



Homes Plus

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2024

Homes Plus
Acton Court, Acton Gate, Stafford, ST18 9AP

Registration No. 28312R

A member of The Housing Plus Group

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BOARD MEMBERS, EXECUTIVE OFFICERS, AUDITORS, ADVISORS AND BANKERS

Registered Office	Acton Court, Acton Gate, Stafford, ST18 9AP
Homes Plus	Registered Community Benefit Society No: 28312R Registered by the Regulator of Social Housing No: LH4121
Internal Auditors	Beever and Struthers 20 Colmore Circus Queensway, Birmingham, B4 6AT
External Auditors	KPMG LLP Chartered Accountants and Statutory Auditors, One Snowhill, Birmingham, B4 6GH
Legal Advisors	Anthony Collins LLP 134 Edmund Street Birmingham, B3 2ES
	Trowers & Hamlins LLP 55 Princess Street Manchester, M2 4EW
Bankers	Barclays Bank PLC, One Snowhill, Birmingham, B3 2WN
Funders	M&G, Laurence Pountney Hill, London, EC4R 0HH
	Aviva Investors, Structured and Private Debt, St Helen's 1 Undershaft, London, EC3P 3DQ
	Shropshire Council, The Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND

BOARD MEMBERS, EXECUTIVE OFFICERS, AUDITORS, ADVISORS AND BANKERS (continued)

Board of Management

J Burt (Chair)
C Royall
J Pert
R Barber (Resigned 31 December 2023)
E Harrison (Resigned 31 December 2023)
H Bowman (Resigned 30 September 2023)
C Purdy OBE

Chief Executive

S Boden

Executive Directors

Executive Director of Finance and Transformation

V Whibley (Maternity leave from 13 November 2023)

Interim Executive Director of Finance

P Holland (Appointed 23 October 2023)

Interim Executive Director of Transformation

J Roche (Appointed 23 October 2023)

Executive Director of Housing and Care

L Clarke

Executive Director of Property

A Kenny

Company Secretary

I Molyneux

REPORT OF THE BOARD

The principal activities of the company is the development and management of affordable housing for people in housing need together with appropriate support services in the West Midlands.

Homes Plus is an exempt charity and is also registered with the Regulator of Social Housing (LH4121), and operates four key business streams:

- housing for rent, primarily for customers who are unable to rent or buy at open market rates;
- supported housing for people who need additional housing-related support;
- care housing for older people; and
- low cost home ownership, primarily shared ownership.

Homes Plus is a member of The Housing Plus Group (Housing Plus). Housing Plus, Homes Plus ultimate controlling party, is a non-housing assets holding company which provides the central services for Homes Plus such as finance, human resource advice, information technology, development advice and management, property care services, legal services, health and safety advice and corporate publicity.

Housing Plus has prepared a Group Strategic Report to accompany the consolidated financial statements. Homes Plus has taken the exemption not to provide a full strategic report within its own financial statements in line with the Statement of Recommended Practice for registered social housing providers 2018 update. The Statement of Compliance with regulatory policies is available in the Group Strategic Report.

Business & financial review

Homes Plus achieved an operating surplus of £32.9m an increase of £5.7m compared to 2022/23. The Association achieved an overall surplus on the sale of assets of £4.2m (2023 £4.4m). Homes Plus continues to re-invest its surpluses into new housing stock and ended the year with 19,008 social housing units, a net increase of 102 on the previous year after Right to Buy (RTB) stock losses.

Arrears performance at the end of the year was 1.58% (2023: 1.90%) with average arrears levels of £394 (2023: £343) per case.

Board Members and Executive Officers

Homes Plus is governed by a Board of Management composed of seven non-executive members. Homes Plus is managed by a senior management team headed by the Chief Executive and supported by the Executive Director of Finance and Transformation, Executive Director of Housing and Care and Executive Director of Property. The Executive Management Team attends Board meetings.

Each member of the Board, holds one share of £1 in the Association. The Executive Officers of Homes Plus hold no interest in the Association's share capital and, although they do not have legal status of Directors they act as Executive Officers within the authority delegated to them by the Board and are termed Directors. Housing Plus has purchased Directors' and Officers' Liability Insurance for the Board Members, Executive Officers and staff of Housing Plus and Homes Plus. Members of the Board receive remuneration.

REPORT OF THE BOARD (continued)

The remuneration of the Board, the Chief Executive and the other Executive Officers is determined by the Housing Plus Board. External professional advice is sought as necessary to ensure that regard is taken of remuneration levels in similar companies and the market place.

Governance

Homes Plus complies with the Regulator of Social Housing's Governance and Financial Viability Standard. In October 2019 the Group confirmed its adoption of the National Housing Federation's "Code of governance: Promoting board excellence for housing associations (2015 edition)" as its approved Code of Governance and confirms that the Group complies fully with the Code in all respects. The Group has since adopted the 2020 edition of the National Housing Federation's Code of Governance.

Going concern

The Board has assessed and approved the Group's 30-year Business Plan and Homes Plus financial forecasts. The business plan has been subject to various stress scenarios, including the severe but plausible downturn scenarios of such as higher than forecast inflation, higher than forecast Bank of England base rates, changes to the Government's rent settlement agreement, downturn of the UK housing market or other adverse operational issues. Based on our projections, we believe we will meet all covenants and liquidity requirements. Notwithstanding the net current liabilities of £7m the Group and Homes Plus has available cash and borrowing facilities which are sufficient to meet its ongoing obligations for at least 12 months. Homes Plus has access to undrawn facilities of £28.5m.

Consequently, the Board is confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Statement of compliance

The Board confirms that the Housing Plus Group Strategic Report has been prepared in accordance with the principles set out in the Statement of Recommended Practice for registered social housing providers 2018 update.

The Board confirms that The Housing Plus Group has complied with all relevant regulatory and legal requirements. The Board confirms this for The Housing Plus Group and its subsidiaries through appropriate policies and procedures and a strong control framework (described in the Housing Plus Statement of Internal Controls). The Board also reviews the effectiveness of the control framework and the assurance received from it including receiving external reviews from the Internal Auditor.

REPORT OF THE BOARD (continued)

Statement of Board's responsibilities in respect of the Board's report and the financial statements

The Board are responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Association's Board to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for that period.

In preparing the Association financial statements, the Board is required to: select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

The Board Members who held office at the date of approval of this Board report confirm that, so far as they are each aware, there is no relevant audit information of which Homes Plus' auditors are unaware; the Board Members have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant

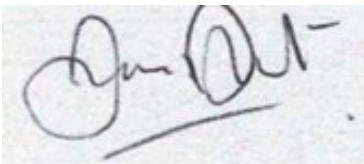
REPORT OF THE BOARD (continued)

audit information and to establish that Homes Plus' auditors are aware of that information.

Independent auditors

A resolution to appoint External Auditors will be proposed at the next Annual General Meeting.

**By Order of the Board
16 July 2024**



**Jason Burt
Chair**



**Jeremy Pert
Board member**



**Irene Molyneux
Company Secretary**

Independent auditor's report to Homes Plus Limited

We have audited the financial statements of The Homes Plus Limited ("the association") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and related notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of affairs of the association as at 31 March 2024 and of the income and expenditure of the association for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The association's Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the association or to cease its operations, and as they have concluded that the association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the association's business model and analysed how those risks might affect the association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at

Independent auditor's report to Homes Plus Limited (continued)

the time they were made, the above conclusions are not a guarantee that the association will continue in operation

that the association will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Board, the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Association’s policies and procedures to prevent and detect fraud, including the internal audit function, and the Association’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Obtaining a copy of the Association’s fraud register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet loan covenants and regulatory performance targets, we perform procedures to address the risk of management override of controls, in particular the risk that association management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates such as valuation of pension liabilities and valuation of investment properties. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is derived from routine transactions with limited management incentive and opportunity to fraudulently recognise revenue.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

Independent auditor's report to Homes Plus Limited (continued)

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors (as required by auditing standards), and from inspection of the Association's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related co-operative & community benefit society, and taxation legislation, pensions legislation and specific disclosures required by housing legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: anti-bribery, health and safety, employment law and regulatory oversight by the Care Quality Commission recognising the regulated nature of the association's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Other information

The Association's Board is responsible for the other information, which comprises the Board's Annual Report, the Statement on Internal Controls. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

We have nothing to report in these respects.

Independent auditor's report to Homes Plus Limited (continued)

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Board's responsibilities

As explained more fully in their statement set out on page 5, the association's Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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

Independent auditor's report to Homes Plus Limited (continued)

responsibility to anyone other than the association for our audit work, for this report, or for the opinions we have formed.



Sarah Brown
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

12 August 2024

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2024

	Note	2024	2023
		£'000	£'000
Turnover	3	119,280	107,925
Cost of sales	3	(10,093)	(7,223)
Operating expenditure	3	(81,033)	(78,207)
Gain on disposal of property, plant and equipment (fixed assets)	4	4,173	4,372
Movement in fair value of investment properties	14	595	382
Operating surplus		32,922	27,249
Interest receivable and similar income	5	1,554	947
Interest and financing costs	6	(22,932)	(19,493)
Distribution received from subsidiary		-	228
Gift aid received from subsidiary		115	5
Surplus before tax	7	11,659	8,936
Taxation on surplus	8	(262)	(64)
Surplus for the year		11,397	8,872
Actuarial (loss)/ gain in respect of pension schemes	24	(309)	13,538
Total comprehensive income for the year		11,088	22,410

All the turnover and surplus disclosed above are derived from continuing activities.

The accompanying notes on pages 15 to 57 form part of these financial statements.

The above surplus/(deficit) is based on historic costs.

STATEMENT OF CHANGES IN RESERVES
for the year ended 31 March 2024

	2024		
	Income and Expenditure Reserve	Restricted Reserve	Total Reserves
	£'000	£'000	£'000
Balance at 1 April	192,140	7,921	200,061
Capital spend in year	-	(228)	(228)
Total surplus from Statement of Comprehensive Income	10,909	488	11,397
Actuarial losses on defined benefit pension scheme	(309)	-	(309)
Other comprehensive income for the year	(309)	-	(309)
Balance at 31 March	202,740	8,181	210,921

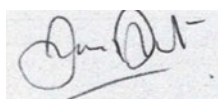
	2023		
	Income and Expenditure Reserve	Restricted Reserve	Total Reserves
	£'000	£'000	£'000
Balance at 1 April	172,417	5,390	177,807
Capital spend in year	-	(156)	(156)
Total surplus from Statement of Comprehensive Income	6,185	2,687	8,872
Actuarial gains on defined benefit pension scheme	13,538	-	13,538
Other comprehensive income for the year	13,538	-	13,538
Balance at 31 March	192,140	7,921	200,061

The accompanying notes on pages 15 to 57 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Note	2024	2023
		£'000	£'000
Fixed Assets			
Intangible assets	11	5,178	3,616
Tangible fixed assets			
Housing properties	12	661,170	639,738
Other tangible fixed assets	13	5,612	5,792
Investment properties	14	22,839	22,231
		694,799	671,377
Assets: amounts receivable after more than one year			
Debtors	16	24,300	20,800
Pension asset	23	27	134
		24,327	20,934
Current assets			
Stocks	15	4,494	9,115
Debtors	16	7,432	6,293
Investments		7	7
Cash and cash equivalents		1,661	9,872
Less: Creditors: Amounts falling due within one year	17	(21,032)	(26,320)
Net current (liabilities)/ assets		(7,438)	(1,033)
Total assets less current liabilities		711,688	691,278
Creditors: Amounts falling due after more than one year			
Pension Provision	18 23	(497,357) (3,410)	(487,557) (3,660)
Total net assets		210,921	200,061
Reserves			
Income and expenditure reserve		202,740	192,140
Restricted reserve		8,181	7,921
Total reserves		210,921	200,061

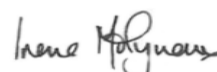
The financial statements were approved by the Board and authorised for issue and are signed on its behalf on 16th July 2024 by:



J Burt
Chair



Jeremy Pert
Board Member



I Molyneux
Company Secretary

The accompanying notes on pages 15 to 57 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Homes Plus is an exempt charity, registered as a Co-operative and Community Benefit Society and it is registered also with the Regulator of Social Housing (LH4121), under the Housing and Regeneration Act 2008, as a social landlord. Homes Plus is a public benefit entity as described by FRS102.

2. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (FRS102), and the Statement of Recommended Practice for registered social housing providers 2018 update. The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The financial statements have been prepared under the historic cost convention.

As part of their normal annual review and budget approval process, the Board of Management have reviewed the 30 year business plan for Homes Plus, who operate as a funding group with Housing Plus Group Finance Limited and are integral to Housing Plus Group

The Group board reviewed the 30 year financial plans in May 2024, as part of its normal annual review and budget approval process. The Homes Plus financial plans were stress tested and mitigation plans noted. The Group's principal financial risks were also considered at this time. At that time, the Group Board was satisfied that The Housing Plus Group and all of its subsidiaries had sufficient resources, taking account of severe but plausible downsides, such as higher than forecast inflation, higher than forecast Bank of England base rates, changes to the Government's rent settlement agreement, downturn of the UK housing market or other adverse operational issues, to continue operating for the foreseeable future and accounts have been prepared in the reasonable expectation that The Housing Plus Group is a financially viable organisation.

The financial performance of Homes Plus remained strong in 2023/24. Homes Plus ended the year with an arrears figure of 1.58% against a corporate target of 3% which is testament to the hard work of staff across the organisation.

In terms of access to future funding, the Group has significant surplus security and during the year renegotiated its loan facility with the Groups largest lender and entered into new facility agreements using an MVT-STT valuation methodology, allowing for significant security to be released. The Group currently has c. £207m (EUV-SH) of uncharged/unallocated properties which could be used to secure new funding when required.

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31st March 2024 the Association had £1.7m of cash and access to a further £28.5 million of undrawn borrowing facilities within Housing Plus Group Finance Limited. The Board is satisfied that this funding is available as Housing Plus Group Finance Limited and Homes Plus are integral to the Group as set out in the 30 year business plan.

Given the strength of the Statement of Financial Position and availability and liquidity of undrawn loan facilities the Board believe that while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Association's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from signing of the accounts and audit report.

The Board therefore consider it appropriate for the accounts to be prepared on a going concern basis.

FRS102 Exemptions

The Association is a wholly owned subsidiary and is exempt from the requirement to prepare consolidated financial statements. In preparing separate financials statements the Association has taken advantage of the disclosure exemption in FRS 102 and has not prepared a cash flow statement.

A summary of the key accounting policies, which have been applied consistently across all entities, is set out below with intercompany transactions and balances being eliminated in full.

Turnover

Turnover represents rental and service charge income receivable net of voids, sales of first tranche shared ownership properties, grant amortisation and care services income for the year. Turnover (representing those items listed above) in the financial statements notes are analysed to identify General Needs, Supported Housing, Care Housing and Shared Ownership properties.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Income from Low Cost Home Ownership sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Service charges, Supporting People Income and care services are recognised when the service has been performed and expenditure incurred.

Value Added Tax (VAT)

The Association's main income stream, being rent, is exempt for value added tax (VAT) purposes. The financial statements include VAT to the extent that it is suffered by the Association and not recoverable from HM Revenue and Customs (HMRC). The

NOTES TO THE FINANCIAL STATEMENTS (continued)

Association is able to reclaim VAT in line with a Partial Exemption Special Method agreed with HMRC.

VAT reclaimed under the partial exemption method is calculated using a sectorised approach, allowing the different activities of the Group to be assessed separately for recovery based on the VAT treatment of the supply.

The balance of VAT payable to or recoverable at the year-end is included in the financial statements as a current liability or asset.

Interest and financial costs

Interest and financial costs represent the cost of financing the purchase of those properties transferred and property acquisitions as well as new development. Loans are secured on the majority of Homes Plus housing assets.

Interest and financial costs are charged to the Statement of Comprehensive Income in the year in which they are incurred.

Pensions

Homes Plus participates in two defined benefit schemes, the Housing Plus Pension Scheme (HPPS) and the Staffordshire County Council Local Government Pension Scheme (Staffordshire LGPS). The assets of the funds are kept separately from those of the Group being invested in independently managed superannuation funds.

The Association has accounted for the both the HPPS and LGPS as defined benefit schemes. The net liability (or asset, to the extent it is recoverable) is calculated by estimating the amount of future benefit that employees have earned to date, discounted to present value, and deducting the fair value of the scheme's assets. Changes in this net defined benefit liability arising from employee service, introductions, benefit changes, curtailments and settlements during the period are recognised in operating costs. The net interest expense (or income) on the net liability (or asset) for the period is recognised as other finance cost (or income). Re-measurement of the net liability (or asset) is recognised as actuarial gains/losses in Other Comprehensive Income.

Holiday pay accrual

A current liability is recognised for any unused holiday pay entitlement which has accrued at the Statement of Financial Position date. This is measured at the undiscounted salary cost of the future holiday entitlement at the Statement of Financial Position date.

Housing properties

Housing properties are principally properties available for rent. Completed housing properties for lettings are stated at cost less accumulated depreciation and

NOTES TO THE FINANCIAL STATEMENTS (continued)

accumulated impairment losses. The cost includes costs of acquiring land and buildings, development costs incurred during the development period and other directly attributable costs. Housing properties under construction are stated at cost less accumulated impairment losses.

Completed housing properties are split between their land and structure costs. Freehold land is not depreciated. Housing properties are depreciated on a straight line basis over the useful economic life of the assets. The depreciable amount is arrived at on the basis of original cost.

Homes Plus's housing assets are depreciated as follows:

- Depreciation is charged from the date of acquisition or practical completion of works.
- Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.
- Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, at the following annual rates:
 - Structure 50-120 years
 - Roof 60 years
 - Kitchens 20 years
 - Bathrooms 30 years
 - Heating System/Boilers 15 years
 - Wiring System 30 years
 - Lifts 30 years
 - UPVC External Doors 30 years
 - UPVC Windows 30 years
 - Porches 30 years
 - Solar Panels 30 years

Capitalisation

Works to existing properties which replace a component that has been treated separately for depreciation purposes are capitalised as improvements.

Major improvements and renovation of housing properties which extend the life of the asset, increase the rent or considerably reduce the future routine maintenance are capitalised and depreciated over the useful economic life of the asset.

Staff and other costs that are directly attributable to bringing housing properties to practical completion are capitalised. Development costs not capitalised are shown as other activities in the Statement of Comprehensive Income for the year.

Interest costs relating to new development are capitalised. The interest charged reflects the net interest paid over the period of development.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Accounting for grants

Homes Plus receives Social Housing Grant and grants from Local Authorities. Any grants provided to reduce the capital cost of housing properties held at cost or specific components of housing properties, are recognised by Homes Plus using the accrual model. It means that grants are released to the Statement of Comprehensive Income, on a systematic basis over the expected useful life of the housing property structure or if a Disabled Facilities Grant over the expected useful life of the bathroom.

If an asset (housing property or its component) is disposed of, for which grant was received, and there is no obligation to repay the grant, any grant remaining within liabilities on the Statement of Financial Position is released to the Statement of Comprehensive Income. If the grant is available to be recycled it is credited to a Recycled Capital Grant Fund and included as a liability in the Statement of Financial Position.

Any grants received in respect of revenue expenditure are recognised in the Statement of Comprehensive Income as they become receivable.

Sale of housing property

Under shared ownership arrangements, Homes Plus sells a long-term leasehold interest of Shared Ownership housing units to persons who occupy them at a lease premium equal to between 25% and 100% of open Market Value. Proceeds of sale of first tranches are accounted for as turnover in the Statement of Comprehensive Income. The total property cost is apportioned between the shared ownership element and the element remaining in Homes Plus's ownership based on the percentage tranche sold or estimated to be sold. The estimated first tranche value of properties that are developed for sale and are either unsold or work in progress are included in current assets. Subsequent tranches ('Staircasing') are accounted for as disposals. The remaining unsold element remains on the Statement of Financial Position as a fixed asset and is subject to an annual impairment review.

Under Right to Buy and Right to Acquire arrangements Homes Plus sells properties to qualifying tenants. Due to the nature of the transfer with the Local Authorities it is not possible to separately identify the value of each property sold. An average value is eliminated from the property assets following each sale and charged to the Statement of Comprehensive Income. Receipts from Right to Acquire sales are required to be retained in a ring-fenced fund that can only be used for providing replacement housing. The sales receipt less eligible expenses are held in a disposal proceeds fund, which is held in creditors (either current or long-term dependent on when it is anticipated to be used).

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. The Group's intangible assets include licences, warranties and software. These are stated at cost less accumulated amortisation and any accumulated impairment losses. The cost includes cost of asset purchase and other directly attributable costs.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Intangible assets are amortised on a straight-line basis over the useful economic life of the assets as follows:

Software warranties & licences	5 years
Business Transformation costs	7 years

Other tangible fixed assets

Other tangible assets are depreciated on a straight-line basis over the useful economic life of the asset as follows:

Office Structure	60 years
Vehicles	4 years
Furniture & Equipment	5 years
Photocopiers	3 years
IT Hardware	3 years

The threshold for capitalisation is £500 for a single asset or group of assets.

Impairment

Homes Plus carries out an annual impairment review of individual tangible fixed assets and cash generating units. The review takes into account internal and external indicators of impairment including obsolescence, physical damage, expected cashflows, replacement values, market factors and government policy. Homes Plus considers cash generating units to be schemes or geographical areas depending on size.

Where an indicator of impairment exists an impairment assessment is performed where the carrying amount is compared to the recoverable amount. If the carrying amount of an asset or cash generating unit exceeds the higher of the value in use or fair value less costs to sell then the loss is charged to the Statement of Comprehensive Income as expenditure and as a separate line within operating expenditure where it is considered to be material.

Leased assets

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and the estimated sales price less costs to complete and sell.

Debtors and creditors

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenditure.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity. The Association accounts for its financial instruments using sections 11 'Basic Financial Instruments' and 12 'Other Financial Instruments Issues' of FRS102.

The Association's financial instruments are all currently classified as basic and include rent receivable, trade creditors, cash and loans.

Basic financial instruments are initially recognised at transaction price and in subsequent years at amortised cost. Financial assets are derecognised when the rights to the cash flows from the asset expire or are settled. Financial liabilities are derecognised when the obligation is discharged, cancelled or expired. Any difference between the consideration paid or received and the amounts derecognised are recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents consists of cash at bank, cash in hand, deposits and short term investments with an original maturity of three months or less.

Taxation

The Association is registered as a charity with HM Revenue & Customers. By virtue of S.478 Corporation Tax Act 2010, the Association is exempt from corporation tax. The Association pays corporation tax at the rate applicable on any surplus it generated from non-charitable activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Provisions

The Association only provides for when:

- there is a present legal or constructive obligation, resulting from a past event, at the Statement of Financial Position date;
- it is probable that a transfer of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date.

The Association sets a provision against rent arrears of current and former tenants based upon historic trends relating to write offs. All other receivables including trade receivables are provided for on a case by case basis. A contingent liability exists on grant repayment which is dependent on the disposal of the related property.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Association or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Association does not recognise a contingent liability but discloses its existence in the financial statements.

Reserves

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds.

Key estimates and judgements

The preparation of the financial statements requires the use of certain accounting estimates and judgements concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i). Impairment of assets

The Association assesses whether there is any indicator of impairment. Where an indication of impairment exists then an estimate must be made of the recoverable amount of the cash generating unit (CGU). This can require estimation of future cash flows from the CGU or costs of constructing/replacing the CGU if it is not held solely for

NOTES TO THE FINANCIAL STATEMENTS (continued)

its cash flows but for its service potential. Estimations are also made in relation to the selection of appropriate discount rates in order to calculate the net present value of those cash flows or costs.

ii). Defined benefit pension scheme

The Association has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, asset valuations and the discount rate on corporate bonds. Management relies on the estimates made by actuaries and the pension fund in these areas.

During the year ended 31 March 2024, the range of assumptions used by the individual schemes of which the Association is a member are shown in Note 23 of the financial statements.

iii) Development expenditure

The anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, they then determine the recoverability of the cost of properties developed for outright sale. This judgement is also based on the best estimate of sales value based on economic conditions within the area of development.

iv) Assets

The appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership 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.

Other key sources of estimation uncertainty

i) Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, if appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors.

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.

ii) Debtors

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

iii). Classification of Financial Instruments

The Association must make judgements over the classification of Financial Instruments as either basic or other. The implication of this is that if treated as 'other', the loan would have to be shown at fair value with any movements in fair value reflected in the Statement of Comprehensive Income. All of these adjustments are non-cash and would have no impact on the Association's loan covenants.

The Association's financial instruments are all currently classified as basic and measured at amortised cost.

iv) Leases

Whether leases entered into by the Association either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Particulars of turnover, cost of sales, operating expenditure and operating surplus

	Note	Year Ended 31 March 2024				Year Ended 31 March 2023			
		Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)	Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Lettings									
Income and expenditure from social housing lettings	3a	103,653	-	(66,847)	36,806	95,640	-	(63,609)	32,031
Other Social Housing Activities									
First tranche shared ownership sales		6,773	(4,900)	(223)	1,650	5,590	(3,872)	(302)	1,416
Leaseholders		261	-	(245)	16	211	-	(164)	47
Tenant garages		149	-	(6)	143	157	-	(12)	145
Charges for support services		-	-	(13,325)	(13,325)	-	-	(13,748)	(13,748)
External activities		-	-	-	-	64	-	-	64
Office depreciation and impairment		-	-	(253)	(253)	-	-	(266)	(266)
Other activities		335	-	-	335	291	-	-	291
Gain on disposal of property assets		-	-	-	4,173	-	-	-	4,341
		7,518	(4,900)	(14,052)	(7,261)	6,313	(3,872)	(14,492)	(7,710)
Activities other than social housing activities									
Income on closure of subsidiaries		-	-	-	-	14	-	-	14
Shops		295	-	-	295	335	-	-	335
Private garages		873	-	(2)	871	838	-	-	838
Market Rent and Commercial Rent		1,025	-	(25)	1,000	1,005	-	(12)	993
Other non social housing activities		-	-	-	-	-	-	-	-
Properties developed for outright sales		5,916	(5,193)	(107)	616	3,780	(3,351)	(94)	335
Gain on disposal of investment properties		-	-	-	-	-	-	-	31
Movement in fair value of investment properties		-	-	-	595	-	-	-	382
		8,109	(5,193)	(134)	3,377	5,972	(3,351)	(106)	2,928
Total		119,280	(10,093)	(81,033)	32,922	107,925	(7,223)	(78,207)	27,249

NOTES TO THE FINANCIAL STATEMENTS (continued)

3a. Income and expenditure from social housing activities

	Year Ended 31 March 2024					Year Ended 31 March 2023
	General Housing	Supported Housing	Low Cost Home Ownership	Care Housing	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover						
Rent receivable net of identifiable service charges	76,319	11,992	2,719	4,715	95,745	88,090
Service charge income	1,019	2,908	529	1,313	5,769	5,499
Amortised government grants	655	139	67	106	967	933
Other revenue grants	1,172	-	-	-	1,172	1,118
Turnover from Social Housing Lettings	79,165	15,039	3,315	6,134	103,653	95,640
Operating Expenditure						
Management	(7,455)	(1,446)	(308)	(573)	(9,782)	(9,611)
Service charge costs	(4,436)	(2,638)	(5)	(2,214)	(9,293)	(8,444)
Routine maintenance	(18,419)	(20)	-	(4)	(18,443)	(15,068)
Planned maintenance	(12,571)	5	-	(62)	(12,628)	(13,966)
Bad debts	(155)	(39)	-	(3)	(197)	(381)
Depreciation of housing properties	(13,252)	(2,198)	(517)	(537)	(16,504)	(16,139)
Impairment of housing properties	-	-	-	-	-	-
Operating expenditure on social housing lettings	(56,288)	(6,336)	(830)	(3,393)	(66,847)	(63,609)
Operating surplus/(deficit) on social housing lettings	22,877	8,703	2,485	2,741	36,806	32,031
Void Losses	(1,130)	(542)	(8)	(44)	(1,724)	(1,559)
Included within Planned maintenance are compliance costs as follows:						
Compliance costs	(9,823)	4	-	(4)	(9,823)	(10,872)

NOTES TO THE FINANCIAL STATEMENTS (continued)

3b. Classes of accommodation in management and development

	Year Ended 31 March 2024	Year Ended 31 March 2023
	Number	Number
General housing		
- Social rent	14,386	14,377
- Affordable rent	1,496	1,453
Supported housing and housing for older people		
- Social rent	1,896	1,896
- Affordable rent	121	121
Low cost home ownership	857	807
Care housing		
- Social rent	202	202
- Affordable rent	50	50
Total social housing units	19,008	18,906
Market Rent	114	114
Other	2	2
Leasehold	647	646
Leasehold for the elderly	30	30
Total social housing units owned and managed	19,801	19,698
Accommodation managed on behalf of others	1	1
Total social housing units managed	19,802	19,699
Non social leasehold	40	40
Total housing managed	19,842	19,739
Homes under construction at the year end	221	186

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Sale of properties not developed for outright sale and other fixed assets

	Year ended 31 March 2024			Year ended 31 March 2023
	Right to Buy	Other Disposals	Total	
	£'000	£'000	£'000	£'000
Disposal Proceeds	1,210	3,871	5,081	6,583
Cost of Sales	(295)	(538)	(833)	(2,107)
Selling Costs	(17)	(58)	(75)	(104)
Net surplus on disposals	898	3,275	4,173	4,372

5. Interest receivable and similar income

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Interest received from temporary investments	85	94
Interest received from Intra Group loans:	1,469	853
Interest receivable and similar income	1,554	947

6. Interest payable and financing costs

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Interest payable on Intra Group loans	(21,408)	(17,540)
Bank Loans	(2,148)	(2,156)
Renegotiation fees	(333)	(189)
Capitalised interest	1,104	833
Net interest expense (pensions)	(147)	(441)
Interest and financing costs	(22,932)	(19,493)

Interest was capitalised at an average rate of 4.75% (2023: 4.75%)

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Surplus on ordinary activities before taxation

This is arrived at after charging:	Note	Year Ended 31 March 2024	Year Ended 31 March 2023
		£'000	£'000
Depreciation:			
Housing assets		16,504	16,139
Other fixed assets		397	463
Impairment:			
Housing assets		-	-
Other tangible fixed assets		-	-
Grant amortisation:		(968)	(933)
(Surplus)/Deficit on Disposal of properties	4	(4,173)	(4,372)
Operating lease rentals:	22		
Vehicles		1,077	800
Office equipment		7	12
Auditor's Remuneration (incl. expenses, excl. VAT):			
Fees for the audit of the financial statements		100	80
Fees for other services		7	7

8. Tax on surplus on ordinary activities

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Surplus/ (deficit) on ordinary activities before tax	11,659	8,936
Tax on surplus on ordinary activities at standard UK corporation tax rate of 25% (2023: 19%)	2,915	1,698
Less: tax on surplus attributable to charitable activities	(2,653)	(1,634)
Other Corporation tax		
Corporation Tax	262	64

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Employees

The average number of persons employed during the financial year expressed as full-time equivalents (37 hours) was:

	Year Ended 31 March 2024	Year Ended 31 March 2023
	Number	Number
Administration and Management	171	174
Property Services	33	38
Housing Support and Care	4	6
Total	208	218

Employee Costs:	Note	Year Ended 31 March 2024	Year Ended 31 March 2023
		£'000	£'000
Wages and salaries		6,848	6,854
Social Security costs		635	654
Other pension costs	23	927	984
Total		8,410	8,492

Staff who received remuneration (including benefits in kind) in excess of £60k are summarised in the following bands:

	Year Ended 31 March 2024	Year Ended 31 March 2023
	Number	Number
More than £60,000 but not more than £70,000	5	3
More than £70,000 but not more than £80,000	-	2
More than £80,000 but not more than £90,000	1	1
More than £90,000 but not more than £100,000	-	-
More than £100,000 but not more than £110,000	1	1
More than £110,000 but not more than £120,000	1	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Directors' emoluments

The Directors of the Association are its Board Members. Board Members are not members of any Group pension scheme.

The Executive Directors did not receive any emoluments in respect of their services to the Association (2024: £nil) and none (2023: none) of the Executive Directors were a member of the Association's pension schemes. The Executive Directors are all employed and remunerated through the ultimate controlling party, The Housing Plus Group Limited.

11. Intangible assets

	2024	2023
	Software	Software
	£'000	£'000
COST		
At 1 April	3,641	1,865
Transfer to/ from tangible fixed assets	-	-
Additions	1,562	1,776
At 31 March	5,203	3,641
Accumulated Depreciation & Impairment		
At 1 April	(25)	(25)
Transfer to/ from tangible fixed assets	-	-
Depreciation charge for year	-	-
At 31 March	(25)	(25)
Net book value		
At 31 March	5,178	3,616
At 1 April	3,616	1,840

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Housing properties at cost

	As at 31 March 2024					
	Houses for Letting		Low Cost Home Ownership		Other	Total
	Complete for Letting	Under Construction	Complete for Letting	Under Construction		
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April	732,138	11,508	62,199	4,342	24	810,211
Additions	15,875	16,403	5	10,561	-	42,844
Transfer on completion	13,162	(13,162)	6,504	(6,504)	-	-
Disposals	(3,591)	(34)	(181)	-	-	(3,806)
Transfers to current assets	-	-	(1,098)	(3,071)	-	(4,169)
At 31 March	757,584	14,715	67,429	5,328	24	845,080
Less accumulated depreciation						
At 1 April	(165,711)	-	(4,744)	-	(18)	(170,473)
Depreciation charge for year	(15,479)	-	(518)	-	-	(15,997)
Eliminated in respect of disposals	2,546	-	14	-	-	2,560
At 31 March	(178,644)	-	(5,248)	-	(18)	(183,910)
Net book value						
At 31 March	578,940	14,715	62,181	5,328	6	661,170
At 1 April	566,427	11,508	57,455	4,342	6	639,738

Note: Included within 'Eliminated in respect of disposals' is accelerated depreciation of £483k (2023: £381k). Of the total additions, £14,362k relate to component replacements (2023: £12,177k) and £1,517k for fire safety works (2023: £1,648k)

NOTES TO THE FINANCIAL STATEMENTS (continued)

12a Housing properties at cost (continued)

Charges against properties

	2024	2023
	£'000	£'000
Number of properties on which there is a fixed charge	15,473	16,190
Number of properties not charged	3,535	2,716
Total number of properties	19,008	18,906

Housing properties book value, net of depreciation

	2024	2023
	£'000	£'000
Freehold land and buildings	660,707	639,267
Long leasehold land and buildings	462	471
	661,170	639,738

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Other tangible fixed assets

	As at 31 March 2024					Total
	Solar panels	Vehicles	Furniture & Equipment	Computer Equipment & telephones	Land & Buildings	
	£000	£000	£000	£000	£000	£000
Cost						
At 1 April	178	313	6,724	4,240	10,639	22,094
Additions			209		8	218
At 31 March	178	313	6,933	4,240	10,647	22,312
Accumulated depreciation & impairment						
At 1 April	(92)	(303)	(6,165)	(4,240)	(5,502)	(16,302)
Depreciation charge for year	(12)	(9)	(260)	-	(116)	(397)
At 31 March	(104)	(312)	(6,425)	(4,240)	(5,618)	(16,699)
Net book value						
At 31 March	74	1	508	-	5,030	5,612
At 1 April	86	10	559	-	5,137	5,792

There is no charge on any of these assets. All land held for other property, plant and equipment is owned freehold

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Investment properties

	2024	2023
	£'000	£'000
Balance at 1 April	22,231	22,530
Additions	13	-
Transfer (to)/ from other fixed assets	-	(59)
Properties disposed	-	(622)
Net gain/ (loss) from fair value adjustments	595	382
Balance at 31 March	22,839	22,231

All investment properties were valued as at 31st March 2024 using the valuation methodology – market value subject to tenancies (MV-STT). The valuations were performed by independent valuers with recognised and relevant qualifications (Jones Lang LaSalle). There are no restrictions on the investment property and there are no contractual obligations to purchase, construct or develop investment property.

15. Stocks

	2024	2023
	£'000	£'000
Properties developed for outright sale		
Completed	452	442
Under construction	1,937	6,066
Total outright sales properties	2,389	6,508
Shared ownership properties		
Completed	80	869
Under Construction	1,767	1,442
Total shared ownership properties	1,847	2,311
Other Stocks - materials	258	296
Total Stocks and materials	4,494	9,115

Inventories are held at the lower of actual cost and estimated selling price less costs to complete and sell. There have been no impairments in the year (2023: none).

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Trade and other debtors

	2024	2023
	£'000	£'000
Due within one year		
Rent receivable	4,379	3,996
Less: Provision for bad and doubtful debts	(539)	(732)
	3,840	3,264
Amounts due from group undertakings	-	-
Other debtors	2,304	1,979
Less: Provision for bad and doubtful debts	(150)	(66)
	2,154	1,913
Other taxation and social security	-	-
Prepayments & accrued Income	1,438	1,116
Total due within one year	7,432	6,293
Amounts due from group undertakings	24,300	20,800
Total due after more than one year	24,300	20,800
Total Debtors	31,732	27,093

17. Creditors: Amounts falling due within one year

	2024	2023
	£'000	£'000
Loans and borrowings	353	343
Loans and borrowings - intragroup	3,000	9,500
Trade creditors	2,513	1,226
Rents and service charges received in advance	3,443	3,170
Deferred grant income	879	867
Recycled capital grant fund	45	-
Amounts owed to group undertakings:	4,215	3,126
Taxation and social security	198	87
Employees	-	1
Other creditors	177	142
Accruals and deferred income	6,209	7,858
	21,032	26,320

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Creditors: Amounts falling due after more than one year

	2024	2023
	£'000	£'000
Loans and borrowings - bank	57,177	57,530
Loans and borrowings - intra group	358,500	350,000
Loan arrangement fees	(1,416)	(1,088)
Deferred capital grant	80,775	78,948
Recycled capital grant and disposal proceeds fund	232	302
Other designated funds	2,090	1,865
	497,358	487,557

Repayment of Debt

	2024		
	Intra Group	Other Loans	Total
	£'000	£'000	£'000
In one year or less, or on demand	3,000	353	3,353
In more than one year but not more than two years	2,000	363	2,363
In more than two years but not more than five years	123,000	1,150	124,150
In more than five years	233,500	55,664	289,164
	361,500	57,530	419,030

	2023		
	Intra Group	Other Loans	Total
	£'000	£'000	£'000
In one year or less, or on demand	9,500	343	9,843
In more than one year but not more than two years	8,500	353	8,853
In more than two years but not more than five years	121,000	1,119	122,119
In more than five years	220,500	56,058	276,558
	359,500	57,873	417,373

The amounts repayable in relation to the bank loans are inter-company creditors with the amounts owed to fellow subsidiary Housing Plus Group Finance Limited. Housing Plus Group Finance Limited recognises equivalent inter-company debtors within its accounts and the third-party liabilities to repay the loans when they fall due.

Housing Plus Group Finance Limited holds a £362m (2023: £360m) loan portfolio in relation to Homes Plus. During the 2023/24 financial year, Homes Plus repaid £9.5m of its loans with Housing Plus Group Finance Limited and received new loans totalling £3m from Housing Plus Group Finance Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Creditors: Amounts falling due after more than one year (continued)

The final scheduled inter-company loan repayment is due in September 2048 with £234m of the loan facility repayable after 5 years. As at 31 March 2024, Housing Plus Group Finance Limited held £196m of fixed rate loans (including index linked) in relation to Homes Plus with a weighted average rate of 6.05%. Housing Plus Group Finance Limited also held £166m of variable rate loans in relation to Homes Plus with a weighted average rate of 6.54%.

Homes Plus has access to £28.5m of undrawn loan facilities within Housing Plus Group Finance Limited.

The Shropshire Council annuity loans of £5.9m and £1.7m held within Homes Plus are repayable in instalments, with the final scheduled loan payments due in March 2042 and March 2040 respectively.

The Shropshire Council loans are secured against properties that Homes Plus owns. The interest rates are fixed at 4.3% and 2.3%.

Homes Plus holds a £15m Private Placement with M&G and a £35m Private Placement with Aviva Investors. The Private Placements are repayable in annual instalments of £10m between 2047 and 2051.

The M&G Private Placement is secured against properties that Homes Plus owns. The interest rate is fixed at 3.86%.

The Aviva Investors Private Placement is secured against properties that Homes Plus owns. The interest rate is fixed at 3.86%.

On 31 March 2024 Homes Plus had undrawn loan facilities of £nil (2023: nil).

Social Housing Grant and other grants

The Association has received government grants in order to acquire and develop its housing properties. Grants are amortised through the Statement of Comprehensive Income over the useful economic life of the structure of the property. Any unamortised grant is held as deferred income. A breakdown of this grant is shown below

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Creditors: Amounts falling due after more than one year (continued)

Deferred Capital Grant

	2024	2023
	£'000	£'000
Deferred capital grant at 1 April	79,815	79,566
Grants received during the year	2,539	1,190
Grants recycled from/(to) the recycled capital grant fund	212	(110)
Transfers from reserves	56	90
Released to income during the year	(968)	(921)
Deferred capital grant at 31 March	81,654	79,815
Amounts due within one year	879	867
Amounts due after more than one year	80,775	78,948
	81,654	79,815

Recycled Capital Grant Fund

	2024	2023
	£'000	£'000
Balance as at 1 April	302	191
Recycled Grant Input	45	111
Withdrawals	(70)	-
Balance as at 31 March	277	302
Amount due with one year	45	-
Amount due after more than one year	232	302
	277	302

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. Financial instruments

	Note	2024	2023
		£'000	£'000
Financial assets that are debt instruments measured at amortised cost			
Rent & service charge receivable	16	3,841	3,264
Amounts owed by group undertakings	16	24,300	20,800
Other debtors	16	3,591	3,029
Investments in short term deposits		7	7
Cash and cash equivalents		1,661	9,872
Total financial assets		33,400	36,972
Financial liabilities measured at amortised cost			
Loans	17/18	(419,030)	(417,373)
Trade creditors	17	(2,513)	(1,226)
Other creditors	17	(3,620)	(3,313)
Accruals	17	(6,209)	(7,858)
Amounts due to group undertakings	17	(4,215)	(3,126)
		(435,587)	(432,896)

The Association's financial instruments are all currently classified as basic and measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. Called up non-equity share capital

Each member of the Board of Management holds one non-equity share of £1 each. These shares carry the right to vote at General Meetings on the basis of one share one vote. The shares are not transferable, non-redeemable and carry no right to receive income or capital payments.

	2024	2023
	£	£
Number of Shareholders as at 1 April	5	5
Number of Shareholders as at 31 March	5	5

21. Capital commitments

	2024	2023
	£'000	£'000
Expenditure contracted but not provided in the financial statements	25,730	27,492
Expenditure authorised by the Board but not contracted	77,105	84,717
Total capital commitments	102,835	112,209

The following amounts describe the way the Association funds the development:

	2024	2023
	£'000	£'000
Loans and reserves	66,500	68,714
Social Housing Grant	18,505	15,380
Forecast sales	17,830	28,115
Total Gross Expenditure	102,835	112,209

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. Leases

Operating leases

At 31 March 2024 the total of future minimum lease payments under non-cancellable operating leases for each of the following periods was:

	2024	2023
	£'000	£'000
Leases for vehicles:		
Not later than one year	1,077	800
Later than one year and not later than five years	1,740	834
Later than five years	-	-
Leases for equipment:		
Not later than one year	7	12
Later than one year and not later than five years	3	22
	2,827	1,668

The expenditure charged in the Statement of Comprehensive Income during the year in relation to minimum lease payments was £1,084k (2023: £812k).

Finance leases

The Association as a lessee does not have any leases that have been classified as finance leases.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension

During the year end 31 March 2024, Homes Plus participated in 4 defined benefit pension schemes (2023: 4).

a) Staffordshire County Council Scheme

The Association participates in the Local Government Pension Scheme (LGPS) which is a multi-employer defined benefit Scheme, is funded and is contracted out of the state scheme.

The Housing Plus Group has 3 schemes with the Staffordshire LGPS of which two related to Homes Plus. The schemes (one in Housing Plus and two in Homes Plus) are currently pooled together but for the purposes of the accounting valuation for the financial statements they have been split out.

The latest triennial valuation for the schemes was carried out as at 31 March 2022. The triennial valuation is based on the pooling of all 3 schemes with the Housing Plus Group. The funding position at 31 March 2022 is a surplus of £21,432k (Assets £90,010k, Liabilities £68,578k, funding level 131%).

The actuary has estimated that the net pension liability under FRS102 as at 31 March 2024 for Scheme 1 is a liability of £3,185k (2023: £3,653k). For Scheme 2 there is an asset of £16,879k (2023: £12,669k). The extent to which the surplus can be recognised has been determined by assessing the economic value available from the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2024 the surplus recognised as an asset in the statement of financial position is £27k (2023: £134k).

Assumptions as at	2024	2023
	%p.a.	%p.a.
Salary increases	3.25%	3.30%
Pension increases	2.75%	2.80%
Discount rate	4.90%	4.80%

The life expectancy is based on the Fund's VitaCurves and based on these assumptions, the average future life expectancies at age 65 are summarised below:

Scheme 1	Males	Females
Current Pensioners	20.7 years	23.8 years
Future Pensioners*	22.1 years	25.3 years
Scheme 2	Males	Females
Current Pensioners	20.9 years	24.0 years
Future Pensioners*	21.6 years	24.9 years

* Figures assume members aged 45 as at the last formal valuation date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Categories of plan assets as a % of total plan assets	2024	2023
	%	%
Equities	66	68
Bonds	25	22
Property	7	8
Cash	2	2

Reconciliation of the effect of the net asset ceiling	2024	2023
	£'000	£'000
Opening asset ceiling	12,535	616
Interest on asset ceiling	602	-
Movement in asset ceiling recognised through OCI (as a remeasurement)	3,742	12,053
Asset ceiling	16,879	12,669
Surplus recognised (IAS19)	(27)	(134)
Closing net asset ceiling	16,852	12,535

Net pension liability	2024	2023
	£'000	£'000
Fair value of employer assets	57,577	52,373
Present value of funded obligations	(43,883)	(43,305)
Net (under)funding in funded plans	13,694	9,068
Present value of unfunded liabilities	-	(52)
	13,694	9,016
Effect of net asset ceiling*	(16,852)	(12,535)
Net pension (liability)	(3,158)	(3,519)

* We have elected to cap a surplus £16,879k (2023: £12,669k) on the asset ceiling of one scheme to £27k (2023: £134k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

The estimate of the liability comprises of approximately £6,980k (2023: £6,554k), £14,392k (2023: £13,962k) and £22,460k (2023: £22,789k) in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2024. The approximation involved in the roll forward model means that the split of scheme liabilities between the three classes of member may not be reliable for certain types of employer. However, the Actuary is satisfied that the approach used leads to reasonable estimates for the aggregate liability figure.

Amount charged to operating surplus	2024	2023
	£'000	£'000
Current service cost*	(272)	(621)
Past service cost	-	(13)
Total operating charge	(272)	(634)
Amount charged to financing costs		
Interest income on plan assets	2483	1,601
Interest cost on defined benefit obligation	(2,051)	(1,757)
Interest on the effect of the asset ceiling	(602)	-
Total net interest	(170)	(156)
Total defined benefit cost recognised in surplus for the year	(442)	(790)

*The Service Cost figures include an allowance for administration expenses of 0.8% (2023: 0.6%) of payroll.

Re-measurements recognised in Other Comprehensive Income	2024	2023
	£'000	£'000
Change in financial assumptions	1,134	22,168
Change in demographic assumptions	669	641
Other experience	(1,568)	(5,368)
Effect of movement in net asset ceiling	(3,715)	(11,919)
Return on assets (excluding amounts included in net interest)	4,026	(2,654)
	546	2,868

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Reconciliation of defined benefit obligation	2024	2023
	£'000	£'000
Opening defined benefit obligation	43,357	63,273
Current service cost	272	621
Past service cost	-	13
Interest cost	2,051	1,757
Contributions from members	86	95
Actuarial losses/ (gains)	(235)	(20,650)
Estimated unfunded benefits paid	(3)	(3)
Estimated benefits paid	(1,645)	(1,749)
Closing defined benefit obligation	43,883	43,357

Reconciliation of fair value of employer assets	2024	2023
	£'000	£'000
Opening fair value of employer assets	52,373	57,803
Expected return on assets	4,026	(5,863)
Interest income on plan assets	2,483	1,601
Contributions from members	86	95
Contributions from employer	254	486
Contributions in respect of unfunded benefits	3	3
Unfunded benefits paid	(3)	(3)
Benefits paid	(1,645)	(1,749)
Closing fair value of employer assets	57,577	52,373

History of gains and losses	2024	2023
	£'000	£'000
Fair value of employer assets	57,577	52,373
Net asset ceiling	(16,852)	(12,535)
Present value of defined benefit obligations	(43,883)	(43,357)
Deficit	(3,158)	(3,519)

Net Deficit broken down as follows	2024	2023
	£'000	£'000
Scheme 1	(3,185)	(3,653)
Scheme 2	27	134
Deficit	(3,158)	(3,519)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

b) Shropshire County Council Scheme

The association participates in the Local Government Pension Scheme (LGPS), which is a multi-employer defined benefit Scheme, is funded and is contracted out of the state scheme.

The latest triennial valuation of the scheme was carried out as at 31 March 2022. The funding position at 31 March 2022 is a surplus of £4,006k (Assets £45,279k, Liabilities £41,273k, funding level 110%).

The disclosures necessary in respect of FRS102 are shown in various tables below. The actuary has estimated that the net pension asset/liability as at 31 March 2024 is an asset of £5,318k (2023: £749k). The extent to which the surplus can be recognised has been determined by assessing the economic value available from the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2024, the surplus recognised is a liability in the statement of financial position of £225k (2023: £nil).

Assumptions	2024	2023
	%p.a.	%p.a.
Salary increases	3.25%	3.30%
Pension increases	2.75%	2.80%
Discount rate	4.90%	4.80%

The life expectancy is based on the Fund's VitaCurves and based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.8 years	24.3 years
Future Pensioners*	22.8 years	25.7 years

* Figures assume members aged 45 as at the last formal valuation date.

Categories of plan assets as a % of total plan assets	2024	2023
	%	%
Equities	57	51
Bonds	15	19
Property	3	3
Alternatives	24	26
Cash	1	1

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Reconciliation of the effect of the net asset ceiling	2024	2023
	£'000	£'000
Opening asset ceiling	749	-
Interest on asset ceiling	36	
Movement in asset ceiling recognised through OCI (as a remeasurement)	4,533	749
Asset ceiling	5,318	749
Surplus / (defecit) recognised (IAS19)	-	-
Closing net asset ceiling	5,318	749
Net pension liability	2024	2023
	£'000	£'000
Fair value of employer assets	46,443	42,496
Present value of funded obligations	(41,125)	(41,514)
Net (under)funding in funded plans	5,318	982
Present value of unfunded liabilities	(225)	(233)
	5,093	749
Effect of net asset ceiling	(5,318)	(749)
Net pension (liability)	(225)	-
Amount charged to operating surplus	2024	2023
	£'000	£'000
Current service cost	(341)	(659)
Past service cost	-	-
Administration expense	(14)	(15)
Effects of curtailments	-	-
Total operating charge	(355)	(674)
Amount charged to financing costs		
Interest income on plan assets	2,015	1248
Interest cost on defined benefit obligation	(1,968)	(1,512)
Interest on asset ceiling	(36)	-
Total net interest	11	(264)
Total defined benefit cost recognised in surplus for the year	(344)	(938)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Re-measurements recognised in Other Comprehensive Income	2024	2023
	£'000	£'000
Change in financial assumptions	916	19,839
Change in demographic assumptions	613	312
Other experience	(304)	(6,431)
Effect of movement in net asset ceiling	(4,533)	(749)
Return on assets (excluding amounts included in net interest)	2,990	(2,803)
Total re-measurements recognised in Other Comprehensive Income	(318)	10,168

Reconciliation of defined benefit obligation	2024	2023
	£'000	£'000
Opening defined benefit obligation	41,747	54,791
Current service cost	341	659
Past service cost	-	-
Interest cost	1,968	1,512
Contributions from members	117	122
Actuarial losses/ (gains)	(1,225)	(13,720)
Result on curtailments	-	-
Estimated benefits paid	(1,598)	(1,617)
Closing defined benefit obligation	41,350	41,747

Reconciliation of fair value of employer assets	2024	2023
	£'000	£'000
Opening fair value of employer assets	42,496	45,082
Expected return on assets	2,990	(2,803)
Interest income on plan assets	2,015	1,248
Contributions from members	117	122
Contributions from employer	437	479
Administration expenses	(14)	(15)
Unfunded benefits paid	-	-
Benefits paid	(1,598)	(1,617)
Closing fair value of employer assets	46,443	42,496

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

History of gains and losses	2024	2023
	£'000	£'000
Fair value of employer assets	46,443	42,496
Net asset ceiling	(5,318)	(749)
Present value of defined benefit obligations	(41,350)	(41,747)
Deficit	(225)	-

c) Housing Plus Pension Scheme

The Association participates in the Housing Plus Pension Scheme which is a defined benefit Scheme in the UK. This is a separate trustee administered fund set up on 31 October 2018 following the transfer of obligations from the Social Housing Pension Scheme (SHPS). The Scheme holds the pension scheme assets to meet long term pension liabilities. The major assumptions used by the actuary are shown below.

The latest triennial valuation of the scheme was carried out in September 2022. The results are showed a deficit of £849,155. An agreement was put into place to clear the deficit by 31st March 2024.

The actuary has estimated that the net pension asset/ liability as at 31 March 2024 is a an asset of £203k (2023: liability £7k). The extent to which the surplus can be recognised has been determined by assessing the economic value available form the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2024, the surplus recognised in the statement of financial position is £nil.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Financial assumptions	2024	2023
	%p.a.	%p.a.
Discount rate	4.90%	4.80%
Inflation (RPI)	3.05%	3.15%
Inflation (CPI)	2.75%	2.80%
Deferred revaluation	3.05%	3.15%
Pension increases		
- CPI max 5% p.a.	2.70%	2.74%
- CPI max 3% p.a.	2.20%	2.22%

Demographic assumptions as at	2024	2023
Mortality		
Base Tables	Pre retirement: nil Post retirement: 109% of S3PXA	Pre retirement: nil Post retirement: 113% of S3PXA
Improvement allowance	CMI_2023 (1.25%) for males CMI_2023 (1.25%) for females	CMI_2021 (1.25%) for males CMI_2021 (1.25%) for females
Smoothing parameter	7.0	7.0
Life expectancy from age 65		
Pensioners (currently aged 65)	Male: 21.0 Female: 23.5	Male: 21.3 Female: 23.7
Non-pensioners (currently aged 65)	Male: 22.3 Female: 24.9	Male: 22.6 Female: 25.2
Commutation	90% of maximum allowance	90% of maximum allowance
Other demographic assumptions	As per most recent Technical Provisions assumptions	As per most recent Technical Provisions assumptions

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Reconciliation of the effect of the net asset ceiling	2024	2023
	£'000	£'000
Opening asset ceiling	-	-
Interest on surplus above asset ceiling	-	-
Movement in asset ceiling	203	-
Asset ceiling	203	-
Surplus / (defecit) recognised (IAS19)	-	-
Closing net asset ceiling	203	-

Net pension liability	2024	2023
	£'000	£'000
Fair value of employer assets	5,937	5,697
Present value of scheme liabilities	(5,734)	(5,704)
Surplus/ (deficits)	203	(7)
Effect of asset ceiling	(203)	-
Net pension (liability)	-	(7)

Amount charged to operating surplus	2024	2023
	£'000	£'000
Current service cost	-	-
Past service cost	-	-
Administration expense	(71)	(70)
Settlement losses/ (gains)	-	-
Total operating charge	(71)	(70)
Amount charged to financing costs		
Interest income on plan assets	284	231
Interest cost on defined benefit obligation	(272)	(252)
Total net interest	12	(21)
Total defined benefit cost recognised in income statement for the year	(59)	(91)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Re-measurements recognised in Other Comprehensive Income	2024	2023
	£'000	£'000
Change in financial assumptions	199	3,770
Change in demographic assumptions	44	281
Other experience	(66)	(550)
Return on assets (excluding amounts included in net interest)	(511)	(2,999)
Effect of movement in net asset ceiling	(203)	0
Total re-measurements recognised in Other Comprehensive Income	(537)	502

Changes in assets/ (liabilities) during the year	2024	2023
	£'000	£'000
Opening Surplus/ (deficit) at the start of the period	(7)	(1,023)
Current service cost	-	-
Past service cost	-	-
Net interest cost	12	(21)
Expenses	(71)	(70)
Re-measurements included in other comprehensive income	(537)	502
Employer contribution	603	605
Estimated benefits paid	-	-
Surplus/ (deficit) at the end of the period	-	(7)

Change in liabilities during the year	2024	2023
	£'000	£'000
Opening liabilities	5704	9047
Interest cost on defined benefit obligations	272	252
Benefits paid	(65)	(94)
Actuarial (gain)/ loss on changes in assumptions	(243)	(4,051)
Experience (gain)/ loss on liabilities	66	550
Closing Liabilities	5734	5704

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Pension (continued)

Reconciliation of fair value of employer assets	2024	2023
	£'000	£'000
Opening fair value of employer assets	5,697	8,024
Expected return on assets	(511)	(2,999)
Interest income on plan assets	284	231
Contributions from members	-	-
Contributions from employer	603	605
Administration expenses	(71)	(70)
Unfunded benefits paid	-	-
Benefits paid	(65)	(94)
Closing fair value of employer assets	5,937	5,697

24. Pension liability

The Association had the following assets/ (liabilities) during the year:

	Staffordshire LGPS	Shropshire LGPS	HPPS	Total
	£'000	£'000	£'000	£'000
At 1 April 2023	(3,519)	-	(7)	(3,526)
Additions/(reductions) dealt within surplus/deficit	(15)	82	532	599
Additions/(reductions) dealt within other comprehensive income	546	(318)	(537)	(309)
Interest costs	(170)	11	12	(147)
At 31 March 2024	(3,158)	(225)	-	(3,383)
Pension Asset	27	-	-	27
Pension Liability	(3,185)	(225)	-	(3,410)
Net Pension liability	(3,158)	(225)	-	(3,383)

Pension liability – LGPS

The LGPS pension scheme is a multi-employer defined benefit scheme. Each year the actuary values the assets and liabilities of the scheme using a set of assumptions. Changes in assumptions and performance of the assets/liabilities in the year means that the present value of the defined benefit obligation is subject to uncertainty.

Pension liability – HPPS

The HPPS pension scheme is a defined benefit Scheme in the UK. This is a separate trustee administered fund set up on 31 October 2018 following the transfer of obligations

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. Pension liability (continued)

from the Social Housing Pension Scheme (SHPS). An independent actuary values the assets and liabilities of the scheme using a set of assumptions. Changes in assumptions and performance of the assets/liabilities in the year means that the present value of the defined benefit obligation is subject to uncertainty.

25. Restricted reserves

Restricted reserves constitute surpluses accruing from sales of LSVT units under the Right to Buy. The receipts are to be used solely for the provision of new housing or disabled facility grants, subject to approval by the relevant local authority.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. Related party transactions

Transactions with non-regulated members of the Group:

	2024				
	Care Plus	Severn Homes Ltd	Housing Plus Finance Ltd	Development Worx	County Town Homes
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	446	-	-	-	-
Interest receivable	132	1,337	-	-	-
Loan finance	-	-	2,000	-	-
Gift Aid	-	-	-	115	-
Total	578	1,337	2,000	115	-
Outflow					
Services received	2,980	4,040	-	368	-
Interest payable	-	-	21,408	-	-
Loan finance	-	3,500	-	-	-
Total	2,980	7,540	21,408	368	-

	2023				
	Care Plus	Severn Homes Ltd	Housing Plus Finance Ltd	Development Worx	County Town Homes
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	497	-	-	-	-
Interest receivable	86	766	-	-	-
Loan finance	-	-	13,200	-	-
Gift Aid	-	-	-	228	-
Distribution from subsidiary	-	-	-	-	5
Total	584	766	13,200	228	5
Outflow					
Services received	3,007	4,066	-	3,762	-
Interest payable	-	-	17,540	-	-
Loan finance	-	4,100	-	-	-
Total	3,007	8,166	17,540	3,762	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. Related party transactions (continued)

At the year end the following net trading and loan balances were due from/ (to) non-regulated entities:

	2024	2023
	£'000	£'000
Care Plus	1,723	1,930
Servern Homes	22,302	18,798
Housing Plus Group Finance	(363,272)	(361,086)
Development Worx	30	(221)
Total	(339,217)	(340,579)

27. Group companies

The ultimate parent undertaking and controlling party is the Housing Plus Group Limited, a registered provider (Registered Community Benefit Society No. 30224R). The consolidated financial statements of The Housing Plus Group Limited are available from the Company Secretary, Housing Plus Group Limited, Acton Court, Acton Gate, Stafford, ST18 9AP.