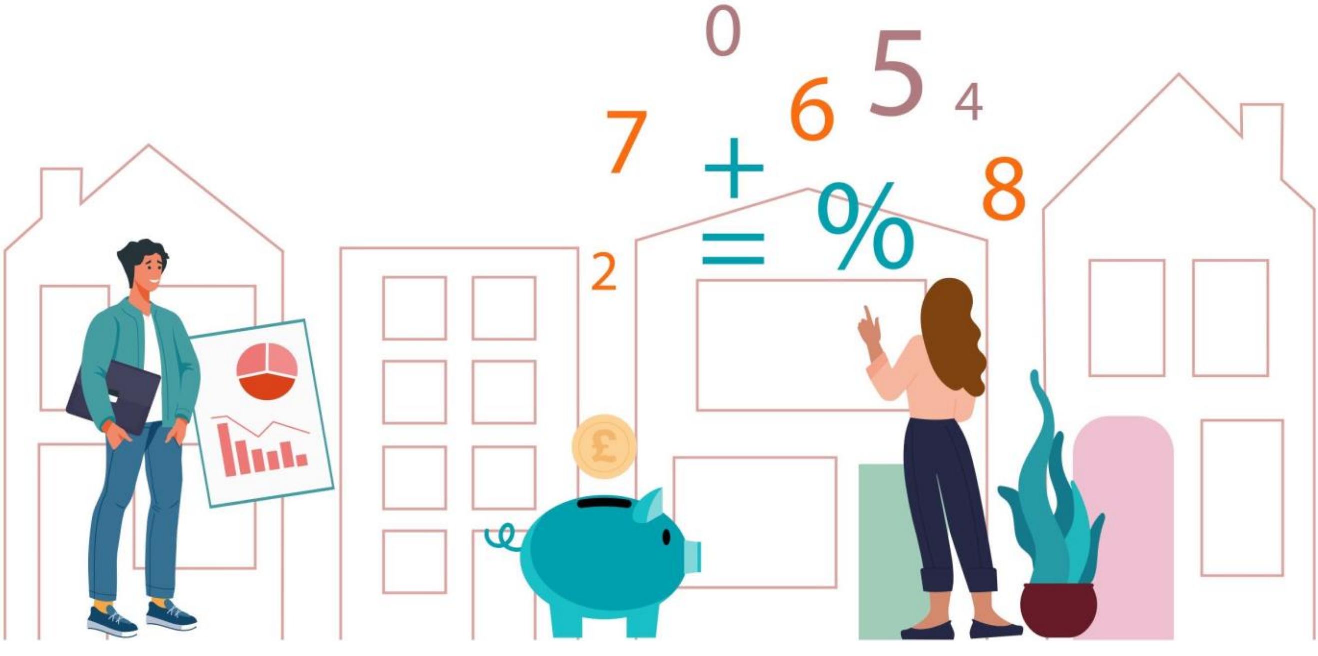
Plus Dane Housing

financial statements

for the year ended **31 March 2022**



contents

Board members

Sir Peter Fahy (Chair)
Robin Lawler
Sandra Palmer (resigned 16th September 2021)
Lyndsey Burkert
Jon Corner
Julie Gill
Dr Ann Hoskins
Thomas McIlravey
Frances Chaplin
Gary Dixon

Gillian Healey (appointed 16th September 2021)

Marie Bintley (appointed 16th September 2021)

Executive officers

Ian Reed (Chief Executive)

Claire Dixon (Deputy Chief Executive – appointed 4th January 2022)

Paul Knight (Chief Operating Officer – appointed 1st November 2021 previously Interim Executive Director of Neighbourhoods)

Madeleine Nelson (Executive Director of Growth) - resigned 30 June 2021

Alison Horner (Company Secretary)

Registered office

Atlantic Pavilion Salthouse Quay Royal Albert Dock Liverpool L3 4AE

Auditors

BDO LLP 3 Hardman Street Manchester M3 3AT

Bankers

National Westminster Bank plc Liverpool One Branch
49 South John Street Liverpool One L1 8BU

chair's statement

I am pleased to be able to present Plus Dane's statutory accounts 2021/22. It was a year of considerable uncertainty for our tenants, colleagues and the organisation as a whole as we started the recovery from the COVID pandemic but with many aftershocks still affecting the way forward.

The judgement of the Board is that the executive team and all colleagues have done a great job in meeting the many challenges and setting down some strong foundations for the future of Plus Dane. On the other hand, we know that there are areas where we want to do better as some aspects of customer service have certainly not yet recovered and on top of that we know that our customers are being seriously affected by general inflation and extraordinary increases in energy prices. We want to do all we can to assist them and constantly have the realities they are facing in our decision making.

We have continued to deliver new high-quality homes and one of the highlights has been the completion of our Welsh Streets regeneration, where we transformed 127 dilapidated properties into 99 new beautiful family homes. The feedback has been overwhelmingly positive, and we are extremely proud to have played our part, alongside the community and other partners, in bringing this neighbourhood back to its vibrant self very much preserving its character.

Every day we experience first-hand the desperate need for affordable homes and so we are therefore really pleased to have built 143 new homes across Cheshire and Merseyside, 13 more than planned. Over the coming years we will be scaling up our development programme in response to the need in our communities and this year we secured additional funding through a private finance placement to enable us to do this. This financing is an important vote of confidence in our financial stability.

We were successful in our bid to secure £1m from the first wave of the Social Housing Decarbonisation Fund. Plus Dane has matched this investment to retrofit 100 of our homes making them more energy efficient and cheaper for customers to heat. This is only one part of our general drive to embrace zero carbon and the latest technologies but in a way that ensures that tenants feel the benefits.

For the third year running, we were successful in achieving the Rospa Gold Health and Safety Award which recognises organisations as world leaders in health and safety practice. The safety of our colleagues and customers is our number one priority and it is reassuring that we have continued to maintain the highest possible standards in this area.

We know from speaking to customers that satisfaction in our services has dipped. We took the difficult decision this year to extend the timescales for completing non-urgent repairs to 16 weeks. This has contributed to a reduction in satisfaction and an increase in complaints. Over the coming year, we will be looking closely at how we can improve in this area. Shortages of building supplies and labour shortages have not helped in keeping to promises made.

Our Scrutiny Panel, who quite ruthlessly examine our processes and how customers experience them, has played an important part in identifying inefficiency, waste and poor information sharing. We want to continue to build upon this to increase the voice of customers in our decision making and investment choices.

We know that customers are finding it difficult to deal with us and are less likely to recommend us than they have been in previous years. This has been part of a general drop in trust in institutions that seems to be a product of these uncertain times. We continue to monitor this situation and look closely at customer experiences, and we have also been working on a customer portal that will offer customers flexibility to view their account with us and make updates without having to contact us. We hope that these initiatives, when launched in the

2022/23 financial year, will improve the experience of our customers but we are already looking at what else we need to do to see this negative trend reverse.

One of the biggest issues for our customers this year has been the rising cost of living. It has already reached crisis point for many and is set to get worse. In response we have increased our levels of support and are also working with community partners, providing funding to enhance the help they can provide until the pressure eases. Plus Dane Board members are part of a task and finish group to look at what we are doing in this area, where there may be gaps and what else we can do. While we know we cannot resolve the underlying issues that have created this crisis, we know we need to do whatever we can to support our customers through this extremely difficult time.

Lastly, I would like to mention colleagues and the many efforts they have made throughout the year to ensure customers have safe, decent homes and the many instances of them going the extra mile for those going through difficult times. They bring to life the social purpose of Plus Dane and our core values every day and themselves have suffered the uncertainties and some of the tragedies of the last few years. I would like to thank them for their continued hard work and dedication. Their commitment puts us in a strong position to continue to achieve for customers in the future.

Sir Peter Fahy
Plus Dane Housing Limited 22 September 2022

directors' report

The Board has pleasure in presenting its report for Plus Dane Housing Limited (PDHL) together with the audited financial statements for the year ended 31 March 2022.

Plus Dane Housing Limited consists of:

- Plus Dane Housing Limited
- Dane Partnership Homes Limited

Principal Activity

Plus Dane Housing provides affordable homes for rent and shared ownership together with housing support for vulnerable and elderly residents. It also has interests in regeneration projects and partnerships to deliver change to the neighbourhoods and communities which it serves to enable them to thrive.

Status

Plus Dane Housing Limited is a Registered Society incorporated under the Co- operative and Community Benefit Societies Act 2014. It is registered with the Regulator of Social Housing as a Registered Provider of social housing and with the Financial Conduct Authority. Dane Partnership Homes Limited is a private limited company set up to assist Plus Dane in delivering new homes but is currently inactive with all development activities held within Plus Dane Housing.

Business Review

Details of the organisation's performance for the year and future plans are set out in the Strategic Report that follows this Directors' report.

Basis of accounting

Plus Dane Housing has prepared its accounts in accordance with Financial Reporting Standard (FRS) 102 for the year ended 31 March 2022.

Customer Involvement

Plus Dane Housing is committed to making a real difference to homes and neighbourhoods, co-creating a route map for communities to enjoy a sustainable future, integral to which is engaging with our customers through a variety of forums, most recently reviewing our governance approach to facilitate the establishment of our Customer Assurance Panel.

Employees

The strength of Plus Dane Housing lies in the commitment and ability of its colleagues; their passion for providing excellent services for customers is key to Plus Dane delivering its social purpose.

Plus Dane Housing develops its colleagues' skills and capability in providing those services through investment in an evolving learning and development offer, in systems and through promoting opportunities for colleagues to have a voice in how the organisation improves, through involvement in activities, surveys and through Trade Union recognition. Recently this has included the co-creation of a Behavioural Competency Framework, based firmly in our organisational values.

Plus Dane Housing is progressing its commitment to Equality, Diversity, and Inclusion. Working collaboratively with Board Members, colleagues and customers, the organisation is developing a clear action plan in 2022 to make transparent its commitments in this area and compliance with the Equality Act 2010. Plus Dane continues to regularly meet its obligations through the annual reporting of the Gender Pay Gap and compliance with the Modern Slavery Act 2015.

Health & safety

The Board is aware of its responsibilities on all matters relating to health and safety. Plus Dane Housing has an approved Compliance Framework and has detailed health and safety policies. The Board has appointed a Health and Safety Champion and provide Board and staff training and education on health and safety matters, including safeguarding. Plus Dane Housing has dedicated health and safety and compliance teams. Health and safety is also regularly reported to the Audit and Risk Committee and is a key part of the internal audit cycle and Property Committee for the delivery of the compliance programme. This was demonstrated in our retention of the RoSPA Gold Award which recognises an organisation's high level of health & safety performance, demonstrating well developed occupational health and safety management systems and culture, outstanding control of risk and very low levels of error, harm and loss.

Board Members & Executive Directors

Those Board members who served during the period and Plus Dane's executive directors are set out on page one.

Whilst the Board is responsible for Plus Dane Housing's overall strategy, management is delegated to the Chief Executive. The Executive Management Team (EMT) consisting of: Chief Executive, Deputy Chief Executive and Chief Operating Officer act as executives within the authority delegated by the Board. EMT meets weekly to consider management issues and key decisions.

The Board

The Board comprises of up to twelve non-executive members and is responsible for the strategy, policy framework and managing the affairs of Plus Dane Housing. The Board members are drawn from a wide background bringing together professional, commercial and local experience. The Board delegates the day-to-day management and implementation of that framework to the Chief Executive and other members of the executive team.

Board and independent committee members are selected by a panel of Board members (including the Chair and the Chief Executive) following public advertisement for recruitment.

Remuneration policy

The People and Governance Committee, comprising a Chair and a minimum of two other Board members, is responsible for setting Plus Dane Housing's remuneration policy for the Chief Executive. It also recommends to the Board the remuneration levels for board members.

The Committee pays close attention to remuneration levels in the sector in determining the remuneration levels of the Chair, Chairs of Committees, Board Members, Independent Members and Chief Executive.

Details of the emoluments of Board Members and Executive Directors are set out in note 5 of the financial statements.

Board Members' responsibilities

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

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

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

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

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 Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group and association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Statement of compliance

In preparing this report a review of the organisation's governance procedures has been undertaken. Following this review, it is the opinion of the Board that Plus Dane Housing complies with the latest Governance and Financial Viability Standard issued by the regulator.

National Housing Federation (NHF) code of Governance

Plus Dane adopts the NHF's Code of Governance (2020) and the formal Code of Conduct adopted is the NHF's Code of Conduct (2012).

The Board carries out an annual assessment of governance in terms of its compliance against its chosen Code and Code of Conduct. For both the overarching Code of Governance and the Code of Conduct the assessment is conducted on a "comply or explain" basis. Based on the self-assessment of the Code of Governance completed in February 2022, the Code outlines a maximum tenure is normally up to six years (3.7.3) and Board can extend to nine years. Plus Dane Rules permit a maximum of nine years and re appointment is based on having the required skills therefore the tenure of nine years could be considered an area of noncompliance. Plus Dane is compliant with all other principles and those in the Code of Conduct.

Internal controls assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness annually, as set out in the International Standards of Auditing (UK and Ireland), the NHF Code of Governance and the Regulator of Social Housing's Governance & Viability Standard.

The system of internal control is designed to provide the Board with reasonable, but not absolute, assurance that risks are identified on a timely basis and dealt with appropriately; that operations are being managed both efficiently and effectively; that assets and people are safeguarded; that proper accounting records are maintained; and that the financial information used within the business or for publication is reliable and that the organisation is compliant with rules, laws and regulations.

Plus Dane has a number of arrangements in place that comprise the overall internal control framework. This is to ensure that:

- Risks are identified, understood, and evaluated
- There is clarity of the likelihood and impact of risks being realised on Plus Dane's ability to deliver its corporate aims and on service delivery
- Clear mitigation plans are in place
- Risks are managed as far as is reasonably practical

The Audit and Risk Committee has received from the Director of Governance & Assurance a report on the annual review of the effectiveness of the system of internal control for Plus Dane for the year 2021/22. This incorporates the activity undertaken in the year to deliver the internal control environment. This has come from a range of sources including internal audit, management reviews, independent assurance reports and financial and operational performance reports.

Based on the above assessment, the Audit and Risk Committee has confirmed that there has been improvement across the internal controls framework and the application of the framework is adequate. Committee recognise that the further enhancements can be made to strengthen the framework which will be continued throughout 2022/23. The Board has accepted the conclusion of the Audit and Risk Committee based on their review and scrutiny.

Statement of Responsibilities of the Board

The Audit & Risk Committee has met regularly through the year to discharge its delegated responsibilities as set out in the agreed terms of reference. Specifically in the year, the Committee has:

- Overseen the appointment of new Internal Auditors and the implementation of the internal audit plan
- Requested a deep dive into repairs & maintenance controls
- Met with and considered the reports of external auditors, reviewed the financial statements, and monitored management action in response to issues raised

- Supported the Board to scrutinise financial and operational performance including a robust business planning and stress testing process is in place
- Reviewed strategic risks quarterly
- Recommended to Board approval of the finance strategy and financial regulations
- Supported delivery of the pensions and refinancing projects

Annual General Meeting

The Annual General Meeting will be held on 22 September 2022.

Auditors

A resolution to reappoint BDO as external auditors will be proposed at the Annual General Meeting.

The Directors Report was approved on 22 September 2022 and signed on its behalf by:

Alison Horner Company Secretary 22 September 2022

strategic report

Background

Plus Dane Housing is a long-standing provider of homes and services that has operated for over 40 years in a number of different forms across Merseyside and Cheshire. Plus Dane delivers services to over 13,000 homes and employs over 600 colleagues.

Vision & values

Our ambition is to *tackle social inequality by enabling individuals and communities to thrive*

Our 2021-2024 Corporate Plan has been developed against the backdrop of one of the most challenging years in recent history that has resulted in impending financial and economic crisis, ongoing austerity and funding cuts, and rapidly changing government thinking.

Our Board is clear about the roles Plus Dane will play in effecting social change and the direction in which we are heading which is made clear through our ambition. To support this, we have five strategic objectives:

Performance

All our activity is measured against our strategic objectives. This year we:

- COVID
    - Managed easing of restriction to ensure safety is maintained for customers and colleagues
    - Delivered Business Recovery strategic project

- Customer Experience ○ Launched a new project called ‘Universal Comms’ to transform how our customers contact us making it easier for people to deal with us
    - Introduced a new Chat Bot facility on our website
    - Developed Design and Technical guides for our new developments to make it easier for those moving into our new homes to understand how to use features within it

- Locality Working ○ Introduced the Locality plan intelligence toolset which draws information from a range of sources to help target resources in neighbourhoods more effectively
    - Launched a relationship model for increased senior staff visibility & presence in neighbourhoods
    - Piloted our first Locality plan in Pinehurst

- Sustainable Organisation

    ○ Streamlined the Executive structure delivering savings for reinvestment back into the business
    - Secured Private Credit Rating which helped deliver our first £150m Private Placement ○ Finalised the service review of our procurement service
    - Delivered our Office Accommodation Project to rationalise the number of offices we have
    - Built 143 new homes against a target of 130 and started 492 homes against a target for 490
    - Secured £1m for two pilots from the Social Housing Decarbonisation Fund which we will match fund. Pilots will include works to 100 homes and using new technologies

- Colleague Experience ○ Completed the first phase of the Terms and Conditions project which focused on providing a single set of conditions across the business
    - Launched a new People Strategy
    - Reviewed our pension’s offer to give certainty of cost and support a sustainable future for Plus Dane

The Board and Management have agreed a Performance Management Framework which is part of our approach to Business Assurance. Board consider performance quarterly, benchmarking against an agreed comparator group and also approve annual corporate and operational targets.

Key operational performance highlights for 2021/22 include:

Financial Health	March 2021	March 2022		
		Target	Actual	Achieved
Turnover	£76.1m	£76.8m	£77.8m	★
Operating margin	22.2%	20.7%	19.6%	▲

Net surplus	£4.6m	£6.7m	£7.7m	★
Gearing	49.3%	49.6%	47.9%	★
Efficiency gains	£0.1m	£0.5m	£0.2m	▲

Actual turnover delivered is £1.0m above target mainly due to improved sales on first tranche shared ownership sales.

As the country began recovery from the Covid-19 pandemic coupled with the after effect of withdrawal from the European Union and the conflict in Ukraine towards the end of the year, a perfect economic storm was created which has resulted in increased pressures on the way we do business. The biggest impact on increased operating costs was felt in both responsive and void repairs which resulted in an operating margin of 19.6% against a target of 20.7%. Cost increases, labour and material shortages were felt across the sector which put pressure on our costs and ability to deliver our repairs and maintenance programmes; the investment programme was £2.6m lower than the original budget. A significant proportion of the favourable position was relating to a delay in the exit of the LGPS pension schemes which will carry over to 2023 and has been incorporated into the business plan. The overall net surplus was above target due to an increase in the sale of fixed assets.

We made savings through the year most notably through a review of Leadership Team and a new approach to procurement however these were reinvested back into services to offset the challenges of supplier, contractor and delivery price increases.

In the next 12 months we will finalise our pension strategy, review our approach to efficiencies and take a temperature check of the repairs and maintenance market as we reprocure our strategic partner contract and review how we deliver our mixed economy of inhouse v's outsourced repairs and maintenance works.

Customer experience	March 2021	March 2022		
		Target	Actual	Achieved
Customer net promoter score	22	29	9.88	▲
Customer effort score	New 21/22	84	76.8	▲
Tenancy turnover – 24 months	23.7%	24.0%	22.1%	★
Views are listened to and acted upon	New 21/22	61.0%	67.9%	★
Good value for rent and service charge	New 21/22	70.0%	73.7%	★

We are pleased that our customers believe that their views are listened to and acted upon; we want to build trust that we will do what we say we will and act on the views of people who live in our homes and receive our services. Our commitment to this is unwavering as customers have and will always be central to what we do and how we do it. Likewise, in a difficult economic environment it's good to see that customers believe rents and service charges present good value.

Undoubtedly, we have challenges around customer experience. Our satisfaction surveys are telling us that customers find it difficult to deal with us and are far less likely to recommend us. We are disappointed with this and know we have to do better; in 2022/23 we will:

- Deliver our Universal Communications project improving the way tenants and residents contact us and their experience at how we handle contacts
- Launch our new customer portal to help those that want to, self-serve with various aspects of their tenancy. This should reduce avoidable contact and give us more time to handle contacts effectively
- Deliver our post Covid delivery plans to reduce the amount of time customers are waiting for a repair and ensure we get back on track with delivery of our investment programme

Business effectiveness	March 2021	March 2022 Target	March 2022 Actual	March 2022 Achieved
Tenancy turnover	5.77%	6.11%	6%	▲
Homes occupied	New 21/22	96.36%	97%	★
Income collection	99.0%	100.0%	100.0%	★
Complaints upheld	56.2%	44.0%	70.6%	▲
Safe homes compliance	99.5%	100.0%	99.8%	▲
Decent homes	New 21/22	100.0%	100.0%	★

This year we were not as effective as we would like to have been albeit targets missed were marginal, with the exception of complaints upheld. Our targets reflect the high standards of effectiveness we expect.

Income collection has improved but we recognise the challenging economic climate we work in; our customers are more likely to feel the strains of increased cost of living than any other group which is why in 2022/23 we have increased our capacity to be able to support them to access emergency support. Our Board task & finish group will also explore how much more we could be doing either ourselves or through signposting to support our customers to access much needed support.

Safe homes compliance target was also marginally missed; we place huge emphasis on the health and safety of our customers with work underway to ensure that we gain access to homes to complete checks and works to keep people safe.

As with customer experience, we know we need to do much better about first-time service delivery and complaint handling; this is very much a focus for us in 2022/23.

Colleague experience	March 2021	March 2022 Target	March 2022 Actual	March 2022 Achieved
Colleague net promoter score	84	82	65	▲
Absence percentage	3.92%	3.80%	4.74%	▲

Colleague turnover	6.43%	9.30%	9.49%	▲
Colleagues feel their views are listened to and acted on	New 21/22	80.00%	52.92%	▲
Colleagues understand what Plus Dane is trying to achieve	New 21/22	90.00%	79.00%	▲

There has been a lot of talk about the 'great resignation' following the pandemic which is impacted by a number of reasons. Turnover has been higher than expected but positively there have been no underlying factors which have resulted in the target not being met; Plus Dane has strengthened its exit interview process to ensure we understand the reasons for leaving and capture any trends in greater detail. Recruitment processes continue to be robust in what is a challenging environment.

The other results identify a challenge for Plus Dane in making sure, in an ever-competitive labour market, our offer is attractive to not only recruit but more importantly retain colleagues. The results of our 2022 colleague survey provide a foundation for us to do better for our colleagues, working with them to deliver improvement plans.

Colleague absence was out of target with sickness increasing towards the end of quarter 3 and in quarter 4 reflecting the national increase of the Covid-19 omicron cases.

Governance & regulation

Plus Dane's governance architecture includes a skills-based Board of up to 12 members and four Committees. The Rules of Association allow the Board, through a clear framework, to delegate activity to its Committees which are:

- Audit & Risk
- People & Governance
- Property
- Neighbourhood

The Board and Committees have terms of references reviewed annually alongside their assessment of their effectiveness. A governance review is undertaken triennially; a review began in 2022 and will conclude within the financial year 2022/23.

The Board consider annually, compliance with the Regulator of Social Housing's (RSH) economic and consumer standards. Plus Dane maintained the highest regulatory rating, G1 and V1, which was assessed by RSH in 2021 through In-Depth Assessment (IDA).

Plus Dane maintains positive and transparent relations with RSH, this year advising them of our plans to review pension provision across the organisation. Plus Dane participates in a three multi-employer defined benefit schemes. As part of our aim to become a financially resilient organisation we have consulted with colleagues and trade unions over the past 18 months to review provision. A 'carve out' from our funders was required so that upon exit of defined benefit schemes, termination debt did not breach covenants. Our funders agreed a 'carve out' of termination costs from our covenant calculations, this was disclosed to the Regulator in advance of termination, expected September 2022.

The Board is fully aware of the Social Housing Bill and has worked with officers to complete a gap analysis to understand improvements that we will need to take ahead of enactment.

Principle risks & uncertainties

Plus Dane is committed to a risk management approach that is integral to the strategic planning process. The Risk Management Framework is dynamic to ensure that it reflects the Board's risk appetite and protects the financial viability and governance of Plus Dane. This framework supports the assessment, analysis and treatment of risk and the documenting of internal controls to provide assurance that risks are managed effectively. The Board has an agreed risk appetite which is considered in all decision-making processes so that they are clear how or if the decision aligns to risk appetite.

The Risk map details the key risks that impact our strategic objectives. The risk map is reviewed on a quarterly basis by Audit and Risk Committee and the Board. The Board also receive an annual risk report. Risk and assurance is a standard item on all Board and Committee papers and Executive Management Team meetings.

As part of the business plan approval process, Board conducted several multi-variate stress tests and as a result detailed the Board's response to the crystallisation of single and multiple risks. This ensures that Board better understand what stresses and combinations of stresses could put our business at risk, that they have rehearsed a range of difficult decisions, and have developed a detailed contingency plan.

During the year all strategic risks were reviewed and in line with the Regulator's Sector Risk Profile, the following are identified as key strategic risks for this year and suitable risk reduction strategies were implemented:

Strategic Risk 06: Finances are not managed

To be able to operate as a business Plus Dane must be able to raise funds to progress its objectives, alongside meeting covenant requirements of funders. Our Treasury Policy sets out the minimum requirements needed to manage liquidity risk. Liquidity over the year was maintained at above the required limit, higher than required within the Treasury Policy. Plus Dane produces a forward look to Board quarterly which shows that new funding will not be required until the end of Q4 2023-24, having secured the Private placement of £150m in February 2022.

The budget and business plan is approved annually and supported by quarterly forecasting. As a first line of defence, the Assurance Team continues to work across the organisation to ensure processes are mapped and controls tested, the Leadership Team review management accounts monthly and as a third line, the financial controls are tested twice yearly through internal audit. The business plan has been prepared with the assumptions from our treasury management advisors released in February 2022 to reflect the rapidly changing economic circumstances.

The ongoing uncertainty of the wider economy and the ramification that this has on our customers and the impact that this may have on rental income remains under review by the Board. The income management service continues to be robustly managed and was subject to an internal audit in 2022 with areas for improvement underway to enhance performance in 2022/23. Additionally, the Board has established a task and finish group to understand the cost-of-living impacts.

Strategic Risk 16: IT systems and infrastructure do not support the needs of the business

A gap analysis of systems and infrastructure was presented to Audit & Risk Committee in 2021 with provisions made within the budget in 2022/23 to accommodate the first stage of improvements. The Digital Strategy was reviewed by Board in January 2022 with the first year focused on ensuring Plus Dane has a stable foundation upon which the future deliverables can be built. It aims to provide robust infrastructure, processes, data governance and culture. The BI Project is ongoing to support the data register, dictionary, controls and retention periods. This will be further enhanced with the implementation of the BI strategy. Third line assurance will be sought on the progress of this work in 2022, monitored by Audit & Risk Committee. This will support ongoing assurance to the Board that data integrity is appropriately managed.

Cybercrime is an increasing threat to any business which can impact on IT systems and infrastructure and remains on our radar. Prevention is critical and we raise awareness across the business, have mandatory training and monitor the changing landscape and learn lessons from breaches in other sectors.

Strategic Risk 17: Failure to understand, plan for, resource, and implement net zero carbon

The Board is acutely aware of its requirements to deliver an approach to net zero carbon. A project group is to be established in 2022/23 with the aim of developing a clear road map to 2050 with funding requirements identified. Funding has been secured for two Social Housing Decarbonisation Fund pilots with Plus Dane match funding by £1m; further waves of the fund will be explored, the next being Autumn 2022.

Strategic Risk 05: Failure to provide quality homes and services

Plus Dane is committed to providing quality homes and services but recognise the challenges of the pandemic coupled with a difficult external operating environment has impacted on quality of service and the length of time that it takes to complete repairs. Coupled with this has been challenges in delivering the investment plan.

The budget and business plan has been developed to support Plus Dane to provide a more effective balance between repairs and investment of the next five years. The impact of inflation as well as labour and material pressures are kept constantly under review. Plus Dane is talking to funders about the impact of accelerating works on our covenant position. The complaints task and finish action plan will drive improvements in service delivery.

We await publication of the social housing bill and its impact on how we deliver homes and services and have completed a gap analysis of the areas where we will change our services as a result.

Strategic Risk 14: Health & safety and landlord compliance

Health & safety continues to be a closely managed risk with Board and Committees reviewing performance quarterly. The appointment of a Health and Safety Board champion supports our strategic direction. Our commitment was demonstrated by the retention of Gold RoSPA Health and Safety Award by the Royal Society for the Prevention of Accidents. This recognises the work we do to keep our customers and colleagues safe. Substantial assurance was achieved in the 2022 health & safety internal audit.

Landlord compliance is a key focus with quarterly reporting to Property Committee on progress on the key areas of fire safety, electrical safety, lift safety, gas safety, asbestos management and legionella.

Controls and performance continue to be reviewed to ensure they evolve with the changing requirements the health & safety environment presents.

Strategic Risk 08: Fail to retain and attract talent

The pandemic has had a significant impact on the way organisations deliver their services. Plus Dane recognises the 'great resignation' and the impact that this has on recruitment and retention, finances, service delivery and continuity. During the year a pulse survey was undertaken and a full annual staff survey to capture the employee experience. Our People Strategy sets out the three principles of the organisation and the opportunities for learning and development of colleagues, reward and recognition and leadership capability. Plus Dane is keen to ensure that the culture reflects our values, that we embrace diversity and create an environment that enables people to reach their potential and thrive. The Board continues to monitor the operating environment to manage the uncertainty in the market.

Value for money

The Regulator of Social Housing (RSH) requires Registered Providers to demonstrate a robust approach to achieving value for money, underpinned by clear and informed decision making that is owned by the Board.

Plus Dane's approach defines value for money (VfM) as the relationship between effectiveness, efficiency and economy; the aim being to ensure a good balance between all three – achieving high productivity and outcomes from our cost base. We strive to embed value for money in the way that the business operates on a day-to-day basis and is not a stand-alone project.

To provide transparency in how Plus Dane is achieving value for money, a peer group of other Registered Providers has been selected to compare performance against. This group is defined as operating within a similar geographical location (North West or Midlands region) owning and or managing a similar number of homes as Plus Dane (ranging between 10,000 to 20,000) with stock similarity > 70% and turnover's between £50m - £250m.

Core Metric	Purpose	2022 Target	2022 Actual	Achieved	2020/21 Peer Group Performance
Reinvestment	Measures investment in existing and new stock	7.9%	4.5%	▲	6.7%
New Supply Delivered - Social Housing	Number of new homes as a proportion of total homes	1.0%	1.1%	★	1.0%
New Supply Delivered - Non-Social Housing	Number of new nonsocial homes as a proportion of total homes	0.0%	0.0%	-	0.0%
Gearing	Measures degree of dependence upon debt finance	49.6%	48.2%	▲	49.1%
EBITDA MRI	Measures liquidity. Adjusts surplus for capitalised major repairs	124.4%	142.7%	★	178.2%
Core Metric	**Purpose**	**2022 Target**	**2022 Actual**	**Achieved**	**2020/21 Peer Group**

					Performance
	& depreciation. Measures the surplus generated compared to interest charge				
Social Housing Cost Per Unit	Measures the economy of costs	£3,923	£4,115		£3,659
Operating Margin - Overall	Excludes gain/loss on sale of Fixed assets	20.7%	19.6%		18.5%
Operating Margin - Social Housing	Measures efficiency of operating assets	25.0%	27.9%		22.3%
ROCE	Measures efficiency of investment of capital resources	2.3%	3.2%		3.6%

- **Metric 1: Reinvestment %**

  The annual reinvestment plan was impacted by an increased number of repairs reported and costs due to several factors, including reduced working hours through Covid safe working practices, Covid isolation and price increases far exceeding inflation, resulting in resource diverted onto responsive repairs. An efficient and effective service would have an increased weighting towards major works so an improvement plan has been developed and included from year 2 of the Business Plan to respond to this.

- **Metric 2: New Supply Delivered %**

  We were pleased to deliver 143 homes against a target of 130; in March 2022 we approved a plan to deliver a further 1500 homes over the next five years.

- **Metric 3: Gearing %**

  Gearing is lower than target due to the reduced level of development spend; the new development plan will impact on this over next few years of the business plan.

- **Metric 4: EBITDA (MRI) Interest Cover %**

  EBITDA has increased showing greater liquidity than original target. Adjusted earnings increased due to less capitalised major repair expenditure in the period improving the KPI, also lower interest costs as funding rates were secured at lower than anticipated in the targets also improved the KPI measure.

- **Metric 5: Headline Social Housing Cost Per Unit (£)**

  Actual cost of £4,115 was higher than target due to increased economic pressures impacting labour and material availability along with increases in the cost of materials.

- **Metric 6: Operating Margin %**

  Operating margin was adversely impacted due to the cost of materials far exceeding CPI and the increased number of responsive repairs reported.

- **Metric 7 Return on Capital Employed**

  The improved ROCE shows Plus Dane has generated more efficient investment of capital resources than target. There was a reduction in capital employed due to less reinvestment and the settlement of loans due within the year, whilst maintaining surplus to target.

Reinvestment has been impacted by the increase in volume of responsive repairs being reported since the outbreak of Covid which is reflected in the higher Maintenance cost per unit reported. Plus Dane plan to increase the volume of major works and has developed an improvement plan included from year 2 of the Business Plan to respond to this.

EBITDA is lower than the peer group and sector average, but it is line with our development projection to deliver 300 new homes a year.

Future Value for Money

Core Metric	Purpose	2023 Target
Reinvestment	Measures investment in existing and new stock	7.3%
New Supply Delivered - Social Housing	Number of new homes as a proportion of total homes	1.1%
Gearing	Measures degree of dependence upon debt finance	46.9%
EBITDA MRI	Measures liquidity. Adjusts surplus for capitalised major repairs & depreciation. Measures the surplus generated compared to interest charge	128.3%
Social Housing Cost Per Unit	Measures the economy of costs	£3,883
Operating Margin - Overall	Excludes gain/loss on sale of Fixed assets	15.6%
ROCE	Measures efficiency of investment of capital resources	1.9%

One of our aims is to continue to be customer focussed and to strengthen the customer voice in all we do. It is vitally important that our ambition in providing quality and efficient services is based on a shared and greater understanding of our cost base, how that links to improvement and innovation that adds value, and that genuine efficiencies are delivered without detriment to service provision, ultimately leading to better outcomes. By embedding economy, efficiency and effectiveness throughout all we do in setting out our current performance and future aspirations we aim to be accountable to our tenants and customers, Board, our Regulator and wider stakeholders.

Throughout 2022 we delivered two major projects to deliver certainty and sustainability for Plus Dane; the first to deliver a Private Placement of £150m following securing a private credit rating. The second was a review of our pension strategy which has resulted in the exit from the LGPS schemes. Both projects are part of our approach to strengthening our position as a sustainable organisation by giving cost certainty for the future in 2023, the exit of the LGPS schemes will crystalise and we will review our wider treasury position so we can continue to deliver value and certainty in a volatile market.

In 2023 we have several significant programmes to review the way we work and deliver increased value:

- Reviewing our approach to delivery of repairs and maintenance including the procurement of our strategic partner
- Implementing our customer portal to give greater self-service facility to our customers, reducing avoidable contacts and making it easier for customers to deal with us
- Identifying how we can deliver savings on works to empty homes
- Reviewing our Treasury Strategy
- Delivering improvements to our IT infrastructure
- Considering how Dane Partnership Homes could add value to the way we deliver our development service

Our ultimate aim in delivering long term sustainability is to ensure we can achieve our vision of reducing inequality for both individuals and communities.

Treasury management

There is a robust Treasury Strategy in place which addresses interest rate risk, covenant compliance, funding and liquidity risk and exposure to counterparties. The Treasury Policy is reviewed annually and is approved by the Board. It includes the following approved instruments: instant access deposit accounts, fixed term deposits, call deposits, collateral deposits, money market fund investments and UK Government securities. The Treasury Policy recommends that between 50% and 90% of the organisation's debt should be fixed.

Management of the loan portfolio is the responsibility of the Deputy Chief Executive and the Director of Finance and is managed in accordance with the Treasury Management Strategy and Policy. Plus Dane Housing Limited borrows at both fixed and floating interest rates. Regular updates on treasury activity are provided to the Audit and Risk Committee and the Board, as part of the overall Finance Report.

The Group does not make use of hedging instruments other than to fix variable rate debt either at the time of drawdown or following a review of the loan portfolio and market conditions.

Investment Powers

Plus Dane Housing Limited's rules permit investment of monies not immediately required to carry out its objectives, as it determines and is permitted by law.

Capital structure and treasury policy

Plus Dane Housing borrows principally from banks, at both fixed and floating rates of interest, and only in sterling so is not exposed to currency risk.

Total borrowings as at 31 March 2022 were £305.3 million (2021: £305.4 million). The fixed rate loans account for approximately 49.2% of the total borrowing, which is outside of the normal recommended parameters of 50%-90% in the Treasury Policy, however short term cash movements may dictate that the above requirements are not appropriate (e.g. repayment of debt/additional drawn funds) and as such, it is permitted that the position at any given time may be up to five percent greater or less than the ideal stated in the policy.

The movement in loans year on year represents net loan repayments, in line with required schedules as well as fully repaying the Nationwide facility to remove restrictive covenants from Plus Dane's portfolio. Cash balances at the end of the year stood at £1.7m (2021: £1.6m). Interest costs decreased to £8.8m (2021: £12.7m), and the overall Weighted Average Cost of Capital (WACC) also decreased to 2.8% (2021: 4.2%).

Plus Dane Housing has total facilities of £506m, after the successful completion of acquiring £150m via a private placement, with £200.8m (2021: £117.9m) of unutilised committed borrowing facilities.

The maturity of the Group's borrowings is detailed in note 22 of the financial statements.

The Group is subject to a range of covenants through its loan agreements, which vary between lenders. For the financial year 2021/22, the Group has complied with all covenants.

Our Board has confirmed there is no change in overall direction for Plus Dane, just a continuum of our journey, while also remaining agile to reflect economic uncertainty and the changes that this could bring in our external operating environment and for our tenants.

Statement of compliance

In preparing this Strategic Report, the Board has followed the principles set out in the Statement of Recommended Practice for registered social housing providers (2018).

Going concern

Plus Dane's business activities, its current financial position and factors likely to affect its future development are set out within this Report.

The group has a strong Balance Sheet, with net assets of £74.5m.

Despite the continuing economic pressures, Plus Dane managed to deliver a strong surplus overall. The preparation of a robust business plan (approved by Board in March 2022), supported by a strong suite of stress tests and associated mitigation plans shows that there are no liquidity concerns. All covenants will be met, and it is appropriate to continue to adopt the going concern basis within the financial statements.

Actual results delivered this year to date support the delivery of the approved Budget giving comfort that there are no going concern issues within the business. Annual forecasts are updated quarterly across all income, expenditure and capital areas provide further reassurance to the liquidity of Plus Dane. These are reviewed at Leadership, Executive and Board level.

There is a current headroom of £180.0m (31 May 2022) on undrawn loans and work completed to deliver the new long-term fixed rate funding with £100m released in November 2022 and a further £50m in February 2023, which will provide further certainty over liquidity.

After making enquiries the Board has a reasonable expectation that Plus Dane Housing has adequate resources to continue in operational existence for the foreseeable future, being a period of 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.

Alison Horner Company Secretary 22 September 2022

independent auditors' report

to the Members of Plus Dane Housing Limited

Opinion on the financial statements

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 2022 and of the Group's and the Association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance 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 2019.

We have audited the financial statements of Plus Dane Housing Limited ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2022 which comprise the Group and Association statements of comprehensive income, the Group and Association statement of changes in reserves, the Group and Association statement of financial position, the Group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' 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 and of 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 directors are responsible for the other information. The other information comprises the information included in the Report of the Board other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the parent association; or
- a satisfactory system of control has not been maintained over transactions; or
- the parent association financial statements are not in agreement with the accounting records and returns; 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, 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 members determine 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 are responsible for assessing the Group 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 intend to liquidate the Group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding and accumulated knowledge of the Group and parent association, and the sector in which they operate, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Regulator of Social Housing, and we considered the extent to which non-compliance might have a material effect on the consolidated financial statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Accounting Direction for Private Registered Providers of Social Housing and tax legislation. All audit team members were briefed to ensure they were aware of any relevant regulations in relation to their work, areas of potential non-compliance and fraud risks.

We evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of an override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Our audit procedures in response to the risks identified above included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the following:
    - whether there are indicators of impairment of tangible assets
    - the useful economic lives of tangible fixed assets
    - recoverability of balances outstanding at the year end
    - assumptions used to calculate the pension provisions
    - the fair value of investment property
    - the classification of financial instruments
- discussions with, and inquiries of, management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- enquires to confirm with management that there was no legal correspondence during the period, or post year end, requiring review;

- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.
- review of relevant registers such as those associated with risk and fraud;
- identifying and testing journal entries identified as potentially unusual, in particular considering whether there any journal entries posted by staff members with privileged access rights or key management;
- a review of minutes of meetings of those charged with governance both during the period, and post year end;
- considering internal audit findings; and
- considering whether there is any correspondence with HMRC and the Regulator of Social Housing.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

Hamid Ghafoor
BDO LLP, Statutory Auditor
Manchester, UK
Date: 23 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

group and association statements of comprehensive income

		Group		Association	
		2022	2021	**2022**	2021
	Note	**£'000**	£'000	**£'000**	£'000
Turnover: Group		**77,816**	76,079	**77,816**	76,079
Group turnover	**3**	**77,816**	76,079	**77,816**	76,079
Operating costs	**3**	**(59,129)**	(57,760)	**(59,118)**	(57,784)
Cost of Sales	**3**	**(3,457)**	(1,369)	**(3,457)**	(1,369)
Surplus on sale of fixed assets	**3**	**1,714**	706	**1,714**	706
Group operating surplus	**3**	**16,944**	17,656	**16,955**	17,632
Total operating surplus	**9**	**16,944**	17,656	**16,955**	17,632
Interest receivable	**7**	**9**	12	**9**	12
Interest payable and similar charges	**8**	**(8,864)**	(12,764)	**(8,864)**	(12,764)
Other finance costs	**6**	**(442)**	(273)	**(442)**	(273)
Surplus on ordinary activities before tax		**7,647**	4,631	**7,658**	4,607
Tax on surplus on ordinary activities	**11**	**-**	-	**-**	-
Surplus for the year		**7,647**	4,631	**7,658**	4,607
Actuarial (loss) / gain in respect of pension schemes	**6**	**10,149**	(9,458)	**10,149**	(9,458)
Total comprehensive income		**17,796**	(4,827)	**17,807**	(4,851)

The financial statements were approved by the Board and signed on its behalf on 22 September 2022.

Sir Peter Fahy	Gary Dixon	Alison Horner
Chair	**Board Member**	**Company Secretary**

The accompanying notes form part of these financial statements.

group and association statements of changes in reserves

Group

	£'000
Balance as at 31 March 2020	61,568

Total comprehensive income	
Surplus for the year	4,631
Actuarial gain/(loss) in respect of pension schemes	(9,458)
Balance as at 31 March 2021	56,741
Total comprehensive income	
Surplus for the year	7,647
Actuarial gain/(loss) in respect of pension schemes	10,149
Balance as at 31 March 2022	**74,537**

Association

		£'000
Balance as at 31 March 2020 (combined)	61,989	
Total comprehensive income		
Surplus for the year		4,607
Actuarial gain/(loss) in respect of pension schemes		(9,458)
Balance as at 31 March 2021		57,138
Total comprehensive income		
Surplus for the year		7,658
Actuarial gain/(loss) in respect of pension schemes		10,149
Balance as at 31 March 2022		**74,945**

group and association statement of financial position

	Note	Group		Association	
		2022	2021	**2022**	2021
		£'000	£'000	**£'000**	£'000
Fixed assets					
Housing properties	12	**629,944**	615,956	**630,378**	616,390
Investment properties	13	**761**	766	**761**	766
Other fixed assets	14	**4,486**	5,421	**4,486**	5,421
Investments	16	**-**	-	**-**	-
Homebuy Loans Receivable		**1,004**	1,117	**1,004**	1,117
		636,195	623,260	**636,629**	623,694

Debtors: due after one year	19	**4,613**	4,803	**4,613**	4,803
Current assets					
Stock	17	**172**	74	**172**	74
Properties for sale	18	**4,107**	2,124	**4,107**	2,124
Trade & other debtors due within a year	19	**5,508**	5,345	**5,509**	5,341
Cash and cash equivalents		**1,708**	1,587	**1,670**	1,548
		11,495	9,130	**11,458**	9,087
Creditors: falling due within a year	21	**(128,164)**	(24,404)	**(128,153)**	(24,398)
Net current liabilities		**(116,669)**	(15,274)	**(116,695)**	(15,311)
Total assets less current liabilities		**524,139**	612,789	**524,547**	613,186
Creditors: due after more than a year	22	**(437,693)**	(534,393)	**(437,693)**	(534,393)
Provisions for liabilities					
Net pension liability	6	**(11,909)**	(21,655)	**(11,909)**	(21,655)
Total net assets		**74,537**	56,741	**74,945**	57,138
Capital and reserves					
Non-equity share capital	26	**-**	-	**-**	-
Revenue reserve		**74,537**	56,741	**74,945**	57,138
Total reserves		**74,537**	56,741	**74,945**	57,138

These financial statements were approved by the Board and signed on its behalf on 22 September 2022.

Sir. Peter Fahy
Chair

Gary Dixon
Board Member

Alison Horner
Company Secretary

The accompanying notes form part of these financial statements

	Note	2022		2021	
		£'000	**£'000**	£'000	£'000
Net cash generated from operating activities	**27**		**19,376**		26,759
Cash flow from investing activities					
Purchase of tangible fixed assets		**(22,942)**		(23,826)	
Proceeds from sale of tangible fixed assets		**3,909**		6,697	

Grants received		**8,591**		3,819	
Homebuy loans repaid		**47**		68	
Interest received		**9**		12	

group cash flow statement

			(10,386)		(13,230)
Cash flow from financing activities					
Interest paid		**(8,845)**		(13,148)	
Repayment of borrowings		**(67,173)**		(4,972)	
Drawdown of borrowings		**67,150**		3,452	
			(8,868)		(14,668)
Net change in cash and cash equivalents			**122**		(1,139)
			–		–
Cash and cash equivalents at beginning of the year			**1,586**		2,725
Cash and cash equivalents at end of the year	**28**		**1,708**		1,586

The accompanying notes form part of these financial statements

notes to the financial statements

1. Legal status

Plus Dane Housing Limited is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a housing provider.

Plus Dane Housing Limited is a public benefit entity, whose primary objective is to provide goods or services the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members.

2. Principal accounting policies

Basis of Accounting

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements are presented in Sterling (£).

Going concern

The financial statements have been prepared on a going concern basis.

The group has a strong Balance Sheet, with net assets of £74.5m (2021: £56.7m).

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 (including £200.8m of undrawn facilities at 31 March 2022), 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 is able to service these debt facilities whilst continuing to comply with lenders' covenants.

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

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Significant management judgements

The following are the significant management judgements made in applying the accounting policies of the Group that have the most significant effect on the financial statements.

1. Supporting people

Management judgement is applied in determining the extent to which the risks and benefits are transferred to Plus Dane Housing when considering the Income to be recognised.

2. Categorisation of housing properties

The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals.

3. Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. The Group has relied on an external valuation of its investment properties as at 31 March. The group are satisfied that the external consultant has estimated a reasonable fair value.

4. Impairment

The Group continually assess whether an indicator of impairment exists. If an indicator exists, the group perform an impairment assessment at property scheme level by comparing the asset's carrying value to the recoverable amount. Indicators of impairment are examples of the following: Change in government policy, regulation or legislation, a change in demand of the properties or a material reduction in market values. Any impairment provisions are charged to the statement of comprehensive income.

5. Capitalisation of property development costs

Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation management monitors the asset and considers whether changes indicate that impairment is required.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

1. Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

2. Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 6).

Basis of consolidation

The group accounts consolidate the accounts of Plus Dane Housing Limited and all its subsidiaries at 31 March using the acquisition method.

Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the Plus Dane Housing Limited 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 so as to obtain benefits from its activities.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Turnover and revenue recognition

Turnover comprises rental income receivable in the year, income from shared ownership first tranche sales, sales of properties built for sale and other services included at the invoiced value (excluding VAT where recoverable) of goods and services supplied in the year and grants receivable in the year.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Service charges

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge.

Taxation

Plus Dane Housing Limited is a Registered Society incorporated under the Co- operative and Community Benefit Societies Act 2014. It is registered with the Regulator of Social Housing as a Registered Provider of social housing as defined by the Housing and Regeneration Act 2008. The tax expense for the period comprises current and deferred tax. Tax is recognised in income and expenditure, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the Statement of Financial Position date. Deferred tax assets and liabilities are not discounted.

Value Added Tax

The group charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the group and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Interest Payable

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

1. Interest on borrowings specifically financing the development programme after deduction of related grants received in advance; or
2. a fair amount of interest on borrowings of Plus Dane Housing Limited as a whole after deduction of SHG received in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to income and expenditure in the year.

Home Buy Loans (including Mortgage Rescue and Shared Equity Schemes)

Home Buy loans are treated as concessionary loans. They are initially recognised as a loan at the amount paid to the purchaser and are subsequently updated to reflect any accrued interest. Any impairment loss is recognised in income and expenditure to the extent that it cannot be offset against the Home Buy grant. The associated Home Buy grant is recognised as deferred income until the loan is redeemed.

Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historical cost model.

Direct costs incurred in connection with the issue of a basic financial instrument are deducted from the proceeds of the issue. Finance interest, transaction costs and associated premium or discount are charged to the Statement of Comprehensive Income using either the effective interest rate (EIR) method or on a straight-line basis where not materially different. The EIR method spreads all associated costs over the life of the instrument by comparing the borrowing amount at initial recognition and amount at maturity. On the basis that the difference produced by the two methods is not material, these costs have been amortised on a straight-line basis in this set of financial statements.

Debtors

Short term debtors are measured at transaction price, less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income.

Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Employee Benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Pensions

The group participates in the following funded multi-employer defined benefit schemes; the Merseyside Pension Fund (MPF) and the Cheshire Pension Fund (CPF), both Local Government Pension Schemes and the Social Housing Pension Scheme (SHPS), administered by The Pension's Trust. All schemes adopt a full FRS 102 valuation.

For all schemes, scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high-quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the group through reduced contributions or through refunds from the plan.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

Contributions to an historic defined contribution pension scheme, the Aviva Group personal pension plan, are charged to the Statement of Comprehensive Income in the year in which they become payable.

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

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

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover, and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Donated land and other assets

Land and other assets donated by local authorities and other government sources are added to 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 government grant and recognised on the statement of financial position as deferred income within liabilities. Where the donation is from a non-public source, the value of the donation is included as income.

Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. The purpose of holding these assets is to generate surpluses to apply to Plus Dane Housing's charitable purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in income and expenditure.

Government grants

Government grants include grants receivable from Homes England (HE), local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with HE. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in the Statement of Comprehensive Income. Upon disposal of the associated property, the group is required to recycle grant proceeds and recognise them as a liability.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on Plus Dane Housing is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Depreciation of housing properties

The Group separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life. The Group depreciates the major components of its housing properties at the following annual rates:

Freehold land is not depreciated.

Leasehold properties are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.

Other tangible fixed assets

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Motor vehicles (on a reducing balance basis) 25%

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

Component	Years
Main structure	80
Pitched Roofs	50
Flat Roofs	30
Windows	30
Doors (including communal fire doors)	30
Boilers	15
Heating Systems	30
Kitchens	20
Bathrooms	30
Electrics including PV panels, wind turbines and other generators	30
Septic Tanks	25
Lifts	30
External joinery and cladding	25
Aids and adaptations	15

Other Fixed Assets

- Freehold office building 50 years
- Computer Hardware 5 years
- Computer Software 5 years
- Fixtures and Fittings – non technology 10 years
- Fixtures and Fittings – technology (individual asset > £1k) 3 years

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to income and expenditure on a straightline basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Properties for sale

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

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The group recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next twelve months. The provision is measured at the gross salary cost payable for the period of absence.

3. (a) Turnover, cost of sales, operating costs and operating surplus

Group

	2022				2021			
	Turnover	Cost of Sales	Operating costs	Operating surplus/ (deficit)	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings	69,929	-	(50,401)	19,528	67,907	-	(49,446)	18,461
Other social housing activities								
Development services	-	-	(6)	(6)	-	-	(6)	(6)
Supporting people contracts	768	-	(3,100)	(2,332)	717	-	(2,593)	(1,876)
Management services and other	64	-	(49)	15	91	-	(84)	7
Leased to others	1,018	-	(198)	820	939	-	(64)	875
Community regeneration	181	-	(1,204)	(1,023)	46	-	(796)	(750)
First tranche shared ownership	3,646	(3,457)	-	189	1,763	(1,369)	-	394
Other	170	-	(1,132)	(962)	746	-	(866)	(120)
	5,847	(3,457)	(5,689)	(3,299)	4,302	(1,369)	(4,409)	(1,476)
Surplus on sale of fixed assets				1,714	-			706
	5,847	(3,457)	(5,678)	(1,574)	4,302	(1,369)	(4,409)	(770)
Non-social housing activities								
Commercial lettings	87	-	(86)	1	283	-	(312)	(29)
Management contract	-	-	-	-	-	-	-	-
Help to Buy agency	1,038	-	(2,286)	(1,248)	2,697	-	(2,577)	120
Market rental	915	-	(667)	248	890	-	(1,005)	(115)
Other*	-	-	-	-	-	-	(11)	(11)
	2,040	-	(3,039)	(999)	3,870	-	(3,905)	(35)
	77,816	(3,457)	(59,129)	16,944	76,079	(1,369)	(57,760)	17,656

Association

	2022				2021			
	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

Social housing lettings	69,929	-	(50,401)	19,528	67,907	-	(49,446)	18,461
Other social housing activities								
Supporting people contracts	768	-	(3,100)	(2,332)	717	-	(2,593)	(1,876)
Management services	64	-	(49)	15	91	-	(84)	7
Leased to others	1,018	-	(198)	820	939	-	(64)	875
Community regeneration	181	-	(1,204)	(1,023)	46	-	(796)	(750)
First tranche shared ownership	3,646	(3,457)	-	189	1,763	(1,369)	-	394
Other	170		(1,127)	(957)	746		896)	(150)
	5,847	(3,457)	(5,678)	(3,288)	4,302	(1,369)	(4,433)	(1,500)
Surplus on sale of fixed assets	-	-	-	1,714	-	-	-	706
	5,847	(3,457)	(5,678)	(1,574)	4,302	(1,369)	(4,433)	(794)
Non-social housing activities								
Commercial Lettings	87	-	(86)	1	283	-	(312)	(29)
Management contract	-	-	-	-	-	-	-	-
Help to Buy agency	1,038	-	(2,286)	(1248)	2,697	-	(2,577)	120
Market rental	915	-	(667)	248	890	-	(1,005)	(115)
Other	-	-	-	-	-	-	(11)	(11)
	2,040	-	(3,039)	(999)	3,870	-	(3,905)	(35)
	77,816	(3,457)	(59,118)	16,955	76,079	(1,369)	(57,784)	17,632

3(b) Income and expenditure from social housing lettings Group and Association

	General needs housing £'000	**Supported housing & housing for older people £'000**	**Shared ownership £'000**	**Total 2022 £'000**	Total 2021 £'000
Rent receivable net of service charges	**56,696**	**3,298**	**2,072**	**62,066**	60,656
Service charges receivable	**1,801**	**1,261**	**307**	**3,369**	2,808
Charges for support services	**375**	**309**	**-**	**684**	669
Government Grants	**3,319**	**383**	**108**	**3,810**	3,774

Turnover from social housing lettings	**62,191**	**5,251**	**2,487**	**69,929**	67,907
Expenditure on social housing lettings					
Management	**10,309**	**1,650**	**94**	**12,053**	10,726
Services	**2,448**	**1,416**	**314**	**4,178**	3,797
Routine and planned maintenance	**16,834**	**1,005**	**28**	**17,867**	17,793
Major repairs expenditure	**3,387**	**87**	**-**	**3,474**	4,721
Rent losses from bad debts	**255**	**5**	**(30)**	**230**	636
Support services costs	**112**	**13**	**-**	**125**	106
Depreciation of housing properties	**11,272**	**842**	**360**	**12,474**	11,667
Operating costs on social housing lettings	**44,617**	**5,018**	**766**	**50,401**	49,446
Operating surplus on social housing lettings	**17,574**	**233**	**1,721**	**19,528**	18,461
Rent losses from voids	**294**	**206**	**6**	**506**	852

4. Accommodation in management and development Group and Association

Owned and managed by the Group			**2022 Units**	2021 Units
Social housing	General housing:			
		- Social Rent	**9,132**	9,489
		- Affordable Rent	**2,507**	2,097
Supported housing				
		- Social Rent	**571**	712
		- Affordable Rent	**40**	40
Low cost home ownership			**707**	686
Leaseholder units			**244**	231

	2022	2021
Total owned and managed	**13,201**	13,255
Managed for others	**232**	235
Managed by others Supported housing		
Extra Care (Belong)	**59**	92
Supported (Other Providers)	**72**	72
	180	-
Total Managed by others	**311**	**164**
Non-social housing		
Market rented (Grosvenor)	**95**	95
Market rented (Owned)	**21**	25
	116	120
Total owned and in management	**13,860**	13,774
Under development		
Accommodation in development at the year end	**538**	189

5. Directors' emoluments and expenses Group and Association Directors

Directors

The remuneration for the executive directors of the Plus Dane Housing Limited for the year ended 31 March 2022 is detailed in the table below.

	Basic salary	**Pension contribution**	**National Insurance**	**2022 Total**	2021 Total
	£'000	**£'000**	**£'000**	**£'000**	£'000
Ian Reed Chief Executive	**152**	**9**	**20**	**181**	200
Paul Knight Chief Operating Officer (Interim to 31st October 2021 – Appointed Permanent)	**124**	**7**	**16**	**147**	90
Claire Dixon – Deputy Chief Executive (appointed 4 January 2022)	**28**	**2**	**4**	**34**	-
Madeleine Nelson Executive Director of Growth and Assets (resigned 30th June 2021)	**34**	**11**	**4**	**49**	182
Barbara Spicer – Chief Executive (resigned 30 September 2020)	**-**	**-**	**-**	**-**	118
Andrea Howarth – Executive Director of Neighbourhoods (resigned 31 December 2020)	**-**	**-**	**-**	**-**	139
Total	**338**	**29**	**44**	**411**	729

The emoluments of the highest paid director of the Group, the Chief Executive, excluding pension contributions were £152,000. The Chief Executive was a member of the SHPS defined contribution Pension Scheme, and no enhanced or special terms apply. During the year the Group did not make any further contribution to an individual pension arrangement for the Chief Executive.

Board members

During the year, fees of £83,210 (2021: £79,180) were paid to Board members and expenses paid amounted to £1,206 (2021: £703).

	2022 Total £'000	2021 Total £'000
Sir Peter Fahy (Chair)	**15**	15
Sandra Palmer (Resigned 16 September 21)	**3**	7
Robin Lawler	**7**	7
Ann Hoskins	**7**	7
Gary Dixon	**7**	6
Julie Gill	**5**	5
Thomas McIlravey	**6**	5
John Corner	**5**	5
Lyndsey Burkert	**5**	5
Frances Chaplin	**5**	5
Gillian Healey (appointed 16 September 21)	**3**	-
Marie Bintley (appointed 16 September 21)	**3**	-
Robert O'Malley – Independent Committee Member	**2**	5
Scott Murray – Independent Committee Member	**2**	2
Peter McPartland – Independent Committee Member	**2**	2
Mark Beach – Independent Committee Member	**2**	2
Faye Whiteoak - Independent Committee Member	**2**	2
Victoria Matthews – Independent Committee Member	**1**	-
Chad Thompson – Independent Committee Member	**1**	-
	83	80

6. Employees

Group and Association

The average number of employees expressed in full time equivalents (calculated based on a standard working week of 35 hours) during the year was:

	2022 Number	2021 Number
Housing, support and care	**434**	431
Administration and Development	**121**	126
	555	557

	2022 £'000	2021 £'000
Employee costs		
Wages and salaries	**18,170**	18,266
Social security costs	**1,795**	1,757

Other pension costs	**3,328**	2,672
	23,293	22,695

The full-time equivalent number of staff (including executive directors and calculated based on a standard working week of 35 hours) who received emoluments within Plus Dane Housing Limited and Group:

	2022	2021
	No.	No.
£60,001 to £70,000	**17**	13
£70,001 to £80,000	**5**	7
£80,001 to £90,000	**1**	2
£90,001 to £100,000	**2**	2
£100,001 to £110,000	**2**	3
£110,001 to £120,000	**-**	1
£120,001 to £130,000	**-**	1
£130,001 to £140,000	**1**	-
£140,001 to £150,000	**-**	-
£150,001 to £160,000	**-**	-
£160,001 to £170,000	**1**	1
£170,001 to £180,000	**-**	-
£180,001 to £190,000	**-**	1
£190,001 to £200,000	**-**	-
£200,001 to £210,000	**-**	-

Plus Dane Housing Limited (PDHL) participates in three funded multi-employer defined benefit schemes: The Social Housing Pension Scheme, Merseyside Pension Fund and Cheshire Pension Fund.

Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability) combined for all three schemes

	2022	2021
	(£000s)	(£000s)
Fair value of plan assets	96,260	88,073
Present value of defined benefit obligation	108,169	109,728
Net defined benefit asset (liability) to be recognised	(11,909)	(21,655)

Defined benefit costs recognised in Other Comprehensive Income combined for all three schemes

	2021/22	2020/21
	(£000s)	(£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	6,135	9,101

Experience gains and losses arising on the plan liabilities - gain (loss)	(1,132)	1,951
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	1,014	(493)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	4,132	(20,017)
Total amount recognised in other comprehensive income - gain (loss)	10,149	(9,458)

Social Housing Pension Scheme (SHPS)

SHPS is a multi-employer scheme which provides benefits to non-associated employers. The scheme is classified as a defined benefit scheme.

Reconciliation of opening and closing balances of the defined benefit obligation

	2022 (£000s)	2021 (£000s)
Defined benefit obligation at start of period	20,669	16,113
Current service cost	265	172
Expenses	13	13
Interest expense	460	373
Contributions by plan participants	103	106
Actuarial losses (gains) due to scheme experience	921	(605)
Actuarial losses (gains) due to changes in demographic assumptions	(293)	69
Actuarial losses (gains) due to changes in financial assumptions	(1,922)	5,005
Benefits paid and expenses	(219)	(577)
Defined benefit obligation at end of period	19,997	20,669

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

	2022 (£000s)	2021 (£000s)
Fair value of plan assets at start of period	15,609	14,034
Interest income	352	330
Experience on plan assets (excl. amounts included in interest income) - gain (loss)	1,510	1,119
Contributions by the employer	603	597
Contributions by plan participants	103	106
Benefits paid and expenses	(219)	(577)

Fair value of plan assets at end of period	17,958	15,609

Assets

	2022 (£000s)	2021 (£000s)
Absolute Return	720	862
Alternative Risk Premia	592	588
Corporate Bond Fund	1,198	922
Credit Relative Value	597	491
Distressed Opportunities	643	451
Emerging Markets Debt	523	630
Fund of Hedge Funds	-	2
Global Equity	3,446	2,488
High Yield	155	467
Infrastructure	1,279	1,041
Insurance-Linked Securities	419	375
Liability Driven Investment	5,011	3,967
Liquid Credit	-	186
Long Lease Property	462	306
Net Current Assets	50	95
Opportunistic Illiquid Credit	603	397
Opportunistic Credit	64	428
Private Debt	460	372
Property	485	324
Risk Sharing	591	568
Secured Income	669	649
Cash	61	-
Currency Hedging	(70)	-
Total assets	17,958	15,609

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.

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

	278	185
	108	43
	108	43
	2021/22	2020/21
	(£000s)	(£000s)
Current service cost	265	172
Expenses	13	13
Amounts charged to operating costs		
Net interest expense		
Amounts charged to other finance costs		

Financial Assumptions

	2022	2021
	% per annum	% per annum
Discount Rate	2.78%	2.22%
Inflation (RPI)	3.44%	3.21%
Inflation (CPI)	3.13%	2.87%
Salary Growth	4.13%	3.87%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	2022 (years)	2021 (years)
Current Pensioners		
- Males	**21.1**	21.6
- Females	**23.7**	23.5
Future Pensioners		
- Males	**22.4**	22.9
- Females	**25.2**	25.1

Merseyside Pension Fund (MPF)

The MPF is a multi-employer scheme, administered by Wirral Borough Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2019.

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2022	2021
	£'000	£'000
Opening scheme liabilities	**54,330**	45,573
Current service cost	**648**	643
Past service cost	**308**	315
Interest cost	**1,126**	1,089
Re-measurements	**(327)**	7,078
Plan participants' contributions	**123**	171
Curtailments	**4**	-
Benefits paid	**(1,180)**	(539)
Closing scheme liabilities	**55,032**	54,330

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

	2022	2021
	£'000	£'000
Opening fair value of plan assets	**43,925**	38,267
Interest income	**917**	923
Re-measurements	**3,135**	4,375
Plan participants' contributions	**123**	171
Contributions by employer	**790**	739
Administration	**(8)**	(11)
Benefits/transfers paid	**(1,180)**	(539)
Closing fair value of plan assets	**47,702**	43,925

Major categories of plan assets:

	2022	2021
	£'000	£'000

	2022	2021
	£'000	£'000
Current service costs	**656**	643
Past service costs	**308**	315
Loss on settlements/curtailments	**4**	11
Equities	**18,127**	17,481
Government bonds	**10,495**	1,274
Other bonds	**3,816**	11,816
Property	**3,482**	3,031
Cash/liquidity	**2,385**	2,240
Other	**9,397**	8,083
	47,702	43,925

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

Amounts charged to operating costs	**968**	969
Net interest	**209**	166
Amounts charged to other finance costs	**209**	166

Financial assumptions

The major assumptions used by the actuary in assessing scheme liabilities were:

	2022	2021
	% per annum	% per annum
Discount rate	**2.64**	2.1
Future salary increases	**4.3**	4.2
Future pension increases	**3.4**	2.8
Inflation assumption	**3.3**	2.7

Mortality

	2022	2021
	(years)	(years)
Current pensioners		
- Males	**21.0**	21.0
- Females	**24.1**	24.1
Future Pensioners		
- Males	**22.2**	22.6
- Females	**25.8**	26.0

Cheshire Pension Fund (CPF)

The CPF is a multi-employer scheme, administered by Cheshire West and Chester Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2019.

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2022	2021
	£'000	£'000
Opening scheme liabilities	**34,729**	27,266
Current service cost	**746**	503
Past service cost	**15**	-
Interest cost	**695**	625
Re-measurements	**(2,397)**	7,012
Plan participants' contributions	**100**	99
Benefits paid	**(748)**	(776)
Closing scheme liabilities	**33,140**	34,729

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

	2022	2021
	£'000	£'000
Opening fair value of plan assets	**28,539**	24,396
Interest income	**570**	560
Re-measurements	**1,490**	3,607
Plan participants' contributions	**100**	99
Contributions by employer	**649**	653
Benefits paid	**(748)**	(776)
Closing fair value of plan assets	**30,600**	28,539

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

	2022	2021
	% per annum	% per annum
Equities	**42**	46
Bond	**41**	40
Property	**11**	10
Cash	**6**	4

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

	2022	2021
	£'000	£'000
Current service costs	**746**	503
Past service cost	**15**	-
Amounts charged to operating costs	**761**	503
Net interest	**125**	65
Amounts charged to other finance costs	**125**	65

Financial assumptions

The major assumptions used by the actuary in assessing scheme liabilities were:

	2022	2021
	%	%
Discount rate	**2.70**	2.00
Future salary increases	**3.90**	3.55
Future pension increases	**3.20**	2.85

Mortality

	2022 (years)	2021 (years)
Current Pensioners		
- Males	**21.2**	21.4
- Females	**23.8**	24.0
Future Pensioners		
- Males	**22.1**	22.4
- Females	**25.5**	25.7

7. Interest receivable

	Group		**Association**	
	2022 £'000	2021 £'000	**2022 £'000**	2021 £'000
Interest receivable and similar income	**9**	12	**9**	12

8. Interest payable

Group and Association	**2022**	2021
	£'000	£'000
Interest on bank loans and overdrafts	**9,165**	13,105
RCGF Interest	**8**	3
	9,173	13,108
Less: interest capitalised in housing property costs	**(309)**	(345)
	8,864	12,764

Capitalisation rate used to determine the finance costs capitalised during the period	**3.4%**	4.0%

9. Operating surplus

	Group		Association	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Is stated after charging:				
Depreciation of housing properties	**12,092**	11,566	**12,092**	11,566
Impairment of housing properties	**63**	113	**63**	113
Depreciation of other tangible fixed assets	**590**	546	**590**	546
Operating lease charges:				
- Land and buildings	**16**	517	**16**	517
- Motor Vehicles	**800**	635	**800**	635
Auditors' remuneration (excluding VAT):				
- for audit services	**55**	54	**53**	51
- for audit related services	**2**	2	**2**	2
- tax compliance	**3**	3	**1**	1

Auditors' remuneration for subsidiaries has been paid for by the parent in the year.

10. Surplus on sale of fixed assets - housing properties

	Group		Association	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Disposal proceeds	**3,909**	6,697	**3,909**	6,697
Carrying value of fixed assets	**(2,195)**	(5,991)	**(2,195)**	(5,991)
	1,714	706	**1,714**	706

11. Tax on surplus on ordinary activities United Kingdom Corporation Tax

The current tax charge for the year varies from the standard rate of corporation tax in the United Kingdom of 19% (2021 19%). The differences are explained below:

	Group		Association	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Surplus on ordinary activities subject to tax	**7,647**	4,631	**7,658**	4,607
Expected tax charge at 19%	**1,453**	880	**1,455**	875
Effects of:				
Expenses not deductible for tax purposes	**13,657**	13,718	**13,657**	13,716

Income not taxable	**(15,112)**	(14,602)	**(15,112)**	(14,591)
Remeasurement of deferred tax	**(1)**	-	**-**	-
Deferred tax not recognised	**3**	4	**-**	-
Tax charge for the period	**-**	-	**-**	-

12. Tangible fixed assets - Housing properties- Group

	Housing properties to rent		Shared ownership		
	Held for letting £'000	Under construction £'000	Held for letting £'000	Under construction £'000	Total £'000
Cost					
At 1 April 2021	706,577	21,571	39,188	2,005	769,341
Additions	10,672	15,499	15	7,541	33,727
Schemes completed in year	14,162	(14,162)	1,997	(1,997)	-
Reclassified properties	-	-	-	-	-
Transfer (to)/ from current assets	-	-	(19)	(5,402)	(5,421)
Disposals	(3,453)	-	(1,307)	-	(4,760)
At 31 March 2022	727,958	22,908	39,874	2,147	792,887
Depreciation & impairment					
At 1 April 2021	150,798	26	2,448	113	153,385
Charged in year	11,749	25	378	3	12,155
Schemes completed in year	26	(26)	-	-	-
Reclassified properties	-	-	-	-	-
Released on disposal	(2,440)	-	(101)	(56)	(2,597)
At 31 March 2022	160,133	25	2,725	60	162,943
Net book value					
At 31 March 2022	567,825	22,883	37,149	2,087	629,944

At 31 March 2021	555,779	21,545	36,740	1,892	615,956

Tangible fixed assets - Housing properties- Association

	Housing properties to rent		Shared ownership		
	Held for letting £'000	Under construction £'000	Held for letting £'000	Under construction £'000	Total £'000
Cost					
At 1 April 2021	707,011	21,571	39,188	2,005	769,775
Additions	10,672	15,499	15	7,541	33,727
Schemes completed in year	14,162	(14,162)	1,997	(1,997)	-
Reclassified properties	-	-	-	-	-
Transfer (to)/ from current assets	-	-	(19)	(5,402)	(5,421)
Disposals	(3,453)	-	(1,307)	-	(4,760)
At 31 March 2022	728,392	22,908	39,874	2,147	793,321
Depreciation & impairment					
At 1 April 2021	150,798	26	2,448	113	153,385
Charged in year	11,749	25	378	3	12,155
Schemes completed in year	26	(26)	-	-	-
Reclassified properties	-	-	-	-	-
Released on disposal	(2,440)	-	(101)	(56)	(2,597)

At 31 March 2022	160,133	25	2,725	60	162,943
Net book value					
At 31 March 2022	568,259	22,883	37,149	2,087	630,378
At 31 March 2021	556,213	21,545	36,740	1,892	616,390

12 Tangible fixed assets - Housing properties (continued)

The net book value includes £1,040,359 (2021: £1,034,745) in respect of assets held under finance leases. Depreciation charged in the year on these assets amounted to £22,173 (2021: £19,525).

Social Housing Grant – Group and Association	**2022**	2021
	£'000	£'000
Total accumulated SHG received or receivable at 31 March		
Recognised in the Statement of Comprehensive Income	**3,853**	3,818
Held as deferred income (Note 23)	**244,588**	235,997
	248,441	239,815

Recognised in Statement of Comprehensive Income £3,853 relates to amortisation value, it does not include amounts released on disposal.

The Group is unable to analyse the cost of housing land and buildings between freehold and other tenures, nor is it able to provide a reasonable estimate except at excessive costs. It is considered the effect of this omission is negligible.

Expenditure on works to existing properties: Group and Association	**2022**	2021
	£'000	£'000
Amounts capitalised	**10,786**	5,071
Amounts charged to income statement	**2,931**	5,456
	13,717	10,527

Impairment

The Group considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment, in accordance with the requirements of Financial Reporting Standard 102 and SORP 2018.

Social housing properties were assessed for impairment with £64k impairment (2021: £113k) relating to 3 properties (2 prepared for auction and 1 requiring large rectification works).

13. Investment properties Group and Association

		Total
		£'000
Valuation		
At 1 April 2021		**766**
Additions	- Disposal **(5)**	
Revaluation		**-**
At 31 March 2022		**761**

The group's commercial investment properties were subject to external valuations as at 31 March 2022. The valuations were carried out by Legat Owen and Pantera Property, Harrogate under instruction from the directors of Plus Dane Housing Limited.

The disposal relates to the sale of a Bakestones freehold interest.

14. Other fixed assets Group and Association

	Freehold offices £'000	Leasehold office premises £'000	Motor vehicles £'000	Fixtures & equipment £'000	Total £'000
Cost					
At 1 April 2021	**5,288**	**2,081**	**42**	**5,412**	**12,823**
Additions		**14**	**-**	**222**	**236**
Disposals	**(933)**		**-**		**(933)**
At 31 March 2022	**4,355**	**2,095**	**42**	**5,634**	**12,126**
Depreciation					
At 1 April 2021	**2,996**	**312**	**42**	**4,052**	**7,402**
Charged for the year	**459**	**144**	**-**	**364**	**967**
Disposals	**(729)**		**-**		**(729)**
At 31 March 2022	**2,726**	**456**	**42**	**4,416**	**7,640**
Net book value					
At 31 March 2022	**1,629**	**1,639**	**-**	**1,218**	**4,486**
At 31 March 2021	**2,292**	**1,769**	**-**	**1,360**	**5,421**

15. Subsidiaries

As required by statute, the financial statements consolidate the results of Plus Dane Housing Limited and its wholly owned and/or controlled subsidiary undertakings, as follows:

- INclude Neighbourhood Regeneration Limited (In Members Voluntary Liquidation – notice of final account issued 2 August 2021)
- Three60 Property Investors Limited (Dissolved 19 August 2021)
- Dane Partnership Homes Limited

The three subsidiaries listed above are all Limited Companies Registered in England and Wales.

In accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 disclosures have been made in relation to transactions between Plus Dane Housing Limited and non-regulated entities within the Group.

16. Fixed asset investments Group and Association

	2022	2021
	£'000	£'000
Joint Venture Skylight	**184**	184
Impairment in joint Venture	**(184)**	(184)

Joint Venture Undertakings

The Group and Plus Dane Housing Limited have the following aggregate interests in joint ventures.

	2022	2021
	£'000	£'000
Share of gross assets	**184**	184
Share of gross liabilities	**-**	-
Share of net assets	**184**	184

Plus Dane Housing Limited (and hence the Group) entered into a joint venture in February 2021 obtaining 33.3% interest in the ordinary share capital of a joint venture undertaking, Skylight Lettings Ltd. This company is incorporated in England and Wales and is an ethical lettings agency that had not begun trading and has submitted a notice for voluntary strike off on 29th March 2022.

17. Stock

	2022	2021
	£'000	£'000
Consumables	**172**	74

18. Properties for sale Group and Association

	2022 £'000
At 1 April 2021	**2,124**
Additions in the year	**5,421**
Released to income in the year	**(3,438)**
Shared ownership at cost 31 March 2022	**4,107**

19. Debtors

	Group		Association	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Amounts receivable after one year				
Amounts due under finance lease (note 20)	**4,604**	4,799	**4,604**	4,799
Other Long-Term debtors	**9**	4	**9**	4
	4,613	4,803	**4,613**	4,803
Amounts receivable within one year				
Rent and service charges	**5,616**	5,413	**5,616**	5,413
Less: provision for bad debts	**(4,420)**	(4,269)	**(4,420)**	(4,269)
	1,196	1,144	**1,196**	1,144
Amounts due under finance lease (note 20)	**195**	183	**195**	183
Loans to employees	**9**	11	**9**	11
Amounts due from fellow Group undertakings	**-**	-	**1**	-
Other debtors and prepayments	**3,128**	3,938	**3,128**	3,934
Social Housing Grant receivable	**980**	69	**980**	69
	5,508	5,345	**5,509**	5,341
	10,121	10,148	**10,122**	10,144

The loans to employees relate to a cycle scheme £9k (2021: £10k).

20. Amounts due under finance lease

Amounts due under finance leases amount to £4,799,000. This represents the value of the finance lease at 31 March 2022 granted to CLS Care Services over The Larches in Macclesfield. The Larches is a 90-unit dementia and extra care village which was completed and the lease granted in October 2007. The lease is for a period of 30 years and the substance of the lease is such that it is deemed to be a finance lease and has been treated in the financial statements accordingly.

Finance leases are receivable as follows:

	2022	2021
	£'000	£'000
Within one year	**195**	183
Between one and two years	**206**	195
Between two and five years	**698**	658

After five years	**3,700**	3,946
	4,799	4,982

21. Creditors: amounts falling due within one year

	Group		Association	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Loans (see note 22)	**107,142**	4,774	**107,142**	4,774
Trade creditors	**3,412**	3,187	**3,412**	3,187
Social Housing Grant received in advance	**116**	116	**116**	116
Rent received in advance	**3,081**	2,577	**3,081**	2,577
Other tax and social security	**508**	584	**508**	584
Accruals and deferred income	**7,732**	7,155	**7,732**	7,155
Recycled Capital Grant Fund (see note 24)	**-**	347	**-**	347
Amounts due to Group undertakings	**-**	-	**-**	5
Other creditors	**1,246**	1,599	**1,235**	1,588
Deferred Grant Income (see note 23)	**3,853**	3,819	**3,853**	3,819
Amounts due to pension funds	**1,074**	246	**1,074**	246
	128,164	24,404	**128,153**	24,398

22. Creditors: amounts falling due after more than one-year Group and Association

	2022	2021
	£'000	£'000
Bank loans	**198,005**	300,430
Less: issue costs	**(1,718)**	(1,753)
	196,287	298,677
Deferred grant income (see note 23)	**240,735**	232,178
Recycled Capital Grant Fund (see note 24)	**671**	3,538
	437,693	534,393

Debt Analysis

	2022	2021
	£'000	£'000
Debt on bank loans repayable as follows		
In five or more years	**1,746**	93,095
Between two and five years	**132,088**	145,286
Between one and two years	**62,453**	60,296
	196,287	298,677
In one year or less	**107,142**	4,774
	303,429	303,451

Housing loans from lending institutions are secured by specific charges on some of the Group's housing properties and floating charges over the Group’s assets and are repayable at fixed rates of interest of

	2022	2021
	£'000	£'000
At 1 April 2021	**235,997**	242,028
Grants received in the year	**13,025**	869
Released to income in the year	**(4,434)**	(6,900)

between 0.2% and 10.73%. The level of undrawn facilities at the year-end stands at £200.8m (2021: £117.9m).

23. Deferred grant income Group and Association

At 31 March 2022	**244,588**	235,997
	2022	2021
	£'000	£'000
Amounts to be released within one year	**3,853**	3,819
Amounts to be released in more than one year	**240,735**	232,178
	244,588	235,997

24. Recycled Capital Grant Fund (RCGF) Group and Association

	2022	2021
	£'000	£'000
At 1 April 2021	**3,885**	1,079
Grants recycled upon relevant events	**480**	3,134
Interest credited	**8**	3
Utilised in the year	**(3,702)**	(331)
At 31 March 2022	**671**	3,885
Disclosed as:		
Amounts falling due within one year	**-**	347
Amounts falling due after one year	**671**	3,538
	671	3,885

25. Disposal proceeds funds (DPF) Group and Association

	2022	2021
	£'000	£'000
At 1 April 2021	**-**	218
Grant recycled upon relevant events	**-**	-
Utilisation of fund	**-**	(219)
Interest credited	**-**.	1
Balance at 31 March 2022	**-**.	

Disclosed as:

26. Share capital

	Group		Association	
	2022	2021	**2022**	2021
	£	£	**£**	£
Shares of £1 each issued and fully paid				
At 1 April and 31 March	**12**	12	**11**	11

The shares provide members with the right to vote at general meetings but do not provide any rights to dividends or distributions. The members' liability is limited to £1 on a winding up of Plus Dane Housing Limited.

27. Notes to the group cash flow statement

Reconciliation of operating surplus to net cash generated from operating activities	2022	2021
	£'000	£'000
Operating surplus	16,944	17,656
Adjustment for non-cash items:		
Depreciation and impairment of tangible fixed assets	**12,746**	12,225
Decrease/(increase) in stock	**(98)**	151
Decrease/(increase) in trade and other debtors	**790**	279
Decrease in trade and other creditors	**(6,283)**	904
Pension costs less contributions payable	**833**	58
Impairment/Revaluation of investment properties	**-**	10
Carrying amount of tangible fixed asset disposals	**2,195**	5,991
Share of operating (surplus)/deficit in associate	**11**	-
Adjustments for investing or financing activities:		
Proceeds from the sale of tangible fixed Assets	**(3,909)**	(6,697)
Government grants utilised in the year	**(3,853)**	(3,818)
Net cash generated from operating activities	**19,376**	26,759

28. Net Debt reconciliation

	1st April	**Other Non Cash 2022**	**31st March 2021**	**Cashflow**
Cash at bank and in hand	1,587	121	-	**1,708**
Security Bonds	(5,272)	-	-	**(5,272)**
Bank Loans	(303,451)	72	(50)	**(303,429)**
	(307,136)	**193**	**(50)**	**(306,993)**

29. Capital commitments Group and Association

	2022	2021
	£'000	£'000

Capital expenditure that has been contracted for but has not been provided for in the financial statements **67,147** 12,360

Capital expenditure that has been authorised but not yet contracted for **59,366** 99,848

	126,513	112,208

The Group expects to finance the above commitments by:

Social Housing Grant receivable	**11,494**	22,185
Loan facilities, shared ownership stair-casing sales and other trading cash flows	**115,513**	90,023
	126,513	112,208

30. Commitments under operating leases

The future minimum lease payments are as set out below. Leases relate to office accommodation and market rent apartments, motor vehicles and office equipment.

	2022	2021
	£'000	£'000
Not later than one year	**821**	800
Later than one year and not later than five years	**3,622**	3,188
Later than five years	**3,493**	4,318
	7,936	8,306

31. Bond Guarantee

The group have the following bond guarantee's in place as at 31 March 2022.

BENEFICIARY	ISSUE DATE	EXPIRY	AMOUNT £	BOND TYPE
CHESHIRE WEST AND CHESTER BOROUGH	18/10/2017	01/07/2022	4,650,000	PENSION GUARANTEES
WIRRAL BOROUGH COUNCIL	30/12/2011		556,000	TRADE DEBT GUARANTEES
LIVERPOOL CITY COUNCIL	11/10/2011		65,582	PERFORMANCE

32. Related parties

The group participates in the following funded multi-employer defined benefit schemes; the Merseyside Pension Fund (MPF) and the Cheshire Pension Fund (CPF), both Local Government Pension Schemes and the Social Housing Pension Scheme (SHPS), administered by the Pension's Trust. Transactions between the group and the pension schemes are contained within Note 6.

Related parties include Board and committee member group connections with Prima Group and Halton Housing with outstanding balances due £1,000 (2021: nil) and director connections with South Liverpool Homes and Prima Group.

3rd Party	Relation with	Payable	Receivable	2022 Net	2021 Net
Halton Housing	Director	(14,043)	1,000	(13,043)	(24,075)
Prima Group	Board member	(10,000)	-	(10,000)	-
South Liverpool Homes	Director	-	12,240	12,240	-

Plus Dane Housing Board has 1 board member who holds a tenancy agreement on normal terms and cannot use their position to their advantage. The rent charged for the year for the member was £4,444 (2021: £4,378) and the tenant had a year-end rent account credit balance of £2 (2021: £28 credit).

33. Post Balance Sheet Events

There are no post balance sheet events.

DocuSign

Certificate Of Completion

Envelope Id: B585517AE31A4C1F9AA3C06EE2EAE3F2		Status: Completed
Subject: Attachment for DocuSigning : Plus Dane Housing Limited		
Document Type: Statutory Audit Report under ISA 700		
UK Companies House Number: 31012R		
Year End (DD/MM/YYYY): 31/03/2022		
APT Eng. ID (Mandatory for all audit reports): 324372 Source Envelope:		
Document Pages: 65	Signatures: 1	Envelope Originator:
Certificate Pages: 1	Initials: 0	Abdullah Altaf
AutoNav: Enabled		BDO LLP
EnvelopeId Stamping: Disabled		55 Baker Street
Time Zone: (UTC) Dublin, Edinburgh, Lisbon, London		Westminster, London W1U 7EU
		Abdullah.Altaf@bdo.co.uk
		IP Address: 163.116.165.119

Record Tracking

Status: Original 23 September 2022 | 16:00	Holder: Abdullah Altaf Abdullah.Altaf@bdo.co.uk	Location: DocuSign

Signer Events	Signature	Timestamp
BDO LLP Hamid.Ghafoor@bdo.co.uk Security Level: Email, Account Authentication (None)	DocuSigned by: BDO LLP 829727ECC12041D... Signature Adoption: Pre-selected Style Using IP Address: 163.116.165.119	Sent: 23 September 2022 | 16:05 Resent: 23 September 2022 | 20:04 Viewed: 23 September 2022 | 20:07 Signed: 23 September 2022 | 20:14

Electronic Record and Signature Disclosure: Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	23 September 2022 | 16:05
Certified Delivered	Security Checked	23 September 2022 | 20:07
Signing Complete	Security Checked	23 September 2022 | 20:14
Completed	Security Checked	23 September 2022 | 20:14

Payment Events	Status	Timestamps