Mosscare St Vincent’s Housing Group Limited

Report and Financial Statements

Year Ended 31 March 2024

Community Benefit Society (FCA) number: 7609

Registered Provider (RSH) number: 4857

Mosscare St Vincent's Housing Group Limited

Report and Financial Statements
for the year ended 31 March 2024

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Executives and Advisors
for the year ended 31 March 2024

Board		Appointed	Resigned
Gareth Hall	Chair	18 March 2020	
Ibrahim Ismail	Senior Independent Director	3 November 2021	
Susan Goodman		27 September 2018	
Ian Clayton		13 June 2019	19 October 2023
Kam Urwin		18 March 2020	
Tim Edwards		18 March 2020	
Luke Jno-Baptiste		12 May 2021	
Michelle Hill		12 May 2021	
Nick Byrne		12 May 2021	
Sally Webb		23 September 2021	
Andrew Spencer		19 October 2023	
Executive Directors			
Charlotte Norman	Chief Executive	21 July 2017	
Helen Rourke	Executive Director – Finance & Business Support	7 October 2019	30 August 2023
Francesco Elia	Interim Executive Director - Finance	24 July 2023	31 January 2024
Stephen Aggett	Executive Director – Finance & Business Excellence	29 January 2024	
Matt Jones	Executive Director - Customers	18 December 2019	
Fiona Creighton	Executive Director – Homes	21 July 2022	
Secretary			
Joanne Tucker		27 September 2018	

Registered Office
7th Floor, Trafford House, Chester Road, Stretford, Manchester M32 0RS

External Auditors
Beever and Struthers, Chartered Accountants and Statutory Auditor, One Express, 1 George Leigh Street, Manchester, M4 5DL

Internal Auditors
RSM UK LLP, 3 Hardman Street, Spinningfields, Manchester M3 3HF

Principal Bankers
Barclays Bank PLC, 51 Mosley Street, Manchester M60 3DQ

Chair's Statement

It is a pleasure to provide my annual statement for what has been yet another challenging year, but one that has seen an absolute focus on doing the very best for the customers and communities we serve.

Sadly, there have been myriad issues faced by our society and the enduring impact of conflict, economic challenges, the cost of living crisis and the deeply entrenched inequality has hit people hard. The housing crisis is sharply felt by so many, with 4.2 million people living in unsuitable or precarious conditions and in desperate need of a decent, safe and warm home. Notwithstanding the absence of a cohesive long-term investment programme nationally, the sector has continued to respond to the crisis by building more homes, but also investing in existing homes that require significant upgrades to ensure they are fit for now and into the future. This is coupled with a renewed focus on driving up standards, improving customer voice and influence and gaining greater insight into individual customer need.

During the year, despite having built a compelling business case focussed on customer impact, MSV and Great Places decided to end merger proposals in a very difficult operating environment. We continue to work with our colleagues at Great Places as valued partners in Greater Manchester.

I'm really proud to say that MSV has stayed true to its values, and we ended the year with a new corporate plan – The MSV Way, which was produced with our customers with a renewed ambition around our central objectives of People, Place and Performance and our overall vision to play our role in places where everyone can flourish.

People

People remain at the heart of everything we do. Customers have worked with us to reshape our plans for the next three years and it has been wonderful to meet with so many customers at our regular Nibbles n Natter sessions across the North-West. Our teams have been working hard to meet the new consumer standards set out by the Regulator of Social Housing and to shape service improvement through learning much more about our customers and their individual needs.

With strong, customer-focussed governance in mind, we have enhanced our Customers and Communities Committee, working with TPAS and recruiting four new customer members.

As part of our reset and in designing a new three-year plan, we have reviewed our operating models and employed more professionals to join our team, bringing more focus to areas highlighted within the Better Social Housing Review, resulting in smaller neighbourhood patch sizes, more people working in the community and significant investment in expertise around data and insight.

Our customers are influencing our work in a variety of ways and we have really listened to their views, taking account of our Tenant Satisfaction Measures results and developing plans for areas we know we need to improve.

We are working within the community to support partner organisations and also invest in community projects, the Hardship Fund and the Kindness Fund. We strongly believe it is so important to provide support but also access to opportunity, and our Positive Futures service has really flown over the last 12 months.

During the year, our Board approved a refresh of our Equality, Diversity and Inclusion strategy. MSV is fortunate to work with a diverse range of customers and colleagues and we are committed to equity in the delivery of our services and actively acting on any form of injustice, inequality or hate. We are also committed to long term movements for disruptive change such as the BOOST programme in Greater Manchester to elevate more ethnically diverse leaders in our sector. And on a personal note, it has been an honour to remain committed to the National Housing Association Chair's Challenge which is all about equality and inclusion in governance.

Place

MSV believes in the power of partnership working, and this has certainly been the case in the last 12 months, working with our local authority, fellow RP's and community and voluntary sector partners to deliver more together. I would like to thank our partners for their support.

On top of significant improvements to our repairs service and ongoing investment in our customer's homes, the Board has approved ambitious growth and asset management strategies, underpinned by the strength of our financial business plan. We have capitalised on funding from Homes England, the Social Housing Decarbonisation Fund and Social Housing Quality Fund – working with our colleagues within GMCA and tackling our oldest and coldest homes so that customers feel their homes are warmer and more affordable. It is so important that we play also our part in tackling the housing crisis and we have developed a plan to provide 200 new homes per annum, as well as a very exciting urban regeneration project in Moss Side.

During the year, we handed over 111 much needed new homes, we were delighted to see the customers moving in, and as always, this covered a wide spectrum of homes to meet different needs across the age ranges. With so many people on housing waiting lists, we are really excited to work on our future plan of providing 1,457 new homes over the next five years. This will include the St Simon Street homeless move on scheme in Salford and the exciting new development of Chorlton Baths HAPPI scheme in Manchester.

We have continued to work with Manchester City Council and the community in Moss Side to further develop the plan for over 300 new homes as part of a large-scale regeneration project, which will honour the heritage and history of this wonderful community and the Reno and Nile nightclubs.

Performance

Performance is such a key strand of The MSV Way and we are constantly striving to run a strong business for social purpose, improve performance and drive up customer satisfaction.

Our tenant satisfaction measures results are being used to target areas for improvement and we are working with our Scrutiny Panel and customers to do this.

We have set stretch targets for the next three years to improve our metrics across all areas and our new corporate plan has been operationalised through a suite of action plans to help deliver this. Ultimately, we aim to provide the best services possible for our customers, remain financially strong, well governed and innovate into the future.

We will aim to meet and exceed all regulatory expectations and we very much welcome the advent of increased consumer regulation.

Finally

This has once again been a challenging year, with a difficult operating environment, but we are proud of the way the organisation has stayed focused on delivering for our customers and communities.

I would like to say a heartfelt thank you to all of my colleagues, our customers and partners and look forward to working together over the next 12 months and beyond.

Gareth Hall

Gareth Hall

Chair

The Board presents its Strategic Report and the audited Financial Statements for the year ended 31 March 2024.

Principal Activities

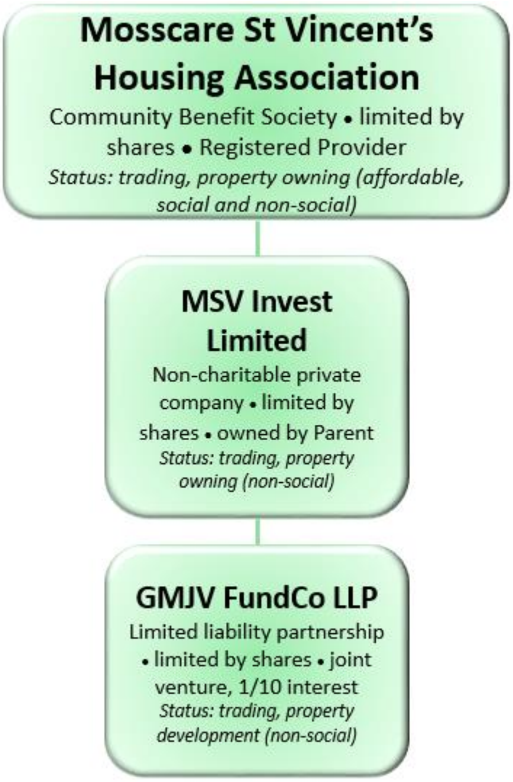
The Group's principal activities are the management and development of affordable good quality housing for rent and shared ownership, the provision and management of supported housing, and social investment work.

Mosscare St Vincent's Group Structure

Mosscare St Vincent's Housing Group Limited ("MSV"/" the Association") was formed on 21 July 2017 as a result of the merger of Mosscare Housing Limited ("MHL") and St Vincent's Housing Association ("SVHA").

The whole stock, property and other assets and all other engagements of MHL and SVHA became vested in MSV and MSV undertook all the obligations affecting SVHA and MHL and there was no dissolution or division of the funds of MHL or SVHA. All the subsidiaries of MHL and SVHA became subsidiaries of MSV from the date of the merger, 21 July 2017.

Details of the entities within the Group on 31 March 2024 are as follows:



Active Entities

Mosscare St Vincent's HA continues to be a Community Benefit Society and is the Group parent. MSV is a Registered Provider and owns the majority of the social housing assets of the Group.

MSV Invest Ltd (MSVI) was formed to hold the Group's commercial housing asset portfolio. It is the investing body in GMJV FundCo LLP on behalf of the Group.

GMJV FundCo LLP (FundCo) is an equal joint venture with nine other Registered Providers who, along with the Greater Manchester Combined Authority, created Hive Homes (Greater Manchester) LLP, the aim of which is to undertake property development for market sale. MSVI does not control FundCo.

Inactive Entities

There are no inactive entities within the MSV Group.

All the entities have a financial reporting date of 31 March.

MSV is clear that to achieve more, it is important to work with other organisations and has an interest in several formal and informal partnerships for a range of purposes, such as strategic housing management on a local, regional, and national level.

Vision, Strategy, Objectives and Values

We are an ambitious organisation with a strong social purpose, driven by our vision of creating:

"Places where **everyone** can flourish"

This year we launched our new Corporate Plan, The MSV Way 2024-2027. This Plan sets out our specific priorities over the next three years and is shaped around three distinct themes – People, Place and Performance.

Our focus on customers is at the heart of the Plan. The objectives which underpin delivery against the vision are as follows:

We have continued to deliver against The MSV Way throughout 2023/24, recognising the importance of working with customers to co-create services that meet their needs, expectations and aspirations.

Our plans are ambitious, and they set out our clear intentions to put customers first, providing homes people can be proud of and working in partnership with the community focusing on:

- Reliable services, doing things **better** and **differently**
- **High quality, healthy** homes for **all**
- **Fair and friendy** services through a **strong** transparent business and **a big heart**

Our values have served us well for several years and remain consistent. These values define who we are and how we work and are at the core of everything we do. They ensure that every individual working for MSV puts customers at the heart of everything they do. These values are well-embedded across the organisation and genuinely drive how we do things. They are the very essence of MSV and what it stands for.

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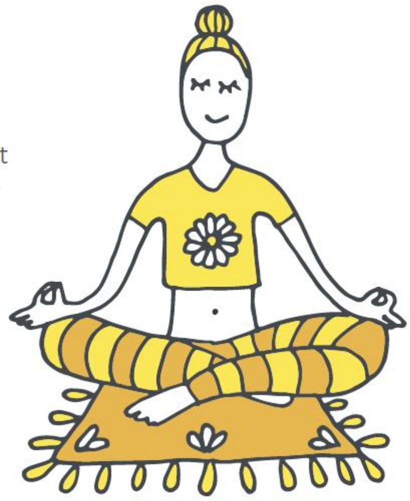
OUR PEOPLE PRIORITY...

sets out how we will completely reinvent our offer. It's about **customers influencing all that we do** and making their lives easier by providing the right services with the right levels of support.

We've found new and better ways to hold conversations with customers and are making our communications more responsive and even friendlier. We are simplifying our processes so customers can get **straight to the heart of the matter** and opening up by being even more transparent and accountable.



OUR PLACE PRIORITY...

focuses on **providing homes MSV customers can feel proud of.** Customers say, "a safe, warm and secure space which promotes good health and wellbeing" shouldn't be too much to ask - somewhere to start well, live well and age well.

We will also continue to build new properties to **help tackle the ever growing shortage of quality homes in the North.** Our homes will be attractive, sustainable and importantly affordable; meeting the needs of young people and first time buyers, families, people with particular needs and those in retirement.

Our neighbourhood colleagues, who are **out and about** and our hubs will continue to **provide a vital link** with customers.

OUR PERFORMANCE PRIORITY...

recognises that the road to revolutionising customer experience lies in reliable and relevant data and meaningful customer insight, working alongside local knowledge of neighbourhoods and communities.

The more we know about our customers and their needs and how this links to their home, the better we can deliver services and drive-up satisfaction.

We will collect bang up-to-date data to develop and mould targeted services.

But we will also focus on our new digital strategy, making best use of the latest technology and exploring new ways that customers can easily access our services – our plan is to co-design this in the first year of this 3 year plan.

We can only do all the things we want to do though if we have a **strong financially viable business** which means 'every penny and every person counts'. We'll watch what we spend, work transparently with our customers and get the most from our people.

During the year we were engaged in merger discussions with Great Places Housing Group. Following a comprehensive programme of due diligence covering culture, finance, property and legal and regulatory matters within a very difficult operating environment it was agreed not to pursue the merger and that both organisations would continue independently. As a result of this decision a significant amount of work around the new corporate plan and linked strategies has been undertaken in the last six months of the year. The work undertaken around our 30 year business plan has shown we have significant financial resilience to weather the challenges ahead and to continue to provide improved homes and services to our customers and communities and develop and build new homes for the future.

Each Group entity has its own 30-year Business Plan, including asset management, treasury and service delivery plans which are reviewed and revised annually. Each part of the business has a robust, healthy financial plan with capacity to continue to develop and grow into the future. Economic instability has continued to be a feature of 2023/24, with high inflation and interest rates. These factors have led to the ongoing cost of living crisis, with many households on low incomes feeling the impact most severely. Increases in costs during the year have been reflected. in the revised forecasts in the Business Plan, along with revisions to forecast interest and inflation rates.

Business and Financial Review

Overview of the year

This has been another year of strong performance, despite the significant economic challenges. Our continued financial strength provides a strong platform upon which to continue to grow the value of the organisation and invest in our people, the services we provide and the development of new homes.

As part of the Regulator of Social Housing's regular stability checks, in November 2023 we had our G1 rating reaffirmed, the highest possible rating for Governance. Our Viability rating was regraded to V2, along with many other RPs across the sector, as a direct result of economic uncertainty and, high inflationary rates putting pressure on investment and maintenance costs. The judgement report confirms the V2 grade is compliant, and that we have a fully funded business plan, sufficient security and can meet financial covenants. This confirms the Regulator's continued confidence in MSV and our ability to function with robust management and governance arrangements in place. We maintain a positive relationship with the Regulator and embrace the coregulatory approach to managing our affairs. 2023/24 saw the announcement of new consumer standards. Our own self assessment shows that we are fully compliant but recognised areas for improvement. Early in 2024/25 we had a regulatory inspection, the results of which are unknown at the time of this report. We are confident that we will at least retain our compliant gradings.

Our financial results for the year have been positive. As a Group, we have made a net surplus of £3m (excluding pension movements) (2022/23: £2.7m). The Group's operating margin is 15.1% (2022/23: 15.2%) and demonstrates that there is still capacity being created through our day-to-day activities. The split of operating and net surpluses across the Group is as follows:

	MSV Group	MSV Housing	MSV Invest
Operating Surplus*	9.2	9.1	0.1
Operating Margin*	15.1%	14.9%	8.2%
Net Surplus	3.0	3.0	0.0
Net Margin	4.8%	4.8%	2.5%

**Excluding fixed assets sales*

At the end of the year the Group has combined drawn funding of £227m from multiple facilities across four lenders and four investors (syndicated Private Placement). The group held cash balances totalling £41.2m.

The Group's Treasury Policy requires a minimum of £1.0m available cash to be always held by MSV and has sufficient available funding to cover two years' net cashflows. In addition, the Treasury Policy sets a 'Golden Rule' EBITDA-MRI Interest Cover requirement of 120% (relating to MSV Housing), and 115% excluding forecast property sales surpluses, to provide headroom against the tightest funder's covenant of 110%. We met all of the policy requirements in 2023/24 and throughout our 30 year business plan.

Delivering services to our customers & satisfaction

We are committed to delivering high-quality, cost-effective services to our customers. We regularly seek feedback from our customers to gain insight into what they think about the services we provide. During 2023/24 we continued to collect feedback using an independent company to conduct telephone surveys each month to obtain 'in-the-moment' information, rather than undertaking one big postal survey.

Since adopting this approach, we have interacted with over 8000 customers, and are using their feedback to continuously refine and improve services. We have introduced new questions during 2022/23 aligned to the Regulator of Social Housing's Tenant Satisfaction measures, in order to start understanding performance and establishing a baseline against these measures and have joined local and regional benchmarking groups to understand how our performance compares to others. We also continue to undertake post-transactional surveys around anti-social behaviour and new tenant process and continue to report internally against key performance measures in areas such as customer safety. In 2023/24 we surveyed a total of 1773 customers (1676 Low Cost Rental Accommodation (LCRA) and 97 Low Cost Home Owners (LCHO).

The formation of MSV we have invested almost £95.2m in maintaining and improving our existing homes, and plan to invest around £48m over the next five years in component replacements and a further £24m on investment works to refurbish and improve the energy efficiency and carbon footprint of some of our most difficult to treat properties. 71.6% of our customers tell us they are happy that their home is well maintained and 79.3% of customers fell their home is safe and secure.

At 70.4%, satisfaction with our responsive repairs service continues to be lower than we would strive for – although again remains consistent against last years' result of 70.6%. Performance on wider repairs metrics has improved throughout the year and we anticipate that 24/25 will see the satisfaction lag starting to be bridged. Housemark research "has found improvements to operational services such as repairs will take about 18 months to filter through to better perception results. "We are committed to ensuring we have the right resources in place to improve the repairs service and address the challenges of delivering a consistent quality of service over such a broad geographic area.

We have now implemented the Repairs Improvement Plan and have agreed a new Target Operating Model in line with sector best practice and a restructure of this area has been completed. This has delivered significant improvements in performance during 23/24, which will continue in 24/25 with further investments in people, systems and the wider service infrastructure such as sub-contracting, materials supplies and new vans. Customers have been at the forefront of the redesign and have helped to shape the new service model. Key changes to the service and the new repairs policy have been subject to extensive consultation with customers. In addition, the Scrutiny Panel have undertaken a deep-dive review into the repairs service, culminating in a series of recommendations to improve the customer experience which have fed into the Repairs Improvement Plan.

In the current climate, we recognise that our overall satisfaction level of 68.7% is lower than we would want it to be, however recent benchmarking through the TSM groups indicates that this does benchmark at a satisfactory level relative to our peers. We have set an aspirational target of 77% for the forthcoming year and 'consistently delivering excellent customer service' remains a top priority for the forthcoming year. As well as targeted improvements to specific services, we have delivered a high-profile campaign to drive customer excellence, linked to team and individual objectives. The mantra of "repairs, respect and redress" is at the forefront of this work, and we have a dedicated email address whereby, tenants can directly provide feedback where they feel services have fallen short of expectations, particularly in respect of not feeling they have been treated respectfully, and any issues raised will be responded to within 48 hours.

Cost of living and financial resilience

The cost of living crisis continues to be driven by a combination of factors that have endured despite inflation falling in the last 12 months. These factors disproportionately impact tenants and include economic challenges such as high living costs, stagnant wage growth below inflation, employment instability, debt levels and changes in welfare benefits.

Customers are now being transferred from Housing Benefit to Universal Credit as all Tax Credits are replaced by Universal Credit (UC). The shift to Universal Credit has been particularly impactful and the transitional process often leaves customers struggling to keep up with payments. As of 30th June 2024, MSV currently have 3220 customers on Universal Credit with 1606 customers in arrears averaging £462.19.

Our Money Management service has dealt with 1,095 direct referrals, made 2,000 interventions in the early stages of rent arrears, proactively contacting customers, and supporting them through difficult financial times to get their finances back on track and maintain their rent payments. We were able to secure £521,500 in support through Discretionary Housing Payments, benefit backdates, Personal Independent Payments and various grants for customers. We have provided £34,500 worth of fuel vouchers for 593 customers and £33,200 vouchers for food. We also provided customers with £76,000 worth of white goods and furniture in partnership with British Heart Foundation and Bolton Community Furniture Store.

We committed an additional £150k to customers experiencing acute financial difficulty through our hardship fund in 23/24 and will continue to support those experiencing financial difficulty in 24/25 including longer term more strategic interventions to tackle poverty.

Responding to complaints

Mosscare St Vincent's Housing Group (MSV) is committed to providing a high-quality service to all our customers. However, despite our best efforts, things can sometimes go wrong and result in complaints regarding service failure across a range of service areas.

A full review has been carried out on our complaints and compensation policies in 23/24, following a review undertaken by the Housing Ombudsman last year in respect of our level of compliance against their complaint code. Implementing a new policy was an integral part of achieving full compliance. Both the complaint policy and the compensation policy have been checked against the new statutory HOS complaints code/self-assessment requirements as well as the action plan following the complaints internal audit and self-assessment from last year.

This integrated approach to improving our response to complaints has enabled us to address any previously identified areas of non-compliance. We will continue to work on performance across complaints to ensure an improving trend although quarter 4 (23/24) performance indicates a significantly improved performance against the previous 3 quarters of last year. This has continued into quarter one of 24/25 where our performance has exceeded 90% for complaints responded to in designated timescales with satisfaction with the complaint process being in line with median levels of performance based on benchmarking at 35.7%.

Looking ahead to 24/25, we have appointed one of our Board Members, Michelle Hill as the Board Champion for complaints in line with the Housing Ombudsman complaints code. We have also introduced our Customer Complaint panel and recruitment has started with information being sent out to our involved customer database and shared at schemes and on social media. The group once formed will be reviewing complaints based on the complaint summary against the full response and will provide a fresh insight, with a willingness to see us learn and improve, so all our customers receive an excellent service. To underpin a positive culture around responding to complaints, customer communication training will be delivered to all MSV staff during the year enabling us to embed the culture that effective complaints response starts with positive resolution at first contact and a 'can do' approach.

Our new Customer Experience Strategy, which is planned for Q2 24/25 will also provide additional strategic focus around our response to complaints and the provision of excellent customer services at all times and across all areas of the business in line with our Promise to Customers in respect of Fair and Friendly Services.

Customer voice and influence

MSV is committed to ensuring customer voice is at the heart of our operating model and is actively driving decisions across the business in relation to services that impact on customers. We worked closely with TPAS to develop the new strategic framework and action plan for customer voice influence, enabling us to build on and increase capacity for effective engagement utilising their robust, tried and tested 're-engineering' approach. The Customer Voice Strategy 2024 – 2027 which has been co-designed with over 200 customers builds upon and has replaced the Customer Engagement Strategy. It underpins our continued and enhanced commitment to co-regulation by involving customers at every level of the organisation, in a way that suits them.

We have a broad range of well-established and new mechanisms for customers to engage with us, including customer representation on the Board, the newly enhanced Customers & Communities Committee with 5 new customers representatives, a database of over 400 involved customers, Customer Champions (for environmental, building safety, later living), Customer Scrutiny Panel, 20 active tenant and resident groups across our areas of operation, and a diverse range of community projects and activities that are delivered in communities and through our locally-based hubs.

The Customer Voice model, which is central to the new strategy is shown above. During 23/24 we have increased opportunities for customers to have their voices heard and ensuring we are demonstrating how customers are influencing services through our new You Said, We Did channel. Over 2000 customers have influenced services through the following channels:

Activity	No of Customers
Focus sessions designing 12 strategies/policies and procedures	378
Customer Voice Network (signed up as an involved customer to take part in surveys/groups/members of local TARAs etc)	412
Surveys completed	1310
3 x service scrutiny reviews completed	18
Nibbles and Natter events	340
4582 hours volunteered by customers in our communities. (all activities, including hubs and projects in our neighbourhoods)	30

Truly embedding customer voice and influence within our operating model continues to be high priority and a clear focus within the new strategy, as a social housing provider that puts customers at the heart of its service delivery and operations. We have welcomed the increased focus on customer experience, voice and influence through the Charter for Social Housing Residents and the changes to consumer regulation, particularly in respect of the Transparency, Influence and Accountability Standard. We have a dedicated Customer Voice and Influence Team who oversee our work in this area comprising of Social Investment Officers, Customer Involvement Officers as well as dedicated officers for Skills and Employment and Funding/Grants, with the team led by our Head of Customer Voice and Influence.

Our Customer Voice Strategy 2024-2027 underpins the work we have been focused on and new areas of priority. As well as building upon the work undertaken to date the strategy also recognises the step change that is needed in respect of how customer insight needs to drive the business in line with new regulatory requirements. The key drivers and areas of focus for 24/25 include:

- A desire to shape services around customer's expectations, delivering services that are tailored to meet needs, collaboratively developing Service Standards that matter to our customers.
- A desire to engage right across our diverse and geographically dispersed customers.
- A desire to 'go the extra mile' whilst delivering authentic engagement that is inclusive, diverse, representative and aims to address inequality in service provision.
- Complying with legislation including meeting all regulatory standards.
- Learning from within and outside the sector in respect of influence and insight to shape service delivery.

Customer scrutiny and changes to the Customer Committee

In 2023/24 we worked closely with the panel members to review and improve the scrutiny function, strengthening links with the Customers and Communities Committee, ensuring we have a clear reporting channel and commissioning process which is linked to Board.

During the past 12 months, 18 customers have completed 4 reviews of the following areas:

- Mutual Exchange process
- Tenancy Audits
- Reporting a Repair
- Complaints

The panel have created one tracker for all service reviews to enable them to track recommendations and work closely with service area leads to ensure actions are completed. As part of the review, we have updated the terms of reference, role profiles and recruited a new chair of the panel. All findings and recommendations are reported to the Customer Committee who maintain oversight of the action tracker ensuring officers are held accountable for actions being completed.

In March 2024 we recruited 5 new customers to join our enhanced Customer and Communities Committee which has a new Terms of Reference and remunerated customer members in line with other Committees. We are committed to working with our new and existing members to co-design the new committee and shape the way the group operates aligned to our wider governance structure.

Customer Voice and influence key achievements during 2023/24:

- Creating a new Customer Voice Network with over 400 members.
- Developed a new Scrutiny Group now linked to the governance structure, effectively reporting into the Customer and Communities Committee.
- Launched the Nibbles and Natter initiative, giving customers an opportunity to speak to our senior leaders across all areas of operation, have their issues dealt with and receive feedback with queries and outcomes published. 12 events held in last 2 years with over 400 customers in attendance.
- Reinvigorated our work with resident groups, developed 'Health Checks' which are completed annually, along with a grant to assist with running costs of the group.
- The Customer Voice Toolkit has been launched to support colleagues with a

consistent framework for ensuring the customer voice is captured in their operational activities.
- Introduction of the 'CX feedback' system, which will facilitate a centralised approach to consultation, allowing us to accurately capture and process customer data on feedback received.
- Set up 4 new Customer Drop-ins across MSV communities via our hubs, allowing customers to access colleagues from across the organisation.
- Delivered a wide range of consultations, focus sessions and workshops directly to customers across a range of topics. (Consumer Standards, TSMs and review of the MSV Way.)
- Developed strong links with Rainbow Roofs, LGBTQ+ group, MSV customers represented and members of the group ensuring a strong Equality, Diversity and Inclusion (EDI) focus.
- Creation of new Customer Champion roles who will act as 'eyes and ears' in our neighbourhoods linked to the neighbourhood strategy and offer.
- Empowered customers to lead community initiatives and hubs within their own neighbourhoods.
- Successful recruitment of 4 new MSV customers to join the Customer and Communities with one additional Board member joining the Committee who is also a tenant.
  Committee from a wide range of areas and demographics.
- Engagement of TPAS to support development of strategy and the co-production work with customers - engaged with over 200 customers in developing this strategy, over 75% of which were previously 'unheard' voices.
- Developed a 'You Said, We Did' channel to report how we are using customer voice to improve or change services.

Managing our housing assets

As a Group we currently own and/or manage 8,220 social and affordable homes for rent across 18 Local Authority areas, as well as 428 shared ownership homes and 142 market rent homes. We also manage 158 properties, on behalf of others plus we have a portfolio of commercial rent properties.

We recognise the importance of investing our existing homes to ensure they remain good quality, safe places where people want to live. This year we invested £8.2m in maintaining and improving the quality of our homes. This year we reported three homes failing the Decent Homes Standard due to low EPC ratings. We are putting plans in place to improve these properties and bring them up to EPC C in 2024/25. All other homes meet the Decent Homes Standard and are maintained in a good condition. Decisions on how much to invest in our existing portfolio each year are based on an independent Stock Condition Survey, supplemented by our local and detailed knowledge of the assets. We are currently updating our property condition data through a new programme of rolling 5-year stock condition surveys

Over the next five years we intend to invest c.£81m in our existing housing portfolio, including a significant rolling programme of component replacements, a programme of sustainability works to improve the EPC ratings across the portfolio and improve fuel efficiency for our customers, and an ongoing programme to refurbish our sheltered housing portfolio. This year we have also introduced ringfenced funds to ensure we can respond quickly and effectively to issues of damp, mould and disrepair if they arise, totalling c.£1.2m per year for the next two years, and then reducing to an ongoing inflation-linked provision of c.£800k per year for the remainder of the Business Plan.

We are committed to reducing the carbon footprint of our property portfolio and have ringfenced a further c.£8.2m to bring all homes to at least EPC C by 2030. Our commitment to decarbonisation goes well beyond this target; we have been successful in securing Government funding through BEIS to match-fund spending to reduce the carbon footprint across some of our most difficult-to-treat properties.

As part of our proactive Asset Management Strategy, we have identified certain properties for disposal as and when they become void. During the year we sold 6 properties on the open market, generating capital receipts of £210k and a surplus of £77k.

New development and sales

During 2023/24 we invested £17.9m in the development of new homes and completed 111 new homes, bringing the total completions since the merger to 729. This equates to 56% of the 1,293 new homes commitment made at the merger.

The latest Business Plan forecasts the development of 1,457 new homes from 2024/25 up to 2029/30, averaging circa 242 new homes per year. This is a slightly higher than our circa 200 per year Growth Strategy target, as it includes the Moss Side redevelopment with handovers forecast from 2026/27. This years completions of 111 homes included 60 homes for shared ownership, 19 rent to buy, 6 supported social rent and 26 homes for social and affordable rent.

At the end of 2023/24 we had six committed schemes in contract, which will deliver 20 social, 8 rent to buy, 21 shared ownership and 38 affordable homes by Dec 2025. We have capacity within the business plan to deliver a further 606 homes over the next three years, these homes are not yet on site, but many have been identified, and some have been approved but not yet committed. The remainder of the development programme is forecast to be delivered by 2029/30.

In 2023/24 we sold 60 new build homes through first tranche shared ownership, generating proceeds of £6,677,820m and net surpluses of £2m. Across those properties the average proportion of equity sold at first tranche sale was 48%, outperforming the scheme appraisal assumption of 40%. It should be noted that sales have tracked behind business plan projections due to delays during the construction phase rather than demand. Demand remains high, with the exception of two later living HAPPI schemes, which suffered a lack of buyer interest after 12 months of marketing. The 48 unsold homes were approved for a tenure switch to social rent by both the Board and Homes England, which took place on the first of April, so these units show as unsold at the end of the financial year, but will not appear in the 2024/25 figures.

Achieving targets and value for money

Value for money (VfM) underpins decisions made across all areas of the organisation and supports the delivery of our vision and strategic objectives. Our Corporate Plan, The MSV Way, provides the golden thread through the heart of everything we do, linking operational delivery and performance to strategic intent. It gives the organisation the focus for delivering VfM in all aspects of our work.

In July 2024, the Board approved MSV’s comprehensive new VfM Strategy, which sets out MSV’s approach to managing, measuring and reporting VfM performance in line with the Regulator’s Value for Money Standard.

Throughout the year we measure performance using a suite of KPIs and operational PIs, using a Balanced Scorecard approach to performance management. This methodology incorporates both the new Tenant Satisfaction Measures and the VfM Metrics included within the Regulator’s Value for Money Standard. During 2023/24 the full suite of TSMs have been published on the MSV website. These have also been shared in the MSV Newsletter – The Voice.

Following the adoption of the Balanced Scorecard Methodology, metrics are now categorised under four headings:

- People & Culture
- Customers
- Systems & Compliance
- Financial Viability

The actual KPIs measured and reported remain largely unchanged, with some amendments to definitions to align with the new TSM definitions and some additional measures added to the framework.

We compare operational KPI performance against targets and previous years’ performance and use sector knowledge to assess and benchmark results as follows::

- **The Sector** - Housemark (a leading data and insight company for the UK Housing Sector) - 120 Housing Associations in sector group.
- **The Size** – Housemark – 45 Housing Associations with up to 10,000 units

- **Local** – Greater Manchester Housing Group – 16 Housing Associations in the Greater Manchester Area

For VfM Metrics, given that only a small sample of 23/24 data is available, we have obtained our benchmarking data from 2022/23 financial statements using the GOV.UK benchmarking tool. We have compared our VFM metric results to:

- Sector: The housing sector with minimum 5% supported housing
- Size: Registered Provider Members with between 5,000 to 9,999 homes with minimum 5% supported housing (8 RPs)
- Location: Registered Provider Members with at least 50% stock in the Northwest (10 RPs)

For other KPIs, we leverage the strength of our partnerships nationally and locally to benchmark our performance throughout the year, so that we can understand how our performance compares to that of similar comparator organisations and use this insight to set stretching targets. Wherever possible, we compare our results to traditional RPs with homes across a wide geographical range, including a proportion of supported and specialist accommodation. As a proactive member of Placeshapers we are part of a collective of over 100 like-minded organisations, and our involvement in the Greater Manchester Housing Partnership means we have strong relationships with RPs across the conurbation. Through various networks, we regularly discuss our performance and visit and meet with partners with strong performance results to learn about how this is achieved and how best practice can be applied at MSV. Benchmarking comparators are provided where results are available from three or more RPs.

a) People & Culture

	Median Benchmarks					
Measure	**Sector Housemark**	**Similar Size RPs Housemark**	**Local RPs GM Group**	**Actual 2022/23**	**Target 2023/24**	**Actual 2023/24**
KPIs						
Staff Turnover	13.7%	16.2%	15.6%	16.3%	10.0%	**14.07%**
Staff Sickness	10.5%	9.4%	4.8%	7.1%	4.0%	**4.95%**
RIDDORs	Not available	Not available	Not available	2	0	**1**

Over the year we saw staff turnover at 14.1%, which was higher than the target of 10% but an improvement on the previous 12-month period. Analysis of the data tells us that the proposed merger with Great Places was a key factor in several staff choosing to leave the business. Additionally, organisational change and restructures across our Property Care and Assets and Growth team also led to higher-than-normal turnover in these areas. Over the year and following significant investment in management training in absence management, along with investments in mental health support from our mental health first aiders, training and a refreshed Employee Assistance Programme, our absence rates were just above the 4% target at 4.95%, also an improvement on the previous year.

There has been one RIDDOR during the year – whilst the target will always be zero, this is not felt to be of concern, and incidents have been reviewed to ensure any learning has been implemented and refresher training provided where relevant.

b) Customer Service & Outcomes

Measure	Median Benchmarks: Sector Housemark	Median Benchmarks: Similar Size RPs Housemark	Median Benchmarks: Local RPs GM Group	Actual 2022/23	Target 2023/24	Actual 2023/24
Tenant Satisfaction Measures						
% Overall Satisfaction LCRA	70.2%	76.7%	72%	72.9%	77%	68.7%
% Repairs Satisfaction LCRA	71.9%	76%	72%	71%	75%	70.4%
% Time Taken on Most Recent Repair LCRA	67%	74.7%	69%	68.4%	74.1%	62.7%
% Home is Well Maintained LCRA	69.6%	76.5%	73%	80.6%	82%	71.6%
% Home is Safe LCRA	78.15%	81.75%	80%	83.6%	85%	79.3%
% Listens to views and acts upon them LCRA	59.6%	66%	66%	64%	70%	60.5%
% Informed about things that Matter LCRA	70.85%	74.6%	75%	77.2%	74.9%	73.2%
% Treats Tenants Fairly and with Respect LCRA	76.7%	81%	80%	79.3%	70%	77.5%
% Handling Complaints LCRA	34%	39.7%	37%	41.5%	50%	35.8%
% Communal Areas Clean & Well Maintained LCRA	65.35%	69%	70%	65.2%	75%	63.1%
% Positive Contribution Neighbourhood LCRA	63.3%	67.8%	69%	80.9%	72.9%	67%
% Handling Anti-Social Behaviour LCRA	57.3%	61.2%	64%	75.9%	68.4%	71.8%
Other KPIs						
Emergency repairs % completed on time	Not available	Not available	Not available	99.9%	100%	**99.7%**
% repairs appointments kept	Not available	Not available	Not available	81.4%	90%	**80.6%**
Appointable repairs completion (days)	Not available	Not available	Not available	28.5	25	**37.5**

MSV have made several improvements to repairs service, but this performance is not yet reflected in the perception surveys – Housemark research "has found improvements to operational services such as repairs will take about 18 months to filter through to better perception results." Time Taken for repairs has historically been one of our lowest scoring measures, as well as constantly the top scoring theme on the Overall comments and therefore one driver to bringing the overall score down.

MSV Repairs improvement plan started to see improvements in the latter half of last year (October '23 onwards) when the backlog was rapidly decreasing, productivity increased, and repairs turnaround times dropped from 50 average days to 25 days – and continues to improve. This means that it could be another 10 months before we start to see these improvements filter through.

It is also important to note that satisfaction across the sector has reduced quite dramatically – the median overall satisfaction was at 85.1% in 2018/19 – this has dropped to a median overall of 70.2%. MSV has had similar trajectory with less sharp a drop.

Work In Progress (MSV backlog) was at over 6,000 jobs at the start of the year – the repairs service worked hard to clear this, ending the year at 2,000, and continues as business as usual. The focus is now on the Planning department and an improvement plan is currently being worked on to improve communication to our customers. MSV have also started the implementation of an end-to-end repairs service product – MRI Repairs – which will see further benefits for our customers (more in Business Improvements).

Complaints is another area where we have seen big improvement to the service – a huge focus across the business in responding to and resolving complaints in agreed timescale, as well as a redesign of the process. This has led to much improved % responded to and although outcomes may not be what the customers want, this should lead to improved satisfaction with the handling of cases.

Over the past year the two GM benchmarking groups merged in to one group (approximately 24 HAs) of which MSV is an active member. We also re-joined Housemark – leading data insight company for Housing – and have already benefitted from the insights benchmarking sector wide and size appropriate has brought us.

c) Systems & Compliance

	Median Benchmarks					
Measure	**Sector Housemark**	**Similar Size RPs Housemark**	**Local RPs GM Group**	**Actual 2022/23**	**Target 2023/24**	**Actual 2023/24**
VFM Metrics						
New supply delivered – social housing	1.0%	1.3%	1.2%	2.0%	1.9%	**1.3%**
New supply delivered – non-social	0.0%	0.0%	0.0%	0.1%	0.0%	**0.0%**
Tenant Satisfaction Measures						
% Stage 1 Complaints relative to size of landlord LCRA	41.5%	44.15%	49.9	Not available	Not available	31.51%
% Stage 2 Complaints relative to size of landlord LCRA	5.3%	4.7%	5.5%	Not available	Not available	**4.14%**
% Stage 1 Complaints Responded to in Timescales LCRA	85%	91.8%	96.4%	Not available	100%	64.86%
% Stage 2 Complaints Responded to in Timescales LCRA	82.2%	92.3%	98.9%	Not available	100%	76.47%
Anti-social behaviour cases relative to the size of the landlord	40.32	28.08	49.6	Not available	Not available	60.83
Hate crime cases relative to the size of the landlord	0.78	0.53	1.0	Not available	Not available	2.19
% Decent Homes not meeting standard	0.5	0.02	0%	Not available	0%	0%
% Repairs Completed within timescale Non Emergency	81.3%	80.84%	83%	Not available	95%	59.05%
% Repairs Completed within timescale Emergency	94.89%	95.87%	98%	Not available	100%	99.89%
% Gas safety	99.97%	100%	98%	100%	100%	**99.95%**
% Fire safety	100%	100%	100%	100%	100%	**99.76%**
% Asbestos safety	00%	100%	Not available	100%	100%	**100%**
% Water safety	100%	100%	Not available	100%	100%	**100%**
% Lift safety	100%	100%	Not available	97.6%	100%	**100%**
Other KPIs						
Electrical safety – communal certificates	99.1%	99.7%	Not available	100%	100%	**99.09%**
Void turnaround days – supported stock*	Not available	Not available	Not available	98	43	**80**
Void turnaround days – general needs stock*				40	25	**70**

** Benchmarks are overall – other providers do not split by tenure*

VfM Metrics

We benchmark favourably having delivered new social housing supply equivalent to 1.3% of total housing assets. These results demonstrate MSV's commitment to continued, steady growth of social housing supply.

Tenant Satisfaction Metrics & Other Metrics

Keeping our customers safe is a top priority and is reflected in our results. We continue to adopt a firm approach to gaining access to properties through legal action where necessary, although in most cases customers recognise the importance of such checks and grant access. We always strive for 100% performance across all compliance areas. In 2022/23 and 2023/24 we completed internal audits on all our 'big 6' compliance areas; achieving high levels of assurance and minimal recommendations, this has provided an additional layer of assurance that our approach to compliance is sound in terms of keeping customers safe in their homes.

We have implemented the Repairs Improvement Plan and have agreed a new Target Operating Model in line with sector best practice and a restructure of this area has been completed. This has delivered significant improvements in performance during 2023/24, our annual average is low, but we have seen continuous improvements throughout the year and into 2024/25 and are now achieving rates at over 80%.

Void turnaround days in supported housing have remained high due to the nature of these schemes, which can mean it often takes time for partner agencies to identify suitable occupants for a scheme. In some cases, whilst the property is empty this does not result in a loss, as many support contracts include a provision for voids. During 2023/24 we have also experienced an increase in void days within the General Needs portfolio. This is due to the competing demands and pressures on the Property Care service, with the number of responsive repairs jobs increasing significantly during the year. This has impacted the capacity to undertake void works, with tenanted repairs being given priority to avoid a reduction in customer service. Demand for properties remains high for our properties. We have worked hard to reduce the backlog and are now down to a normal level of service. This has resulted in our turnaround times to be around our target levels of 25 days.

d) Financial Viability

	Median Benchmarks					
Measure	**Sector Wide GOV>UK**	**Similar Size RPs GOV.UK**	**Local RPs GOV.UK**	**Actual 2022/23**	**Target 2023/24**	**Actual 2023/24**
VFM Metrics						
Operating margin – social lettings only	15.2%	19.1%	17.5%	13.4%	24.0%	**15.2%**
Operating margin – overall	11.1%	16.1%	14.6%	15.4%	26.3%	**15.5%**
EBITDA-MRI interest cover*	129%	95%	142%	119.1%	165.5%	**95.3%**
Gearing	42.2%	45.2%	42.5%	44.2%	49.7%	**45.6%**
Headline social housing cost per unit	£6.8k	£5.5k	£4.6k	£4.6k	£4.9k	**£5.3k**
Return on capital employed	2.2%	3.0%	2.7%	2.2%	3.0%	**2.2%**
Reinvestment	5.8%	5.3%	7.1%	5.3%	12.7%	**6.1%**
Other KPIs						
Rent collection	99.68%*	100%*	99.4%*	98.95%	100.0%	**100.01%**
Current tenant arrears	3.13%*	2.61%%	3.38%*	3.4%	3.6%	**3.9%**
Former tenant arrears	Not available	Not available	Not available	2.3%	2.0%	**2.1%**
Rent loss from voids	1.2%*	1.6%*	0.9%*	2.12%	2.0%	**2.36%**
Bad debt %	Not available	Not available	Not available	0.9%	1.75%	**0.0%**

**1 methodology per the VfM Standard, not MSV funding covenant*

*2 small sample size

VfM Metrics

Our Social Lettings Operating Margin consistently falls at the low end of the benchmark group due to proactive decisions to invest in our service delivery. Our results are also impacted by the positive, risk-based decision not to undertake open market sales or other commercial activity to generate alternative income streams, meaning most overheads are attributed to Social Lettings. During the year we have seen continued cost increases beyond budget expectations in relation to materials and subcontractors, a sustained rise in demand for the repairs service, and the strategic decision to ramp up remediation works on the damp and mould programme – all of which have been experienced across the sector. Despite this, and the continued high interest rates, we have had a solid financial performance.

Discussions with peers across the sector indicate that all organisations have experienced similar pressures to those set out above. When compared to the benchmarks above, MSV does not benchmark favourably; however, this is due to the 12-month lag in benchmark availability (comparison with 2022/23 published results). Once 2023/24 accounts are available across the benchmark group, we believe our results will continue to benchmark similarly to in previous years.

The level of interest cover at the end of 2023/24 is linked to the profile of debt drawdown and spend. The calculation above is based on the methodology defined in the VfM Standard, which differs from the funding covenant definition. We met our interest cover covenant as per our funders calculation with a reasonable amount of headroom and this benchmarks around the median when compared to similar sized peers. MSV has not yet fully drawn all facilities and makes effective use of revolving credit facilities to manage cashflows and achieved extremely favourable rates on the Private Placement arranged in 2021/22 when compared to current market conditions. Interest cover is our tightest loan covenant for 23/24. We have however, moved to an EBITDA only covenant which allows much greater flexibility around our property investment decisions. The headroom on gearing is due to a combination of undrawn facilities (due to timing / future forecasts) and capacity for further borrowing. The EBITDA-MRI Target was set based on the Budget which, for the reasons set out above, was not met and therefore actual performance has fallen below target for the year.

Our Return on Capital Employed is below the median of the benchmarking group, largely due to a combination of choosing to invest in the types of housing that are more resource-intensive, such as supported and specialist housing and choosing not to undertake development for open market sale and/or adopt an aggressive asset rationalisation strategy. In terms of reinvestment, MSV consistently benchmarks around or slightly below the median. This is partly due to us being a traditional Registered Provider, not formed as a result of a Local Authority stock transfer (known as LSVTs). As a result, our SOFP property values tend to be higher than those of LSVTs; when just compared against traditional Registered Providers within the benchmark dataset, we benchmark in the upper quartile.

Other Metrics

KPIs within this section have shown a downward trend in the year, which is reflected across the benchmark group. Difficult economic conditions have impacted performance as customers continue to struggle with the cost-of-living crisis. We continued to support our customers in a number of ways through our Money Management Service, and we committed £150k to customers experiencing acute financial difficulty through our hardship fund and will continue to support those experiencing financial difficulty including longer term strategic interventions to tackle poverty.

Rent collection % has stabilised back to 100% a key indicator that things are starting to ease for our customers, but, expected, we have seen an increase in arrears. Given the economic context, performance has held up well and remains well within manageable limits within the Business Plan. The benchmarking data is based on 2022/23 published data and therefore will not yet reflect the full impact of the cost-of-living crisis; we know from discussions with other organisations that almost all are experiencing similar trends, particularly around arrears, and so we expect to continue to benchmark favourably when 2023/24 figures are published.

Rent void loss has increased slightly but within business plan range and bad debts remain well below target.

e) Other VfM activity

During 2023/24 the focus has been on a reset following the aborted merger, making sure we have our house in order before embarking on new projects. This meant creating a new approach to Project Management, implementing a decision-making project board from across the whole business, with better communication to the Executive Leadership Team on progress, cost and benefits. MSV also created a new ICT, Digital and Data Strategy to be reviewed in 2 year's time. Projects that were put on hold during the merger but would definitely be implemented were resurrected – MRI Repairs (End to End Service) at implementation stage and Repairs Transaction surveys implemented.

Actions which have underpinned our VfM performance include the following:

Complaints Review: A review of the process of complaints handling took place and took into account the views of the Ombudsman. We took the opportunity to simplify processes and moved to a two stage approach. We have updated our ICT system configuration to reflect the new workflows, allowing for event notes, actions plans and communication methods. We have undertaken training for colleagues which will be rolled out across the business to embed the new process.

CRM Phase 2: We wanted to build on the success of the implementation of the Customer Relation Management (CRM) system from last year and continued a second phase of improvements to the original system to enable a better response time and resolution time for our customers. This consisted of a full consultation across the business on the early roll out and lessons learned, amendments made to business teams and subjects following the Property Care restructure, and with the additional process for contacting tenants added. We also reviewed the internal reporting and capturing of service standards and that our customers received the service we are promising. Monitoring has shown a 93% response rate to customer queries at the last reporting point.

Telephony: We upgraded our telephone system Enghouse last year so we could progress on the development of an Interactive Voice Response service– The system allows us to respond to customers' needs more efficiently by directing the enquiries to the appropriate team members. IVR will.

- recognise the customer and identify if vulnerable, a digital customer or operative.
- be able to cover GDPR requirements on customer identification.
- route calls based on why the customer is contacting us and allow us to report on why customers are contacting us.
- allow us to automate some processes – i.e., making a rent payment.

The system went live in January 2024.

Customer Portal Upgrades – these were put on hold due to the merger talks. Focus shifted to telephone queries and getting through to the phone so portal queries were not responded to in a timely fashion – leading to frustration on our customers part and ultimately less usage and more phone calls. Customer Contact Centre has now refocussed on the portal queries and we will look to complete more improvements through the ICT, Digital and Data Strategy.

Damp & Mould: After the very sad case of Awaab Ishak in Rochdale and the subsequent fallout, we immediately pulled a team together to build a process and system within our housing system on MSV's Damp and Mould cases, with a view to prioritisation and early resolution where possible.

Performance: Microsoft Power BI reporting is being used across the business to gain insight and inform decision making. Areas with their own dashboards shown below:

- Repairs
  - Operational weekly and monthly
  - Monthly Snapshot
  - High Spend Homes
  - TSM performance (emergency and non emergencies to target)
  - CCT and Repairs combined dashboard
  - Stock Right Now - order exception review, invoicing match and van stock utilisation review
- Complaints
  - Operational Overview
  - Live case view
  - Departmental Overviews

- Acknowledgment Exceptions
- ASB
  - Monthly TSM, Themes and trends
- Health and Safety
  - Accident and Incident Register and Operative training register
- Compliance
  - TSM Building Safety Monthly - fire, water, lift, gas and asbestos
  - Block Safety and Maintenance - Perception Surveys
- Insight Streams
  - Neighbourhoods
  - Homes
- Growth
  - Handover tally and key field exception check.
- Performance
  - Weekly Performance Report
  - Board Quarterly Summary (in progress)
- D&M
  - Live Cases and Progress - Superseded by new process and associated BO reporting

This year we begin an exciting project in partnership with Connexica, an insight and data company, that will be using new technology (CX Air) to interrogate our data and give further insights around compliance, customer and colleagues.

Process Re-Engineering: Process re-engineering has taken place mainly in those areas of focus mentioned above – repairs and complaints – leading to much improved performance in both areas.

Repairs Improvement Plan - completed

- Changes to operating model and implementation of two dedicated empty homes.
- Stabilisation of the repairs WIP.
- Reintroduction of productivity reporting and focus on performance.
- Update of repairs and empty homes policies and the new homes lettable standard.
- Launch and embedment of updated repairs processes.
- Focus on essential H&S Training and Safeguarding Training – now at 100%
- Procurement exercise for material supply chain and DPS.
- Update to the latest version of NatFed SORs to give improved visibility of the value delivered by the in-house resource.
- Implementation of repairs transactional surveys.
- Fleet replenishment progressed.
- Improved comms across the service.

Repairs Next Steps

- Stabilise void service delivery following implementation of new operating model.
- Maintain WIP and focus on driving productivity to achieve Jobs per day target of 5.
- Support stabilisation of planning function.
- MRI Repairs – project group established for initial development and build – Q1.
- Continue to replenish fleet.
- Use of customer transactional data to drive service improvements.
- Reprocure material supply chain partner – now at tender stage.
- Procurement of Dynamic Purchasing System for subcontract supply chain – tender issue July 24.
- Imprest van stock review.
- Continue to embed a performance driven approach across the service.
- Continue to focus on H&S controls and ensure colleagues and customers are safe.

ICT, Digital and Data: The Digital with a Heart Programme was an umbrella name for a range of sub-projects aimed at improving the digital offer to staff, and customers, and improving efficiency across the organisation. The Digital with a Heart Programme previously delivered an Intranet, a new website, Income Analytics, customer portal enhancements and more. Our major project for 2023/24 to push the programme forward is an online "Self-appointed Repairs" system, initially using "AccuServ" scheduling system.

The new ICT, Digital & Data strategy for 2024-2026 will continue with many of the same themes as the previous strategy. However, the sector is undergoing significant changes due to new legislation from Consumer Standard, Social Housing reform, Awaab's Law and Tenant Satisfaction Measures. It has never been so important to do things correctly; to do this we need to align systems and process, enhance data management and improve the customer experience. Regular reporting will be presented to the Board on value for money in delivering this strategy, tested through customer voice, impact and influence, achievement of budgets, appropriate procurement and continuous performance improvement. This will be delivered under 5 themes;

- **ICT Service Delivery & System -** effective ICT service delivery and systems to enable productive and smooth work processes, deliver innovation, and enhance the way we work.
- **ICT Security & Compliance -** Robust cyber security and compliance and financial controls to manage risk and provide a well governed ICT service.
- **Business Improvements -** to enable delivery of projects and changes that bring service improvements
- **Digital Journey -** continue to improve customer experience, increase efficiency and automation, explore new technologies, and reduce digital exclusion
- **Data & Process -** better data and process management will help to inform better decision making and empower colleagues, as well as enable improvements

Continuous Improvement – Strong Business: A key priority at MSV is supporting internal customers to achieve a customer-focused service and in turn improve customer satisfaction.

MSV is well prepared to manage and respond quickly to the existing and future challenges that it will face from the economic environment and technological advances, expectations, and risks, by continuing to identify new ways to deliver services economically, efficiently, and effectively.

Our approach to VfM is embedded across the business and is regularly measured through our strategic and operational reporting frameworks. VfM supports continuous improvement across the business. It is the view of the Board that we continue to remain fully compliant with the Regulator's Value for Money Standard.

Risk management and effective internal controls

In our ever-changing operating environment, the breadth of potential risks to the Group has increased. In 2023/24 the sector's risk environment has become increasingly challenging, as we have grappled with the challenges of significant rises in inflation and interest rates and the impact this has had on both the business and customers; the emerging challenge and negative media coverage around property condition; the significant costs associated with the decarbonisation agenda; and development risk both in the context of difficulties in getting development schemes off the ground due to rising costs, and the potential risk of a housing market contraction (although currently this shows no signs of materialising in the areas where we operate).

Understanding and managing the risks we face is critical to ensure the future sustainability of the organisation, and so we have in place robust mechanisms for the identification, management and monitoring of risk. Responsibility for identifying and managing risk sits at every level within the organisation; it is regularly discussed within the operating business and meetings of the Senior Leadership and Executive Teams; it is reported to every meeting of the Audit & Risk Committee, and at least quarterly to the Board; every decision report taken to the Board or a Committee includes a consideration of the relevant risks.

Risks are assigned a score using an Impact/Probability Matrix, taking account of the mitigating controls in place to understand the level of residual risk, and to ascertain if the level of risk remaining is acceptable to the Board in line with its Risk Appetite Statement. Strategic level risks are monitored at Board level, and those deemed the highest risk are summarised below. Other risks are monitored at an operational level, with each Head of Service throughout the organisation maintaining a Risk Register for their operational areas.

The Group's risk management processes seek to identify the key risks that could materially impact the organisation and manage them appropriately. The risk factors below are the Group's key risks and are regularly reviewed by the Board.

PROPERTY SERVICES

Failure to provide a quality and cost-effective service that meets customer expectations and achieves positive satisfaction outcomes

Key Controls:

- *Integrated Asset Management Strategy including approach to repairs in place 2024 – 27. This strategy focuses upon ensuring targeted investment in homes to maintain property standards whilst also driving down the cost of reactive repairs.*
- *Exception reporting in place across all measures to highlight where procedures are outside of requirements to enable early intervention. This includes weekly monitoring of the WIP to ensure no substantial increases occur.*
- *Repairs improvement plan in place to monitor key actions required to deliver service improvements.*
- *Enhancements to structure and culture which are now stabilised*
- *New supply chain contract in place with GP distribution which has improved first time fix rates significantly. This contract will be procured in line with OJEU legislation in Q1 of 2024.*
- *Dynamic Procurement System (DPS) being procured in Q1 which will see existing subcontractor relationships formalised within one newly procured framework. This will provide the opportunity to implement new SLAs with all contractors and tighten existing contract management controls.*
- *Accuserve implementation is underway which will strengthen scheduling arrangements communication with customers as well as back office functionality. This will be fully implemented over the next 12 months.*
- *Dedicated compliance admin team focused on customer appointments for gas and electrical checks*
- *Orchard systems in place to allow to report and record repair status & progress*
- *Regular customer committee, board and exec reports*
  Suite of strategic and operational PIs
  Involvement with Direct Works Group

DEVELOPMENT

Contractor failure and contract overspends leading to negative cash flow impact.

Key Controls:

- *Development programme is moderate in scale and spread across multiple tenures and markets which insulates from risk.*
- *Relationship management activity (Exec/CEO level) with Regulator, Homes England, local authorities' commissioners, contractors, developers, GM and national.*
- *Major overhaul of Policies, procedures and approval framework updated April 2024.*
- *Financial regulations and authorisation limits in place and reviewed in April 2024.*
- *Robust approval process in place controlling early spend and when contracts can be entered into.*
- *Implementation of new appraisal and cashflow management tool (Proval and Sequal) to increase rigour, timeliness and visibility of cashflow management of all schemes, both prior to works and while on site, giving better oversite of the full development programme (operational from May 2024).*
- *Monthly management accounts review with business partner on all capital programmes.*
- *Contractor risk reporting and background checks.*
- *Sales & marketing reports for all schemes.*
- *Annual Homes England audits 23/24 – all green*
- *Procurement policy and procedures*
- *Golden Rule introduced to monitor/manage sales risk exposure.*
- *Regular internal Audits (Reasonable assurance).*

ASSET MANAGEMENT

Failure to understand the housing stock portfolio and invest appropriately to meet statutory quality standards, sustainability standards and/or building safety legislative standards

Key Controls:

- 5 yearly stock condition HHSRS surveys in place to ensure stock data remains accurate and complete. Currently implementing catchup programme. At present holding 81% of data within 6 years which will increase to 100% through this financial year's survey programme.
- Newly approved Asset Management Strategy 2024-27 and associated policy and procedures in place
- Sustainability Strategy 2020 in place
- Current business plan reflects current stock condition survey data and is profiled to deliver realistic programmes driven by this information.
- Monthly management accounts review with business partner on all capital and revenue programmes.
- Range of internal and external professional services in place to support internal contract management structures.
- Membership of range of frameworks and procurement clubs to achieve best value
- Asset and liability register in place
- Building safety task group established with action plan and budget in place
- Procurement Policy in place
- Damp and Mould policy and monitoring systems in place
  Damp and Mould internal audit of March 2024 received Substantial Assurance.

REGULATORY AND LEGAL COMPLIANCE

Failure to understand and/or define legal and/or regulatory responsibilities and ensure continuing compliance

Key Controls:

- Relationships with Regulatory, trade bodies and wider sector
- Compliance requirements measurement
- Performance management
- Training and awareness
- Horizon scanning activity
- Returns structure and planning in place
- Regular reporting to committee and Board
- Internal and external audit programmes
- Expert and legal advice sought where appropriate
- CORS return to RSH (Covid)
- Transparent reporting of any matters of concern to RSH – co-regulation
- Governance review and action plan
- Investors in Diversity/E & I group shaping succession and recruitment to reflect communities
- Embedded ALR and associated processes.
- Completion of Ofsted registration
- Appointment of registered manager for ofsted applicable schemes
- Ongoing activity to embed Ofsted requirements across the organisation
- Consumer Standards self assessment completed and reported to BoardDTP desk top review completed.

BUSINESS CONTINUITY

Significant incident or disaster leading to major disruption or inability to continue to provide services

Key Controls:

- DR arrangements updated
- Testing and review of BCP/DR in place
- BCP documentation has been updated to reflect current information
- All BIAs complete and individual training undertaken
- Move to cloud based solutions reduces the risks to the business

GROWTH & PARTNERSHIPS

Failure to manage risks associated with development activities, including contractor, sales and market risk, and/or to maintain key partnership relationships

Key Controls:

- Relationship management activity (Exec/CEO level) with Regulator, Homes England, local authorities' commissioners, contractors, developers, GM and national
- Contractor risk reporting and background checks
- Managing counterparty risk
- Procurement policy and procedures
- Various positions held by CEO and Exec. Team Positions held e.g. MHPP chair, BCH, Manchester Leaders, Health and Social Care Partnerships, Placeshapers
- Merger policy and "red lines" in place

HEALTH & SAFETY

Failures in compliance with statutory, regulatory and best practice in respect of health & safety management

Key Controls:

Property Compliance:

- Attribute data is reconciled bi-annually back to source data, such as Cadence register of gas supply for gas or externally validated communal surveys for lifts, to ensure that records remain current and all Assets are on relevant programme.
- Exception reporting framework in place for each risk area which highlights properties approaching non-compliance and falling outside compliance.
- Routine Internal reporting framework of all areas of statutory compliance using exception reporting data:
    - Exception report for all areas to relevant SLT & Exec Members.
    - Exec reporting – monthly
    - Board reporting – quarterly
- Robust policy and procedure framework in place for each risk area which is reviewed every 2 years as a minimum or whenever there is a change to the relevant legislation.
- Technical review undertaken for all Compliance Policies by an appropriately qualified third party before submitted for approval (EG. Morgan & Lambert for Gas).
- Internal Audit completed for each risk area every 2 years or more regularly if concerns arise – all substantial assurance
- Neighbourhood safety issues identified through regular scheme and site inspections
- Business wide Cause for Concern reporting in place with all front-line staff having received training in 2023.
  Eyes wide open approach reinforced with all staff to respond to any issue of concern.

HEALTH & SAFETY

Failures in compliance with statutory, regulatory and best practice in respect of health & safety management

Key Controls:

Employee H&S:

- MSV H&S policy framework in place with ongoing review of policies and procedures, with specific arrangements for specialist activity such as working at heights or with circular saws
- Mandatory H&S Induction and training, including annual cycle of training in specialist activities
- Strategic Working Group Including Executive, Union & Employee Representatives – all H&S matters considered
- NEBOSH H&S Award qualification
- Risk Assessments in place for all potentially risky activities
- Staff and Managers supported in day to day matters on H&S and assessments.
- Internal Audits programme & third party audits
- Lone working devices and procedures in place, with regular reporting on activations
- COSHH assessments
- Regular H&S inspections of operatives and schemes
- Occupations Health Surveillance programme
- Tool audit and HAVS assessments

RPE controls in place

CYBER AND DATA SECURITY

Risk of attack and/or inappropriate or malicious access to data and/or systems

Key Controls:

- IT security policies in place including phishing, fraud and cyber attacks
- System protection (anti-virus and malware) in place
- IT disaster recovery policies and procedures, with regular training and reminders
- Network penetration tests across MSV by NCC
- GDPR review by DPP and DPP in place as advisors. GDPR working party set up
- Cyber liability insurance arranged
- All staff completed GDPR training
- Moved to SharePoint– safer cloud storage
- O365/SharePoint back-up moved to cloud based
- Cyber Essentials Plus accreditation
- Monthly on-line staff training and phishing Internal Audit – Reasonable assurance

GOVERNMENT POLICY

Lack of certainty around Government Policy leads to rising unemployment, austerity, and legislative, economic, social and/or community instability

Key Controls:

- Framework for awareness and horizon scanning and Board reporting
- Local relationships with Local Authorities and MPs and central government
- Scenario planning, Stress Testing and multi-variance analysis with mitigation plan in place
- Change to EBITDA only covenants
- Partnerships and relationships (GMHP)
- Placeshapers national networking
- NHF national networking
- Joining round tables and sector discussions
- Briefings – local and national

SECTOR REPUTATIONAL RISK

Adverse media coverage, Government narrative and/or actions of other organisations impact the perception or reputation of the whole sector.

Key Controls:

- Customer Service Standards
- Be Ready campaign to promote and embed Consumer Standards
- SLT service/performance clinics
- Damp and mould internal audit- Feb 24- substantial assurance
- Redesign and additional resources into the Customer Experience function
- New complaints policy and proactive engagement with the HOS
- Additional resources in respect of complaints with improving levels of performance on key metrics.
- Achieving compliance with HOS complaints code and Board reporting annually.
- Reconfiguring of operating models across Customer Services and Homes directorates.

Statement of Internal Control

The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit & Risk Committee has delegated responsibility and is responsible to the Board for monitoring the system and framework of risk management and internal control and reporting to the Board on its effectiveness.

The Board confirms there is an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group, that has been in place for the period under review and up to the date of approval of the annual report and accounts, and that this process is regularly reviewed by the Board. Risk identification, mitigation and management continue to underpin MSV's governance regime.

The Board has a number of mechanisms in place to support the Groups systems of internal control, these include:

- Group Rules, Standing Orders, Board/Committee Terms of Reference (including Delegated Authority) and the Delegatory Framework
- Code on Standards of Conduct and Probity
- Robust processes for recruitment, induction, appraisal and training of staff and Board Members
- Management assurances on internal controls (including budgetary control), operational and financial matters
- Risk management activities, assessments and reporting
- Internal and external audit activities
- Quality and performance systems and reporting
- Group Assets & Liabilities Register
- Policies and procedures to deal with fraud and whistleblowing
- Customer involvement and feedback

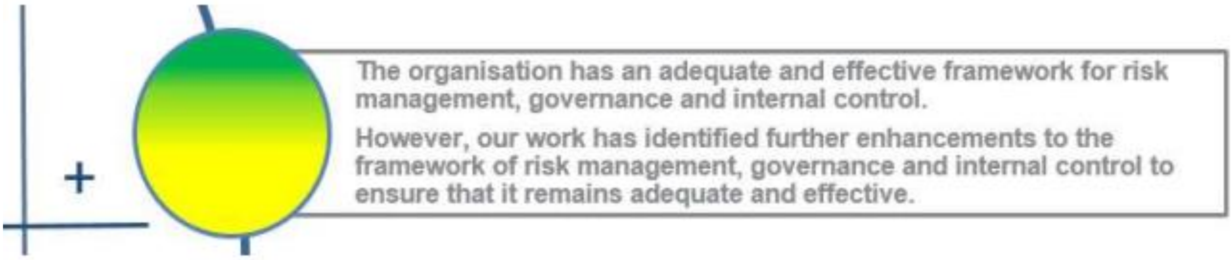
There is an approved anti-fraud policy that covers the prevention, detection and reporting of fraud. Details of identified frauds are maintained in the fraud register, which is reviewed quarterly by the Audit & Risk Committee on behalf of the Board. The antibribery and corruption policy sets out guidelines for all staff to ensure the highest standards of conduct in business dealings. The Group's whistleblowing policy enables employees to raise issues on a confidential basis and know that they will be properly investigated

The Board has reviewed the effectiveness of the system of internal control throughout 2023/24 and concluded that systems, policies, and people are in place to ensure a substantial level of assurance and control. Improvements are in progress in the areas of complaints, data analysis and the responsive repairs service.

Management is responsible for the identification and evaluation of significant risks applicable to their areas of business together with the design and operation of suitable internal controls. These risks are assessed continually and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, competition, natural catastrophes, and regulatory requirements.

A self-assessment and reporting framework has been established which provides for a documented and auditable trail of accountability. These procedures are relevant across all operations and provide for successive assurances to be given at increasingly higher levels of management and finally to the Board.

This process is facilitated by internal audit who also provide a degree of assurance as to the operation and validity of the system of internal control. The annual Internal Audit Plan is formulated through a risk-based approach and it is referenced to the Strategic Risk Register. Planned corrective actions are independently monitored for timely completion. The internal audit reported the following Internal Control Statement 2023/24 to the Audit & Risk Committee in April 2024:



Management report regularly on their review of risk and how they are managed to the Audit & Risk Committee, whose main role is to review on behalf of the Board the key risks inherent in the business and the system of control necessary to manage such risks and to present their findings to the Board.

The internal audit programme independently reviews the control processes implemented by management and reports to the Audit & Risk Committee every quarter. The Audit & Risk Committee reviews the assurance procedures, ensuring that an appropriate mix of techniques is used to obtain the level of assurance required by the Board. The Audit & Risk Committee presents its findings to the Board on an annual basis.

During the year, the Group's management continued to work on embedding a sound framework to assess the effectiveness of the internal control system. There has been a continued high focus on cyber security as the threat of malicious attacks on systems has increased generally, and we maintained our Cyber Essentials Plus accreditation throughout the year. There have been no material losses in 2023/24, which is a testament to the strong control framework that continues to operate across the organisation. Throughout the year the Board and Audit & Risk Committee have received assurance as to the effectiveness of the internal controls framework in place.

Statement of compliance with the Governance and Financial Viability Standard

The Board formally reviewed compliance with the Governance and Financial Viability Standard as part of its annual formal review against the RSH's Regulatory Framework in July 2024; no areas of non-compliance were identified for the year ended 31 March 2024.

The Group complies with all relevant law.

Code of Governance

The National Housing Federation's (NHF) 2020 Code of Governance was formally adopted by the Group from 1 April 2021. Compliance with the adopted code is annually reviewed by the People and Governance Committee on behalf of the Board and was last reviewed in July 2024 for the year ended 31 March 2024.

In accordance with the requirements, the Group is pleased to report full compliance with the adopted code for the year ended 31 March 2024, and has identified no areas of non-compliance to report.

Sustainability and environmental performance

We recognise that our operations have an environmental impact. We are reporting our greenhouse gas (GHG) emissions, as required by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implements the Government's policy on Streamlined Energy and Carbon Reporting (SECR). We are committed to monitoring and reducing our emissions year-on-year, and also developing our detailed reporting to understand our performance in this regard.

We have again worked with specialist consultants to calculate our carbon footprint for the year ending 31 March 2024. We have calculated our environmental impact across scopes 1, 2 and 3 and show the prior year comparatives. Our carbon footprint calculations have been undertaken following the requirements of the WRI 'GHG Protocol Corporate Standard (revised version)' and Defra's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting' requirements (March 2019). The UK office emissions have been calculated using the DEFRA 2021 issue of the conversion factor repository.

Activity data has been categorised as:

- Scope 1: natural gas and fleet fuel
- Scope 2: electricity consumption

- Scope 3: grey fleet (employee business travel in vehicles and by other means), electricity transmission, paper, and waste

We have again calculated our performance using both the location and market basis. This provides us with more useful insight into our actual performance; whereas the location methodology is calculated using quantities only, e.g. units of electricity, the market methodology takes into account how these are generated, e.g. the difference between sustainable and non-sustainable energy.

Breakdown of scope 1,2 and 3 emissions		UK GHG Emissions 2023/24 (tCO2e)	UK GHG Emissions 2022/23 (tCO2e)	UK GHG Variance
Scope 1:	Natural Gas	1,404	1,337	67
	Fleet	369	420	(51)
	Other Fuels	-	-	-
	Scope 1 sub-total	1,773	1,757	16
Scope 2:	Electricity	456	390	66
	Scope 2 Sub-total	456	390	66
Scope 3:	Elec Transmission / distribution	39	36	3
	Grey fleet (cars)	20	24	(4)
	Rail	<1	<1	-
	Paper	<1	<1	-
	Waste & Recycling	-	-	-
	Scope 3 Sub-total	59	60	(1)
Total		2,288	2,207	81
Total energy usage (kWh)*		11,421,543	11,084,619	336,924
Intensity metric		tCO2e/FTE	tCO2e/FTE	tCO2e/FTE
tCO2e/FTE		6.65	6.67	(0.02)

	2023/24 (tCO2e)	2023/24 (tCO2e)	Variance
Scope 1	1,773	1,757	0.9%
Scope 2	456	390	16.9%
Scope 3	59	60	(1.67%)
	2,288	2,207	3.67%

As can be seen from above both our gas and electricity emissions have increased slightly. These areas are impacted upon by need in the main and linked to weather conditions. Areas we have more control over such energy used by vehicles has reduced.

For our customers, although figures not in the above, we were successful in obtaining Wave 1 SHDF funding. The works include internal wall insulation, loft insulation, and new doors and one scheme will see the upgrade of old electric storage heaters with new high-efficiency heaters with solar PV and battery storage.

We were also successful in our bid for Wave 2 SHDF funding. This saw similar measures to Wave 1 installed to a total of 200 properties with 40% of this completed at the end of March 2024.

As part of the stock condition survey programme, EPCs were produced for our homes. This has seen the average EPC rating across the stock rise. We now have 87% of homes with a minimum of EPC C. All our homes will be EPC C rated by 2029/30.

Group Financial Results

Overview – three-year summary

Statement of Comprehensive Income (£m)	23/24	22/23	21/22
Turnover	61.1	53.5	49.4
Operating costs and costs of sales	(51.8)	(45.4)	(38.1)
Operating surplus	**9.3**	**8.1**	**11.3**
Net interest charges	(7.1)	(7.0)	(6.1)
One-off break costs	0	0	(1.4)
Surplus on disposal of assets	0.8	1.4	2.0
Fair value movement & other misc	0.0	0.1	0.5
Surplus for the year	**3.0**	**2.6**	**6.3**

Covenant Compliance			
Interest Cover – EBITDA MRI	95.3%	119.1%	166.0%
Interest Cover – EBITDA only	196.2%	208.1%	250.1
Gearing	45.6%	44.2%	43.6%

Statement of Financial Position (£m)	23/24	22/23	21/22
Housing properties NBV	421.3	411.3	400.5
Investment properties	14.4	14.5	12.8
	435.7	**425.8**	**413.3**
Other tangible assets including investments	6.5	4.7	4.2
Net current assets/(liabilities)	31.4	(1.0)	(11.7)
	473.6	**429.5**	**405.8**
Loans & other creditors due after one year	412.0	369.2	347.4
Other long-term liabilities	3.6	3.4	3.3
Reserves	58	56.9	55.1
	473.6	**429.5**	**405.8**

Homes	23/24	22/23	21/22
Number of homes owned	8796	8,717	8,577
Number of homes owned & managed	8,954	8,867	8,723
Number of new homes developed	111	165	109

Statement of comprehensive income

Our Group surplus for the year to 31st March 2024 is £2.1m (2022/23 £1.9m) (including pensions movement). This is a significant achievement considering the challenging economic environment over the last 12 months, changes in health and safety and other legislative requirements and increased regulatory expectations centred around customers. This included new consumer standards and the continued focus on customer safety, especially the damp and mould programme.

Many of the challenges associated with the operating cost increases are due to the factors noted above and have impacted the whole social housing sector. This has clearly impacted upon the gross margin and other metrics, more information on which can be found on pages 17 to 18.

Statement of financial position

Our Statement of Financial Position remains strong and has been built up through strategic long-term investment in the existing asset portfolio, together with a prudent approach to growth through the development of new homes and leveraging of funding on our assets.

The net book value of our housing properties totalled £421.3m at the end of the year, an increase of £10m (2.5%) in the year. Our Business Plan includes provision for the development of approx. 200 new homes per year as well as the regeneration project in Moss Side (expected to be approx. 320 homes). We have a fully funded Stock Condition survey works programme, will complete EPC C rating for all properties before 2030 and have added an extra £23m (over 5 years) of capital investment for specific projects that will enhance our property quality.

On 31 March 2024, we had drawn £227.1m of our £302.5m arranged funding facilities. This is a net increase of £48m on the facilities drawn on 31 March 2023, through a combination of scheduled capital repayments, movement on revolving credit facilities, and planned repayment of existing facilities as part of the Funding Strategy. The largest factor was the contractual drawdown of the tranche of the private placement of £50m in January 2024. The monies were not required and were invested in various funds as per our Treasury policy attracting high interest rates of approx. 5.25%. Our current gearing ratio is around 45.6% indicating that there is capacity for further borrowing to invest in new homes and services.

Cashflow and treasury management

The Group incurred a net cash inflow of £41.2m during the year.

Normal operating activities generated a net cash inflow of £14.2m, with capital receipts of £10.5m. This came from Social Housing Grant (£1.7m) and property sales including first tranche sales (£8.8m). Capital expenditure cash outflow for the year comprised primarily £10.9m investment in the existing asset portfolio and £17.9m expended in developing new homes. This demonstrates our commitment to reinvesting surpluses to meet the objectives of the Group, particularly about sustainable growth and delivery of affordable new homes.

Day-to-day treasury activities focus primarily on the effective management of cash and borrowing facilities. We aim to maintain cash balances at an appropriate level, balancing the need for liquidity with the efficient use of revolving credit. We use surplus cash to repay revolving credit facilities throughout the year, and closely manage the timing of operational cash receipts and payments. All cash and funding facilities are held in sterling to eliminate any exposure to foreign currency risk.

During the year we had a contracted drawdown of £50m from our private placement facility in January 2024 which led to significant balances at year end. As per our treasury management policy we invested excess monies in various high interest yielding accounts including money market funds. Our Treasury Management Policies and Practices are designed to maintain financial stability whilst managing liquidity and interest rate risk.

Our current funding facilities are provided through 7 different funders (4 lenders & 3 investors), each with a specific portfolio of housing properties designated as security. Housing properties designated as security are valued using a combination of EUV-SH and MV-ST valuation specific to each property title and funding facility. Each funding facility requires a minimum level of Asset Cover, ranging from 110% to 150%. Based on an average asset cover requirement then the Group has the ability to raise additional funding.

In line with facility agreements, we periodically commission external valuers to review the value of these properties to ensure we remain compliant with our Asset Cover covenants.

We adopt a proactive approach to interest rate management and utilise embedded forward interest rate fixes to manage our exposure to market fluctuations. As of 31 March 2024, 97.4% (2022/23 96.3%) of the drawn debt was at a fixed rate, and therefore within the defined target range of 60% - 100%. The weighted average cost of drawn debt on 31 March 2024 was 3.49%.

Our loan covenants are primarily based on EBITDA-MRI interest cover (and EBITDA only on new Private Placement and from 2024/25), cash income cover (THFC facilities), asset cover on a combined EUV-SH and MV-ST valuation basis, and gearing. Covenants are closely monitored across all funding facilities throughout the year and, as in all previous years, we have remained fully compliant with all loan covenants, and our forecasts indicate we will continue to operate within our loan covenant parameters.

On 31 March we were fully compliant with all covenants.

We have undertaken extensive and robust stress and scenario modelling on the latest approved Business Plan. Despite the potential risks around rent collection, development and sales activity and macroeconomic factors, our modelling indicates that we can continue to operate and comply with loan covenants for the life of the Business Plan.

Overall summary

2023/24 has been a challenging but good year for the Group. The economic environment has remained volatile throughout the year and high inflation has put pressure on budgets. There has been increased focus and, rightly, expectations on the sector following the high-profile cases in the media linked to property conditions. We have been ensuring we have sufficient resource to continue to meet these challenges.

The organisation remains financially strong and we have seen an improvement in our surplus position this year this year. We have seen a tightening in our margins and covenant compliance, in line with the wider sector, however, we remain resilient and viable over the long-term, as demonstrated through our robust stress testing of the approved Business Plan. We are in a strong position which will allow continued investment in our homes.

Our development programme has a strong pipeline and we will continue to deliver high quality, good value homes and outperformed sales forecasts. We recognise that there is still work to do in certain areas, such as voids and responsive repairs and maintenance, and have action plans in place to tackle these.

The continued positive performance provides a strong foundation upon which the Group can continue to thrive, prosper, and support our diverse customers and communities.

Governance and the Board

At MSV we remain committed to achieving the highest standards of corporate governance across all companies and activities. The Board has oversight of the delivery of the Group's strategies, objectives, risk management and performance. The Board seeks independent specialist advice from time to time as deemed necessary.

Whilst MSV operates a Group structure, governance and management arrangements operate appropriately. There are separate Boards for MSV and MSV Invest, with MSV Board Members as the majority members of the subsidiary Board. The MSV Board also acts as a Group Board. There is regular reporting from the subsidiary to the parent Board, and the Audit & Risk Committee acts at the Group level and serves both entities.

The Group is governed by a Board of up to 12 non-executive Directors (the Directors), with day-to-day management delegated to the Executive Directors. The Board delegates certain governance responsibilities to Group committees, each with approved Terms of Reference.

The major committees supporting the Board during the year were:

- **Audit & Risk Committee:** oversight of internal and external audit activity; scrutiny of the effectiveness of internal controls and risk management frameworks; reviewing the financial statements and accounting policies; oversight of compliance with legal and regulatory requirements (excluding health & safety).
- **Customers & Communities Committee:** scrutiny of service delivery to customers; review of complaints handling and learning; oversight of customer satisfaction and other performance results about service delivery; ensuring resident involvement is embedded in service development and delivery; scrutiny of service improvement plans; review of neighbourhood and community initiatives, and ensuring services are accessible to all.

There is also a **People & Governance Committee** that meets 3 times per year.

Co-optees are periodically recruited to the Board and Committees to provide additional skills and expertise. Co-opted membership limits, voting rights and overall quoracy requirements are determined within the Terms of Reference for each Board or Committee.

The Membership of the Boards and Committees during the year was as follows:

Non-Exec Member	MSV Board	MSVI Board	A&R Committee	C&C Committee	P&G Committee	MSV Board Attendance*
Gareth Hall	Chair				●	100%
Ibrahim Ismail	SID				Chair	100%
Ian Clayton	● (to Oct)		Chair (to Oct)			77%
Andrew Spencer	● (from Oct)		Chair (from Oct)			89%
Susan Goodman	●		●			94%
Kam Urwin	●				●	87%
Tim Edwards	●	Chair				94%
Michelle Hill	●			Chair		81%
Nick Byrne	●		●			88%
Luke Baptiste	●			●		88%
Sally Webb	●	●		●		76%
Co-Optees						
Sharon Grover			●			60%
Lynn Wilson				●		100%
Anya Ahmed				●		50%
David Holland		●				100%

**Based on possible attendance per Member*

Where Board Members have been appointed or resigned partway through the year, unless otherwise stated their membership of other Boards/Committees was also aligned to their membership dates.

Statement of Responsibilities of the Board of Directors

The Directors are responsible for preparing the Report of the Board and the financial statements in accordance with applicable laws and regulations.

Co-operative and Community Benefit Society law and social housing legislation requires the Directors to prepare financial statements for each financial year in following United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under the Co-operative and Community Benefit Society legislation, the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs, and surplus or deficit, of the association and Group for that period..

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 a going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

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 following the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018.

Financial statements are published on the Group and Association's website by 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 Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Political and charitable donations

During the year the Group made no political contributions, and no charitable contributions were made within our normal activities.

MSV has two designated charitable funds, the Kindness Fund (for groups and projects in the local area) and the Hardship Fund (for providing financial support), both of which are subject to oversight by the Customers and Communities Committee.

Directors' pensions and other benefits

Non-Executive Directors are remunerated by individual service contracts and do not participate in the Group pension scheme or receive any other benefits.

Permanent Executive Directors are eligible for an essential car user allowance on the same basis as other employees. The permanent Executive Directors participate in the Group's pension schemes on the same terms as all employees, and the Group contributes to the schemes on behalf of all employees (other than those who have opted out).

Compliance with regulations (Governance and Viability)

The Board assessed the Group's compliance with the Governance and Viability Standards and confirmed that the Group is compliant on the basis that:

- The Group has formally adopted the NHF Code of Governance 2020 from March 2021
- The rules of both housing associations in the Group follow the NHF's 2015 Model Rules
- MSV governance arrangements were developed with the input of external specialists.
- Recruitment of members to the MSV Board is supported by external specialists.
- The Group prepares annual reports for its tenants and key stakeholders.
- Risk management processes and key risks are regularly reviewed by the Group's Boards
- The Audit and Risk Committee reviews the effectiveness of internal controls annually, including an assurance report from the Executive, and the Committee reports its findings to the Boards.

- Business plans and budgets are approved by each Board, and by the parent Board for the Group, and performance against them is reported every quarter.
- Stress and scenario testing of the Group's Business Plan was carried out extensively throughout the year and reviewed by the Board on many occasions at several meetings.
- The Group's Treasury Management Strategy and Policy are reviewed annually by external specialist consultants, and the Boards receive regular treasury performance reports.
- A comprehensive Asset and Liability Register is in place.

The Group complies with all aspects of the Governance and Viability Standards as issued by the Regulator of Social Housing.

Qualifying third-party indemnity provisions

The Group has in place Directors and Officers liability insurance.

Employee involvement and equality, diversity and inclusion

MSV aims to be an attractive and supportive employer, that is truly inclusive, does the right thing by our people and offers an empowering environment where everyone can flourish. Our people are our greatest asset and by working together our core value is to deliver customer service excellence to all those who live in our homes and in our communities. We strive for a supportive and collaborative culture where every person counts and pride ourselves on doing the decent thing, being accountable, inclusive and kind. We have a broad range of initiatives to develop and support our employees, for example:

- We have an effective onboarding and induction programme centred on our core values
- Equality and inclusion is central to those values, and we have a range of employee engagement groups supporting and embedding our approach to EDI
- We have a blended approach to learning and offer a suite of e-learning programmes and online toolkits to support people in developing skills
- We are a real living wage employer ensuring we are competitive in our reward package
- We support working parents and carers with our approach to agile and flexible working

Voluntary turnover is an indicator of the people health of the business and over the year this was 14.1% - higher than the target of 10% but an improvement on the previous 12-month period. Employee wellbeing is another key indicator and following significant investment in management training around absence management, along with investments in mental health support for our mental health first aiders, training and a refreshed Employee Assistance Programme, our absence rates were just above the 4% target at 4.95%, also an improvement on the previous year.

Our median gender pay gap was -6.8% as of 5 April 2023 - well below the national average - and our median ethnicity pay gap stood at 0.72%. During the year we reviewed our recruitment processes and began applying the 'Rooney Rule' when recruiting to all leadership roles. This guaranteed that applicants from ethnically diverse backgrounds who met the minimum criteria for the role were shortlisted for an interview.

Learning & Development

Through a comprehensive learning and development offer we have provided a variety of programmes for our people to flourish and achieve their full potential. With a blend of classroom-based learning, along with opportunities for promotion, access to coaching, mentoring and secondments, we have supported people to fulfil their aspirations and developed our future leaders. Key achievements in the year include:

- Supporting 8 apprentices and trainees across the business
- Collaboration with three local high schools to offer over 14 work experience placements across a range of professions
- Over 1500 training days delivered across the Group
- Several individuals being supported through the Greater Manchester BOOST mentoring programme or the Housing Diversity Network mentoring initiative or to achieve professional qualifications
- A focus on service delivery through our Customer Excellence and Complaints Handling training

Employee Wellbeing

Financial wellbeing of our people remained a high priority in 2023/24 as inflation continued to rise and energy prices showed little signs of reducing. MSV is a Real Living Wage Employer committed to paying a decent wage and we were delighted to offer all employees between a 5% and 10% inflationary increase over the year. We also continued to signpost and provide free financial wellbeing support to all. Post pandemic and with high costs of living continuing, we saw a knock-on effect in employee mental health and over the course of the year through targeted support, a new EAP offer and line management training, we have seen absence fall and been able to positively return colleagues to work more quickly.

We also undertook a review of our approach to agile working, updated our policies and procedures and are proud of the agile working approach that we have in place striking a positive balance between individual circumstances and delivering on customer expectations.

Reward & Recognition

We recognised strong performance across the business and celebrated achievements by rewarding our people through our reward and recognition platform. Over 150 people were nominated in the last year. Our suite of benefits along with competitive rates of pay and an improved annual leave offer, ensured we remain competitive in the local labour market. During the year we added to our suite of employee benefits giving colleagues flexibility and choice and ensuring that hard work and strong performance does not go unrecognised.

The Future

With a new three-year People Strategy for 2024 – 2027, we will continue to develop our people and give opportunity to build skills and knowledge and support career aspirations. There will be a fresh approach to leadership development, a focus on professionalisation across key leadership roles as we work to enhance and deliver on customer excellence and increased training for managers to support mental wellbeing in the workplace. In line with the commitments in the MSV Way we will embed a refreshed set of values, behaviours and competencies that will enable our people to be the best they can be and deliver exceptional levels of performance and customer service. We will review how we value and reward our colleagues for the great work they do and continue to strive to be the local employer of choice.

Equality & Inclusion

We recognise that it is important that we represent the communities and customers we serve and recognise the value in attracting diversity into the workforce to provide different views and insights. 53% of our workforce is female and 47% male. With regard to ethnicity 54% are from white British background whilst 24% are from ethnically diverse backgrounds and the remainder either preferred not to say or we held no data for them.

As an equal opportunity employer, we understand that a diverse workforce enriches the workplace and properly reflects the communities we serve.

We have a Modern Slavery Act Policy Statement published on our website, which sets out our position and work already undertaken, together with planned future improvements.

Gender Pay Gap

As part of our ongoing commitment to equality and diversity, we published our fifth Gender Pay Gap Report during 2023/24. We will continue to monitor pay across grades and genders to ensure we are meeting our statutory requirements. We have several people-related strategies in place, and we will continue to monitor pay scales, expand our apprentice scheme, and benchmark against other organisations. The following information is a snapshot of data collected on 5th April 2023.

Hourly Rate of Pay

When comparing mean hourly pay, women at MSV are paid £1.25 more than men which equates to 7% (£1.44 or 8.8% in 22/23). When comparing the median hourly pay women are paid £1.08 (6.8%) more than men which was £1.00 (6.5%) in 22/23. The latest UK figures show that a pay gap of 14.3% biased to men exists.

Pay Quartiles

Women occupy 54.8% (22/23: 58.3%) of the highest-paid and 60% (22/23: 58.3) of the lowest-paid roles.

Compared to the latest UK figures (ONS data) MSV has a significantly better gender pay position compared with the national average. As part of our overall commitment to Equality, Diversity and Inclusion, we continue to analyse and monitor pay across grades and gender to ensure we are meeting our statutory requirements. We also have an action plan to review pay comparisons for other protected characteristics.

Going concern

The Group has substantial financial resources, including secured undrawn credit facilities to support continued growth and development, as well as continuing to meet our landlord obligations and customer offer. The Board reviewed the Association and Group financial forecasts in March 2024 and approved the long-term financial plan that demonstrated that MSV and the Group can service existing and proposed debt facilities, whilst continuing to comply with lenders' covenants.

All financial forecasts have been revised to reflect updated assumptions around inflation, interest rates, and increased base costs. Detailed stress testing and scenario modelling have been undertaken on the 2023/24 Business Plan and the financial resilience of the Group remains strong. Stress testing included specific scenarios about economic uncertainty and deterioration in other key variables (including development and sales risk). The Business Plan continues to demonstrate long-term viability and compliance.

Despite the challenges in the economy this year, rent collection has been maintained at around 100%, and the local housing markets and demand for our properties have remained strong, although house prices have stopped increasing at the rate we have experienced and have stabilised somewhat due to the economic climate.

The Business Plan includes provisions for unforeseen spend, and a mitigation strategy is in place to enable to Group to deal with any unforeseen issues, or if high inflation begins to impact operating costs at an unsustainable level. Given the strength of the Group's asset values, availability and liquidity of undrawn funding facilities, and appetite of funders to extend additional financing to the Group, the Board believe that, while there is uncertainty, this does not represent a material uncertainty that would cast doubt on the Group or Association's ability to continue as a going concern.

After strategic discussions, approval of the latest financial plan and considering the current economic and societal conditions, the Board has a reasonable expectation that MSV has adequate resources to continue in operation for the foreseeable future, being at least twelve months after the date on which the report and financial statements are signed. For this reason, MSV continues to adopt the going concern basis in preparing the financial statements.

Statement of compliance

The Group's accounting policies have been prepared with reference to UK Generally Accepted Accounting Practice (UK GAAP), including Financial Reporting Standard 102 (FRS102), the Statement of Recommended Practice for Registered Social Housing Providers 2018 and the Regulator of Social Housing Accounting Direction 2022 for Registered Providers. The principal accounting policies of the Group are set out on pages 47 to 56 of the financial statements.

Auditors

All the current Board members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Association's auditors for their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Beever and Struthers were appointed as auditors of MSV following a competitive tendering exercise and have continued as auditors for 2023/24. We will be re-tendering the audit for 2024/25.

Statement of approval

The Strategic Report of the Board was approved by the Board on 4th September 2024 and signed on its behalf by:

S Aggett

Stephen Aggett
Executive Director – Finance & Business Excellence

Independent Auditor's Report to Mosscare St Vincent's Group Housing

Opinion

We have audited the financial statements of Mosscare St Vincent's Group Housing (the Association) and its subsidiaries (the Group) for the year ended 31 March 2024 which comprise the Consolidated and Association Statement of Comprehensive Income, Consolidated and Association Statement of Financial Position, Consolidated Statement of Changes in Equity (Reserves), Association Statement of Changes in Equity (Reserves), Consolidated Statement of Cash Flows 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 income and expenditure and the 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.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on pages 32 to 34, 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's and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

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

- We obtained an understanding of laws, regulations and guidance that affect the 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, regulations and guidance 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, tax legislation, health and safety legislation, and employment legislation.

- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.

- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.

- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.

- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

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

Beever and Struthers

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

Date: 20 September 2024

Mosscare St Vincent's Housing Group Limited

Consolidated and Association Statement of Changes in Comprehensive Income
for the year ended 31 March 2024

	Note	Group 2024 £000	Group 2023 Re-stated £000	Association 2024 £000	Association 2023 Re-stated £000
Turnover	4,5	**61,052**	**53,495**	**60,827**	**53,311**
Cost of sales	4,5	(4,760)	(3,920)	(4,695)	(3,869)
Operating costs	4,5	(47,071)	(41,462)	(47,059)	(41,459)
Operating surplus before disposal of fixed assets	4,5	**9,221**	**8,113**	**9,073**	**7,983**
Surplus on disposal of fixed assets	4,10	838	1,379	884	1,379
Operating surplus	4,7	**10,059**	**9,492**	**9.957**	**9,362**
Interest receivable and other income	11	1,049	699	1,120	786
Interest payable and similar charges	12	(8,153)	(7,651)	(8,153)	(7,651)
Movement in fair value of investment properties	16	-	84	-	57
Surplus on ordinary activities before taxation		**2,955**	**2,624**	**2,924**	**2,554**
Surplus before taxation		**2,955**	**2,624**	**2,924**	**2,554**
Taxation on surplus on ordinary activities	13	-	-	-	-
Surplus for the year before other comprehensive income		**2,955**	**2,624**	**2,924**	**2,554**
Other comprehensive income					
Actuarial gain/(loss) in respect of pension schemes	26	(847)	(753)	(847)	(753)
Total comprehensive income for the year		**2,108**	**1,871**	**2,077**	**1,801**

The figures for 2023 have been restated for Group and Association. In particular Operating Surplus has reduced by £111k. This relates to an increase in Turnover of £14k and and an increase in Operating Costs of £125k that relates to additional amortised income and additional depreciation costs incurred on Assets amortised in FY24, but deemed to relate to 2023.

All notes impacted by this, have been re-stated accordingly.

The consolidated and Association's results relate wholly to continuing activities.

The notes on pages 47 to 88 form part of these financial statements.

The financial statements on pages 41 to 88 were approved by the Board on 4th September 2024 and signed on its behalf by:

Gareth Hall | *A P Spencer* | *Joanne Tucker*

Gareth Hall
Chair

Andrew Spencer
Board Member

Joanne Tucker
Secretary

Mosscare St Vincent's Housing Group Limited

Consolidated and Association Statements of Financial Position as at 31 March 2024

	Note	Group 2024 £000	Group 2023 Re-Stated £000	Association 2024 £000	Association 2023 Re-Stated £000
Tangible fixed assets					
Housing properties	14	421,270	411,284	421,270	411,284
Other tangible fixed assets	15	4,233	4,084	4,233	4,084
Investment properties	16	14,340	14,465	13,905	12,968
Investments	17	2,261	961	-	-
		442,104	**430,794**	**439,408**	**428,336**
Current assets					
Stocks and properties held for sale	18	1,926	6,878	1,926	6,878
Debtors: receivable within one year	19	3,964	2,943	4,138	3,183
Debtors: receivable after one year	19	-	-	2,261	1,536
Cash and cash equivalents		41,183	3,731	40,700	3,717
		47,073	**13,552**	**49,025**	**15,314**
Creditors: amounts falling due within one year	20	(15,639)	(14,933)	(15,492)	(14,833)
Net current (liabilities)/assets		**31,434**	**(1,381)**	**33,533**	**481**
Total assets less current liabilities		**473,538**	**429,413**	**472,941**	**428,817**
Creditors: amounts falling due after more than one year	21	(411,996)	(369,206)	(411,996)	(369,206)
Provisions for liabilities and charges	26,27	(3,582)	(3,379)	(3,582)	(3,379)
Net assets		**57,960**	**56,828**	**57,363**	**56,232**
Capital and reserves					
Non-equity share capital	28	-	-		-
Revenue reserves		57,960	56,828	57,363	56,232
Group's/Association's funds		**57,960**	**56,828**	**57,363**	**56,232**

The figures for 2023 have been restated for Group and Association. In particular Net Assets has reduced by £111k. The impact of this movement is shown in Housing Properties. Other tangible fixed assets and Creditors less than 1 year have been adjusted these adjustments relate to additional amortised income and additional depreciation costs incurred on Assets amortised in FY24, but deemed to relate to 2023. The Debtors Greater than 1 year figure for 2023 Group has been re-stated, the balance of £388,264 is now shown on the Investments in Jointly Controlled Entities line.

All notes impacted by this, have been re-stated accordingly.

The accompanying notes on pages 47 to 88 form part of the financial statements.

Mosscare St Vincent's Housing Group Limited

Consolidated and Association Statements of Financial Position
as at 31 March 2024

The financial statements on pages 41 to 88 were approved for issue by the Board on 4th September 2024 and signed on its behalf by:

Gareth Hall	*A P Spencer*	*Joanne Tucker*
Gareth Hall	**Andrew Spencer**	**Joanne Tucker**
Chair	**Board Member**	**Secretary**

Mosscare St Vincent's Housing Group Limited

Statement of Changes in Reserves
for the year ended 31 March 2024

Group

	Note	Revenue Reserves £000	Designated Reserve £000	Total £000
At 1 April 2022		**53,305**	**1,770**	**55,075**
Surplus for the year before other comprehensive income (Re-stated – See SOCI)		2,624	-	2,624
Other comprehensive income movements:				
- Actuarial gain / (loss) in respect of SHPS multi-employer benefit scheme	26	(753)	-	(753)
Reserves transfer		1	(119)	(118)
At 1 April 2023 (Re-Stated – See SOFP)		**55,177**	**1,651**	**56,828**
Surplus for the year before other comprehensive income		2,955	-	2,955
Other comprehensive income movements:				
Actuarial gain / (loss) in respect of SHPS multi-employer benefit scheme	26	(847)	-	(847)
Reserves transfer		1	(977)	(977)
At 31 March 2024		**57,286**	**674**	**57,960**

Association

	Note	Revenue Reserves £000	Designated Reserve £000	Total £000
At 1 April 2022		**52,624**	**1,770**	**54,394**
Surplus for the year before other comprehensive income (Re-stated – See SOCI)		2,554	-	2,554
Other comprehensive income movements:				
- Actuarial gain / (loss) in respect of SHPS multi-employer benefit scheme		(753)	-	(753)
Gift Aid Distributions		154	-	154
Reserves transfer		2	(119)	(117)
At 1 April 2023 (Re-stated – See SOFP)		**54,581**	**1,651**	**56,232**
Surplus for the year before other comprehensive income		2,924	-	2,924
Other comprehensive income movements:				
Actuarial gain / (loss) in respect of SHPS multi-employer benefit scheme		(847	-	(847)
Gift Aid Distributions		31	-	31
Reserves transfer		-	(977)	(977)
At 31 March 2024		**56,689**	**674**	**57,363**

The accompanying notes on pages 47 to 88 form part of these financial statements.

Mosscare St Vincent's Housing Group Limited

Statement of Cash Flows
for the year ended 31 March 2024

	Note	2024 £000	2023 Re-stated £000
Cashflow from operating activities			
Surplus/(Deficit) for the year		2,955	2,624
Adjustments for non-cash items:			
Depreciation of tangible fixed assets – housing properties	5	8,763	8,313
Depreciation of fixed assets – other	15	857	1,031
Movement in fair value of net pension obligations on defined benefit schemes		-	-
Taxation expense		-	-
Movement in fair value of investment properties	16	125	(1,670)
(Increase)/Decrease in trade and other debtors	19	(2,095)	(553)
(Increase)/Decrease in stocks	18	(162)	186
Increase/(Decrease) in trade and other creditors		1,497	128
Adjustments for investing or financing activities:			
Amortised grant	5	(2,269)	(2,237)
Surplus on sale of fixed assets – housing properties	4	(2,821)	(2,391)
Interest paid recognised in Statement of Comprehensive Income	12	8,154	7,651
Interest received in Statement of Comprehensive Income	11	(1,049)	(699)
Cash from operations		**13,955**	**12,383**
Taxation paid		-	-
Net cash generated from operating activities		**13,955**	**12,383**
Cashflow from investing activities			
Purchase of tangible fixed assets – housing properties		(26,226)	(21,397)
Purchase of tangible fixed assets – other		(207)	(679)
Investment in joint ventures		(1,300)	(222)
Proceeds from sale of tangible fixed assets – housing properties		2,131	3,624
Proceeds from first tranche shared ownership sales		6,663	4,870
Proceeds from sale of tangible fixed assets – other		-	-
Grants received		1,677	1,678
Net cash outflow from investing activities		**(17,262)**	**(12,126)**
Cash flow from financing activities			
Interest paid		(7,309)	(7,790)
New secured loans		50,000	29,550
Repayment of borrowings		(1,932)	(25,735)
Investment from deposits		-	9
Net cash inflow/(outflow) from financing activities		**40,759**	**(3,966)**
Net change in cash and cash equivalents		**37,452**	**(3,709)**
Cash and cash equivalents at the beginning of the year		3,731	7,440
Cash and cash equivalents at the end of the year	25	**41,183**	**3,731**

Statement of Cash Flows
for the year ended 31 March 2024

The figures for 2023 have been restated. In particular Operating Surplus has reduced by £111k. This has been offset by matching movements for amortised income and depreciation costs incurred on Assets amortised in FY24, but deemed to relate to 2023. There has been no change to the Cash and Cash equivalents position reported for 2023.

The accompanying notes on pages 47 to 88 form part of these financial statements.

1 Legal status

The Association is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a registered provider of social housing. The Association is a public benefit entity. Mosscare St Vincents's Housing Group Limited has one subsidiary: MSV Invest Limited. This is registered under the Companies Act.

2 Accounting policies

The following principal accounting policies have been applied:

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 includes the Cooperative and Community Benefit Societies Act 2014 (and related group accounts regulations), 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, the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Group and Association meet the definition of a Public Benefit Entity (PBE) and have applied the provisions for FRS102 specifically applicable to PBEs.

The accounts are prepared under the historic cost basis except for the modification to a fair value basis for certain financial instruments and investment properties as specified in the accounting policies below.

The financial statements are presented in Sterling (£) and rounded to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (Note 3).

Business combinations

Mosscare St. Vincent's Housing Group Limited was formed on 21 July 2017 by a statutory amalgamation of Mosscare Housing Limited and St Vincent's Housing Association Limited. As a public benefit entity combination in which the rights of the controlling parties of the combined entity remain unchanged relative to other controlling parties the transaction was accounted for following the principles of merger accounting as set out in FRS 102 section 34.

Basis of consolidation

The Group accounts consolidate the accounts of the Association and all its subsidiaries at 31 March 2024.

The consolidated financial statements incorporate the financial statements of the Association and entities controlled by the Group.

Control is achieved where the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate, using accounting policies consistent with those of the parent.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Disclosure exemptions

In preparing the separate financial statements of the parent Association, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent Association;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent association as their remuneration is included in the totals for the Group as a whole.

2 Accounting policies (continued)

Going concern

The Group's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The Group has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the Group's day-to- day operations. The Group also has a long-term Business Plan which shows that it can service these debt facilities whilst continuing to comply with lenders' covenants. Whilst a net current liabilities position is reported at 31 March 2023, current liabilities include accrued amounts that are to be funded through a combination of undrawn loans and revenue generation in the forthcoming year, and results from prudent cash management.

The Group does not have any day-to-day trading activity with Russian, Belarusian or Ukrainian companies, therefore it is deemed that the War in Ukraine does not pose a significant risk to operations.

Detailed stress testing and scenario modelling has been undertaken on the FY25 30-year Business Plan, including specific scenarios about economic uncertainty and deterioration in other key variables (including development and sales risk and increasing inflation) to demonstrate long-term viability and compliance.

On this basis, the Board has a reasonable expectation that the Group and Association have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Turnover and revenue recognition

Turnover 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)
- First tranche sales of Low-Cost Home Ownership housing properties developed for sale
- Service charges receivable
- Revenue grants and proceeds from the sale of land and property

Rental income and services charges receivable are recognised from the point where properties under development reach practical completion or otherwise become available for letting, net of any voids. Revenue grant income is recognised at the date of invoicing, or where no invoice is raised, at the date of receipt. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Supported housing schemes

The Group receives Supporting People grants from several local authorities. The grants received in the period as well as costs incurred by the Group in the provision of support services have been included in the Statement of Comprehensive Income. Any excess cost over the grant received is borne by the Group where it is not recoverable from tenants.

Service charges

The Group adopts both fixed and variable methods for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or sinking fund. Service Charge income is recognised in turnover, except for income received for contributions towards sinking funds; these are transferred to the Statement of Financial Position and records maintained to reconcile balances held.

Management of units owned by others

Management fees receivable and reimbursed expenses are shown as income and included in management fees receivable. Costs of carrying out the management contracts and rechargeable expenses are included in operating costs.

2 Accounting policies (continued)

Taxation

Current tax is recognised for tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that they will probably be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the Group can control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future

Deferred tax relating to investment property that is measured at fair value using the tax rates and allowances that apply to the sale of the asset, except for investment property that has a limited useful life and is held in a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time.Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Value added tax

The Group charges value added tax (VAT) on some of its income and can recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Association and not recoverable from HM Revenue and Customs. Recoverable VAT arises from partially exempt activities and is credited to the Statement of Comprehensive Income. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Interest payable

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Interest is capitalised on borrowings to finance developments of qualifying assets to the extent that it accrues in respect of the period of development if it represents:

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

Other interest payable is charged to the Statement of Comprehensive Income in the year it accrues.

2 Accounting policies (continued)

Pension costs

The Group participates in the following pension schemes:

- the multi-employer Social Housing Pension Scheme ('SHPS'), in the defined benefit and defined contribution pension schemes both managed by The Pensions Trust (TPT);
- the Greater Manchester LGPS defined benefit scheme; and
- a Scottish Widows defined contribution scheme.

In relation to the SHPS defined benefit scheme, for the financial years ending on or after 31 March 2019 it is now possible to obtain sufficient information to enable the company to account for the scheme as a defined benefit scheme. The liabilities are compared with the company's fair share of the scheme's total assets to calculate the company's net deficit or surplus in line with FRS102 reporting requirements.

For accounting purposes, a valuation of the scheme was carried out for the year ended 31 March 2023. The liability figures from this valuation were rolled forward to the relevant accounting year.

The Group's contributions to the SHPS and Scottish Widows defined contribution schemes are charged to the Statement of Comprehensive Income in the year in which they become payable.

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 is carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

Donated land and other assets

Land and other assets donated by local authorities and other government sources are added to the cost at the fair value of the land at the time of the donation. Where the land is not related to a specific development and is donated by a public body an amount equivalent to the increase in value between fair value and consideration paid is treated as a non-monetary grant and recognised in the Statement of Financial Position as a liability. Where the donation is from a non-public source the value of the donation is included as income.

Social housing and non-social housing properties

Housing properties constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable). The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development.

Directly attributable costs include capitalised interest calculated on a proportional basis using finance costs on borrowing which has been drawn to finance the relevant construction or acquisition. Where housing properties are in the course of construction, finance costs are only capitalised where construction is ongoing and has not been interrupted or terminated.

Expenditure on major refurbishment to properties is capitalised where works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Mixed developments are held within PPE and accounted for at cost less depreciation. Commercial elements of mixed developments are held as investment properties.

Housing properties under construction, are included in work in progress and held at cost. These properties are transferred to completed properties when they have achieved formal handover from the developer. The estimated cost of the proportion of shared ownership properties under construction to sold through first tranche sale is held separately under properties held for sale in stock and based on the forecast % expected to be sold as part of the development schemes assumptions.

2 Accounting policies (continued)

Depreciation of housing properties

Housing land and property are 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 they are depreciated only in periods in which economic benefits are expected to be consumed.

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life as follows:

Structure	1.0% - 2.0%
Roofing works	1.7%
Kitchens	5.0%
Bathrooms	3.3%
Boilers – domestic	6.7%
Central heating	3.3%
Rewiring	3.3%
Windows	3.3%
External doors	3.3%
Lifts	5.0%

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease; when the lease and building elements are depreciated separately over their expected useful economic lives.

Shared ownership properties and staircasing

Under low-cost home ownership arrangements, the Group disposes of a long lease on low-cost home ownership housing units for a share ranging between 25% and 75% of value. The Buyer has the right to purchase further proportions and 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 proportionately 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 and related sales proceeds included in turnover. The remaining element, "staircasing element", is added to the fixed asset register and included in completed housing property at cost less any provision for impairment.

Sales of subsequent tranches (staircase) are treated as a part disposal, with income received being recognised in the Statement of Comprehensive Income and the disposal value for the appropriate percentage sold adjusted through the fixed asset register and offset against sales proceeds. Such staircase sales may result in capital grant being deferred or abated and any abatement is credited to the sale account in arriving at the surplus or deficit.

For shared ownership accommodation that the Group is responsible for, it is the Group's policy to maintain them in a continuous state of sound repair. Maintenance of other shared ownership properties is the responsibility of the shared owner. Any impairment in the value of such properties is charged to the Statement of Comprehensive income.

2 Accounting policies (continued)

Other tangible fixed assets

Other tangible fixed assets, other than investment properties, are measured at cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives are as follows:

Offices	2% or length of the lease if shorter
Office furniture and equipment	14.3%
Motor vehicles	25%
Computer equipment	20-25%
Scheme furniture and equipment	20%
Boilers – Commercial	5%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

Government grants

Grant received in relation to newly acquired or existing housing properties is accounted for using the accrual 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 Statement of Comprehensive Income 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.

Where Social Housing Assistance (SHA) (previously known as Social Housing Association Grant (HAG) or Social Housing Grant (SHG)) funded property is sold, the grant becomes potentially 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 Statement of Comprehensive Income.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met. 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 (previously the HCA) can direct the Association to recycle capital grants or to make repayments of the recoverable amount. The Group 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".

2 Accounting policies (continued)

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 the current market values for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Changes in fair value are recognised as income or expenditure depending on the nature of the movement in valuation. The valuation is based on third-party valuation reports based on latest market conditions and are most sensitive to assumptions on rental growth and the discount rate applied to future cash flows.

MSV will rely on the assumptions and estimates applied by the valuer in accordance with the RICS red book valuation standards in determining the market valuation. Where a valuation range is provided, the Association adopts the mid-point value for prudence.

Impairment of fixed assets

Indicators of impairment are continually assessed during each financial year and impairment indicators will depend on the nature of activities carried out by the Group and external economic market conditions. Where impairment indicators are identified, a detailed assessment is undertaken to determine if an impairment will be realised. Indicators of impairment are detailed in FRS102.

The impairment assessment compares the carrying amount of the asset or cash generating unit (CGU) to the net realisable value (NRV) and value in use (VIU) following the FRS 102 and SORP assessment guidance.

The assessment determines the option which produces the highest net realisable value. Valuations on rental returns or potential sale proceeds are obtained and used to inform the options. The Group looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use.

The Group defines a development scheme as a cash generating unit for the purposes of an impairment assessment.

Where the recoverable amount (NRV or VIU) of an asset or CGU is lower than the carrying value, an impairment is recognised and charged to income and expenditure. There are no impairments identified as of 31 March 2024.

Associates & joint ventures (JCE)

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 the GMJV Fundco LLP are accounted for using the equity method of accounting. Under this method an equity investment or loan made to the joint venture is initially recognised at the transaction price (including transaction costs), with share of assets, liabilities, profits and losses recognised in subsequent years.

Stock

Stock represents work in progress and completed properties, including properties developed for outright sale and shared ownership properties. For shared ownership properties the value held as stock is the estimated cost to be sold as a first tranche.

Stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

2 Accounting policies (continued)

A small amount of materials are held by Property Services for the purposes of minor repairs to Group properties and is valued at cost.

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair a formula is applied based on the age profile of the debt, whether the debt relates to a current or former tenant, and an assessment of risk based on whether there is an arrangement to pay in place.

Loans, investments and short-term deposits

All loans, investments and short-term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however, the Group 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 Statement of Financial Position at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument’s contractual obligations, rather than the financial instrument’s legal form.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

Cash and cash equivalents

Cash and cash equivalents in the Group’s Consolidated Statement of Financial Position consists of cash at bank in hand, deposits and short-term investments with an original maturity of three months or less.

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 for 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.

A contingent liability exists on grant repayment which is dependent on the disposal of related property.

Leases

All leases relate to operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Refinancing and break costs

Break costs arising as a result of early repayment of fixed rate borrowing are recognised in the Statement of Comprehensive Income at the point where the contractual obligation to pay break costs arises.

2 Accounting policies (continued)

Gift Aid

Gift aid payments are approved by the subsidiary Board and are payable via cash transfers.

Mosscare St Vincent's Housing Group Limited recognises Gift Aid on receipt and the subsidiary recognises on payment. Gift Aid distributions are disclosed within the Statement of Comprehensive income for each entity and removed on consolidation at the Group level.

Designated Reserves

The Group holds two sets of designated reserves. These reserves comprise a reserve fund that is held on behalf of Manchester City Council to bring long term void properties back into use, and a Hardship Fund to provide support to tenants of the Group who are suffering from financial hardship.

Funds are utilised in line with the restrictions and specifications which are in place in relation to each reserve.

Movements in designated reserves are shown in the Statement of Changes in Reserves (Page 45).

Financial instruments - borrowings - negative compensation and funding indemnity clauses

The Group's loan facilities have been assessed as basic financial instruments. The Group'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 Group) would benefit from a compensation premium.

The Group does not consider that the clause allowing the Group 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 Group considers that this particular loan clause is specifically compliant with section 11.9b) and 11.9c) of FRS 102 and that the substance of this loan arrangement was always that it was intended to be a simple fixed rate loan arrangement.

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

In preparing these financial statements, the key judgements have been made in respect of the following:

- 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. The members have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The members have also considered impairment based on their assumptions to define cash or asset generating units.
- the anticipated costs to complete 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
- property or land held for sale will be based on the best estimate of First tranche sales proportion to be sold based on economic conditions, market valuations and prior sales experience within the area of development.
- whether leases entered into by the Group either as a lessor or a lessee are operating leases 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 for mixed tenure developments and 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

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

Other key sources of estimation uncertainty

Tangible fixed assets

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. In re-assessing asset lives, factors such as the Group's stock condition surveys are taken into account. 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.

Investment properties are professionally valued annually by an external firm of chartered surveyors on the basis of 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 Market Value with Vacant Possession established needs to be made.

Rental and other trade receivables (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.

Pension Scheme

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about asset valuations (including properties), discount rates, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

4 Turnover, cost of sales, operating costs and operating surplus

Group — **2024**

	Turnover £000	Cost of sales £000	Operating costs £000	Operating surplus/ (deficit) £000
Social housing lettings (Note 5)	51,686	-	(43,809)	7,877
Other social housing activities				
Supporting people	1,133	-	(1,129)	4
Development activities	11	-	(557)	(546)
First tranche low-cost home ownership sales	6,678	(4,695)	-	1,983
Other	113	-	(887)	(774)
	59,621	**(4,695)**	**(46,382)**	**8,544**
Activities other than social housing activities				
Market rents	1,310	(65)	(635)	610
Commercial lettings	94	-	(47)	47
Other	27	-	(7)	20
	61,052	**(4,760)**	**(47,071)**	**9,221**
Surplus on disposal of fixed assets (Note 10)				838
Operating surplus				**10,059**

Group — **2023**

	Turnover Re-stated £000	Cost of Sales Re-stated £000	Operating Costs Re-stated £000	Operating surplus/ (deficit) Re-stated £000
Social housing lettings (Note 5)	46,092	-	(39,983)	7,109
Other social housing activities				
Supporting people	948	-	(856)	92
Development activities	62	-	(148)	(86)
First tranche low-cost home ownership sales	4,881	(3,869)	-	1,012
Other	119	-	(938)	(819)
	52,102	**(3,869)**	**(40,925)**	**7,308**
Activities other than social housing activities				
Market rents	1,204	(51)	(473)	680
Commercial lettings	101	-	(43)	58
Other	88	-	(21)	67
	53,495	**(3,920)**	**(41,462)**	**8,113**
Surplus on disposal of fixed assets (Note 10)				1,379
Operating surplus				**9,492**

4 Turnover, cost of sales, operating costs and operating surplus (continued)

Association — **2024**

	Turnover £000	Cost of sales £000	Operating costs £000	Operating surplus/ (deficit) £000
Social housing lettings (Note 5)	51,686	-	(43,809)	7,877
Other social housing activities				
Supporting people	1,133	-	(1,129)	4
Development activities	11	-	(557)	(546)
First tranche low-cost home ownership sales	6,678	(4,695)	-	1,983
Other	113	-	(887)	(774)
	59,621	**(4,695)**	**(46,382)**	**8,544**
Activities other than social housing activities				
Market rents	1,085	-	(623)	462
Commercial lettings	94	-	(47)	47
Other	27	-	(7)	20
	60,827	**(4,695)**	**(47,059)**	**9,073**
Surplus on disposal of fixed assets (Note 10)				884
Operating surplus				**9,957**

Association — **2023**

	Turnover Re-stated £000	Cost of Sales Re-stated £000	Operating Costs Re-stated £000	Operating surplus/ (deficit) Re-stated £000
Social housing lettings (Note 5)	46,092	-	(39,983)	7,109
Other social housing activities				
Supporting people	948	-	(856)	92
Development activities	62	-	(148)	(86)
First tranche low-cost home ownership sales	4,881	(3,869)	-	1,012
Other	119	-	(938)	(819)
	52,102	**(3,869)**	**(40,925)**	**7,308**
Activities other than social housing activities				
Market rents	1,012	-	(470)	542
Commercial lettings	101	-	(43)	58
Other	96	-	(21)	75
	53,311	**(3,869)**	**(41,459)**	**7,983**
Surplus on disposal of fixed assets (Note 10)				1,379
Operating surplus				**9,362**

4 Turnover, cost of sales, operating costs and operating surplus (continued)

The figures for 2023 have been restated. In particular Operating Surplus has reduced to include £111k of amortised income and additional depreciation costs incurred on Assets amortised in FY24, but deemed to relate to 2023.

5 Particulars of income and expenditure from social housing lettings

Group		**2024**			**2023 Re-stated**
	General needs £000	**Supported housing & housing for older people £000**	**Low cost home ownership £000**	**Total £000**	**Total £000**
Turnover from social housing activities					
Rents receivable net of identifiable service charges	34,297	7,692	974	**42,963**	**39,791**
Service charges receivable	1,216	2,959	193	**4,368**	**3,894**
Amortisation of SHG (Note 22)	1,697	515	56	**2,268**	**2,237**
Grants for Major repairs	1,433	435	47	**1,915**	**-**
Other income	29	138	5	**172**	**170**
Turnover from social housing lettings	**38,672**	**11,739**	**1,275**	**51,686**	**46,092**
Expenditure on social housing activities					
Management	(8,522)	(4,589)	(411)	**(13,522)**	**(12,029)**
Service charge costs	(1,832)	(3,704)	(142)	**(5,678)**	**(5,608)**
Routine maintenance	(9,034)	(1,170)	(43)	**(10,247)**	**(8,691)**
Planned maintenance	(1,711)	(519)	(56)	**(2,286)**	**(2,409)**
Major repairs	(1,991)	(604)	(66)	**(2,661)**	**(1,424)**
Bad debts	(260)	(62)	(4)	**(326)**	**(196)**
Depreciation of housing properties					
- annual charge	(6,325)	(1,920)	(209)	**(8,454)**	**(8,277)**
- accelerated on disposal of components	(232)	(70)	(8)	**(310)**	**(35)**
Property lease charges	(250)	(75)	-	**(325)**	**(314)**
Operating costs on social housing lettings	**(30,157)**	**(12,713)**	**(939)**	**(43,809)**	**(38,983)**
Operating surplus / (deficit) on social housing letting activities	**8,515**	**(974)**	**336**	**7,877**	**7,109**
Void losses	(543)	(543)	(30)	**(1,116)**	**(854)**

5 Particulars of income and expenditure from social housing lettings (continued)

Association	General needs £000	Supported housing & housing for older people £000	Low cost home ownership £000	2024 Total £000	2023 Re-stated Total £000
Turnover from social housing activities					
Rents receivable net of identifiable service charges	34,297	7.692	974	**42,963**	**39,791**
Service charges receivable	1,216	2,959	193	**4,368**	**3,894**
Amortisation of SHG (Note 22)	1,697	515	56	**2,268**	**2,237**
Grants for Major repairs	1,433	435	47	**1,915**	**-**
Other income	29	138	5	**172**	**170**
Turnover from social housing lettings	**38,672**	**11,739**	**1,275**	**51,686**	**46,092**
Expenditure on social housing activities					
Management	(8,522)	(4,589)	(411)	**(13,522)**	**(12,029)**
Service charge costs	(1,832)	(3,704)	(142)	**(5,678)**	**(5,608)**
Routine maintenance	(9,034)	(1,170)	(43)	**(10,247)**	**(8,691)**
Planned maintenance	(1,711)	(519)	(56)	**(2,286)**	**(2,409)**
Major repairs	(1,991)	(604)	(66)	**(2,661)**	**(1,424)**
Bad debts	(260)	(62)	(4)	**(326)**	**(196)**
Depreciation of housing properties					
- annual charge	(6,325)	(1,920)	(209)	**(8,454)**	**(8,277)**
- accelerated on disposal of components	(232)	(70)	(8)	**(310)**	**(35)**
Property lease charges	(250)	(75)	-	**(325)**	**(314)**
Operating costs on social housing lettings	**(30,157)**	**(12,713)**	**(939)**	**(43,809)**	**(38,983)**
Operating surplus / (deficit) on social housing letting activities	**8,515**	**(974)**	**336**	**7,877**	**7,109**
Void losses	(543)	(543)	(30)	**(1,116)**	**(854)**

The figures for 2023 have been restated. We have reviewed the way in which the note was calculated in the prior year and Management Costs are no longer re-apportioned across other lines of expenditure. As per Note 4 the note has also been adjusted to include £111k of amortised income and additional depreciation costs incurred on Assets amortised in FY24, but deemed to relate to 2023.

6 Accommodation in management and development

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

Group

	2023 No of Units	Acquisition / New Build	Disposals	Tenure Transfers	Converted Units	2024 No of Units
Owned – Social Housing						
General Needs						
- Social Rent	5,765	14	(8)	(6)	-	5,765
- Affordable Rent	997	13	(3)	3	-	1,010
Supported and Housing for Older People	1,315	56	-	3	(1)	1,373
Intermediate Rent	53	19	-	-	-	72
Low Cost Home Ownership	428	-	-	-	-	428
Total	**8,558**	**102**	**(11)**	**-**	**(1)**	**8,648**
Owned – Non Social Housing						
Market Rent	159	-	(11)	-	-	148
Total - Owned	**8,717**	**102**	**-**	**-**	**-1**	**8,796**
Managed for Others – Not Owned	150	8	-	-	-	158
Total Owned and Managed	**8,867**	**110**	**(22)**	**-**	**(1)**	**8,954**

Association

	2023 No of Units	Acquisition / New Build	Disposals	Tenure Transfers	Converted Units	2024 No of Units
Owned – Social Housing						
General Needs						
- Social Rent	5,765	14	(8)	(6)	-	5,765
- Affordable Rent	997	13	(3)	3	-	1,010
Supported and Housing for Older People	1,315	56	-	3	(1)	1,373
Intermediate Rent	53	19	-	-	-	72
Low Cost Home Ownership	428	-	-	-	-	428
Total	**8,558**	**102**	**(11)**	**-**	**(1)**	**8,648**
Owned – Non Social Housing						
Market Rent	136	6	-	-	-	142
Total - Owned	**8,694**	**108**	**(11)**	**-**	**-1**	**8,790**
Managed for Others – Not Owned	158	-	-	-	-	158
Total Owned and Managed	**8,852**	**108**	**(11)**	**-**	**(1)**	**8,948**

Accommodation in development at the year end

	Group 2024 Number	Group 2023 Number	Association 2024 Number	Association 2023 Number
General needs housing:				
- Social rent	11	33	11	33
- Intermediate rent	8	-	8	-
- Affordable rent	65	6	65	6
Supported housing & housing for older people:	20	4	20	4
Low-cost home ownership	29	88	29	88
Market rent	-	-	-	-
Total accommodation in development	**133**	**131**	**133**	**131**

7 Operating surplus

	Group 2024 £000	Group 2023 Re-stated £000	Association 2024 £000	Association 2023 Re-stated £000
This is arrived at after charging:				
Depreciation of housing properties (including accelerated depreciation)	8,765	8,313	8,765	8,313
Depreciation of other tangible fixed assets	910	1,031	910	1,031
Operating lease rentals:				
- Land and buildings	424	383	424	424
- Office equipment	15	15	15	15
- Vehicles	376	-	376	-
Auditor's remuneration (excluding VAT):				
- For the audit of the financial statements	34	32	26	24
- Tax compliance	2	2	1	1
- Other non-audit services	10	7	10	7

8 Employees

Average monthly number of employees expressed in full time equivalents:

	Group 2024 Number	Group 2023 Number	Association 2024 Number	Association 2023 Number
Administration	56	48	56	48
Development	12	12	12	12
Housing and Property Services	276	271	276	271
	344	**331**	**344**	**331**

	Group 2024 Number	Group 2023 Number	Association 2024 Number	Association 2023 Number
Employee costs:				
Wages and salaries	12,832	11,813	12,832	11,813
Social security costs	1,221	1,161	1,221	1,161
Other pension costs	696	650	696	650
	14,749	**13,624**	**14,749**	**13,624**

At 31 March 2024 £196k was outstanding in respect of unpaid pension contributions (2023: £33k)

The full-time equivalent (FTE) number of staff is calculated based on the average number of employees per month expressed as FTEs being 35 hours per week (40 hours per week for Property Services operatives).

The FTE number of staff (including Executive Directors) who received emoluments:

	2024 Number	2023 Number
£60,001 to £70,000	7	10
£70,001 to £80,000	5	4
£80,001 to £90,000	5	4
£90,001 to £100,000	1	1
£100,001 to £110,000	2	1
£110,001 to £120,000	-	-
£120,001 to £130,000	-	-
£130,001 to £140,000	1	2
£140,001 to £150,000	1	-
£150,001 to £160,000	-	-
£160,001 to £170,000		-
£170,001 to £180,000	-	1
£180,001 to £190,000	1	-

9 Key Management Personnel Remuneration – Group and Association

The Directors are defined as the Members of the Board of Management, the Chief Executive and the Executive Management Team disclosed on page 1. These individuals are the key management personnel of the organisation.

Executive Directors' Remuneration	2024 £000	2023 £000
Executive Directors' emoluments	541	496
Contributions to pension schemes	46	39
Compensation for loss of office	-	-
Amount paid to third parties in respect of Directors' services	-	-
	587	**535**

Emoluments paid to Non-Executive Board Members, including co-optees, were £67k (2023: £63k). Expenses paid to Non-Executive Board Members were £2k (2023: £1k). See below for details of remuneration of Non-Executive Board Members.

The emoluments of the highest paid Director, the Chief Executive, excluding pension contributions, were £190k (2023: £178k), note that this is the total emoluments paid by the Group. The Chief Executive is an active member of a pension scheme in which the Group participates (SHPS), contributions in the year were £16k (2023: £13k). The Chief Executive is an ordinary member of the pension scheme.

Non-Executive Board Members' Remuneration

	2024 £000	2023 £000
Gareth Hall (Chair)	13	12
Andrew Spencer	5	3
Ian Clayton	5	6
Tim Edwards	7	6
Susan Goodman	5	4
Kam Unwin	5	4
David Holland	3	3
Michelle Hill	6	6
Luke Jno-Baptiste	5	4
Ibby Ismail	6	6
Nick Byrne	5	4
Sally Webb	5	4
Former Members		
Tracy Neil	-	1

The combined remuneration paid to Key Management Personnel was therefore £654k (2023: £598k).

10 Surplus on sale of fixed assets

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Disposal Proceeds	3,032	3,331	2,015	3,331
Carrying Value of Fixed Assets	(1,754)	(1,252)	(692)	(1,252)
Sales Expenses	(63)	(133)	(62)	(133)
	1,215	**1,946**	**1,261**	**1,946**
Capital Grant Recycled (Note 22)	(377)	(567)	(377)	(567)
Total Surplus on disposal of fixed assets	**838**	**1,379**	**884**	**1,379**

11 Interest receivable and other income

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Interest receivable from group undertakings	185	(14)	302	111
Interest receivable and similar income	138	55	92	17
Interest on SHPS Defined Benefit plan assets (Note 26)	726	658	726	658
	1,049	**699**	**1,120**	**786**

12 Interest payable and similar charges

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Bank loans and overdrafts:				
- maturing within five years	1,749	1,754	1,749	1,754
- maturing in more than five years	5,776	5,220	5,776	5,220
Other interest and similar charges	98	56	98	56
Interest on SHPS Defined Benefit liabilities (Note 26)	873	739	873	739
Interest capitalised on housing properties under construction (Note 14)	(343)	(118)	(343)	(118)
	8,153	**7,651**	**8,153**	**7,651**

The interest rate applied to determine the capitalised interest costs during the period was 6.3% (2023: 3.63%).

13 Taxation on surplus on ordinary activities

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Current tax				
UK Corporation Tax on surplus / (deficit) for the year at 25% (2023: 19%)	-	-	-	-
Total current tax	-	-	-	-
Tax on surplus on ordinary activities	-	-	-	-

The tax assessed for the year differs from the standard rate of Corporation Tax in the UK applied to the surplus before tax. The differences are explained below:

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Current tax reconciliation				
Surplus / (Deficit) for the period before taxation	2,614	3,844	2,583	3,927
Theoretical tax at UK Corporation Tax rate 25% (2023: 19%)	654	730	646	746
Income not chargeable to Corporation Tax	(654)	(730)	(646)	(746)
Total tax charge	**-**	**-**	**-**	**-**

The Association has charitable status for tax purposes.

14 Tangible fixed assets – housing properties

Group	Social housing properties completed £000	Shared Ownership properties completed £000	Non-social housing properties completed £000	Social housing properties under construction £000	Shared Ownership properties under construction £000	Total £000
Property cost						
At 1 April 2023	**484,396**	**16,133**	**875**	**13,922**	**11,606**	**526,932**
Additions	-	-	-	9,824	7,821	17,645
Schemes completed	12,978	7,779	-	(12,978)	(7,779)	-
Works to existing properties	8,231	-	-	-	-	8,231
Transfers to current Assets	-	-	-	-	1,750	1,750
Disposals	(2,417)	-	-	(1,413)	(4,900)	(8,730)
Component Write Off	(2,099)	-	-	-	-	(2,099)
At 31 March 2024	**501,089**	**23,912**	**875**	**9,355**	**8,498**	**543,729**
Depreciation and impairment						
At 1 April 2023 (Re-stated)	**114,194**	**1,117**	**337**	**-**	**-**	**115,648**
Charge for the year	8,190	254	10	-	-	8,454
Eliminated in respect of disposals	(142)	(23)	-	-	-	(165)
Component Write Off	(1,478)	-	-	-	-	(1,478)
At 31 March 2024	**120,764**	**1,348**	**347**	**-**	**-**	**122,459**
Net book value						
At 31 March 2024	**380,325**	**22,564**	**528**	**9,355**	**8,498**	**421,270**
At 31 March 2023	**370,202**	**15,016**	**538**	**13,922**	**11,606**	**411,284**

14 Tangible fixed assets – housing properties (continued)

Association	Social housing properties completed £000	Shared Ownership properties completed £000	Non-social housing properties completed £000	Social housing properties under construction £000	Shared Ownership properties under construction £000	Total £000
Property cost						
At 1 April 2023	**484,396**	**16,133**	**875**	**13,922**	**11,606**	**526,932**
Additions	-	-	-	9,824	7,821	17,645
Schemes completed	12,978	7,779	-	(12,978)	(7,779)	-
Works to existing properties	8,231	-	-	-	-	8,231
Transfers to current Assets	-	-	-	-	1,750	1,750
Disposals	(2,417)	-	-	(1,413)	(4,900)	(8,730)
Component Write Off	(2,099)	-	-	-	-	(2,099)
At 31 March 2024	**501,089**	**23,912**	**875**	**9,355**	**8,498**	**543,729**
Depreciation and impairment						
At 1 April 2023	**114,194**	**1,117**	**337**	**-**	**-**	**115,648**
Charge for the year	8,190	254	10	-	-	8,454
Eliminated in respect of disposals	(142)	(23)	-	-	-	(165)
Component Write Off	(1,478)	-	-	-	-	(1,478)
At 31 March 2024	**120,764**	**1,348**	**347**	**-**	**-**	**122,459**
Net book value						
At 31 March 2024	**380,325**	**22,564**	**528**	**9,355**	**8,498**	**421,270**
At 31 March 2023	**370,202**	**15,016**	**538**	**13,922**	**11,606**	**411,284**

.

14 Tangible fixed assets – housing properties (continued)

Expenditure on works to existing properties

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Improvements to existing properties capitalised (Note 14)	8,231	6,810	8,231	6,810
Major repairs expenditure to Statement of Comprehensive Income (Note 5)	2,703	-	2,703	-
	10,934	**6,810**	**10,934**	**6,810**

Included within the cost of housing properties is £343k (2023: £118k) of capitalised financing costs (Note 12). The remaining interest is recognised in the Statement of Comprehensive Income.

Total accumulated SHG receivable at 31 March was:

	Group 2024 £000	Group 2023 Re-stated £000	Association 2024 £000	Association 2023 Re-stated £000
Capital grant – housing properties	179,738	184,859	179,738	184,859
Recycled Capital Grant Fund (Note 23)	927	2,032	927	2,032
Cumulative grant amortised to revenue	48,866	46,598	48,866	46,598
	229,531	**233,489**	**229,531**	**233,489**

The Group and Association figures for 2023 have been restated to include £15k of amortised income incurred on Assets amortised in FY24, but deemed to relate to the prior year.

Freehold land and buildings have been pledged to secure borrowings of the Association. The Association is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

15 Tangible fixed assets - other

Group	Offices £000	Office furniture & equipment £000	Motor vehicles £000	Computer equipment £000	Scheme furniture & equipment £000	Total £000
Cost						
At 1 April 2023	**2,439**	**847**	**1,062**	**2,654**	**4,077**	**11,079**
Additions	82	81	-	107	981	1,251
Disposals	-	(126)	(153)	(340)	(190)	(809)
At 31 March 2024	**2,521**	**802**	**909**	**2,421**	**4,868**	**11,521**
Depreciation and impairment						
At 1 April 2023 (Re-stated)	**900**	**782**	**1,062**	**2,414**	**1,837**	**6,995**
Charged in year	50	3	-	169	747	969
Provision Movement	-	-	-	-	(59)	(59)
Elimination on disposal	-	(126)	(153)	(338)	-	(617)
At 31 March 2024	**950**	**659**	**909**	**2,245**	**2,525**	**7,288**
Net book value						
At 31 March 2024	**1,571**	**143**	**-**	**176**	**2,343**	**4,233**
At 31 March 2023 (re-stated)	**1,539**	**65**	**-**	**240**	**2,240**	**4,084**

15 Tangible fixed assets – other (continued)

Association	Offices £000	Office furniture & equipment £000	Motor vehicles £000	Computer equipment £000	Scheme furniture & equipment £000	Total £000
Cost						
At 1 April 2023	**2,439**	**847**	**1,062**	**2,654**	**4,077**	**11,079**
Additions	82	81	-	107	981	1,251
Disposals	-	(126)	(153)	(340)	(190)	(809)
At 31 March 2024	**2,521**	**802**	**909**	**2,421**	**4,868**	**11,521**
Depreciation and impairment						
At 1 April 2023 (Re-stated)	**900**	**782**	**1,062**	**2,414**	**1,837**	**6,995**
Charged in year	50	3	-	169	747	969
Provision Movement	-	-	-	-	(59)	(59)
Elimination on disposal	-	(126)	(153)	(338)	-	(617)
At 31 March 2024	**950**	**659**	**909**	**2,245**	**2,525**	**7,288**
Net book value						
At 31 March 2024	**1,571**	**143**	**-**	**176**	**2,343**	**4,233**
At 31 March 2023 (re-stated)	**1,539**	**65**	**-**	**240**	**2,240**	**4,084**

The opening balance for depreciation has been restated to include £29k of depreciation incurred on Assets amortised in FY24, but deemed to relate to the prior year. The charged in year figure for 2024 has been adjusted for these movements.

16 Investment properties – non-social housing properties held for letting

Group	**Market rent £000**	**Supported market rent £000**	**Under construction £000**	**Total £000**
At 1 April 2023	**9,105**	**5,360**	**-**	**14,465**
Additions	-	-	-	-
Disposals	-	(125)	-	(125)
Gains / (Losses) from adjustments to fair value	-	-	-	-
Change of Category	-	-	-	-
At 31 March 2024	**9,105**	**5,235**	**-**	**14,340**

Association	**Market rent £000**	**Supported market rent £000**	**Under construction £000**	**Total £000**
At 1 April 2023	**9,105**	**3,863**	**-**	**12,968**
Additions	-	937	-	937
Gains / (Losses) from adjustments to fair value	-	-	-	-
Change of Category	-	-	-	-
At 31 March 2024	**9,105**	**4,800**	**-**	**13,905**

Investment properties were valued at Fair Value (market value) at 31 March 2024 by external independent property consultants and chartered surveyors, Thompson & Associates Chartered Surveyors. In valuing investment properties two bases of valuation have been used depending on the type of existing tenancy.

Association shows additions of £937k, but Group level additions are Nil. There was a transfer or properties between the MSV Invest and the Association during the year which have been offset on consolidation.

If investment property had been accounted for under historic cost accounting rules, the properties would have been measured as follows:

	Group 2024 £000	**Group 2023 £000**	**Association 2024 £000**	**Association 2023 £000**
Historic cost	12,184	12,353	11,788	10,710
Accumulated depreciation and impairments	(1,177)	(1,066)	(1,119)	(870)
	11,007	**11,287**	**10,669**	**9,840**

17 Investments in jointly controlled entities – Group and Association

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

Active trading joint ventures, all established in the UK, as at 31 March 2024 were as follows:

Joint venture entity	Partner(s)	Group interest	Total investment £000	Total Loans provided to JV £000	Total investment £000
GMJV Fundco LLP	MSV Invest Ltd 9 other Greater Manchester Registered Providers	10%	800	1,461	2,261
Total		**10%**	**800**	**1,461**	**2,261**

MSV Invest has entered into a joint venture arrangement 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 (Hive Homes) which is a delivery vehicle to build homes for outright sale. This is a financial arrangement where MSV Invest will be investing up to £3m as a mix of debt and equity into GMJV Fundco LLP, which is subsequently invested (along with funds from other joint venture members) into Hive Homes.

As required by statute, the financial statements consolidate the results of the subsidiaries of the Association at the end of the year. Details of subsidiaries can be found on page 4. The Association has the right to appoint Members to the Boards of all subsidiaries and thereby exercises control over them. Details of related party transactions can be found at Note 31.

18 Stock and properties held for sale

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Stock – materials	162	-	162	-
First tranche shared ownership:				
- Work in progress	313	2,063	313	2,063
- Completed properties	1,451	4,815	1,451	4,815
	1,926	**6,878**	**1,926**	**6,878**

19 Debtors: amounts falling due within one year

	Group 2024 £000	Group 2023 Restated £000	Association 2024 £000	Association 2023 Restated £000
Rent and service charges receivable	3,120	2,562	3,120	2,562
Less provision for bad & doubtful debts	(1,456)	(1,293)	(1,456)	(1,293)
Net rent arrears	**1,664**	**1,269**	**1,664**	**1,269**
Amounts owed by Group undertakings	-	-	213	259
Other debtors	375	315	360	300
Prepayments and accrued income	1,925	1,359	1,901	1,355
	3,964	**2,943**	**4,138**	**3,183**
Due after more than one year:				
Amounts owed by Group undertakings	-	-	2,261	1,536

The closing position 2023 has been re-stated, to reflect a movement of £388k previously shown in this note, and now shown in Investments in jointly controlled entities.

Amounts owed by Group undertakings due after more than one year relates to loans with a subsidiary undertaking, MSV Invest Limited, and attract an average fixed interest rate of 4.03%. All other inter-group balances are repayable on demand and do not attract interest.

Loans to the jointly controlled entity, GMJV Fundco LLP (see Note 17) attract an average fixed interest rate of 6.0%. Interest payments are accrued from the date of advance, with payment of interest to be received, along with repayment of capital, upon completion of the related development and sales programme (forecast 2025, no later than 2030).

20 Creditors: amounts falling due within one year

	Group 2024 £000	Group 2023 Re-stated £000	Association 2024 £000	Association 2023 Re-stated £000
Loans and borrowings (Note 24)	1,687	1,956	1,687	1,956
Trade creditors	2,689	2,118	2,688	2,113
Rent & service charges received in advance	2,537	2,232	2,537	2,231
Other taxation and social security	347	305	347	305
Other creditors	605	361	605	361
Accruals and deferred income	5,170	4,573	5,024	4,479
Retentions	402	628	402	628
Deferred capital grant (Note 22)	2,202	2,187	2,202	2,187
Recycled Capital Grant (Note 23)	-	573	-	573
	15,639	**14,933**	**15,492**	**14,833**

The Group and Association figures for 2023 have been restated to reduce Deferred Capital Grant line by £15k, in line with restatement of Note 22.

Loans are secured on housing properties. See Note 14.

21 Creditors: amounts falling due after more than one year

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Loans and borrowings (Note 24)	231,665	183,520	231,665	183,520
Funds held on behalf of others	1,868	1,555	1,868	1,555
Deferred capital grant (Note 22)	177,536	182,672	177,536	182,672
Recycled Capital Grant Fund (Note 23)	927	1,459	927	1,459
	411,996	**369,206**	**411,996**	**369,206**

Loans are secured on housing properties. See Note 14.

22 Deferred capital grant

	Group 2024 £000	Group 2023 Re-stated £000	Association 2024 £000	Association 2023 Re-stated £000
At 1 April	184,859	181,133	184,859	181,133
Grants received in the year	2,127	6,341	2,127	6,341
Grant adjustments in year	(6,260)	-	(6,260)	-
Grants recycled to the RCGF (Note 23)	(377)	(567)	(377)	(567)
Released to income in the year (note 5)	(2,268)	(2,236)	(2,268)	(2,236)
Transfers from RCGF (Note 23)	1,598	52	1,598	52
Other movement	59	136	59	136
At 31 March	**179,738**	**184,859**	**179,738**	**184,859**

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 Restated £000
Amounts to be released within one year (Note 20)	2,202	2,202	2,202	2,187
Amounts to be released in more than one year (Note 21)	177,536	182,672	177,536	182.672
	179,738	**184,874**	**179,738**	**184,859**

The Group and Association figures for 2023 have been restated to include £15k of amortised income incurred on Assets amortised in FY24, but deemed to relate to the prior year.

The value of Group Deferred capital grants excluding amortisation is £229,531k(2023: £233,489k); for the Association the gross value is £229,531 (2023: £233,489) (see Note 14).

23 Recycled capital grant fund (RCGF) – Group and Association

	2024 £000	2023 £000
At 1 April	2,032	1,473
Grants recycled (Note 22)	377	567
Interest accrued	115	44
Grants utilised in the year (Note 22)	(1,597)	(52)
At 31 March	**927**	**2,032**

Grants utilised in-year relate to reallocation to new development schemes.

Repayment may be required where deferred grants are held for over three years. At 31 March 2024 the value of grants held for over three years was £Nil (2023: £Nil).

24 Debt Analysis

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Due within one year				
Bank loans and overdrafts (Note 20)	1,687	1,956	1,687	1,956
Due after more than one year				
Bank loans	225,444	177,106	225,444	177,106
Total loans and overdrafts	**227,131**	**179,062**	**227,131**	**179,062**
Loans repayable by instalments				
In one year or less (Note 20)	1,687	1,956	1,687	1,956
Between one and two years	1,668	1,662	1,668	1,662
Between two and five years	8,822	9,218	8,822	9,218
After five years	18,221	14,593	18,221	14,593
Total loans repayable by instalments	**30,398**	**27,429**	**30,398**	**27,429**
Loan issue premia/discount	7,870	8,190	7,870	8,190
Loan issue costs	(1,649)	(1,776)	(1,649)	(1,776)
Total loans repayable by instalments net of issue costs	**36,619**	**33,843**	**36,619**	**33,843**
Loans not repayable by instalments				
Between two and five years	9,500	9,500	9,500	9,500
After five years	187,233	142,133	187,233	142,133
Total loans not repayable by instalments	**196,733**	**151,633**	**196,733**	**151,633**

The Association has a portfolio of funding facilities with various lenders, each of which is secured by fixed charges on a specific portfolio of individual properties, which are subject to periodic revaluation in line with the terms of the relevant funding agreement.

The committed repayment profile is based on the facility agreements in place at 31 March 2024.

24 Debt Analysis (continued)

Security, terms of repayment and interest rates

Loans are secured by fixed charges on individual properties. The loans repayable by instalments are repaid by quarterly, half-yearly or annual instalments at variable or fixed rates of interest ranging from 4.695% to 11.166%. The instalments are due to be repaid between 2024 and 2043.

Loans not repayable by instalments are interest only at fixed rates ranging from 2.09% to 6.84%. The principal falls due to be repaid in the period 2024 to 2061. In addition to the above debt at 31 March 2024 the Association had £75.4m of undrawn loan facilities (2023: £135.4m).

The Association's weighted average cost of capital (excluding offset fees/premia) is 3.41% at 31 March 2024, and the weighted term of all facilities is 13 years.

25 Analysis of Net Debt

Group

	At 1 April 2023 £000	Cashflows £000	Other Non-Cash £000	At 31 March 2024 £000
Cash at bank and in hand	3,731	37,452	-	41,183
Bank loans (net of issue costs)	(179,062)	(53,109)	5,040	(227,131)
Net debt	**(175,331)**	**(15,657)**	**5,040**	**(185,948)**

Association

	At 1 April 2023 £000	Cashflows £000	Other Non-Cash £000	At 31 March 2024 £000
Cash at bank and in hand	3,717	36,983	-	40,700
Bank loans (net of issue costs)	(179,062)	(53,109)	5,040	(227,131)
Net debt	**(175,345)**	**(16,126)**	**5,040**	**(186,431)**

26 Pensions

The Group participates in schemes independently administered by three providers.

There are employees in two funds administered by the Social Housing Pension Scheme, both of which are defined benefit schemes.

Scottish Widows administer a defined contribution scheme which is no longer open to new members.

The Greater Manchester Pension Fund is a defined benefit scheme with two employees that is no longer open to new members.

Total contributions to employee pensions are detailed in Note 8 to these accounts.

Social Housing Pension Scheme (Group and Association)

The Group participates in the Social Housing Pension Scheme (SHPS, 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 next triennial valuation of The Scheme for funding purposes is due to be carried out on 30 September 2026. The last triennial valuation at 30 September 2023 revealed a deficit of £693m (£1,560m in September 2020). The estimated debt is calculated on the solvency – or ‘buy-out’ – basis.

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

26 Pensions (continued)

Present values of defined benefit obligations, fair value of assets and defined benefit asset/(liability)

	2024	2023
	£000	£000
Fair value of plan assets	14,948	14,855
Present value of defined benefit obligation	18,530	18,234
Surplus/(deficit) in plan	(3,582)	(3,379)
Unrecognised surplus	0	-
Defined benefit asset/(liability) to be recognised	(3,582)	(3,379)
Closing SHPS defined benefit liability at 31 March (Note 27)	(3,582)	(3,379)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024	2023
	£000	£000
Defined benefit obligation at the start of the period	18,234	26,741
Current service cost	0	0
Expenses	17	19
Interest expense (Note 12)	873	739
Contributions by plan participants	0	0
Actuarial losses/(gains) due to scheme experience	345	(526)
Actuarial losses/(gains) due to demographic assumptions	(204)	(41)
Actuarial losses/(gains) due to changes in financial assumptions	(173)	(8,178)
Benefits paid and expenses	(562)	(520)
Liabilities acquired in a business combination	-	-
Liabilities extinguished on settlements	-	-
Losses/(gains) on curtailments	-	-
Losses/(gains) due to benefit changes	-	-
Exchange rate changes	-	-
Defined benefit obligation at end of the period	**18,530**	**18,234**

26 Pensions (continued)

Reconciliation of opening and closing balances of the fair value of plan assets

	2024	2023
	£000	£000
Fair value of plan assets at the start of the period	14,855	23,446
Interest income (Note 11)	726	658
Experience of plan assets (excluding amounts included in interest income – gain/(loss)	(813)	(9,571)
Contributions by employer	742	842
Contributions by plan participants	-	-
Benefits paid and expenses	(562)	(520)
Assets acquired in a business combination	-	-
Assets distributed on settlements	-	-
Exchange rate changes	-	-
Fair value of plan assets at end of the period	**14,948**	**14,855**

Defined benefit costs recognised in Statement of Comprehensive Income (SOCI)

	2024	2023
	£000	£000
Current service cost	-	-
Expenses	17	19
Net interest expense	147	81
Losses/(gains) on business combinations	-	-
Losses/(gains) on settlements	-	-
Losses/(gains) on curtailments	-	-
Losses/(gains) due to benefit changes	-	-
Defined benefit costs recognised in the Statement of Comprehensive Income	**164**	**100**

26 Pensions (continued)

Defined benefit costs recognised in Other Comprehensive Income

	2024 £000	2023 £000
Experience on planned assets (excl. amounts included in net interest costs) – gain/(loss)	(813)	(9,571)
Experience gains/(losses) arising on the plan liabilities – gain/(loss)	(345)	526
Effects of the demographic assumptions underlying the present value of the defined obligation – gain/(loss)	204	41
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain/(loss)	173	8,178
Total actuarial gains/(losses) (before restriction due to some of the surplus not being recognisable)	(781)	(826)
Effect of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain/(loss)	-	-
Total amount recognised in Other Comprehensive Income – gain/(loss)	**(781)**	**(826)**

26 Pensions (continued)

Assets

	2024	2023
	£000	£000
Global Equity	1,490	277
Absolute Return	584	161
Distressed Opportunities	527	450
Credit Relative Value	490	561
Alternative Risk Premia	474	28
Fund of Hedge Funds	193	-
Emerging Markets Debt	875	80
Risk Sharing	77	1,094
Insurance-Linked Securities	600	375
Property	1,510	639
Infrastructure	12	1,697
Private Debt	588	661
Opportunistic Illiquid Credit	584	635
High Yield	2	52
Opportunistic Credit	-	1
Cash	295	107
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	97	448
Secured Income	446	682
Liability Driven Investment	6,084	6,841
Currency Hedging	(6)	28
Net Current Assets	26	38
Total assets	**14,948**	**14,855**

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key assumptions

	2024	2023
	% per annum	% per annum
Discount Rate	4.91%	4.85%
Inflation (RPI)	3.14%	3.18%
Inflation (CPI)	2.78%	2.78%
Salary Growth	3.78%	3.78%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

26 Pensions (continued)

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

	Life expectancy at age 65 2024 (Years)	Life expectancy at age 65 2024 (Years)
Male retiring in 2024	20.5	21
Female retiring in 2024	23.0	23.4
Male retiring in 2044	21.8	22.2
Female retiring in 2044	24.4	24.9

27 Provisions for liabilities and charges

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
SHPS defined benefit asset/(liability) (Note 26)	(3,582)	(3,379)	(3,582)	(3,379)

28 Share capital

Allotted, issued and fully paid	Group 2024 Number	Group 2023 £	Association 2024 Number	Association 2023 £
At 1 April	49	53	46	50
Issued during the year	-	5	-	5
Cancelled during the year	(10)	(9)	(10)	(9)
At 31 March	**39**	**49**	**36**	**46**

The par value of each share is £1. 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 and are not redeemable. Each share has full voting rights. All shares are fully paid.

29 Operating leases

The Group and Association hold land & buildings, office premises and office equipment under non-cancellable operating leases. At 31 March 2024 commitments of future minimum lease payments are as follows:

Amounts payable as lessee

Group	Rental Properties £000	Office premises £000	Equipment & Vehicles £000	Total 2024 £000	Total 2023 £000
In one year or less	297	95	384	776	398
Between one and five years	741	139	1,179	2,059	1,001
Greater than 5 years	1,322	-	-	1,322	1,363
At 31 March	**2,360**	**234**	**1,563**	**4,157**	**2,762**

Association	Rental Properties £000	Office premises £000	Equipment & Vehicles £000	Total 2024 £000	Total 2023 £000
In one year or less	297	95	384	776	439
Between one and five years	741	139	1,179	2,059	1,166
Greater than 5 years	1,322	-	-	1,322	1,401
At 31 March	**2,360**	**234**	**1,563**	**4,157**	**3,006**

30 Capital commitments

	Group 2024 £000	Group 2023 £000	Association 2024 £000	Association 2023 £000
Capital expenditure				
Capital expenditure that has been contracted for but has not been provided for in the financial statements	44,230	18,765	44,230	18,765
Capital expenditure that has been authorised but has not yet been contracted for	17,938	15,217	17,938	15,217
	62,168	**33,982**	**62,168**	**33,982**

The Group expects to finance the above expenditure with a mixture of social housing grants, loans drawn under existing loan arrangements and cash reserves generated from operations and property sales.

31 Related parties

The ultimate controlling party of the Group is Mosscare St. Vincent's Housing Group Limited.

There is currently one tenant who is a member of the Group Board (FY23 – 1). The member holds tenancy agreements on normal terms and cannot use their position to their advantage. The rent charged for the period was £6213 (2023: £5807) and the tenant had a credit balance of £202 (2023: credit £301).

Transactions with non-regulated entities

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

Payable to the Association by subsidiaries

	Management charges		Other charges		Interest charges	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
MSV Invest Ltd	9	8	-	-	117	125
	9	**8**	**-**	**-**	**117**	**125**

There are no charges payable by the Association to subsidiaries

Intra-Group management fees

Intra-Group management fees are receivable by the Association to cover the running costs the Association incurs on behalf of managing its subsidiaries. The management fee is calculated on a department basis with varying methods of allocation. The costs are apportioned as follows:

Department	By reference to
Finance	Time
Human Resources	Staff
Executive	Units
Health & Safety	Staff
ICT	Equipment
Rent Collection	Turnover

Intra-Group interest charges

Intra-Group interest is charged by the Association to its subsidiaries at the rates set in the relevant loan agreements.

Intra-Group loans

Entity granting loan	Entity receiving loan	Opening balance £000	Movement £000	Closing balance £000
Mosscare St Vincent's Housing Association Limited	MSV Invest Limited	1,618	643	2,261

31 Related parties (continued)

Terms of repayment

The terms of the secured intercompany loan agreements require MSV Invest to repay the total loan by no later than 31 December 2030 or any other date as separately agreed by the boards of both MSV Invest and MSV. MSV may at its discretion demand the repayment of the total amount of the loan in full at any time during the term on giving 12 months' prior written notice to MSV Invest.

Other amounts owing to the Association by subsidiaries.

	Association 2024 £000	Association 2023 £000
MSV Invest Ltd	213	177
	213	**177**

There are no other amounts owed by the Association to subsidiaries.

32 Contingent Liabilities

We were notified in 2021 by the Trustee of the SHPS 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 the end of 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 30 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 statements in respect of this.