This outlines how we will be Great for our Customers, Great for our Homes and Communities, and Great for our Business. We’ll build on the successes of Building Greatness, our previous Plan, to respond to a changing context and new challenges.

Serving our customers

Customers have been a key focus in the past twelve months as we made steps to ensure that we are ready to address the new regulatory requirements and the consumer regulation framework outlined in the Social Housing (Regulation) Act. We have ensured that we have robust systems in place to collect, report on and learn from our Tenant Satisfaction Measures, and make sure our performance reporting meets the needs of our customers.

In addition, our newly created Customer Committee, a new standing committee of Great Places’ Board, will look to add additional value and insight by providing lived experience and expertise directly from customers. The Committee will provide an important link between the Board and customers, allowing for greater accountability and help ensure that service updates and improvements for customers are delivered effectively with customer feedback in mind.

Another key development in enhancing our customer experience over the past twelve months has been the roll out of our new self-serve repairs offer, meaning that customers can now book their own repair jobs and self-select appointments that suit them within our MyPlace customer portal. They can also view, cancel and rearrange appointments, giving them far greater choice and autonomy, which in turn will hopefully improve satisfaction. In addition, customer feedback has played a pivotal role in guiding our decision to bring our communal caretaking and window cleaning services in-house, following the successful launch of our in-house grounds maintenance service last year. The enhanced in-house offer will ensure greater consistency and is part of our ongoing commitment to provide the best customer experience possible.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

REPORT OF CHAIR (continued)

Great Places' commitment to the health and wellbeing of our customers means that we have allocated circa £100k in funding from our Hardship and Community Resilience Funds to support individuals and community partner organisations to help tackle the ongoing economic challenges faced by many of our customers. Affordability concerns for customers will remain a key issue for Board as the cost of living crisis continues whilst also considering limitations of income of the Government imposed rent cap.

Work also continues to embed and make significant improvements and additions to our Aareon QL housing management system with the integration of our customer and property data. These ongoing improvements in data quality, including EDI customer and building compliance data, will provide us with the additional insight to deliver for the business and provide us with even greater understanding to respond to the individual and diverse needs of our customers, and to make best use of our resources to tackle the ongoing challenges facing the sector.

Investing in homes

Customer safety remains a key priority in the past year, as we have continued to assess our buildings and carry out works to respond to the changes to building safety legislation. We invested £3.5 million on a range of various safety enhancements including the installation of smoke and fire detection systems, as well as continuing to develop and deliver our plans for remediation works. We have looked to ensure we meet our customer engagement commitments, communicating evacuation arrangements to customers in our apartment blocks, and developing individual engagement plans for our high-priority high-rise buildings.

In addition, the Group has remained focused on realising our ambitions on playing our part in tackling the ongoing housing crisis. This year our affordable development programme delivered 490 new affordable homes and sold 214 homes for shared ownership. We start the new year in a strong position with around 2,000 homes currently on site as we deliver our commitments to Homes England.

Terra Nova Developments Limited our in-house construction team and a wholly owned Great Places subsidiary continues to make significant progress having completed 36 homes since its establishment in 2020. As at the end of March 2024, it was constructing 254 homes across 7 sites.

Environmental, Social and Governance (ESG)

Great Places continues to take its (ESG) commitments seriously. We have now issued three successive sustainability reports as part of our commitments as an early adopter of the Sustainability Reporting Standard for Social Housing (SRS). We are also looking to incorporate new requirements as part of SRS v2.0 placing a greater focus on sector priorities, aimed at improving transparency around net zero commitments, the management of damp and mould, and equality, diversity and inclusion (EDI). These will feature in our fourth report due for publication in the Autumn. Our commitment to meet sustainability-linked performance measures has also helped us reduced interest rates on three new finance deals worth a total of £284m with Santander, NatWest, and ABN Amro.

We have also commenced a review of our carbon management strategy that outlines how we'll progress our aim of being a net zero-carbon business over the next two decades, with an early target of all our homes being EPC C or better by 2028. We also remain committed to improving the energy efficiency of our existing homes. Over the past year, the support projects to achieve this have helped raise the energy efficiency rating to C or above in 82% of our customers' homes. Alongside our partners Fairheat, we have also progressed improvements to the Richmond Park, Sheffield local heat network. The £3 million project, funded in part through the Government's Heat Network Efficiency Scheme, will see essential upgrades to plant rooms and equipment in 299 customer

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

REPORT OF CHAIR (continued)

homes. The improvements promise to make customers homes more energy efficient and give them more control over heating and hot water costs.

Our ratings

We continue to hold G1/V2 status assessed by the Regulator for Social Housing, our V2 viability rating alongside other housing associations with similar ambitious development programmes continues to reflect the ongoing risks associated with our current operating environment. However, our maintenance of G1 the highest possible governance rating, clearly demonstrates our strong governance and financial management arrangements that allows those increased risks to be effectively managed.

Our credit ratings with Moody's, A3, and Fitch, A+, were also reaffirmed this year reflecting our strong balance sheet, and solid operating performance, despite ongoing inflationary pressures.

Our governance

Our Board has seen some significant changes in the past year, following the decision to delay recruitment in light of our proposed merger last year. This includes me taking on the role as Chair of Great Places' Board in January this year. With extensive experience within the housing sector, most recently as Chief Executive at Yorkshire Housing, a position I held for over 10 years, I also have sat on a number of housing-related Boards as a non-executive member and joined Great Places' Board following the merger with Equity in March 2020.

My appointment follows the departure of Tony Davison who held the position since December 2013. Tony led us through some significant changes, including the establishment of the Distribution Centre in 2015, becoming the lead partner for the GM Housing First Programme and the establishment of our in-house construction company, Terra Nova, in 2020.

I'd particularly like to thank Tony for his strong leadership over the last decade and for the contribution he has made to the organisation. I'm looking forward to continuing this excellent work alongside the Board and Executive team going forward as we develop our new Corporate Plan and set out our ambitions for the coming years.

Emma Mountford also took on the role of Chair of Cube Board, following the departure of outgoing Chair David Robinson, in September 2023. Emma's experience as a Founding Director of the Vesta Group will add strong expertise in property development to the Group Board and strengthen the link between Great Places and Cube Homes.

Following our latest round of recruitment at the start of the year we're pleased welcome six new board members. Nicki Clegg, Matthew Hemmings, Simran Soin and Keith Ward join us as Group Board members while John-Paul Case and Dean Clegg join the board of Cube Homes.

Our CEO, Matt Harrison, retired in June 2024 with a delay in his departure following the decision not to proceed with our merger plans with Mosscafe St Vincents at the end of last year. After ten years in the role and over 30 years at Great Places I would like to thank Matt for his many years of commitment and inspirational leadership.

Thanks to Matt's diligent stewardship, he leaves Great Places in a strong position to continue to invest significantly in our customers' homes, communities and in improving our services, meaning we can make delivering on our vision of great homes, great communities and great people a reality and we wish him every success for the future.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

REPORT OF CHAIR (continued)

I am delighted that Alison Dean has become our new CEO. Alison joined Great Places as a graduate and in over 25 years with Great Places, she has worked and led across our business, including Aareon implementation, business transformation following the Equity merger and most recently, as our Deputy CEO leading performance and change.

After signing the 2022/23 accounts and as a result of a detailed due diligence process, the Board decided not to proceed with the proposed merger with MSV. The Board continues to focus on its priorities of serving our customers and investing in their homes.

This is an exciting time for Great Places as we enter the next financial year and look to realise our ambitions for the next ten years and look forward to continuing to tackle the challenges facing our sector, invest in our homes and communities, and further the improve services for our customers.

A handwritten signature in black ink, appearing to read 'Mervyn Jones', is written over a faint, dotted grid pattern.

Mervyn Jones

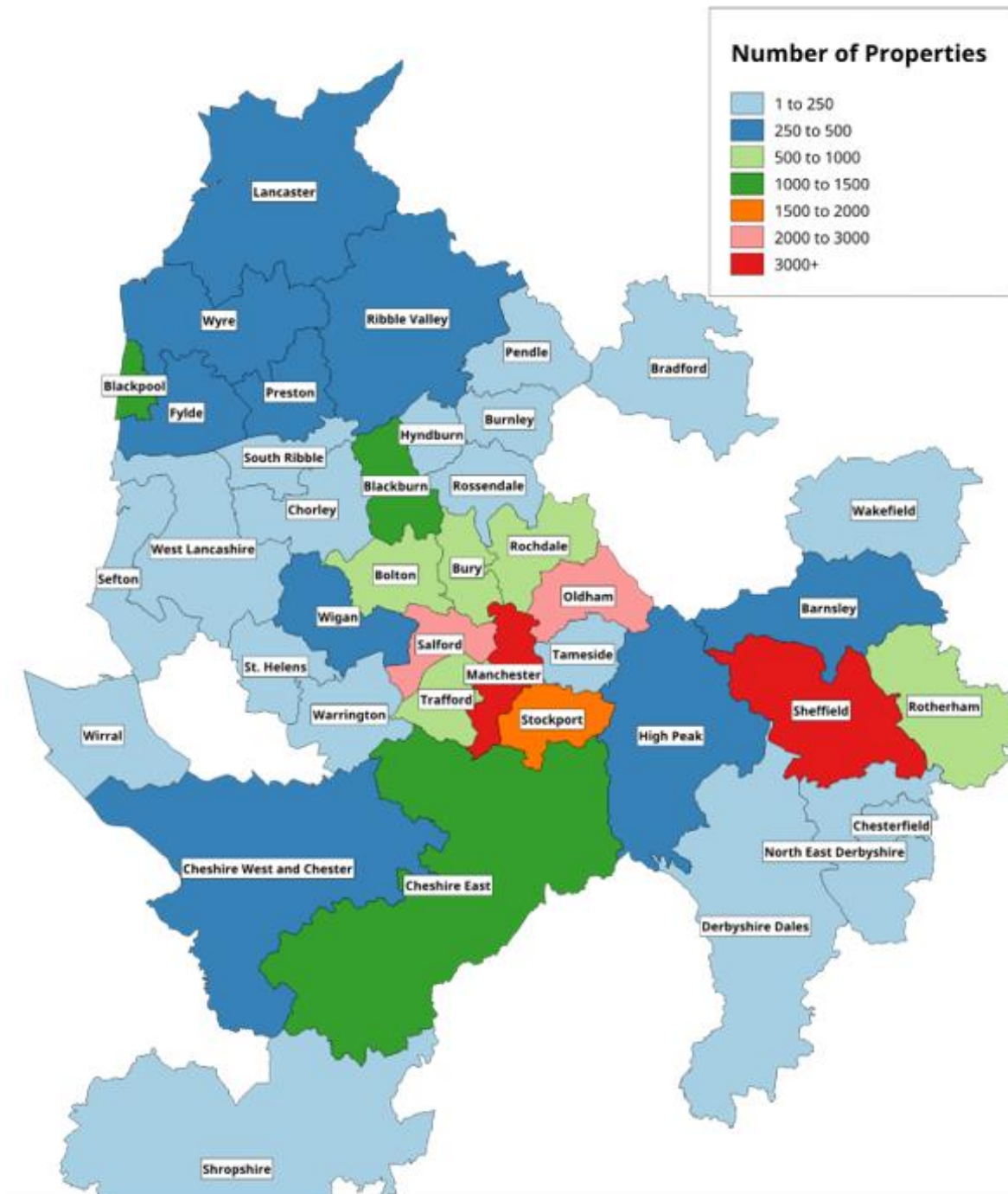
Chair

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD

Great Places Housing Group Limited (“GPHG” or “the Group”) is a not-for-profit organisation which seeks to provide outstanding customer service, and which now manages almost 27,000 homes in 49 local authority areas across the North West and Yorkshire, as shown on the map below. We aim to build thriving neighbourhoods and to transform the lives of our residents.



GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Group structure

The Group comprises the non-asset owning, non-charitable parent (“The Association”), which is a Co-operative and Community Benefit Society (“CCBS”), together with two direct subsidiaries:

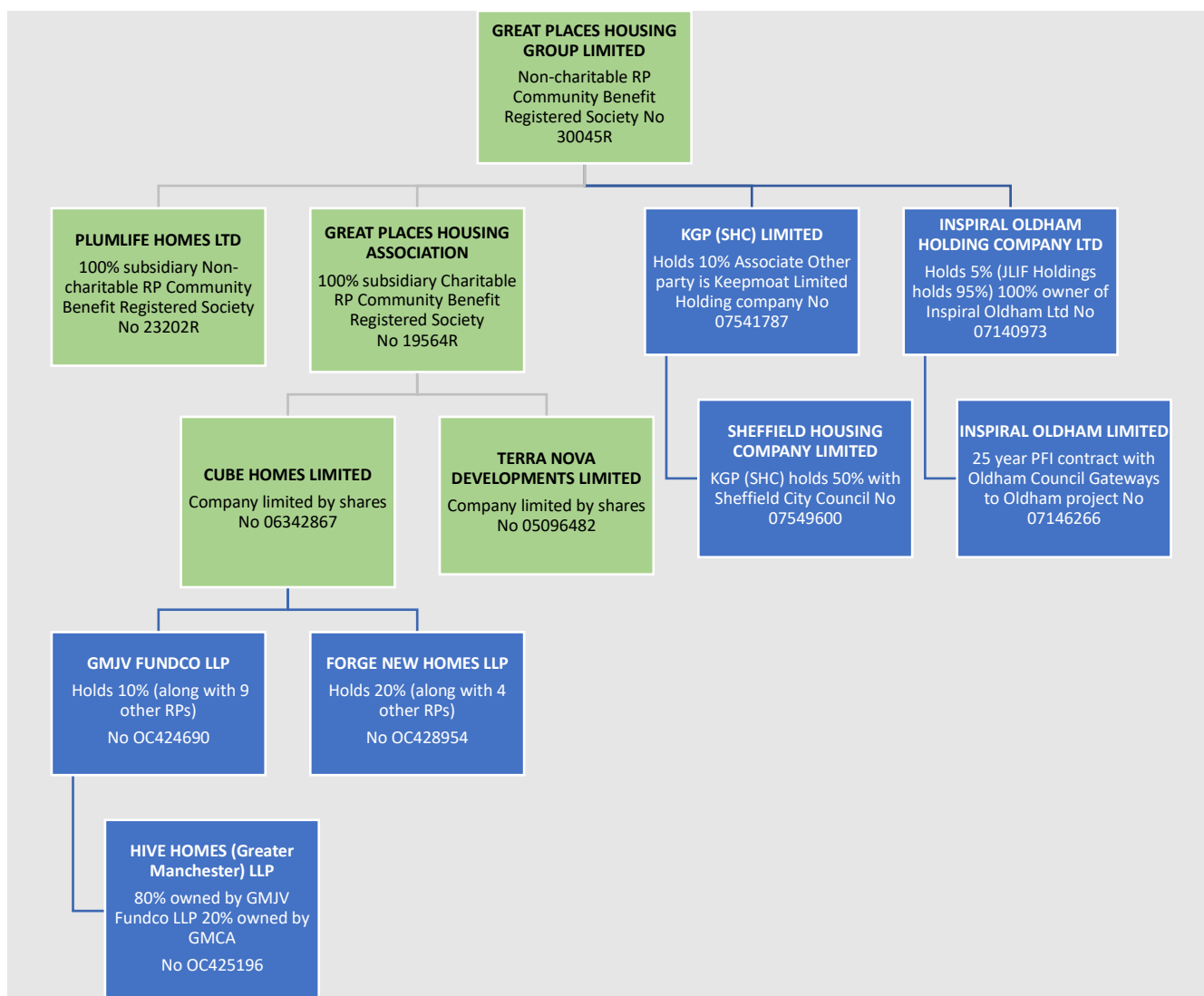
- Great Places Housing Association (“GPHA”), a CCBS with charitable status; and
- Plumlife Homes Limited (“Plumlife”), a CCBS not having charitable status.

GPHA has two active subsidiaries: Cube Homes Limited (“Cube”) and Terra Nova Developments Limited (“Terra Nova”).

The Group is also involved in two joint venture companies and one associate.

Whilst GPHG has ultimate control, GPHA has responsibility for the management of the Group’s general needs and supported housing properties. Plumlife is responsible for low-cost home ownership and leasehold management, Cube exists to provide the Group with a vehicle to undertake market sale and market rent activity and Terra Nova undertakes design and build construction contracts as well as in-house construction.

The diagram below shows 100% ownership with green boxes and less than 100% ownership in blue:



GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Board members and executive directors

The Board members and the executive directors of the Group as at 31 March 2024 are disclosed in note 12. Details of all the members and directors that have served during the period from 1 April 2023 up to the date these statements have been signed are set out on page 3.

The Board members are drawn from a wide background bringing together professional, commercial and housing experience. In recognition of the challenges and responsibilities facing the Board and the time and effort they put into performing their duties, the Group remunerates its Board members and formalises these arrangements through individual Board member service contracts. The Board members are term-limited to meet our regulatory requirements and to comply with our Code of Governance and there is a regularly reviewed succession plan in place to ensure continuity and that skills gaps are addressed and met.

The executive directors are the Group Chief Executive and the other members of the Group's executive management team. They hold no interest in the Group's shares and act as executives within the authority delegated by the Board. Only the Group Chief Executive is a member of the Great Places Board. Insurance policies indemnify Board members and officers against liability when acting for the Group

Primary activities

The Group's primary activities include:

- Management and development of general needs social and affordable housing for rent, supported housing, extra care, low-cost home ownership and housing for market sale or market rent;
- Management of leasehold and privately owned property;
- Provision of related services such as financial inclusion and social investment activities; and
- Regeneration of neighbourhoods and communities.

We are committed to doing our part to help address the national housing shortage. We own or manage almost 27,000 properties and are a major developer of new affordable homes for a diverse range of people with 490 affordable homes completed in the year, including 214 homes sold for shared ownership plus a further 2 market sale homes by Cube Homes. There are around 2,000 homes in development at 31 March 2024. Full details of the movement in the number of homes we own and manage can be found at note 33.

Objectives and Strategy

The Group's vision and values are:

Vision:	Great homes. Great communities. Great people.
Great homes:	Maximising our investment in sustainable homes.
Great communities:	Building successful, vibrant communities.
Great people:	Providing outstanding customer service and support.
Values:	We are fair We care about our customers. We appreciate the effort of everyone who works here. We promote partnerships, efficiency and value for money. We passionately embrace creativity, change and innovation.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

The Corporate Plan for 2023/24 was a one year tactical plan, built around the themes of stability, collaboration and ambition.

In May 2024, the Board approved a new three year plan – “Here for our Customers”. This outlines how we will be Great for our Customers, Great for our Homes and Communities, and Great for our Business. We’ll build on the successes of Building Greatness, our previous Plan, to respond to a changing context and new challenges.

Through delivering our plan, we aim to deliver a consistently great service offer for customers that’s easy for everyone to use. This means we’ll be delivering brilliant basics every day. We’ll work to align our processes, technology and culture to make sure that they’re underpinned by customer data and insight about how customers interact with us. We know this will never be a finished job as the needs of our customers will keep evolving and we’ll have to keep pace. We’ll only get this right by designing our services in collaboration with users and with the colleagues that deliver. By engaging widely, not only will our customers know what to expect from us and feel confident that we’ll meet their expectations, we’ll also improve cost effectiveness by getting things right first time more often. Whether our customers are tenants or owner-occupiers, are people who need support or who don’t, wherever they live, this has to be our goal.

We understand that a good quality, affordable home in a great location is an essential ingredient for achieving other goals in life. We aim to not only offer a stable foundation, but homes and places that people can take pride in and that give them a platform from which to build their lives. We’ll invest significantly in our homes and places to make sure they meet the needs of our diverse customers, now and into the future. After all, Great Homes, Great Communities is our vision... we’re in it for the long-term! We’ll continue to build significant numbers of new homes for rent, sale and supported living to make sure we continue to do our bit to tackle the housing crisis in the North West, South Yorkshire and the wider Sheffield City Region. This also means we’ll invest millions in our existing homes to make sure they continue to be safe, warm, suitable and affordable places where our customers want to stay. More than this, we’ll play our part in making sure our neighbourhoods are attractive places where people want to live and put down roots. This might mean that we choose to divest of some homes that no longer meet our quality standards or no longer meet local needs. We’ll continue to play our part as a community anchor in the neighbourhoods where we have a significant number of homes. Working closely with partners and the local community, we’ll ensure that these remain thriving communities.

Our ambitions for great customer services, great homes and great communities must be underpinned by a well-run business. We’ll maintain our financial strength by focusing on operating as efficiently as possible, making the best use of resources and delivering services that add the most value to our customers. Our ‘profit for purpose’ model means we take a commercial approach to running our business. We use the savings we make, and harness the power of our commercial activity delivered through Cube and Plumlife, to ensure we are able to invest in our homes and communities, build new homes and provide value-added support to enable our customers to live well. None of what we do is possible without colleagues that are engaged, skilled and motivated to deliver a great service. In line with our Great People vision, we’ll continue to invest in our colleagues to ensure they have the skills, equipment and mindset needed to do a great job. We’ll invest in our technology and in improving our data so we set our colleagues up for success and continue to attract and retain the best people to work for us. We’ll work closely with our contractor partners to make sure the services they deliver on our behalf consistently support our ambition to deliver great services every time.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Managing performance and delivery against objectives

The Group manages performance through a balanced scorecard which assesses the achievement of the Corporate Objectives through a range of quantitative and qualitative measures. Each objective is assessed against the relevant set of measures and any corrective action identified. During 2023/24, Board focus was on a suite of Critical Success Factors (“CSFs”) each of which is supported by a wider range of Key Performance Indicators (“KPIs”) and operational and management indicators.

The Group monitored and reported on the CSFs against our vision of Great Homes, Great Communities and Great People as well as our operating principles.

Critical Success Factors	2023/24 Actual	2023/24 Target	2022/23 Actual
Development completions (excluding Cube)	490	786	649
Satisfaction with safety in home	82.3%	85%	n/a
Outstanding higher risk building safety surveys completed	10	10	12
Overall satisfaction	71.5%	70%	69%
Digitally active tenants	37%	40%	35%
Current arrears including HB	4.4%	4.7%	4.7%
Average re-let time (days)	26.3	25	28.6
Households into work, training and volunteering	1,295	950	1,008
Colleague engagement	84%	80%	80%
Average days sickness per employee	3.3%	3.2%	3.2%
Data completion*	85.4%	80%	61%
Group surplus before tax	£23.6m	£27.6m	£22.2m

* The composite elements of the data completion measure change year to year. These are determined in part by senior leadership’s focus for the year. Therefore, year-on-year comparison is not appropriate.

We have agreed new performance measures for 2024/25 called Signals For Success (SFS’s). Our targets are shown in the table below:

	SIGNALS FOR SUCCESS	2023/24 Performance	2024/25 Target
OUR HOMES	Development Starts on Site	925	1378
	Number of Properties below EPC-C	3100	2500(600)
	% Stock Condition Surveys Completed in 5 Years	77%(Feb)	85%
OUR CUSTOMERS	% Overall Satisfaction	71.50%	72%
	Ease of Contact	6.0(Feb)	6.2
	% Completed EDI Data (Disability, Ethnicity)	47%	70%
OUR FINANCIAL VIABILITY	% Current Tenant Arrears (GN ONLY)	4.4%	4.1%
	Interest Cover (EBITDA MRI)	125%	120%
	% of New Homes Unreserved >6 Months (Shared Ownership & Cube)	3.90%	9.4% (Upper Control Limit)
OUR PEOPLE	% Working Days Lost to Sickness	3.3%	3.1%
	Colleague Engagement	84%	84%
	% Leavers in First 12 Months of Employment	44%(2023)	35%

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Great Homes:

- In September 2021 we secured our second Strategic Partnership with Homes England which will deliver 4500 new, affordable homes by March 2028 with the support of £269m of grant funding.
- 490 affordable homes were completed during 2023/24. This was lower than our target of 786 but is reflective of the current delivery challenges facing the construction sector. Demand for our shared ownership and outright sales products remains strong.
- There were 925 affordable homes started despite the continuing challenges for the development sector, as at the end of March, we had around 2,000 new homes being built.
- We value the power of partnerships and our joint venture activities with Forge New Homes in the Sheffield City Region and Hive Homes in Greater Manchester are continuing to progress well. This includes Hive's landmark development scheme of 48 homes at Osprey Place in Middleton and Forge New Homes securing planning permission during the year for its second development of 58 homes in Chesterfield.
- We have continued to make improvements to the data we hold on our assets, carrying out over 4,500 stock condition surveys in 2023/24. We are making good progress towards our objective of a rolling five-year survey cycle for all of our properties. In the last year we invested £22.6m on planned and major works, with more than 1,400 kitchens and bathrooms and over 700 new boilers and heating systems installed.
- Completing building safety surveys and works to 100% of our highest risk buildings was one of our Critical Success Factors and we successfully achieved having undertaken all 10 remaining surveys during 2023/24.
- Our commitment to improving energy efficiency in our homes is continuing and we invested £2.7m retrofitting nearly 400 of our homes to achieve EPC C, with the support of the Social Housing Decarbonisation Fund. We have a target to achieve EPC C by 2028 with 3,107 homes below EPC C at March 2024, an improvement of 373 homes in the year.
- Repairs continue to be the most regularly accessed service by our customers, with over 75,000 repairs requests during 2023/24, an increase of 13% over the prior year. The continued increase in demand during the year can be partially attributed to increased media focus on property condition in the sector with damp and mould inspections increasing significantly since October 2022. Resources have been prioritised on these inspections and rectification works with the vast majority highlighting issues around high condensation levels and the need for improved ventilation rather than severe structural issues.

Great Communities:

- At the end of the year, current tenant arrears were 4.4%, bettering our target by 0.3%, our lowest arrears figure since March 2022. Our performance reflected focused work by colleagues, though there remains variation across regions and there remain significant affordability issues for customers around the cost of living crisis, high inflation and increased energy prices which have inevitably put pressure on customer incomes.
- Overall customer satisfaction finished the year at 71.5% meaning that we were slightly ahead of our CSF target. The data reflects the new Tenant Satisfaction Measures published by the Regulator. A range of actions to improve services have been completed in the year, but we remain focused on understanding drivers of satisfaction and delivering improvements across our customer groups.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

- During the year, 37% of customers were classed as being digitally active, which is slightly below our target of 40%. We define digitally active customers as current tenants where 50% or more of their contacts over the last 12 months were digital. We anticipate increased digital access as our new online repairs appointment offer embeds.
- Since the start of April 2023, the Community Investment Team have helped almost 1,300 households into work, training and volunteering, performance which surpasses the total from the previous year and our CSF target for 2023/24.
- The Community Investment Team was successful in drawing down £1.1m in external funds, some of which was for external contract delivery of the European Social Fund (ESF), Department of Work and Pensions (DWP) and Multiply programmes (Levelling-Up), and some of which was on behalf of our community partners. In addition, through social value commitments, £140k has been received in the form of donations from contractors. £104k has been allocated to 59 projects.
- We have allocated more than £350k in funding to individual customers and community partner organisations to help alleviate poverty and the cost of living crisis, through our Greater Together Foundation.

Great People:

Recruitment and retention has remained challenging, and the impact of ongoing recruitment, onboarding and upskilling is particularly hard hitting in our customer-facing services with high turnover having a significant impact on the Hub, Repairs and Independence and Wellbeing Services. Work is ongoing in this area to ensure that we understand the reasons for attrition, address them as appropriate, and ensure that our pay and benefits benchmark well and are understood and we are seeing this work start to pay off particularly in the recruitment space.

- Our engagement survey was undertaken in August 2023 with the results showing a high level of engagement at 84% which exceeded our target for 2023/24 of 80%.
- Our Growing Greatness programme is progressing well with our latest apprentice and graduate cohorts establishing themselves in the business with 38 apprentices and graduates in the business as at 31st March 2024. Work is also taking place to encourage the next generation to consider future careers in housing and we have supported a number of events around this in addition to the planned recruitment of 22 new apprentice and graduates during 2024/25.
- Along with the rest of the sector we are closely following the professionalisation agenda and we will continue to respond to the planned consultation on this. In the meantime we are doing some work to understand where our colleagues already have professional qualifications and recording this so we are clear on our gap as an organisation.
- We continue to be committed to being an accredited living wage employer and we are a supporter of the Greater Manchester Good Employment Charter.

In terms of performance for the year we were slightly below our CSF target for % days lost due to sickness with the end of year position at 3.3% (target 3.2%, 2022/23: 3.2%).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Environmental, social and governance (ESG)

Great Places has three sustainability linked revolving credit facility loans. The targets (key performance indicators, or KPIs) are based on new homes' EPC ratings, and the improvement of existing homes to an EPC rating of C (from lower). KPIs are presented in note 23 (debt), along with our results for the current year. The targets are ambitious and stretching, whilst being realistic, and are aligned with our corporate plan and carbon management strategy, which is being updated in 2024 with a focus on sustainability.

We did a range of social activities in the year, which are highlighted in our quarterly performance updates and in our annual sustainability (ESG) report, both published on our website. Governance stories are also highlighted in the same reports, and we regularly publish news of our new developments on our website and social media.

Results for Financial Year end 31 March 2024

Turnover was £171.8m (2023: £167.8m), the increase principally driven by social housing lettings income, with more properties owned and/or managed. Operating surplus was £46.7m (2023: £45.9m), surplus before tax was £23.5m (2023: £21.4m) and housing properties at cost increased to £1,832.0m (2023: £1,673.6m).

Total debt at the end of March 2024 was £687.8m (2023: £697.8m) with 96% being fixed rate. We held available cash balances of £35m and undrawn facilities of £425m.

For the year ended 31 March		
	2024	2023
	£m	£m
Income Statement		
Turnover	171.8	167.8
Operating surplus	46.7	45.9
Surplus for the year after tax	23.6	21.4
Statement of Financial Position		
Housing properties at cost	1,832.0	1,673.6
Depreciation	(254.6)	(237.5)
Investment properties	25.7	25.1
Other fixed assets	13.0	13.1
Fixed assets	1,616.1	1,474.3
Fixed Asset Investments	10.6	9.4
Net current assets	22.8	59.1
Total assets less current liabilities	1,645.4	1,542.9
Creditors due after one year	691.1	698.5
Social Housing Grant	697.6	610.8
Pension liability	12.9	11.6
Net assets	243.9	221.8
Reserves	243.9	221.8

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Treasury Management

The Group's borrowing decreased by £13.1m during the year. This was due to scheduled loan repayments, amortisation of debt balances, and the acquisition of the freehold of the former finance leases in August 2023.

Capital structure (loan and finance lease liabilities)		
For the year ended 31 March	2024	2023
	£m	£m
Maturity		
Within one year	10.1	12.7
Between one and two years	18.0	18.9
Between two and five years	30.9	30.0
After five years	628.8	639.3
TOTAL	687.8	700.9
Type of facility		
Own name Bond issue (including premia)	390.7	392.6
Other facilities	297.1	308.3
	687.8	700.9
Fixed / variable split		
Fixed including cancellable and amounts fixed by interest rate swaps	662.5	668.6
	(96.3%)	(95.4%)
Variable	25.3	32.4
	(3.7%)	(4.6%)

The Group's loans are secured with housing properties using a valuation basis of either Existing Use Value Social Housing ("EUV-SH") or Market Value Subject To Tenancy ("MV-STT"). Properties are revalued by RICS valuers appointed by the relevant funder at intervals stated in the loan documentation.

The Group's borrowings are principally from banks, the debt capital markets and social housing aggregators, at both fixed and floating rates of interest. The Group has stand-alone interest rate derivatives (swaps) transacted through International Swaps and Derivatives Association ("ISDA") agreements to hedge against the Group's exposure to variable rate interest rate fluctuations. No new hedging was undertaken in the year.

Hedging is one of the tools adopted to manage the market price risk of interest costs, and together with a range of sensitivity analyses run against the Group's business plan, allows Great Places to monitor its exposure in this regard. The hedging strategy, included within the annual treasury strategy, requires a minimum of 75% fixed rate debt. As at 31 March 2024 the Group had 96% fixed rate debt, including debt fixed by interest rate swaps.

Nil cash collateral (as shown on the table below) was provided to counterparties at 31 March 2024 (2023: nil). The average maturity of the swaps is eight years. Further details on swaps are given in note 23 debt analysis and note 26 financial instruments.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Standalone Swaps - Mark to Market exposure at 31 March 2024				
Counterparty	Unsecured Threshold	Mark to Market Exposure	Collateral required	Cash in place
Barclays	£7,500,000	£842,821	£0	£0
RBS	£3,000,000	£2,004,607	£0	£0
Santander	£5,000,000	£966,998	£0	£0
Lloyds TSB	£7,500,000	£1,593,744	£0	£0
As at 31/03/24	£23,000,000	£5,408,170	£0	£0
As at 31/03/23	£23,000,000	£7,882,425	£0	£0

The fixed rates of interest on the Group's debt portfolio range from 2.0% to 10.71%. On the standalone swaps the fixed rates range from 4.20% to 4.97%, and the swaps are effective hedges. The Group borrows and lends only in sterling and so is not exposed to currency risk.

The Group's lending agreements require compliance with a number of financial and non-financial covenants, most notably interest cover (EBITDA MRI and EBITDA) and gearing, both of which are shown on the following page. The Group is moving to EBITDA interest cover covenants, which was well progressed at March 2024, and continues to monitor and report on EBITDA MRI.

The Group's position is monitored on an ongoing basis. These financial statements and business plan projections confirm that the Group is compliant with its loan covenants at the balance sheet date and we expect to remain compliant in the foreseeable future.

Liquidity, cash management and investment

The Group's policy is to borrow sufficient monies to meet its known and reasonable contingent requirements for liquidity. The Group shall ensure it has adequate, though not excessive, cash resources, borrowing arrangements, overdraft, revolving credit or other stand-by facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business and service objectives. These requirements are set out in the approved annual treasury strategy and are monitored regularly as part of the cash flow reporting regime.

The Group remains in a very strong funding position to meet our funding needs for at least the next two years. This is demonstrated by:

- Current available cash balances of £35m; and
- Undrawn revolving facilities of £425m.

This comfortably meets the liquidity requirements set out in the annual treasury strategy. The Group holds its surplus in cash or cash equivalents and will not invest in gilts, equities or other non-money assets.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Key statistics and ratios

Other ratios	2024	2023
Surplus %		
Surplus after tax as % of Turnover	13.7%	12.7%
Interest Cover % (EBITDA)		
(operating surplus, excluding market sales; adding back depreciation and impairment charge on housing properties; excluding grant amortisation; adding back DB operating costs and deducting DB pension cash paid) / (net interest payable including capitalised interest; excluding interest on pension schemes and any fair value movement)	212.0%	199.5%
GOLDEN RULE >150%		
Interest Cover % (EBITDA MRI)		
(operating surplus, excluding market sales; adding back depreciation and impairment charge on housing properties; deducting capitalised major repairs; excluding grant amortisation; adding back DB operating costs and deducting DB pension cash paid) / (net interest payable including capitalised interest; excluding interest on pension schemes and any fair value movement)	134.9%	150.3%
GOLDEN RULE >120%		
Gearing*		
(Total borrowings less available cash)/ (Housing properties at cost less properties under construction)	41.6%	40.7%
GOLDEN RULE < 55%		
Operating Margin before interest %		
(Operating surplus, excluding fixed asset sales / turnover)	25.0%	23.6%
Operating Margin on 1st tranche sales	14.1%	15.1%
Operating Margin on outright sales	15.1%	26.7%
Operational performance		
Rent loss from voids as a % of gross rent	1.1%	0.7%
Bad debts as a % of gross rent	0.6%	0.9%
Current tenant arrears	4.4%	4.7%
Social Housing Letting Interest Cover		
(Surplus on social housing lettings / net interest paid in cash flow statement)	1.3x	1.1x
Recurrent cash interest cover		
(Operating surplus plus depreciation and impairment / net interest in cash flow statement)	2.2x	2.4x
Debt to revenue		
(Loans less fees plus finance leases / turnover)	4.0x	4.2x
Debt per unit		
(Loans / social housing units owned and managed)	£30,052	£31,220

* The definition for gearing on this table differs from the RSH metric; the above includes housing properties at cost less those under construction, whilst the RSH definition includes housing properties at net book values

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Value for Money: Overview

Great Places understands the importance of getting more out of our available resources to provide high quality homes and a great customer service – thereby demonstrating value for money (“VFM”). The challenging economic environment means that this has been increasingly important and will continue to be for the coming financial year. We are a “profit for purpose” organisation aiming to maximise our surplus to enable us to deliver our identified priorities and to attain our vision of Great Homes, Great Communities, Great People. For us, VFM is an integral part of our overall strategy to deliver our corporate ambitions rather than an add-on or standalone activity. The Board monitors organisational progress against key priority areas to ensure we maintain an emphasis on delivering core objectives, on becoming a more economic, efficient and effective business, and on reacting swiftly and appropriately to the key challenges being faced.

The more efficient we are, the more resources we have to build new homes, improve existing homes, enhance our services, undertake activities designed to maximise social impact and fund other key corporate priorities. With a clear focus on what matters most, 2023/24 was another successful year for Great Places.

VFM – comparisons and benchmarking

The table below shows performance against the Sector Scorecard including the VFM Standard metrics (shaded grey) and also includes previous year results.

Metric	2022/23		2023/24		2024/25
	Great Places	Sector Median *	Great Places	Target	Target***
Operating Margin - Overall (VFM)	23.6%	18.2%	25%	29%	26%
Operating Margin - SHL	27.5%	19.8%	30.7%	34.7%	31.4%
EBITDA MRI (VFM)	142.9%	128%	126.3%	160.7%	140.5%
Development (No)	649	N/A	490	869	698
Units Developed as % of units owned (SH) (VFM)	2.9%	1.3%	2%	4%	3%
Units Developed as % of units owned (NSH)	0.2%	0%	0%	0%	0.2%
Gearing (VFM)	41.7%	45.3%	40.6%	38.7%	34.2%
Social Housing Cost per Unit (VFM)	£3,931	£4,586	£3,743	£4,150	£4,618
Service Charge CPU	£571	£795	£616	£721	£691
Management CPU	£1,228	£2,711	£1,264	£1,335	£1,286
Maintenance CPU	£679		£484	£645	£939
Major Repairs CPU	£1,120		£1,140	£1,156	£1,256
Other Social Housing Costs CPU	£333	£544	£237	£293	£446
Customer Satisfaction**	70%	N/A	71%	71%	72%
Investment: Communities	£1,410k	N/A	£1,762	£819k	£1,809
Reinvestment % (VFM)	8.1%	16.7%	10.6%	16.7%	17.5%
Return on Capital Employed (VFM)	3%	2.8%	2.8%	3.2%	2.8%

* The breakdown of CPU has been taken from the VFM Metrics

** These results are for General Needs customers.

*** Taken from 2024/25 Approved Business Plan

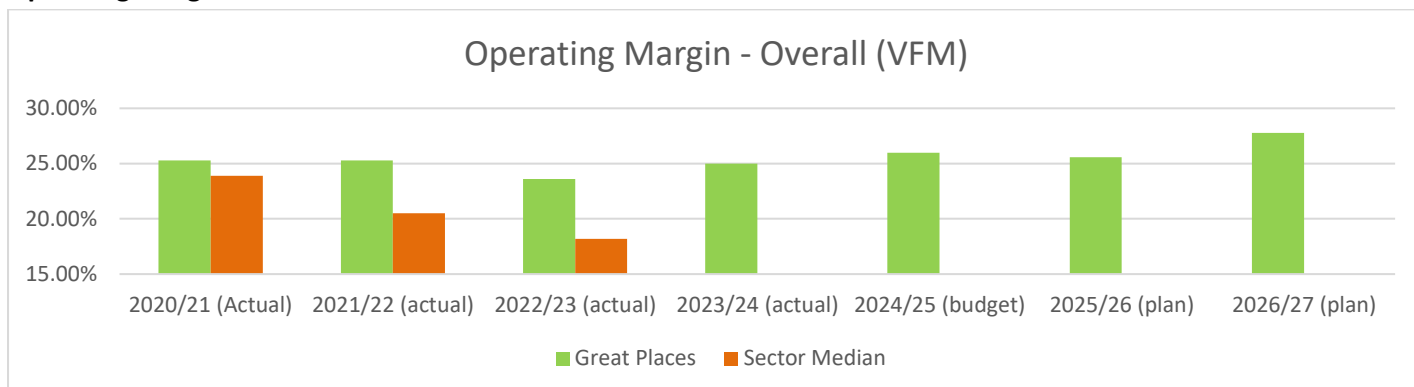
GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

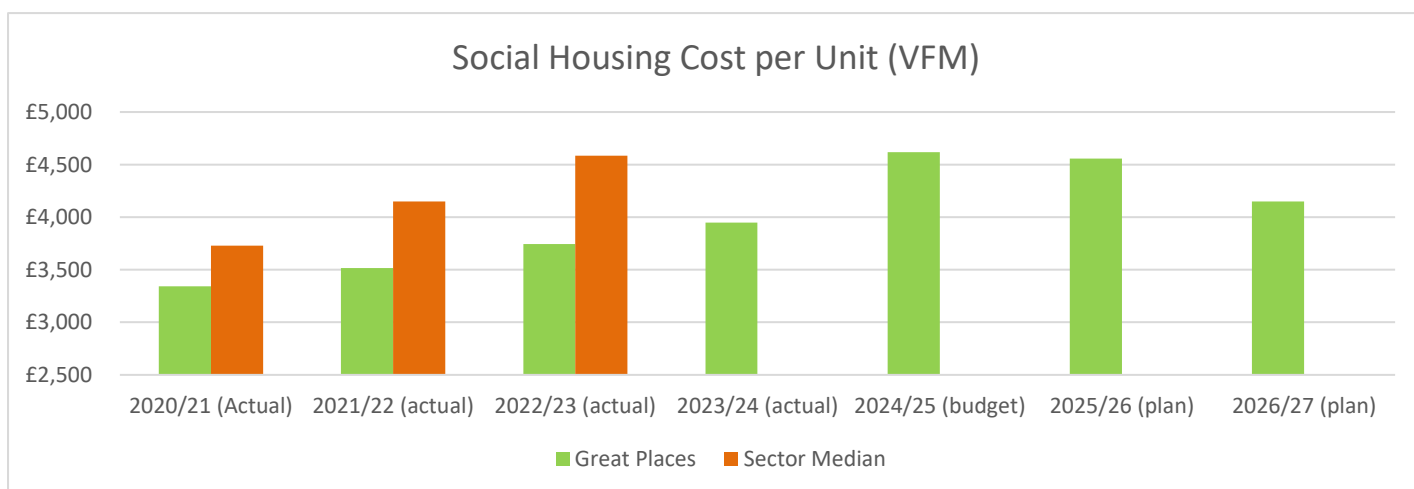
Key messages over the RSH VFM Measures:

Operating Margin VFM:



Our overall operating margin, the proportion of surplus generated from turnover on a provider’s day-to-day activities, at 25.0% was better than the sector median in previous years but below our target. Our overall operating margin for 2023/24 has increased significantly from our 2022/23 performance.

Social Housing Cost per Unit:



Our headline cost per unit is £3,743 for 2023/24. This is a small decrease on the previous year but falls below the target set for the year. Our higher percentage of Supported Housing, and having stock located in areas of high deprivation are both drivers for increased costs and consequently show our overall low figure (compared to the sector median) in an even better light.

Outcomes delivered: Performance to the end of the year was 71%, in line with expectation and the sectors performance.

Reinvestment: the VFM metric shows that our ambitious development programme is not at the expense of other Profit for Purpose priorities and that we still invest comparatively heavily in our communities. Reinvestment at 10.6% was behind the target of 16.7%, but still an improvement on the prior year.

Return on Capital Employed: at 2.8% is below our target and a decrease on last years performance and this is due to rising costs and increased spend on major repairs.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

As a whole: the challenging environment for the sector is reflected within our performance, tightening EBITDA MRI (interest cover) and increasing costs per unit. Even with the pressures on the sector and the economy in general, we have seen our operating margin grow driven by social housing lettings. We have also managed to maintain our customer satisfaction levels even with significantly increased demand in relation to repairs.

VFM: Embedding a strategic approach

Having a strategic approach to VFM, and making decisions to ensure we make the best use of the Group's resources, is not new for Great Places and the significant improvement in financial performance and quality of service delivery over recent years is prime evidence of success in this regard. Improving VFM is viewed as a sign of good governance in action, as a means of achieving corporate objectives and as a key determinant of business effectiveness.

Underpinning Great Places VFM approach for many years has been the delivery of economies of scale through steady organic growth of homes owned through grant funded development, together with growth in associated or complementary management services. Growth has also been delivered through the continuing development programme and management opportunities. This approach demonstrates that the Board continues to consider the most appropriate delivery models for achieving its strategic objectives.

Our performance, during 2023/24, centred around eleven Critical Success Factors (CSF's), which are designed to focus us on the delivery of the Corporate Plan, with five targets achieved at the end of what was an incredibly challenging year: Building Safety; Households into Work, Training and Volunteering; Sickness absence; and Colleague engagement. Whilst performance in other CSF's didn't reach our targets, we were pleased that we continued to make progress with some only narrowing missing target. Our CSF's are directly aligned to the delivery of our Corporate Plan, progress against which is reported to Board on a regular basis using the Great Homes, Great Communities, Great People strands.

Through our strategic approach, VFM is incorporated into all decision-making. The Board acknowledge that we cannot deliver our vision, values and priorities without delivering VFM. We always seek to optimise the balance of low costs, high performance, quality and high customer satisfaction.

The table below details the RSH VFM Metrics reported as part of the approved 2024/25 Business Plan

RSH VFM metrics	2025	2026	2027	2028	2029
Operating Margin – overall	26.0%	25.6%	27.8%	25.8%	27.2%
Operating Margin – Social Housing Lettings	31.4%	27.3%	29.9%	27.7%	27.8%
EBITDA MRI Interest cover	140.5%	131.6%	128.4%	128.3%	127.8%
New Supply: Units developed as % of units owned	3.0%	4.8%	6.6%	5.9%	2.6%
Gearing	34.2%	41.9%	44.7%	43.9%	44.2%
% Reinvestment	17.5%	18.0%	11.1%	7.4%	7.9%
Return on capital employed (ROCE)	2.8%	2.8%	3.0%	3.1%	3.0%
Headline social housing cost per unit	£4.67k	£4.56k	£4.15k	£4.42k	£4.61k

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Profit for purpose

Great Places is a housing association with a robust “profit for purpose” model. Cube, the Group's commercial subsidiary, generates additional profit and targets an average of £2m per annum, with the aim of a minimum of 50% of the profit being gift aided back to the charitable element of the Group. We aim to be as efficient as possible, to remain a top-quartile performer and maximise our surplus. However, we then choose to use a significant proportion of our surplus to go far beyond our landlord obligations and realise our values and our vision of Great homes, Great communities, Great people. The simple principle is that the more efficient we are as an organisation, the more of the added value work we can carry out to transform communities and improve the lives of our customers who live there. We have a Community Investment Strategy in place and as mentioned above a dedicated Community Investment team.

Risk management

Statement of Compliance with our Governance Code

We have assessed our compliance against the NHF Code of Governance and again will publish a statement demonstrating how we have assessed and met the requirements on our website. In 2023/24, we have been compliant with all provisions except one. Great Places has a Board Recruitment, Succession and Development Policy which is overseen by the Remuneration and Appraisal Committee who regularly review Board tenure and renewal. For the first 9 months of the year Great Places was non-compliant with the provisions of this policy and with the Code of Governance with regards to Board tenure.

The Chair and also the Cube Chair (Tony Davison and David Robinson), both exceeded the 9-year maximum limit as of September 2022 with them continuing in role to provide continuity during the merger. David Robinson as Cube Chair stepped down on 21st September 2023 and Tony Davison confirmed his departure on 31st December 2023 to enable a new Chair to be recruited. Following the successful recruitment of our new Chair, Great Places was again fully compliant with no members exceeding the upper limit of 9 years tenure.

The Regulator was informed of this area of non-compliance and the reasons were explained to them. Positively they indicated no concerns and accepted our rationale for the extended tenure at that point in time.

A range of information on the composition of our Board is included at note 12 of these statements, including the remuneration of both the non-executive Board members and also the executive team.

The Group publishes a wide range of information on its website that seeks to provide all stakeholders with a range of useful “transparency” information. This includes details of all costs over £500 related to the Group’s Homes England development contracts, which is updated quarterly.

The Group Board as at 31st March 2024 consisted of nine Non-Executive Directors and the CEO as an Executive Director. Four of the nine Non-Executive Directors are female, and two of the nine Non-Executive Directors are from a diverse ethnic background.

The average attendance at Board Meetings from 1st April 2023 – 31st March 2024 was 90%. This consisted of eight scheduled meetings, two extraordinary meetings and three Board away days.

There are three standing committees of the Board. The Audit and Assurance Committee (attendance rate of 100% in the year across 5 meetings), the Remuneration and Appraisal Committee (attendance rate of 100% in the year across 6 meetings) and the new Customer Committee (attendance rate of 88% from 1 meeting). All 3 Committees have clearly defined Terms of Reference, report key points from their meetings at each Board and submit an annual review of effectiveness for Board consideration.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Statement of compliance with RSH Financial Viability and Governance standard

The Board of Great Places has carefully considered its responsibilities under the Regulator's Economic Standards covering Rents, VFM and Governance and Financial Viability. A detailed report has been considered by the Audit and Assurance Committee which reviews the evidence presented to support the compliance position against each required outcome of the standard as well as the guidelines laid out in the Code of Practice.

A full register of all relevant law is maintained outlining the legislation that we are required to adhere to, and an annual report to the Audit and Assurance Committee details of how we meet the requirements of each Act of Parliament. On consideration of the evidence provided, the Group confirms it has met all regulatory requirements during the year.

The Group's structure is relatively simple, and we operate a coterminous Board arrangement that includes GPHG, GPHA, Plumlife and Terra Nova with the independence of Cube designed to ensure that our social housing assets are not put at undue risk. In addition, any decisions to pursue commercial activity under Terra Nova are closely assessed in terms of the impact on the social assets owned by Great Places Housing Association.

Our divestment regime ensures we make the best use of social housing assets by disposing of inefficient stock to generate income to fund the provision of new homes, thereby keeping the value of assets within the sector and ensuring value for money for the business in terms of management costs.

Our Board members have been selected and appointed based on an assessment of the skills and expertise required to discharge the duties of the Board including expertise in finance and housing. The Board members complete an annual evaluation of their effectiveness, and any gaps are addressed via individual development plans.

The Group has a comprehensive business planning process which embraces a rigorous approach to development of economic assumptions including benchmarking. The assumptions are prudent in respect of liquidity and interest rate risk, and reflect the Group's risk appetite. We work alongside our independent advisors, to ensure that the Group has sufficient headroom to meet the Business Plan commitments, and to remain comfortably within agreed funder covenants.

Stress testing scenarios have been undertaken against the new Business Plan under the direction of the Board and reviewed with the Executive Directors. The various scenarios test the Group's resilience against a number of key risks. The stress testing model maps the effect of various scenarios against our internal golden rule thresholds linked to EBITDA (MRI) interest cover, gearing and operating margin as well as the effect on our expected surpluses, unencumbered asset position, and potential security exhaustion. It was clear from the stress testing scenarios that the proposed plans satisfied our internal golden rule thresholds. The Group has four permanent mitigations in place a minimum cash buffer of £15m minimum 75% fixed rate debt, the Asset and Liability register and the Early Warning Monitor. In addition, the Group has a schedule of further mitigating actions that could be put in place to reduce cash outflow and deliver significant revenue savings.

The Group has completed all required statutory and regulatory returns within the stated timeframes, and has introduced additional controls to reduce the risk of errors within these returns. We maintain a register of all frauds and losses which is managed by the Director of Assurance, overseen by the Audit and Assurance Committee and reported to the Regulator annually via the prescribed method. We have a strong track record of transparency and openness with all of our regulatory bodies including the Regulator of Social Housing (RSH), Financial Conduct Authority (FCA) and the Information Commissioners Office (ICO).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Key Risks

The Board retains ultimate responsibility for risk management. As part of this commitment they receive a risk report at every meeting with a deep dive into the risk management framework twice a year. The deep dive report considers compound risk and the changing risk landscape looking backwards and forwards over the medium term. During the year the Board reviewed and approved their Risk Appetite Statement with a review of target risk scores also undertaken. An analysis of the latest Sector Risk Profile released by the Regulator of Social Housing was also examined. In addition the Board ensures that Great Places is resilient to the risk environment through the development of the business plan, ensuring robust stress testing is undertaken with appropriate mitigations identified.

The Board is supported by the Audit and Assurance Committee, who are primarily responsible for audit and the arrangements for effective internal control and assurance. The Audit and Assurance Committee have scrutinised several risk areas throughout the year, feeding back to the Board on the pertinent points. The Committee have also received update reports on the development of Great Places self-assessment framework for internal controls – focused on the oversight and development of first and second line assurance.

The top 6 risks have remained static throughout the year and are listed in the table below:

Risk	Nature of Risk and Risk Appetite	Mitigation
Customer Health & safety	<p>Failure to reduce or remove threats to customer health and safety leads to harm and reputational damage.</p> <p>Risk Appetite – averse</p>	<p>Retained health and safety independent consultancy.</p> <p>Specialist contractors, 3rd party audit arrangements, specialist compliance team, regular board reporting and internal KPI's.</p> <p>Building Safety Compliance Strategy.</p> <p>Customer accident reporting process.</p> <p>CSF focussing on building safety.</p>
Delivery of repairs, asset management and facilities management	<p>Demand for repairs combined with cost and wage inflation and supply chain issues are driving this risk set against the backdrop of stock quality issues affecting living conditions for some customers and customer experience.</p> <p>Risk Appetite – moderate</p>	<p>Inhouse repairs team and fully owned distribution centre.</p> <p>Regular salary reviews and Growing Greatness Apprenticeship programme.</p> <p>Dynamic Repair scheduling and increased planning resources.</p> <p>Increased resource and oversight to respond to housing quality concerns with a robust damp and mould inspection process. Set up of Living Conditions Project with Board and Project Groups for oversight and monitoring of progress.</p>

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Risk	Nature of Risk and Risk Appetite	Mitigation
<p>Secure and resilient technology infrastructure to meet the needs of the business</p>	<p>Secure infrastructure is the fundamental building block required for us to shape a more resilient business that can support innovative systems and ways of working whilst maintaining system security.</p> <p>Risk Appetite – moderate</p>	<p>Well resourced Technical Services Team including Cyber Specialist and Project Team to support the development of new ways of working</p> <p>Robust patch implementation framework.</p> <p>All systems and data backed up</p> <p>Implemented IaaS (Infrastructure as a Service) and DRaaS (Disaster Recovery as a Service) Cyber Essentials Accreditation.</p> <p>CrowdStrike /Mimecast protection</p> <p>Vulnerability management system – Rapid 7</p>
<p>Customer poverty, financial hardship & the inability to pay rent</p>	<p>Our customers’ ability to pay rent is a key risk to the business that we have limited control over given the cost of living crisis and external political environment.</p> <p>Risk Appetite – averse</p>	<p>Income Management Strategy in place.</p> <p>Robust monitoring and management of Universal Credit claimants and impact on arrears.</p> <p>Arrears performance reporting.</p> <p>Community Investment team is in place to provide employment support and work training, including Financial Resilience team.</p> <p>Cost of living action plan.</p>
<p>Recruitment and retention</p>	<p>Recruitment and retention are crucial to the delivery of our corporate objectives, and the loss of skills and knowledge pose challenges in maintaining performance.</p> <p>Risk Appetite – cautious/moderate</p>	<p>People strategy in place with associated action plan.</p> <p>External salary benchmarking undertaken regularly.</p> <p>Competitive Terms and Conditions.</p> <p>Sharing Greatness bonus scheme rewarding colleagues.</p> <p>Recruitment specialists</p> <p>Feedback mechanisms, including regular Pulse surveys, used to ensure feedback is received from colleagues.</p>

Risk	Nature of Risk and Risk Appetite	Mitigation
Failure of the sales programme	<p>Exposure to the housing market through our large shared ownership sales programme poses risks to the business plan.</p> <p>Risk Appetite – open/moderate</p>	<p>Robust monitoring of exposure and performance in place via sales flash reporting to the Executive team.</p> <p>Monthly early warning monitor to track unsold stock.</p> <p>Stress testing on market exposure carried out at Board level.</p> <p>Challenging appraisal and approval processes, and a multiple outlet approach to reduce risk associated with large sites.</p> <p>Restructured and expanded Sales & Development Team.</p>

Internal controls assurance

The Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public assets and money are safeguarded and properly accounted for, and that they are being used economically, efficiently and effectively.

A wide range of internal control mechanisms are in place and being operated to help the organisation meet its strategic objectives, to operate within the law, to make effective use of public money and to report activities accurately. These bring together information from all significant parts of the business and provide assurance to the Board that an effective system of internal controls is in place. The most significant sources are through:

- Our approach to assurance, based around the three lines of assurance model;
 - The 1st line of assurance describes controls operated by day to day management
 - the 2nd line covers more independent checks carried out by other internal teams
 - the 3rd line incorporates external assurance obtained from auditors or regulators
- The existence of the Audit and Assurance Committee, with appropriate terms of reference;
- An independent internal audit function;
- Risk management framework;
- Financial and non-financial performance monitoring and management;
- Appropriate communications structures;
- Effective customer scrutiny arrangements;
- Effective strategies, policies and procedures; and
- External stakeholders, including the Regulator and accreditation bodies.

Internal Controls Framework

A comprehensive framework of internal controls is in place consisting of sources of assurance that, when brought together, provide a complete picture of all significant parts of the business. Great Places have a system of operational controls in place supported by risk management and compliance checks.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Audit work undertaken in 2023/24

During 2023/24, internal audit and assurance work was undertaken by BDO (appointed in April 2023) employing a risk based internal audit approach (approved by the Audit and Assurance Committee March 2023). This was the first year of their contract following an OJEU compliant procurement process to provide internal audit services from April 2023 - March 2026.

Work carried out under the internal audit framework included 13 assurance reviews as per the forward plan covering a range of service areas. The outcomes of the programme as outlined in the table below:

Reports Issued	Overall Report Conclusions				
	High	Medium	Low	Design	Operational Effectiveness
Community Investment	-	4	2	Moderate	Moderate
Asbestos and Legionella	-	4	2	Moderate	Moderate
Occupational Health & Safety	1	3	3	Moderate	Limited
Development	-	-	3	Substantial	Substantial
Key Financial Controls: Supplier Onboarding	-	3	1	Moderate	Moderate
Safeguarding	1	2	2	Moderate	Limited
Rent Setting	1	2	-	Moderate	Limited
Service Charges	-	3	1	Moderate	Moderate
Cyber Security	1	3	2	Moderate	N/A
Electrical Safety	1	2	1	Moderate	Limited
Plumlife Sales	-	1	3	Substantial	Substantial
GDPR: Data Protection	-	3	2	Moderate	Substantial
Fire Safety	-	5	1	Moderate	Limited

Reports are graded on a four-point assurance scale of SUBSTANTIAL – MODERATE – LIMITED – NONE with the first two seen as compliant and positive outcomes. Whilst the number of areas receiving LIMITED assurance is not where we want to be, it is important to note that significant work has since been undertaken to rectify the control weaknesses identified, and to enhance monitoring by the Audit & Assurance Committee over delivery of the improvements. Committee have also agreed to audit those areas sooner than originally planned to re-test compliance and ensure that actions taken have addressed the risks identified.

Internal audit follow up was conducted on two occasions (Q2 and Q4) during the year with 87% of recommendations fully implemented.

Internal controls assurance conclusion

The Board have reviewed the effectiveness of the system of internal control, including the sources of assurance agreed by the Board as being appropriate for that purpose. The Board is satisfied that there is sufficient evidence to confirm that adequate systems of internal control have existed and have operated throughout the year, and that those systems are aligned to the management of significant risks facing the organisation.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

Modern Slavery

Great Places is required to adopt a Modern Slavery transparency statement outlining the steps that the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place part in any part of its business, including its supply chains. The Board of Great Places approves the statement annually and the full statement is published on the Great Places website. Modern Slavery is a core induction training module delivered to all Great Places new starters.

Donations

During the year ended 31 March 2024 the Group has made no political contributions (2023: £nil) and any charitable donations were made during the course of its ordinary activities.

Going concern

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.

The Board has provided a letter of support to its ultimate subsidiary Terra Nova Developments Limited which reflects the financial support for the subsidiary within the context of a Board-approved business plan.

Annual general meeting

The annual general meeting will be held on 26 September 2024.

External auditors

We will be proposing to re-appoint Beever and Struthers as external auditors at the AGM on 26 September 2024.

Statement of compliance

In preparing the Strategic Report and the Report of the Board, the Board has followed the principles set out in the SORP 2018.

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 Group and Association will continue in business.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

STRATEGIC REPORT AND REPORT OF THE BOARD (continued)

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Association's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, 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 Group and 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 Group and 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 Group and 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 1 August 2024 and signed on its behalf by:



J. McLean
Company Secretary

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED

Opinion

We have audited the financial statements of Great Places Housing Group ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the Group and Association Comprehensive Income Statements, Group and Association Statements of Financial Position, Group and Association Statements of Changes in Reserves, Group Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies in note 2. 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 Group's and of the Association's affairs as at 31 March 2024 and of the Group's and Association's 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 Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, 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 Group and 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.

Independence

We remain independent of the Group and 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.

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.

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the assumptions used in the budget for the financial year 2024-25.
- Reviewing the long term business plan and assessed the reasonableness of the assumptions used within it, along with reviewing the results of the various stress testing scenarios on loan covenants, and the reasonableness of mitigating actions identified by client.
- Considering the facilities and loans in place against capital commitments and expected loan repayment dates.
- Reviewing the disclosures around going concern within the financial statements.

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 or Group'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.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED (Cont.)

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. We summarise below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address these matters and, as required for listed entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Stock and Work in Progress – recoverability

The Group's stock balance amounted to £64m as at 31 March 2024 (2023: £44m). Refer to note 2 (accounting policies), note 3 (judgements and key sources of estimation uncertainty) and note 18 (financial disclosures).

The risk – significant risk high and material value

As explained in the accounting policies, properties developed for sale, including shared ownership first tranches and properties developed for outright sale, are measured at the lower of cost and net realisable value. For completed properties at the balance sheet date, an assessment is needed of an expected selling price. For properties in development at the balance sheet date, an assessment is needed of the expected selling price and costs to complete and sell.

Due to the volume of property developed for sale (both complete and under construction) and the inherent estimation uncertainty in determining both sales proceeds and costs to complete we considered there to be a significant risk that the carrying amount of properties developed for sale is misstated and was therefore a key audit matter.

Our response

Our procedures included:

- **Review of management judgement:** We obtained and reviewed management's assessment of the net realisable value of properties developed for sale.
- **Test of detail:** For a sample of properties under development, we obtained details of the expected costs to complete the development from the scheme budget and ensured that it was within the original approved appraised costs.
- **Test of detail:** For completed properties unsold after the year end, we compared the expected proceeds to similar developments in the same locality.
- **Test of detail:** For properties sold after the year end, we traced to the sales proceeds and compared to the carrying value as at year end to ensure net realisable value is not below cost.

Our results

Based on the audit procedures performed, we noted no material exceptions in relation to the measurement of stock and work in progress balances.

Housing Properties – capitalisation of new build development costs

The Group's additions to properties under construction total £141m as at 31 March 2024 (2023: £99m). Refer to note 2 (accounting policies) and note 12 (financial disclosures).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED (Cont.)

The risk – significant risk high and material value

Development is a key activity for the Group. Judgements as to whether expenditure is capital or revenue in nature is an area that has a key impact on our audit approach. Our overall assessment of misstatement is therefore that housing property additions is a significant risk within our audit approach.

Our response

Our procedures included:

- **Test of detail:** We agreed a sample of capital additions in the year to invoice or certificate, and reviewed material revenue transactions for capital items.
- **Review against accounting standards:** We reviewed amounts capitalised in our sample testing against guidance in FRS 102 and the Statement of Recommended Practice 2018.
- **Test of detail:** We considered the assessment of whether there was any evidence of impairment, in particular; for schemes under development.
- **Test of detail:** We evaluated that accruals have been made for material development expenditure incurred up to 31 March 2024 but not yet invoiced. This included sample testing of accruals for accuracy, review of material after date invoices, and review of supplier statements versus trade creditor balances to identify any material missing liabilities.
- **Test of detail:** We reviewed the policy on overhead capitalisation and that the costs capitalised are directly attributable to developments.

Our results

Based on the audit procedures performed, we found the capitalisation of development costs to be acceptable.

Going concern - Financial Performance, Treasury Management, Loan Covenants and macro economic climate

The risk – significant risk high value

The Group reported a surplus for the year of £23.5m (2023: £21.3m) before actuarial gains on pension schemes and fair value movements on the swaps. At 31 March 2024 the Group had borrowings of £688m (2023: £698m) and interest rate swaps of £5m (2023: £9m), which are used to hedge against interest rate risk. Refer to note 2 (basis of accounting) and note 23 (financial disclosures).

The Group is operating in a current economic outlook that is volatile, uncertain and complex with rising inflation in the UK. There is a direct impact on the Group's activities and a growing cost of living crisis that directly affects the Group's tenants and residents. This implies a direct risk to the Group's ability to maintain income collection rates and increases the risk of arrears and bad debts. Stress testing business plans can illustrate the level of financial resilience and the Group's ongoing capability to manage sequences of negative events.

The risk is that the Group might have insufficient liquidity to finance its development programme or might breach a funding covenant set out within the agreements in place with a range of funders.

Our response

Our procedures included the following:

- **Confirmation of value:** We agreed loan balances to the accounting records and to external confirmation from the funders.
- **Test of detail:** We evaluated the detailed calculations for loan covenant compliance prepared by management, both for the year ended 31 March 2024 and projected future performance.
- **Assessment of management's judgement** Assessing management's judgement in relation to hedge effectiveness against the requirements of FRS 102.
- **Review of business plan:** We have reviewed the Group's long term financial plans and covenant projections, and the underlying assumptions, to assess the Group's ability to service and repay the debt, including the availability of funding.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED (Cont.)

- **Review of stress testing:** We have reviewed the stress testing of the business plan and considered the potential impact on the financial statements, as well as on the Group's financial viability into the foreseeable future and its status as a going concern. This included consideration of reliance on property sales, on-lending facilities, and financial support to Group members.

Our results

Our audit work concluded that all loan covenants calculations, as prepared by management, were met at 31 March 2024 and are expected to be met in the longer term. Loan covenants include interest cover, gearing, intra group lending and external on lending covenants.

The Group has forecasted to retain compliance with banking covenants now and for the foreseeable future with sufficient profitability and cash flows from operating activities. Across a range of stress testing scenarios, including those linked to macro-economic conditions, the Group remains comfortably within its funding covenants with adequate loan facilities.

We are therefore satisfied with management's assessment that the Group will remain a going concern.

Our Application of Materiality and an Overview of the Scope of the Audit

Materiality for the Group financial statements as a whole was set at £2.577m, determined with reference to a benchmark of Group turnover (of which it represents 1.5%). We consider group turnover to be the most appropriate benchmark, and more appropriate than a profit-based benchmark as the Group is a not-for-profit organisation that reinvests all surpluses generated from its activities within the Group and does not make any distributions of profit to external parties.

Materiality for the parent Association financial statements as a whole was set at £379k, determined with reference to a benchmark of Association interest payable (of which it represents 1.5%).

We agreed to report to the Audit and Assurance Committee any corrected or uncorrected identified misstatements exceeding £129k, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's reporting components, we subjected all to full scope audits for group purposes. The work on all components including the audit of the parent Association, was performed by the Group team.

Other information

The other information comprises the information included in the Report and financial statements, 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, except to the extent otherwise explicitly stated in our report, 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:

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED (Cont.)

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept adequate 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 Responsibilities of the Board set out on page 29, 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 Group and 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 have 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 website 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 and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, 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, the National Housing Federation 2020 Code of Governance, 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 and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT PLACES HOUSING GROUP LIMITED (Cont.)

following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities.

- We reviewed financial statements disclosures and tested to 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.

Use of our report

This report is made solely to the Association's members as a body, 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's members those matters we are required to state to them 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 and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson (Senior Statutory Auditor)

For and on behalf of

Statutory Auditor:
Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 8 August 2024

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

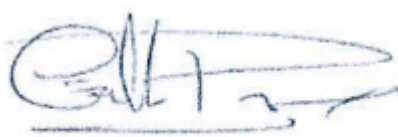
		2024	2023
	Note	£'000	£'000
Turnover	4	171,815	167,755
Operating costs	4	(105,109)	(98,940)
Cost of sales	4	(23,726)	(29,298)
Surplus on sale of fixed assets	5	3,747	6,394
Operating surplus	6	46,727	45,911
Share of operating profit of joint venture	16	-	-
Interest receivable and similar income	7	3,457	2,181
Interest payable and financing costs	8	(27,277)	(27,105)
Movement in fair value of investment properties	14	659	370
Movement in fair value of financial instruments	8	-	-
Surplus on ordinary activities before taxation		23,566	21,357
Tax on surplus on ordinary activities	10	47	(7)
Surplus for the financial year		23,613	21,350
Actuarial losses on defined benefit pension schemes	27	(3,917)	(2,023)
Movement in fair value of hedged financial instruments	8	2,474	20,251
Tax charge in relation to other comprehensive income	10	-	(50)
Other comprehensive (expenditure)/income		(1,443)	18,561
Total comprehensive income for the year		22,170	39,911

All amounts relate to continuing activities.

The accompanying notes on pages 44 to 81 form part of these financial statements.



M. Jones
Chair of the Board



G. Page
Board Member



J. McLean
Company Secretary

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

ASSOCIATION STATEMENT OF COMPREHENSIVE INCOME

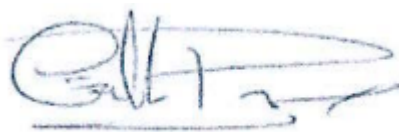
	Note	2024 £'000	2023 £'000
Turnover	4	35	35
Cost of Sales	4	-	-
Operating costs	4	(53)	(49)
Operating surplus	6	(18)	(14)
Interest receivable and other income	7	25,343	26,130
Interest payable and financing costs	8	(25,267)	(26,097)
Surplus/(Deficit) on ordinary activities before taxation		58	19
Tax on surplus/(deficit) on ordinary activities	10	(14)	(4)
Surplus / (Deficit) for the financial year		44	15
Actuarial (losses)/gains on defined benefit pension schemes	27	-	-
Other comprehensive (expenditure)/income		-	-
Total comprehensive income for the year		44	15

All amounts relate to continuing activities.

The accompanying notes on pages 44 to 81 form part of these financial statements.



M. Jones
Chair of the Board



G. Page
Board Member



J. McLean
Company Secretary

GREAT PLACES HOUSING GROUP LIMITED

As at 31 March 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

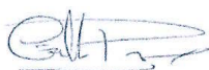
	Note	2024 £'000	2023 £'000
Tangible fixed assets			
Housing properties	13	1,577,388	1,436,206
Investment properties	14	25,742	25,094
Other tangible fixed assets	15	13,018	13,145
Total tangible fixed assets		1,616,148	1,474,445
Fixed asset investments			
Homebuy loans	16	5,275	5,395
Fixed asset investments	17	698	699
Associated undertaking	17	45	45
Investment in joint venture	17	4,549	3,249
Total fixed asset investments		10,567	9,388
Total fixed assets		1,626,715	1,483,833
Current assets			
Stock and work in progress	18	64,410	43,789
Debtors	19	67,479	32,289
Investments	20	8,744	8,214
Cash and cash equivalents	21	39,847	96,369
Total current assets		180,480	180,661
Creditors: Amounts falling due within one year	22	(161,812)	(121,591)
Net current assets		18,668	59,070
Total assets less current liabilities		1,645,383	1,542,904
Creditors:			
Creditors falling due after more than one year	23	(1,388,353)	(1,309,226)
Pension liability	28	(12,896)	(11,640)
Provision for liabilities	29	(214)	(287)
Net assets		243,920	221,750
Capital and reserves			
Share capital (non-equity)	31	-	-
Income and expenditure reserve		243,338	224,240
Revaluation reserve		5,930	5,271
Designated reserve		61	122
Cash flow hedge reserve		(5,409)	(7,883)
Consolidated funds		243,920	221,750

The accompanying notes on pages 44 to 81 form part of these financial statements.

The financial statements were authorised for issue and approved by the Board on 1 August 2024 and signed on its behalf by:



M. Jones
Chair of the Board



G. Page
Board member



J. McLean
Secretary

GREAT PLACES HOUSING GROUP LIMITED

As at 31 March 2024

ASSOCIATION STATEMENT OF FINANCIAL POSITION

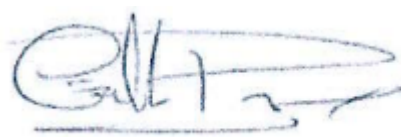
	Note	2024 £'000	2023 £'000
Tangible fixed assets			
Other tangible fixed assets	15	-	-
Fixed asset investments	17	283	282
Total fixed assets		283	282
Debtors: Amounts falling due after one year	19	569,753	578,403
Current assets			
Debtors	19	18,442	21,530
Investments	20	-	-
Cash and cash equivalents		64	21
		18,506	21,551
Creditors: Amounts falling due within one year	21	(18,114)	(21,202)
Net current assets		392	349
Total assets less current liabilities		570,428	579,034
Creditors:			
Amounts falling due after more than one year	22	(569,753)	(578,403)
Pension liability	27	-	-
Net assets		675	631
Capital and reserves			
Share capital (non-equity)	30	-	-
Income and expenditure reserve		675	631
Association's funds		675	631

The accompanying notes on pages 44 to 81 form part of these financial statements.

The financial statements were authorised for issue and approved by the Board on 1 August 2024 and signed on its behalf by:



M. Jones
Chair of the Board



G. Page
Board Member



J. McLean
Company Secretary

GREAT PLACES HOUSING GROUP LIMITED

Year Ended 31 March 2024

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

	Cash flow hedge reserve £'000	Revaluation reserve £'000	Designated reserve £'000	Income and expenditure reserve £'000	Total £'000
As at 1 April 2022	(28,134)	5,642	104	204,227	181,839
Surplus for the year	-	-	-	21,350	21,350
Actuarial losses on pension scheme	-	-	-	(1,640)	(1,640)
Fair value adjustments of financial instruments	20,251	-	-	-	20,251
Tax credit in relation to other comprehensive income	-	-	-	(50)	(50)
Interest credited from I&E reserve	-	-	(2)	2	-
Transfers	-	(371)	20	351	-
As at 31 March 2023	(7,883)	5,271	122	224,240	221,750
Surplus for the year	-	-	-	23,613	23,613
Actuarial gain on defined benefit pension schemes	-	-	-	(3,917)	(3,917)
Fair value adjustments of financial instruments	2,474	-	-	-	2,474
Tax charge in relation to other comprehensive income	-	-	-	-	-
Interest credited from I&E reserve	-	-	5	(5)	-
Transfers	-	659	(66)	(593)	-
As at 31 March 2024	(5,409)	5,930	61	243,338	243,920

ASSOCIATION STATEMENT OF CHANGES IN RESERVES

	Income and expenditure reserve £'000	Total £'000
As at 1 April 2022	618	618
Surplus for the year	13	13
Actuarial gains on defined benefit pension schemes	-	-
Tax credit in relation to other comprehensive income	-	-
As at 31 March 2023	631	631
Surplus for the year	44	44
Actuarial losses on defined benefit pension schemes	-	-
Tax charge in relation to other comprehensive income	-	-
As at 31 March 2024	675	675

The accompanying notes on pages 44 to 81 form part of these financial statements.

GREAT PLACES HOUSING GROUP LIMITED
Year Ended 31 March 2024
CONSOLIDATED STATEMENT OF CASH FLOWS

	2024	2023
	£'000	£'000
Cash flows from operating activities		
Surplus for the financial year	23,613	21,350
Non cash adjustments to surplus:		
Depreciation of housing properties	21,162	22,211
Depreciation of fixed assets - other	1,252	1,291
Impairment – housing properties	12	-
Amortised grant	(5,178)	(6,547)
Share of loss in joint venture	-	-
Adjustment for investing or financing activities:		
Surplus on the sale of fixed assets	(3,747)	(6,394)
Proceeds from sale of fixed assets	9,277	20,861
Cost of sales on properties developed for sale	19,511	27,567
Interest payable and finance costs	27,277	27,105
Interest received	(3,457)	(2,149)
Taxation expense	(47)	7
Other adjustments to surplus:		
Net fair value (gains) recognised in profit or loss	(659)	(370)
Difference between net LGPS pension expense and cash contribution	-	-
Difference between net defined benefit pension expense and cash contribution	(2,661)	(2,367)
Adjustment for working capital:		
Cash expenditure on developing property for resale	(41,535)	(31,900)
(Increase) in trade and other debtors	(11,103)	(5,061)
(Increase)/decrease in stocks	1,851	(1,924)
Increase in trade and other creditors	4,946	8,554
Cash from operations	40,514	72,234
Corporation tax paid	142	281
Net cash generated from operating activities	40,656	72,515

The accompanying notes on pages 44 to 81 form part of these financial statements.

GREAT PLACES HOUSING GROUP LIMITED

Year Ended 31 March 2024

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	2024	2023
	£'000	£'000
Cash flows from investing activities		
Purchase and construction of fixed asset housing properties	(163,183)	(112,831)
Social housing grant received	108,180	47,008
Homebuy loans repaid	120	497
Fixed asset investments	(1,271)	(1,177)
Sale of other fixed assets	-	-
Purchase of other fixed assets	(1,123)	(950)
Purchase and construction of investment properties	-	(119)
Decrease/(Increase) in cash collateral held by counterparties	(530)	493
Decrease/(Increase) in swap collateral	-	8,042
Interest received	3,457	2,149
Net cash used in investing activities	(54,350)	(56,888)
Cash flows from financing activities		
Interest paid	(34,425)	(31,385)
Loan issue costs and other fees incurred	(874)	(829)
Bond finance received	-	-
Loans received	-	-
Loans repaid	(7,529)	(8,934)
Net cash outflow from financing	(42,828)	(41,148)
Decrease in cash	(56,522)	(25,521)
Cash at beginning of year	96,369	121,890
Cash at end of year	39,847	96,369

The accompanying notes on pages 44 to 81 form part of these financial statements.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE 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

Basis of accounting

The financial statements of the Group and Association have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for the Group included the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, 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 FRS102 specifically applicable to PBEs. In preparing the separate financial statements of the parent Association, advantage has been taken of the disclosure exemptions available in FRS 102 insofar as no cash flow statement has been presented for the parent Association.

Basis of consolidation

The Group accounts consolidate the accounts of the Association and all its subsidiaries at 31 March as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

Going concern

The Group's latest Business Plan including sensitivity analyses and stress testing 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 including considering 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 Group 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. Further the Group has access to undrawn loan facilities set out in Note 27.

The Board has provided a letter of support to its ultimate subsidiary Terra Nova Developments Limited which reflects the financial support for the subsidiary within the context of a Board-approved business plan.

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.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

Income

Income is measured at the fair value of the consideration received or receivable. The Group 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 outright sales and proceeds from the sale of land or property are recognised at completion of the sale.

Rent and service charge agreements

The Group 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 Group 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.

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 receivable

Interest receivable is recognised in the Statement of Comprehensive Income in the year.

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 Group 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.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

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 Group 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. Leased assets are depreciated over the life of the lease or their estimated useful economic lives in the business, if shorter.

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 Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Derivative instruments and hedge accounting

The Group holds floating rate loans which expose the Group to interest rate risk. To mitigate this risk the Group 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 Group has designated each of the swaps against existing drawn and highly probable floating rate debt. To the extent the hedge is effective, movements in fair value adjustments, other than adjustments for own or counter party credit risk, are recognised in other comprehensive income and presented in a separate cash flow hedge reserve.

It is the Association which is the legal party to the swap agreements, but its subsidiary GPHA has indemnified the Association against any obligations in relation to the swaps. Therefore the ultimate cost is borne by GPHA and the Association shows an equal gain and loss in relation to its fair value asset due from GPHA (note 19) and the fair value liability to the swap counterparties (notes 21 and 22). The swap fair values have been obtained from the valuations provided by the swap counterparties at each reporting date and compared with valuations obtained from the Group's treasury advisors for assurance.

Taxation - Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except that a change attributable to an item of income and expense is recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the United Kingdom.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

VAT

GPHA, Plumlife and Cube are VAT registered as part of the Group's registration. A large proportion of their income, (rents and service charges) are exempt for VAT purposes thus giving rise to a partial exemption calculation. Terra Nova is registered separately for VAT. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Property managed by agents

Where the Group carries the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Statement of Comprehensive Income of the Group. Where the agency carries the financial risk, the Statement of Comprehensive Income includes only that income and expenditure which relates to the Group. Where revenue grants are claimed by the Group, these are included as income in the Statement of Comprehensive Income to the extent that they are passed to the agent.

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 25% 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.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

Depreciation of housing properties

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

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

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

Donated land

Land donated by local authorities and other government sources is added to cost at the fair value of the land at the time of the donation and an amount equivalent to the increase in value between market value and cost is added to other grants and recognised in the balance sheet as a liability. Where the donation is from a non-public source, the value of the donation is included as income.

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 to 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

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

grant is disclosed within creditors. In the event of the housing properties being disposed, the Association is responsible for the recycling of the grant.

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

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.

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.

Fixed asset Investments

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 Group 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.

Associates and joint ventures

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

An entity is treated as a joint venture where the group is party to a contractual agreement with one or more parties from outside of the group to undertake an economic activity that is subject to joint control.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Other fixed asset Investments

All other investments are accounted for at cost less impairment.

Properties for sale

Shared ownership properties where the first tranche is unsold, 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 the 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 of our housing properties. 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. 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. Any losses arising from impairment are recognised in the income statement in other operating expenses.

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. 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 (other than where hedge accounting is applied).

Contingent liabilities

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.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

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.

Any discount or premium realised on the issue of a bond or similar financial asset or financial liability is capitalised and offset or added to the bond or loan principal, and is then amortised to the income statement on an effective interest rate basis over the term of the asset.

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 the 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.

Recycled Capital Grant Fund

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 – borrowings – Negative compensation and funding indemnity clauses

The Association's loan facilities have been assessed as basic financial instruments. The Association's fixed rate loan facilities allow early payment of the principal and accrued interest in relation to fixed interest tranches. There is an indemnity clause that requires the borrower to pay a compensation premium to the lender if market rates have fallen since the inception of the loan. There is also a clause that means that if market rates have increased, the borrower (i.e. the Association) would benefit from a compensation premium.

The Association does not consider that the clause allowing the Association to potentially receive a compensation premium upon early repayment of some or all of the fixed rate loan liability makes this financial instrument "non-basic" or "other" as outlined in FRS 102 section 11. The Association considers that this particular loan clause is

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

specifically compliant with sections 11.9b and 11.9c of FRS 102 and that the substance of this loan arrangement was that it was always intended to be a simple fixed rate loan arrangement.

Pensions

The Group 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). At 31 March 2024 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. The SHPS defined benefit scheme closed to new members in March 2022.

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. 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 Group.

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 Group also participates in a defined contribution scheme operated by the Social Housing Pension Scheme with around 800 active members. Contributions payable under this scheme are charged in the Income statement in the period to which they relate.

Reserves

The Group 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 Group 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 Group.

The Association has a cash flow hedge reserve which is used for the effective hedges that are in place for the standalone interest rate swap agreements. Where an effective hedge is in place the fair value movement on the swap is recognised in the cash flow hedge reserve. Where that is no effective hedge it is recognised in the revenue reserve.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

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.

- On 1 April 2020 the activities of Equity Housing Group (EHG) were transferred to one of the Group's subsidiaries, GPHA, through a transfer of engagements. There was no consideration and it has been accounted for as a gift using the acquisition method of accounting as applicable to public benefit entities. The assets and liabilities of EHG on the date of transfer have been brought into the Group and GPHA at fair value and the net gain taken to the Statement of Comprehensive Income. The housing properties, loans and pension asset were independently valued, but still required judgement in relation to the assumptions used. Other assets and liabilities were included at book values, the most appropriate measure of fair value.
- Whether there are indicators of impairment of the Group'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 or depreciated replacement cost
- A consideration of the anticipated costs to complete on a development scheme. This includes the expected further construction costs, the effective rate of interest on loans during the construction period, legal costs and other any other costs to completion. Based on the costs to complete, we 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 Executive Directors' best estimate of sales value based on economic conditions within the area of development, and using information available regarding local sales prices.
- Whether leases entered into by the Group 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 appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership properties between current and fixed assets.
- 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 recoverability of the rent receivable balances outstanding at year end.
- Cash collateral held by third parties is reported under current asset investments. This provides greater clarity to users of the financial statements by clearly differentiating investment related balances from other debtors.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

Key sources of estimation uncertainty

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 the Group below. The Association has no Investment Properties.

	Change in assumption	Change in value (£'000)
Investment Properties	Increase/decrease of 10%	2,573

Tangible fixed assets (notes 13 to 15)

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 table below shows the financial impact to changes to the useful economic lives.

Component	Change in assumption	Increase in annual charge (£'000)
Roof	Component life reduced from 60 to 50 years	136
Windows	Component life reduced from 25 to 20 years	376
Kitchen	Component life reduced from 20 to 15 years	982
Bathroom	Component life reduced from 25 to 20 years	342
Boiler	Component life reduced from 12 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. The table below shows the financial impact to changes in those assumptions.

	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

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

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. If a further 10% of our debts over £1k was applied this would see a change in value of £386k.

Valuation of housing stock held for sale

Shared ownership properties where the first tranche is unsold, completed properties for outright sale and properties under construction are valued at the lower of cost and net realisable value (refer to note 2). First tranche sales, outright sales and the general housing market are not below expectation and remain above cost, this is reviewed annually as part of our impairment review. As a result these properties and those in the course of construction are currently held at cost.

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

GROUP	Turnover	Cost of sales	Operating costs	2024 Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings	134,119	-	(92,950)	41,169
Other social housing activities				
First tranche shared ownership sales	21,669	(18,607)	-	3,062
Housing First	3,629	(2,253)	(1,305)	71
Supporting people	2,054	-	(1,951)	103
Properties managed but owned by other organisations	1,072	-	(677)	395
Marketing income	-	-	-	-
Materials supply to other housing provider	1,576	(1,572)	-	4
Community / neighbourhood services	207	-	(1,762)	(1,555)
Other social housing	1,882	-	(391)	1,491
	32,089	(22,432)	(6,086)	3,571
Non-social housing activities				
Developments for sale	1,524	(1,294)	(562)	(332)
Market and commercial rented	2,728	-	(1,229)	1,499
Impairment of Investment Properties	-	-	(12)	(12)
Other non-social housing	1,355	-	(4,270)	(2,915)
	5,607	(1,294)	(6,073)	(1,760)
Surplus on disposal of fixed assets (note 5)				3,747
	171,815	(23,726)	(105,109)	46,727
ASSOCIATION				2024
	Turnover	Cost of sales	Operating costs	Operating surplus
	£'000	£'000	£'000	£'000
Management and development services	35	-	-	35
Materials supply to other housing provider	-	-	-	-
Other	-	-	(53)	(53)
	35	-	(53)	(18)

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

GROUP

	Turnover	Cost of sales	Operating costs	2023 Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings	121,342	-	(89,332)	32,010
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 others	949	-	(715)	234
Marketing income	-	-	-	-
Materials supply to other housing provider	-	-	-	-
Community / neighbourhood services	220	-	(1,629)	(1,409)
Other social housing	2,201	-	(1,847)	354
	29,568	(19,418)	(7,344)	2,806
Non-social housing activities				
Developments for sale	13,480	(9,880)	(546)	3,054
Market and commercial rented	1,998	-	(1,023)	975
Other non-social housing	1,365	-	(693)	672
	16,843	(9,880)	(2,262)	4,701
Surplus on disposal of fixed assets (note 5)				6,394
	167,753	(29,298)	(98,938)	45,911

ASSOCIATION

	Turnover	Cost of sales	Operating costs	2023 Operating deficit
	£'000	£'000	£'000	£'000
Management and development services	35	-	(49)	(14)
Materials supply to other housing provider	-	-	-	-
Other	-	-	-	-
	35	-	(49)	(14)

Particulars of income and expenditure from social housing lettings for the Group are shown on the table overleaf.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

GROUP

	General needs housing £'000	Supported housing* £'000	Low cost home ownership £'000	Key worker housing £'000	Total 2024 £'000	Total 2023 £'000
Rent receivable net of service charges	89,463	11,395	8,963	321	110,142	99,111
Service charge income	4,542	6,915	3,500	-	14,957	11,765
Amortisation of government grants	3,831	699	644	-	5,174	6,542
Government grant taken to income	-	-	-	-	-	-
Other income	1,725	999	1,122	-	3,846	3,924
Turnover from social housing lettings	99,561	20,008	14,229	321	134,119	121,342
Management	(30,415)	(1,218)	(1,734)	(55)	(33,422)	(27,232)
Service charge costs	(4,598)	(8,119)	(3,484)	(86)	(16,287)	(12,655)
Routine maintenance	(11,436)	(1,184)	(172)	(4)	(12,796)	(15,056)
Planned maintenance	(3,662)	(89)	(14)	-	(3,765)	(3,630)
Major repairs expenditure	(4,028)	(418)	(124)	-	(4,570)	(7,448)
Bad debts	(534)	(197)	37	1	(693)	(922)
Property lease charges	(74)	(11)	-	-	(85)	(103)
Depreciation of housing properties:						
-annual charge	(16,430)	(2,051)	(1,804)	(38)	(20,323)	(20,965)
-accelerated on disposal of components	(832)	-	-	-	(832)	(1,178)
Impairment of housing properties	-	-	-	-	-	-
Other costs	(175)	(1)	(1)	-	(177)	(143)
Operating expenditure on social housing lettings	(72,184)	(13,288)	(7,296)	(182)	(92,950)	(89,332)
Operating surplus on social housing lettings	27,377	6,720	6,933	139	41,169	32,010
Void losses	788	437	11	19	1,255	725

* Supported Housing includes Housing for Older People

5. Surplus on sale of fixed assets – housing properties

	Disposal proceeds £'000	Carrying value of asset £'000	Capital grant recycled £'000	Total Surplus 2024 £'000	Total Surplus 2023 £'000
Shared Ownership	4,883	(2,426)	(782)	1,675	2,569
Other Housing properties	4,129	(826)	(1,375)	1,928	3,577
Homebuy	265	(2)	(119)	144	248
Investment properties	-	-	-	-	-
Total	9,277	(3,254)	(2,276)	3,747	6,394

ASSOCIATION

The Association sold no fixed assets (2023:nil).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Operating surplus

This is arrived at after charging:

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Depreciation of housing properties	20,330	20,969	-	-
Accelerated depreciation on component disposal	832	1,178	-	-
Impairment of housing properties	12	-	-	-
Depreciation of other tangible fixed assets	1,252	1,206	-	-
Amounts paid under operating leases:				
-Land and buildings	85	103	-	-
-Vehicles	1,335	881	-	-
-Photocopiers and printers	5	19	-	-
Auditors' remuneration (excluding VAT)				
-for the audit of the financial statements	200	149	49	38
- other audit related services	17	25	-	-

7. Interest receivable and other income

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Interest receivable and similar income	3,286	2,043	1	-
Intra group interest receivable	-	-	25,267	26,097
Interest receivable from JVs	139	73	-	-
Interest from Fixed Asset Investments	75	33	75	33
Income from Fixed Asset Investments	(43)	32	-	-
	3,457	2,181	25,343	26,130

8. Interest payable and financing costs

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Interest and financing costs				
Loans and bank overdrafts	29,202	28,437	25,267	26,097
Net interest payable on pension liabilities	425	297	-	-
Finance leases	234	248	-	-
Payable on recycled grant	783	255	-	-
Arrangement fees amortised or written off	651	386	-	-
Other finance costs including non-utilisation fees and commitment fees	874	829	-	-
	32,169	30,452	25,267	26,097
Interest payable capitalised on housing properties	(4,892)	(3,347)	-	-
	27,277	27,105	25,267	26,097
Other financing costs				
Gain on fair value of non-hedged derivative instruments	-	-	-	-
Financing costs through other comprehensive income				
Gain on fair value of hedged derivative instruments	(2,474)	(20,251)	-	-
	24,803	6,854	25,267	26,097

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Interest payable and financing costs (continued)

Other financing costs include non-utilisation and commitment fees paid, and arrangement fees amortised or written off. Capitalised interest was charged at rates of 4.67% (2023: 4.47%) payable, based on the average weighted cost of borrowing during the year.

9. Gift aid

In respect of the year ended 31 March 2024 the following gift aid payments were made to GPHA by subsidiary and group undertakings: £400k (2023: Nil) by Plumlife. No Gift aid was paid by Cube in respect 2024 (2023: £3,750k). No gift aid was paid by Terra Nova Developments Limited in the year (2023: paid nil). These transactions are eliminated on consolidation.

10. Tax on surplus on ordinary activities

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Current tax charge for the year	23	44	14	4
Current tax adjustment in respect of prior years	3	(37)	-	-
UK corporation tax charge/(credit) for year	26	7	14	4
<i>Deferred tax</i>				
Origination and reversal of timing differences	(68)	50	-	-
Adjustments in respect of prior years	(5)			
Effect of tax rate change on opening balance		-		
Losses and other deductions		-	-	-
Deferred tax - note 11	(73)	50	-	-
Tax on surplus	(47)	57	14	4
Surplus before tax	23,566	21,357	58	19
Whereon corporation tax at the standard rate of 25%	5,871	4,032	14	4
Effects of:				
Exempt charitable activities	(5,784)	(8,760)	-	-
Fixed asset differences	(27)	(42)	-	-
Chargeable gains/(losses)	31	71	-	-
Income not taxable for tax purposes	(97)	(63)	-	-
Expenses not deductible for tax purposes	-	4,995	-	-
Prior Year adjustment	3	-	-	-
Prior Year adjustment – deferred tax	(5)	-	-	-
Gift Aid payments (including post year end)	-	380	-	-
Adjustments in respect of previous periods	-	(38)	-	-
Movement in deferred tax not recognised	(39)	(532)	-	-
Tax rate change	-	12	-	-
Deferred tax charge	(47)	57	14	4

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Tax on surplus on ordinary activities (continued)

The aggregate current and deferred tax relating to items recognised in other comprehensive income for the group and the Association, arising from timing differences in relation to the SHPS pension scheme, is a charge of £0k (2023: £50k).

11. Deferred tax

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At 1 April	287	237	-	-
Fixed asset timing differences	79	50	-	-
Short term timing differences	-	-	-	-
Losses and other deductions	(11)	-	-	-
Capital gains / (losses)	220	-	-	-
At 31st March	575	287	-	-

12. Directors and members

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

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Executive directors	1,198	1,161	-	-
Non-Executive directors	86	97	-	-
	1,284	1,258	-	-

Executive Directors

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

The number of Group and Association Executive Directors who received emoluments (including pension contributions, contractual termination payments, performance bonus and pay in lieu of notice) in the following ranges are shown in the table that follows:

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
£40,001 to £50,000	1	-	-	-
£50,001 to £60,000	-	-	-	-
£60,001 to £70,000	-	-	-	-
£70,001 to £80,000	1	-	-	-
£110,001 to £120,000	-	-	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	-	-	-	-
£150,001 to £160,000	-	-	-	-
£160,001 to £170,000	2	4	-	-
£170,001 to £180,000	1	1	-	-
£180,001 to £190,000	-	-	-	-
£190,001 to £200,000	-	-	-	-
£200,001 to £210,000	-	-	-	-
£210,001 to £220,000	-	1	-	-
£220,001 to £230,000	2	-	-	-

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Directors and members (continued)

The ranges shown above are in relation to the Group's executive directors who were paid solely in respect of the performance of their duties. Emoluments of the highest paid Group and Association Executive was the Chief Executive Officer who received emoluments, excluding pension contributions, totalling £203k (2023: £197k). 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 and employee. A contribution of £20k (2023: £19k) was paid by the employer in addition to those made by the Chief Executive himself.

On 1 April 2010, the Social Housing Pension Scheme ("SHPS") started to collect contributions in respect of historic pension deficits through a lump sum payment levied on the employer, rather than a percentage that could be directly attributed to individual SHPS members. As such the historic deficit pension contributions relating to the Executive Directors cannot be ascertained and are not included in the figures above.

Non Executive Directors

The fees and expenses paid by the Association during the year to the non-executive Directors, its subsidiary Boards and its Committees, are shown in the following table.

Name	Date served (if not for whole period)	GPHG	GPHA	PLUMLIFE	TERRA NOVA	CUBE	A&AC	R&AC	2024 £'000	2023 £'000
Mervyn Jones	-	✓	✓	✓	✓			✓	11	8
Anthony Davison	To 31/12/2023	✓	✓	✓	✓			✓	14	19
Christine Amyes	-	✓	✓	✓	✓			✓	11	11
David Robinson	To 21/9/2023	✓	✓	✓	✓	✓			5	11
Michael Hanson	To 25/6/2022								-	3
Matthew Hemmings	From 21/3/2024	✓	✓	✓	✓		✓		-	-
Simran Soin	From 21/3/2024	✓	✓	✓	✓		✓		-	-
Nicki Clegg	From 21/3/2024	✓	✓	✓	✓				-	-
Nahim Ruhi-Khan	To 30/9/2023	✓	✓	✓	✓		✓		4	8
Patrick Ricketts	-	✓	✓	✓	✓	✓	✓		9	8
Sandra Palmer	-	✓	✓	✓	✓			✓	8	8
Babar Ahmad	To 21/9/2023					✓			2	4
Grenville Page	-	✓	✓	✓	✓		✓		11	10
Emma Mountford	-	✓	✓	✓	✓	✓			7	4
John Williamson	-					✓			4	4
Dean Clegg	From 6/3/2024					✓			-	-
John Paul Case	From 6/3/2024					✓			-	-
									86	98

*A&AC is the Audit and Assurance Committee, R&AC is the Remuneration and Appraisal Committee.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Directors and members (continued)

Other staff

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

	Group		Association	
	2024 No.	2023 No.	2024 No.	2023 No.
£60,001 to £70,000	32	21	-	-
£70,001 to £80,000	16	14	-	-
£80,001 to £90,000	10	6	-	-
£90,001 to £100,000	8	7	-	-
£100,001 to £110,000	5	1	-	-
£110,001 to £120,000	2	1	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	1	1	-	-
£140,001 to £150,000	1	-	-	-
£150,001 to £160,000	-	-	-	-
£160,001 to £170,000	2	4	-	-
£170,001 to £180,000	1	1	-	-
£180,001 to £210,000	-	-	-	-
£210,001 to £220,000	-	1	-	-
£220,001 to £230,000	2	-	-	-

13. 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 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
As at 1 April 2023	1,259,528	134,980	223,379	54,789	1,048	1,673,724
Additions	840	122,263	572	17,700	-	141,375
Components capitalised	21,808	-	-	-	-	21,808
Interest capitalised	-	2,236	-	1,818	-	4,054
Schemes completed	36,017	(36,017)	23,357	(23,357)	-	-
Disposals	(2,446)	-	(3,518)	-	-	(5,964)
Component disposals	(2,990)	-	-	-	-	(2,990)
Transfers of engagements (note 35)	-	-	-	-	-	-
Transfers and acquisitions to other RPs	-	-	-	-	-	-
Reclassified	3,183	-	(3,183)	-	-	-
As at 31 March 2024	1,315,940	222,726	240,607	50,950	1,048	1,832,007
Depreciation and impairment						
Opening balance	(223,795)	-	(13,524)	-	(199)	(237,518)
Charged in year	(18,546)	-	(1,771)	-	(13)	(20,330)
Disposal	750	-	321	-	-	1,071
Component disposals	2,158	-	-	-	-	2,158
As at 31 March 2024	(239,805)	-	(14,602)	-	(212)	(254,619)
NBV as at 31 March 2024	1,076,135	223,462	226,005	50,950	836	1,577,388
NBV as at 31 March 2023	1,035,733	134,980	209,855	54,789	849	1,436,206

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Tangible fixed assets – housing properties (continued)

Interest capitalised

Cumulative interest capitalised in housing properties is £22,759k (2023: £18,705k).

Expenditure to works on existing properties

	2024 £'000	2023 £'000
Amounts capitalised	21,808	13,746
Amounts charged to income statement	4,569	7,448
	26,377	21,194

Housing properties book value, net of depreciation impairment

	2024 £'000	2023 £'000
Freehold land and buildings	1,268,189	1,137,920
Long leasehold land and buildings	309,196	298,284
	1,577,385	1,436,204

ASSOCIATION

The Association has no Housing Properties.

14. Tangible fixed assets – investment properties

GROUP

	Investment Properties completed £'000	Investment Properties under construction £'000	Investment Properties Total 2024 £'000	Investment Properties Total 2023 £'000
At the beginning on the year	25,095	-	25,095	24,691
Additions	-	-	-	119
Transfers on completion	-	-	-	-
Disposals	-	-	-	-
Impairment	(12)	-	(12)	(85)
Transfers of engagements (note 36)	-	-	-	-
Revaluations	659	-	659	370
At the end of the year	25,742	-	25,742	25,095

The surplus on revaluation of investment properties is £659k (2023: £370k). Of this £659k (2023: £370k) 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.

The completed investment properties were valued at 31 March 2024 by Aspin and Company Chartered Surveyors on the basis of Market Value, as defined in the Valuation Global Standards of the Royal Institution of Chartered Surveyors ("Red Book Global").

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Tangible fixed assets – investment properties (continued)

If investment property had been accounted for under the historic cost accounting rules, the properties would have been measured as shown below.

	2024 £'000	2023 £'000
Gross cost	20,203	24,969
Gross cost transferred in from another RP	-	-
Accumulated depreciation based on historical cost	(5,757)	(5,613)
Historical cost net book value	<u>14,446</u>	<u>19,356</u>

ASSOCIATION

The Association has no investment properties (2023: nil).

15. Tangible fixed assets - other

GROUP	Freehold offices £'000	Furniture and Equipment £'000	IT and Computers £'000	Total £'000
Cost				
As at 1 April 2023	12,119	552	5,026	17,697
Additions	426	149	548	1,123
Disposals	-	-	-	-
As at 31 March 2024	<u>12,545</u>	<u>701</u>	<u>5,574</u>	<u>18,820</u>
Depreciation and Impairment				
As at 1 April 2023	(1,645)	(292)	(2,613)	(4,550)
Charged in year	(201)	(107)	(944)	(1,252)
Released on disposal	-	-	-	-
As at 31 March 2024	<u>(1,846)</u>	<u>(399)</u>	<u>(3,557)</u>	<u>(5,802)</u>
NBV as at 31 March 2024	<u>10,699</u>	<u>302</u>	<u>2,017</u>	<u>13,018</u>
NBV as at 31 March 2023	10,474	260	2,413	13,147

The Association has no Freehold offices, Furniture, equipment or IT equipment (2023: nil).

16. Investments – Homebuy loans

GROUP	2024 £'000	2023 £'000
At the beginning of the year	5,395	5,892
Loans redeemed	(120)	(497)
Reclassification	-	-
At the end of the year	<u>5,275</u>	<u>5,395</u>

ASSOCIATION

The Association has no Homebuy loans (2023: nil).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Investments - Fixed asset investment

GROUP

	Shared equity loans £'000	Keepmoat Great Places £'000	Inspiral £'000	Fixed asset investments total £'000
Cost				
As at 1 April 2023	461	-	237	698
Additions	-	-	-	-
Disposal or repayment	-	-	-	-
As at 31 March 2024	461	-	237	698
NBV as at 31 March 2024	461	-	237	698
NBV as at 31 March 2023	461	-	237	698

Inspirial Oldham Holding Company Limited (“Inspiral”) is a company in which the Group has a 5% interest. The other party to the venture is Jura Holdings Limited. Inspirial owns 100% of the share capital of Inspirial Oldham Limited which is the Special Purpose Vehicle that operates the Gateways to Oldham PFI project.

	Associated undertaking KGP £'000	JV Reviva £'000	JV GMJV Fundco LLP £'000	JV Forge New Homes LLP £'000	Joint venture total £'000
Cost					
At the beginning of the year	45	-	961	2,288	3,249
Additions	-	-	1,300	-	1,300
Share of profit / (loss) in joint venture	-	-	-	-	-
Repayment	-	-	-	-	-
At the end of the year	45	-	2,261	2,288	4,549
NBV as at 31 March 2024	45	-	2,261	2,288	4,549
NBV as at 31 March 2023	45	-	961	2,288	3,249

Cube has entered into two joint venture arrangements, with the aim of generating returns from building homes for outright sale. The first arrangement is with nine other registered providers to create GMJV FundCo LLP. GMJV FundCo LLP, together with the Greater Manchester Combined Authority, have invested in Hive Homes (Greater Manchester) LLP. The second arrangement with four other registered providers to create Forge New Homes LLP which plans to build 300 homes a year. Cube will be investing up to £3m as a mix of debt and equity into each of Hive Homes and Forge New Homes.

Keepmoat Great Places Limited (“KGP”) is an associate company in which the Group has a 10% interest and exercises significant influence over the Board of KGP having 2 out of the 5 Board members of KGP. The other party to the venture is Keepmoat Limited. KGP in turn has a 50% share of Sheffield Housing Company Limited. It is not disclosed in the table above as it has a value of less than £1k.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Investments - Fixed asset investment (continued)

ASSOCIATION

	Associated undertaking KGP £'000	Other Investments Inspiral £'000
Cost		
As at 1 April 2023	45	237
Additions	-	-
Disposal or repayment	-	-
As at 31 March 2024	45	237

18. Stock and work in progress

GROUP

	2024 £'000	2023 £'000
Shared ownership properties:		
- completed	9,861	9,797
- under construction	31,016	15,694
Other properties for sale:		
- completed	4,040	-
- under construction	18,592	15,546
Materials stock	901	2,752
	64,410	43,789

The figures above include £1,818k (2023: £2,879k) of capitalised interest.

ASSOCIATION

The association has no stock and work in progress.

19. Debtors

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Due within one year				
Rent and service charges receivable	12,242	10,153	-	-
Provision for bad and doubtful debts	(5,613)	(5,089)	-	-
	6,629	5,064	-	-
Due from subsidiary undertakings	-	-	17,809	20,790
Trade debtors	5,662	1,740	-	-
Social housing grant receivable	42,896	18,775	-	-
Other debtors	4,661	3,972	-	-
Interest rate swap (note 24c)	-	-	503	740
Corporation tax debtor	34	34	130	-
Prepayments and accrued income	7,385	2,704	-	-
	67,479	32,289	18,442	21,530
Due after more than one year				
Due from subsidiary undertakings	-	-	564,848	571,261
Interest rate swap (note 24c)	-	-	4,905	7,142
	-	-	569,753	578,403
Total debtors	67,479	32,289	588,195	599,933

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. Current asset investments

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
SWAP collateral held by counterparties	-	-	-	-
Monies held by loan counterparties	8,744	8,214	-	-
	8,744	8,214	-	-

The monies held by counterparties as collateral for loans or interest rate swaps are held separately to cash at bank.

21. Cash and cash equivalents

Within the cash total £39,847k (2023 £96,369k) is an amount held on behalf of others of £4,389k (2023: £3,449k).

22. Creditors: amounts falling due within one year

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Debt (note 24a)	10,115	12,655	9,109	11,677
Obligations under finance leases (note 24b)	-	61	-	-
Interest rate swap (note 24c)	503	740	503	740
Deferred capital grant (note 25)	5,177	6,806	-	-
Recycled capital grant fund (note 26)	-	-	-	-
Trade creditors	1,979	1,078	-	-
Rent and service charges received in advance	4,483	4,164	-	-
SHG received in advance	75,563	39,142	-	-
Corporation tax	3	(92)	-	(135)
Other taxation and social security	1,411	764	-	-
Leaseholder sinking funds	17,386	17,321	-	-
Other creditors	20,291	21,846	8,449	8,897
Accruals and deferred income	24,901	17,106	54	23
	161,812	121,591	18,115	21,202

Leaseholder sinking funds are held in trust for leaseholders to cover anticipated future expenditure in relation to their sinking fund liabilities.

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

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Debt, net of arrangement fees (note 24a)	670,344	679,246	564,848	571,261
Obligations under finance leases (note 24b)	-	3,096	-	-
Interest rate swap (note 24c)	4,905	7,142	4,905	7,142
Deferred capital grant (note 25)	697,587	610,826	-	-
Recycled capital grant fund (note 26)	15,517	8,916	-	-
	1,388,353	1,309,226	569,753	578,403

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. Debt analysis

Loans are repayable at varying rates of interest in instalments. Further details on interest rates are given in note 27 Financial instruments. Debt is secured by specific charges on the Group's housing properties.

The own-name bond and bank facilities are borrowed by GPHG and then on-lent to its subsidiary GPHA under a guarantee structure, set up in 2007. As such these loans are presented in GPHA as an intercompany loan.

On 22 October 2012, GPHG issued a bond for £200m of which £50m was retained. £150m was on lent to GPHA. The bond was issued at a fixed rate of 4.81% for a term of 30 years. The bond was issued on the Professional Securities Market of the London Stock Exchange.

On 5 December 2013, GPHG sold part of the £50m retained bond. 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%. This was on lent to GPHA.

On 9 October 2014, GPHG sold the final part of the £50m retained bond. The release resulted in the issue of £18.22m of bonds at a spread of 1.02% over the gilt yield to provide a fixed rate funding at an all in cost of 4.002%. This was on lent to GPHA.

On 19 March 2018, GPHG tapped its existing bond issue for £145m, of which £70m was retained for later sale. The bond matures in October 2042, in line with the 2012 issue. £75m was sold when issued, and achieved a spread of 1.40% over the gilt yield to provide a fixed rate of funding at an all in cost of 3.341%. This was on lent to GPHA.

On 27 January 2021, GPHG sold the final part of its £145m bond issue, £70m, that 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%. This was on lent to GPHA.

Total debt is as follows:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Loans: principal and fair value of loans	276,533	284,570	183,286	190,350
Bond Issue and Premium	411,260	413,183	390,670	392,588
	687,793	697,753	573,956	582,938
Less: arrangement fees	(7,334)	(5,852)	-	-
	680,459	691,901	573,956	582,938

The fixed and variable split of debt is as follows:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bond	411,260	413,183	390,670	392,588
Fixed rate	144,247	145,220	51,000	51,000
Variable rate fixed by interest rates swaps (note 24c)	107,000	107,000	107,000	107,000
Variable rate	25,286	32,350	25,287	32,350
	687,793	697,753	573,957	582,938

The group's total debt had a weighted average interest rate of 4.1% at 31 March 2024 (2023: 3.97%). The group's fixed rate debt had a weighted average rate of 4% and a weighted average life of 17 years (2023: 18 years), all including bond premia effective rate.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. Debt analysis (continued)

The association's total debt had a weighted average interest rate of 4.15% (2023: 4%), the association's fixed rate debt had a weighted average interest rate of 4.1%. (2023: 4.05%) and a weighted average life of 17 years (2023: 18 years), all including bond premia effective rate.

Sustainability-linked loan targets (key performance indicators, or KPIs) are ambitious and stretching, whilst being realistic. They are aligned with our corporate ambitions and strategies. During the year to March 2024 we built 95% of new homes to an EPC rating of B or higher, and improved 373 existing properties to an EPC rating of C or higher (was lower).

a Loans repayable

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
In one year or less or on demand	10,115	12,655	9,109	11,677
In more than one year, but not more than two years	17,977	18,865	16,203	17,859
In more than two years, but not more than five years	30,947	29,663	23,205	22,764
In more than five years	628,754	636,570	525,440	530,638
	687,793	697,753	573,957	582,938

b Obligations under finance leases

The Group obligations under finance leases are as follows:

	2024	2023
	£'000	£'000
In one year or less or on demand	-	61
In more than one year, but not more than two years	-	72
In more than two years, but not more than five years	-	298
In more than five years	-	2,726
	-	3,157

The group acquired the freehold of its former finance leases during this financial year, thus it does not have any finance lease debt balance at year end.

ASSOCIATION

The Association has no finance leases.

c Interest rate swaps

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 27 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.

It is the Association which is the legal party to the swap agreements, but GPHA has indemnified the Association against any obligations in relation to the swaps and therefore the ultimate cost is borne by GPHA. The Association shows an equal gain and loss in relation to its fair value asset due from GPHA (debtors note 19) and the fair value liability to the swap counterparties (creditors notes 22 and 23). The fair value movements in the year are set out in note 8, Interest payable and financing costs.

GREAT PLACES HOUSING GROUP LIMITED
Year ended 31 March 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

24. Debt analysis (continued)

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
In one year or less or on demand	503	740	503	740
In more than one year, but not more than two years	573	740	573	740
In more than two years, but not more than five years	1,730	2,257	1,730	2,257
In more than five years	2,602	4,145	2,602	4,145
	5,408	7,882	5,408	7,882

Details of the swap arrangements the Association has entered into are set out below:

Counterparty	Date of transaction	Years	End date	Principal (£m)	Rate
Santander	01/12/2007	25	18/12/2032	10	4.965%
Lloyds Banking Group	01/06/2008	25	20/12/2032	15	4.945%
Royal Bank of Scotland plc	01/12/2007	30	21/12/2037	20	4.920%
Lloyds Banking Group	01/10/2008	20	03/04/2029	16	4.560%
Santander	01/10/2009	17	28/10/2026	5	4.270%
Santander	01/10/2009	26	28/10/2035	5	4.195%
Barclays Bank plc	01/10/2009	20	29/10/2029	5	4.280%
Barclays Bank plc	01/10/2009	22	28/10/2031	10	4.260%
Barclays Bank plc	01/10/2009	25	30/10/2034	10	4.220%
Royal Bank of Scotland plc	01/10/2009	15	20/11/2024	11	4.280%

d Net debt reconciliation

	2023	Cash flows	Movements	2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents	(96,369)	56,522	-	(39,847)
Bank loans (note 24a)	284,570	(7,529)	(509)	276,533
Bond including premium (note 24a)	413,183	-	(1,923)	411,260
Capitalised arrangement fees (note 24a)	(5,852)	(2,134)	651	(7,334)
Finance leases (note 24b)	3,157	-	(3,157)	-
Interest rate swap (note 24c)	7,882	-	(2,474)	5,408
Net debt	606,571	46,859	(7,412)	646,020

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. Deferred capital grant

	Social housing grant £'000	Homebuy grant £'000	Total 2024 £'000	Total 2023 £'000
Total grant at start of period	705,396	5,395	710,791	681,173
Transfer of engagements (note 36)	-	-	-	-
Grants received in the year	92,338	-	92,338	37,243
Grants recycled in the year	(2,156)	(119)	(2,275)	(3,457)
Grants disposed in the year	(201)	(2)	(203)	(4,168)
Total grant at end of period	795,377	5,274	800,651	710,791
Total amortisation at start of period	(93,159)	-	(93,159)	(87,524)
Released to income in the period - social housing	(5,178)	-	(5,178)	(6,547)
Released to income in the period - other	-	-	-	-
Released on disposal	450	-	450	912
Total amortisation at end of period	(97,887)	-	(97,887)	(93,159)
Net book value at end of period	697,490	5,274	702,764	617,632
Net book value at start of period	612,237	5,395	617,632	593,649
Of which:				
Due within one year			5,177	6,806
Due after more than one year			697,587	610,826
			702,764	617,632

ASSOCIATION

The association has no deferred capital grant funds (2023:nil).

26. Recycled capital grant fund

	2024 £'000	2023 £'000
At the beginning of the year	8,915	10,276
Grants recycled		
- Housing Properties	1,375	1,738
- Shared Ownership	782	1,223
- Homebuy	119	496
Interest accrued	783	255
Development of properties: additions	6,838	-
Development of properties: withdrawals	(3,295)	(5,072)
At the end of the year	15,517	8,916
Of which:		
Due within one year	-	-
Due greater than one year	15,517	8,916
	15,517	8,916

ASSOCIATION

The association has no recycled capital grant funds (2023:nil).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. Financial instruments

Financial assets	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Financial assets measured at historical cost:				
- Homebuy loans	5,275	5,395	0	0
- Trade receivables	5,744	1,740	0	0
- Other receivables	61,736	30,342	582,787	592,051
- Current asset investments	8,744	8,214	0	0
- Cash and cash equivalents, available for use	39,847	96,369	64	20
- Cash held for others, unavailable for use	4,389	3,449	0	0
Intragroup derivative financial instrument*	0	0	5,408	7,882
Total financial assets	125,735	145,509	588,259	599,953

Financial liabilities	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Financial liabilities measured at historical cost:				
- Loans payable	680,459	691,901	573,956	582,938
- Trade creditors	1,715	1,078	0	0
- Other creditors	159,554	109,224	8,502	8,783
- Finance leases	0	3,157	0	0
- Deferred capital grant	702,765	617,632	0	0
Derivative financial instruments (hedging)*	5,408	7,882	5,408	7,882
Total financial liabilities	1,550,165	1,430,874	587,866	599,603

*Derivative financial instruments designated as hedges of variable interest rate risk, measured at fair value with the movement in Statement of other comprehensive income.

The cash flows arising from the hedged interest rate swaps will continue until their maturity in the periods November 2024 to December 2037. The change in fair value in the period was a decrease in the liability of £2,475k (2023: decrease of £20,251k) with the entire charge being recognised in Group other comprehensive income as the swaps are all effective hedges. The Association had the same decrease in the liability, and a corresponding increase in its intra-group asset.

The Group has undrawn, committed borrowing facilities of which all conditions precedent have been met. Undrawn, committed borrowing facilities are as follows:

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Expiring in one year or less	-	43,830	-	43,830
Expiring between one and two years	-	-	-	-
Expiring in more than two years	425,000	100,000	425,000	100,000
	425,000	143,830	425,000	143,830

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Pensions

The Group 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 Group 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 Group 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.

A full 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 plan. 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 plan. Deficit contributions will increase at 5.5% p.a. with the first increase in April 2023.

On 1 April 2020 the pension liabilities from Equity Housing Group transferred to the Group as part of the Transfer of Engagements to Great Places Housing Association. On 1 March 2021 the pension liabilities of Great Places Housing Group Limited transferred to Great Places Housing Association when all employees successfully transferred under TUPE (note 35).

The Group's contribution to the SHPS deficit for the year ended 31 March 2024 was £3,079k, (2023: £2,996k). We estimate that the contributions to be paid in the next financial year will be £3,262k.

GPHA closed its defined benefit 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.

We were notified in 2021 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 is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before mid -2025 at the earliest. It is estimated that this could potentially increase the value of the full scheme liabilities by £155m. We note that this estimate has been calculated as at 30th September 2022 on the Scheme's Technical Provisions basis. Until the court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year no adjustment has been made in these financial statement in respect of this.

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Pensions (continued)

Local Government Pension Schemes

The Group 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 2024 there were four active members of the Schemes employed by the Group. The employer’s contribution rate is 19.1% (2023: 19.1%) for SYPA and 20.6% (2023: 20.6%) for GMPF of pensionable pay. We estimate that the contributions to be paid in the next financial year will be £18k.

A full actuarial valuation was carried out at 31 March 2020 and supplementary figures were provided for 31 March 2024 by a qualified independent actuary.

	Group			Restated		
	LGPS £'000	SHPS £'000	Total 2024 £'000	LGPS £'000	SHPS £'000	Total 2023 £'000
Present value of funded obligations	(1,162)	(67,302)	(68,454)	(2,553)	(66,984)	(69,537)
Fair value of plan assets	2,806	54,406	57,212	4,002	55,344	59,346
Net liability	1,644	(12,896)	(11,252)	1,449	(11,640)	(10,191)
Pension surplus not recognised	(1,644)	-	(1,644)	(1,449)	-	(1,449)
Net asset / (liability) recognised	-	(12,896)	(12,896)	-	(11,640)	(11,640)

* Restatement of LGPS defined pension balances for March 22 and March 23. To correct presentation of surplus recognised.

The combined plans for Greater Manchester Pension Fund (GMPF) and South Yorkshire Pension Fund (SYPF) have a gross surplus at the reporting date of £1,644k (2023: £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 Group does not consider that the surplus is recoverable and has therefore capped the asset position at £NIL.

Analysis of the amount charged/(credited) to the income statement:

	Group			Restated		
	LGPS £'000	SHPS £'000	Total 2024 £'000	LGPS £'000	SHPS £'000	Total 2023 £'000
Current service cost	22	-	22	40	-	40
Past service cost	-	-	-	-	-	-
Administrative expenses	-	66	66	-	59	59
Total charge to operating costs	22	66	88	40	59	99
Interest on plan assets	(192)	(2,713)	(2,905)	(120)	(2,523)	(2,643)
Interest on pension scheme liabilities	126	3,204	3,330	127	2,813	2,940
Total charge to other finance costs	(66)	491	425	7	290	297

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Pensions (continued)

Analysis of the amount (charged)/credited to other comprehensive income:

	Group					
	LGPS £'000	SHPS £'000	Total 2024 £'000	Restated LGPS £'000	SHPS £'000	Total 2023 £'000
Restatement LGPS asset not recognised Mar 22 (GMPF)	-	-	-	383	-	383
Restatement LGPS asset not recognised Mar 23 (SYPA & GMPF)	-	-	-	(1,449)	-	(1,449)
Experience on plan assets - gain (loss)	(1,535)	(4,866)	(6,401)	(478)	(37,885)	(38,363)
Experience gains and losses arising on the plan liabilities - gain (loss)	(88)	(651)	(739)	454	2,190	2,644
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	934	685	1,619	55	144	199
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	616	988	1,604	1,698	33,248	34,946
Total other comprehensive income	(73)	(3,844)	(3,917)	663	(2,303)	(1,640)

Changes in present value of defined benefit obligation:

	Group					
	LGPS £'000	SHPS £'000	Total 2024 £'000	LGPS £'000	SHPS £'000	Total 2023 £'000
Defined benefit obligation at start of period	(2,553)	(66,984)	(69,537)	(5,022)	(102,014)	(107,036)
Restatement of opening Mar 22 GMPF net asset	-	-	-	357	-	357
Current service cost	(22)	-	(22)	(40)	-	(40)
Expenses	-	(66)	(66)	-	(59)	(59)
Interest expense	(126)	(3,204)	(3,330)	(127)	(2,813)	(2,940)
Member contributions	(6)	-	(6)	(6)	-	(6)
Actuarial losses (gains) due to scheme experience	(88)	(651)	(739)	454	2,190	2,644
Actuarial losses (gains) due to changes in demographic assumptions	934	685	1,619	55	144	199
Actuarial losses (gains) due to changes in financial assumptions	616	988	1,604	1,698	33,248	34,946
Benefits paid and expenses	83	1,930	2,013	78	2,320	2,398
Defined benefit obligation at end of period	(1,162)	(67,302)	(68,464)	(2,553)	(66,984)	(69,537)

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Pensions (continued)

Changes in fair value of plan assets:

	Group					
	LGPS £'000	SHPS £'000	Total 2024 £'000	LGPS £'000	SHPS £'000	Total 2023 £'000
Fair value of plan assets at start of period	2,553	55,344	57,897	4,389	90,280	94,669
Restatement of opening Mar 22 GMPF net asset	-	-	-	26	-	26
Interest income	192	2,713	2,905	120	2,523	2,643
Experience on plan assets - gain (loss)	109	(4,866)	(4,757)	(478)	(37,885)	(38,363)
Employer contributions	29	3,145	3,174	17	2,746	2,763
Member contributions	6	-	6	6	-	6
Benefits paid and expenses	(83)	(1,930)	(2,013)	(78)	(2,320)	(2,398)
Assets acquired in a business combination (note 35)	-	-	-	-	-	-
Assets transferred within Group companies	-	-	-	-	-	-
Fair value of plan assets at end of period	2,806	54,406	57,212	4,002	55,344	59,346
Plan asset not recognised	(1,644)	-	(1,644)	(1,449)	-	(1,449)
Fair Value of plan assets recognised at end of period	1,162	54,406	55,568	2,553	55,344	57,897

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:

	Group				Association	
	2024 LGPS % per annum	2024 SHPS % per annum	2024 Total % per annum	2023 Total % per annum	2024 Total % per annum	2023 Total % per annum
Discount rate	4.80% - 4.85%	4.92%	4.80% - 4.92%	4.75% - 4.84%	4.92%	0.00%
Pension increase	0.00% - 0.00%	3.11%	0.00% - 3.11%	0.00% - 3.17%	3.11%	4.84%
Inflation rate (CPI)	2.75% - 2.80%	2.79%	2.75% - 2.79%	2.79% - 3.00%	2.79%	3.17%
Salary Growth	3.35% - 3.60%	3.79%	3.35% - 3.79%	3.55% - 3.80%	3.79%	2.79%
Allowance for commutation of pension for cash at retirement			75.00%	75.00%	75.00%	75.00%

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

Mortality Assumptions	2024	2024	2024	2023
	LGPS	SHPS	Total	Total
Life expectancy at age 65 (Years)				
Male retiring now	19.1 - 20.6	20.5	20.5 - 20.6	20.5 - 21.0
Female retiring now	22.7 - 23.6	23.0	23.0 - 23.6	23.4 - 23.7
Male retiring in 20 years	21.2 - 21.4	21.8	21.4 - 21.8	21.5 - 22.2
Female retiring in 20 years	23.9 - 25.0	24.4	24.4 - 25.0	24.9 - 25.2

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Pensions (continued)

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

	2024		2023		2023	
	LGPS £'000	%	SHPS £'000	%	Total £'000	%
Equities	800	68.8%	11,213	20.6%	12,013	21.6%
Bonds	233	20.0%	6,762	12.4%	6,995	12.6%
Property	103	8.8%	8,032	14.8%	8,135	14.6%
Cash/Liquidity	27	2.3%	1,074	2.0%	1,101	2.0%
Other	-	0.1%	27,325	50.2%	27,325	49.2%
Total	1,162	100.0%	54,406	100.0%	55,568	100.0%

No association details are included as there was no scheme specific to the association.

29. Provision for liabilities

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
At 1 April	287	237	-	-
Prior year adjustment – deferred tax	5	-	-	-
Charged to profit or loss	(78)	-	-	-
Charged to other comprehensive income	-	50	-	-
	214	287	-	-

30. Employees

Average monthly number of employees, including the Executive team, expressed as full time equivalents, is as follows:

Employee Number Full time equivalents)

	Group		Association	
	2024 No	2023 No	2024 No	2023 No
Administration	220	205	-	-
Housing, support and care	335	314	-	-
Maintenance	261	214	-	-
Development	100	76	-	-
	916	809	-	-

Employee costs

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Wages and salaries	34,528	28,285	-	-
Social security costs	3,281	2,818	-	-
Other pension costs	2,005	1,607	-	-
	39,814	32,710	-	-

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

31. 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.

	2024	2023
	£	£
Shares of £1 each issued and fully paid		
At the beginning of the year	8	9
Shares issued during the year	4	-
Shares surrendered during the year	(3)	(1)
At the end of the year	9	8

32. Financial commitments

Capital commitments for the Group were as follows:

	2024	2023
	£'000	£'000
Expenditure contracted but not provided for in the accounts	307,165	231,827
Expenditure authorised by the Board, but not contracted	96,821	79,339
	403,986	311,166

Capital commitments will be funded as follows:

	2024	2023
	£'000	£'000
Existing loan facilities	181,406	136,753
First tranche and market sales	35,866	42,801
Grants	136,138	38,867
Existing reserves	50,576	92,746
	403,986	311,167

ASSOCIATION

The association has no capital commitments at the balance sheet date (2023:nil).

Operating leases

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

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
In one year or less or on demand	1,239	349	-	-
In more than one year, but not more than two years	1,180	245	-	-
In more than two years, but not more than five years	2,804	311	-	-
In more than five years	764	840	-	-
	5,987	1,745	-	-

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

33. Accommodation in management and development

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

	Owned not managed	Managed not owned	Owned and Managed	2024 Total Owned and Managed	2023 Total Owned and Managed
General Needs - social rent	39	672	10,086	10,797	10,763
General Needs - affordable rent	0	124	6,110	6,234	5,883
Low Cost Home Ownership	9	69	3,401	3,479	3,328
Supported Housing	201	76	1,095	1,372	1,395
Supported - Housing for older people	0	0	457	457	478
Intermediate Rent	0	0	304	304	315
Non Social Rented	3	247	289	539	307
Social Leased	0	216	1,190	1,406	1,364
Non Social Leased	0	1,764	99	1,863	1,641
Total	252	3,168	23,031	26,451	25,474

Reconciliation of unit numbers:

	General Needs - social rent	General Needs - affordable rent	Low Cost Home Ownership	Supported housing	Intermediate rent	Other	Total
Opening unit numbers	10,763	5,883	3,328	1,873	315	3,312	25,474
Reclassification of tenure	41	-	6	(41)	(3)	-	3
Other additions	1	2	1	10	-	12	26
New stock acquired	34	296	161	-	-	-	491
New stock into management	-	41	34	-	-	470	545
Management contracts handed back	-	-	-	-	-	(20)	(20)
Sales to the open market	(17)	(2)	-	(10)	(1)	-	(30)
Sales to tenants leasehold	(8)	(5)	(24)	-	-	31	(6)
Other sales	-	-	(27)	-	(1)	(1)	(29)
Remodelling of scheme	-	-	-	(3)	-	4	1
Lease hand backs	(3)	(1)	-	-	-	-	(4)
Move from social rent stock category	(42)	(22)	-	-	(6)	-	(70)
Move to social rent stock category	28	42	-	-	-	-	70
Net change in stock	34	351	151	(44)	(11)	496	977
Closing unit numbers	10,797	6,234	3,479	1,829	304	3,808	26,451

ASSOCIATION

The Association has no homes in management, or under development or managed by others (2023: nil).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

34. Contingent liabilities and cross guarantees

The Group has acquired a number of properties from other registered providers which had social housing grant (SHG) attached. In line with the SORP these transactions were recorded at fair value and the SHG is not shown on the balance sheet of the Group. The Group has a future obligation to recycle such grant once the properties are disposed of. At 31 March 2024, the value of grant received in respect of these properties that had not been disposed of was £27,613k (2023: £27,639k).

Cross guarantees

Following the refinancing exercise in December 2007 by GPHG, cross guarantees are in place with GPHA. These facilities are loans to GPHG and then on-lent to GPHA under a guarantee structure; i.e. the loans are secured against the assets of both the Association and those of GPHA. The guarantee structure also covers the interest rate swaps entered into by GPHG. As disclosed in note 27, £583m (2023: £592m) of the Group's loans are on lent to GPHA under this arrangement, of which £565m (2023: £571m) is due greater than one year.

The Board has provided a letter of support to its ultimate subsidiary Terra Nova Developments Limited which reflects the financial support for the subsidiary within the context of a Board-approved business plan.

35. Related parties

The Group has taken advantage of the exemption available under FRS 102 not to disclose transactions with wholly owned subsidiary undertakings.

Transactions with related entities

The Association provides management services, other services and loans to its subsidiaries and receives payment for these services from its subsidiaries. The quantum and basis of those payments is set out below:

	Management charges		Interest charges	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Non-regulated entities				
Cube Homes Limited	194	217	1,106	584
Regulated entities				
Great Places Housing Association	35	(763)	25,267	26,097
Plumlife Homes Limited	-	244	-	-
	229	(302)	26,373	26,681

Intra-group management fees

Intra-group management fees are receivable by the Association from subsidiaries to cover the operating costs the Association incurs on behalf of managing its subsidiaries and providing services. As all Group employees are employed by GPHA there will be no further cross charging of management services.

Intra-group interest charges

Intra-group interest is charged by the lending Association to its subsidiaries at an agreed commercial rate. At present the only such arrangement is in respect of a loan facility to a maximum of £40m provided by GPHA to Cube, approved by the Boards of GPHA, Cube and GPHG in November 2018. The loan is advanced in instalments to meet approved expenditure on development for sale, market rent projects and joint ventures. Loan repayments are made as soon as sales receipts are received and the balance at 31 March 2024 was £25,423k (2023: £15,602).

GREAT PLACES HOUSING GROUP LIMITED

Year ended 31 March 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

35. Related parties (continued)

Transactions with non-regulated entities

During the year GPHA had intra-group transactions with its subsidiary Terra Nova of £30,648k (2023: £15,043k) relating to housing property design and build services, as well as in house construction services.

36. Acquisitions / Transfers

There were no acquisitions or transfers of engagement in the prior year ended 31 March 2024.

37. Group structure

Great Places Housing Group Limited is the parent entity and controlling party of a Group with the following subsidiaries:

- Great Places Housing Association (GPHA)
- Plumlife Homes Limited
- Cube Homes Limited (a wholly owned subsidiary of GPHA)
- Terra Nova Developments Limited (a wholly owned subsidiary of GPHA)

GPHA is registered under the Co-operative and Community Benefit Societies Act 2014 and is a registered charitable social landlord.

Plumlife Homes Limited is registered under the Co-operative and Community Benefit Societies Act 2014 and is a registered non-charitable social landlord.

The undernoted subsidiaries are registered under the Companies Act 2006, are registered in England and are limited by shares:

Terra Nova Developments Limited	Percentage held or controlled - 100%
Cube Homes Limited	Percentage held or controlled - 100%

Of the subsidiaries, Great Places Housing Association, Cube Homes Limited, Plumlife Homes Limited and Terra Nova Developments Limited traded during the year. The Group has an interest in several Joint Venture companies and one Associate as detailed in note 17.

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.