

Charitable & Community Benefit Society No: 7813

Regulator of Social Housing No: LH4253



**Chorus  
Homes**

**Part of Places for People**

**Chorus Homes Limited**

Financial Statements

For the year ending 31 March 2022

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**Chorus Homes Limited**  
**Board of Management, Executives and Advisers**  
**For the year ending 31 March 2022**

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**Board of Management**

R Gregory (Chair)	Appointed 01 May 2021
D Cowans	Appointed 01 May 2021, Resigned 01 December 2021
G Reed	Appointed 01 December 2021
S Black	Appointed 01 May 2021
R Cartwright	Appointed 01 November 2021
A Daniel	Appointed 01 May 2021
M Dunn	Appointed 01 January 2022
R Finn	Appointed 01 May 2021
H Fridell	Appointed 01 November 2021
N Hopkins	Appointed 01 May 2021
G Kitchen	Appointed 01 May 2021
G Waddell	Appointed 01 May 2021
T Weightman	Appointed 01 May 2021
A Winstanley	Appointed 01 May 2021
D Marriott-Lavery	Resigned 06 August 2022
K Burdett	Resigned 01 May 2021
N Finney	Resigned 01 May 2021
L Lackey	Resigned 30 September 2021
C Tredget	Resigned 01 May 2021

**Secretary**

C Martin

**Registered Office**

305 Gray's Inn Road  
London  
WC1X 8QR

**Banker**

Barclays Bank Plc  
38 Fishergate  
Preston  
PR1 2AD

**Registered Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Registration of the Association**

Registered as a Charitable & Community Benefit Society No. 7813.  
Registered with the Regulator of Social Housing No. LH4253.  
Member of the Housing Ombudsman Service.

### **Report of the Board**

The board of Directors is pleased to present its report and the audited financial statements for the year ended 31 March 2022.

### **Nature of the Association**

Chorus Homes Limited is a not-for-profit Registered Society and registered provider of social housing whose primary business is the provision of housing at affordable rents for those in most need. In addition, the Association provides market rented housing and develops low-cost housing for sale and offers open market sales on mixed tenure developments.

### **Results**

The Association's surplus for the year before taxation was £8.0m (2021: £3.7m). £8.4m (2021: £8.5m) was spent on additional housing and £10.6m (2021: £11.0m) was reinvested in stock through maintenance, major repairs and improvements.

The Association's key performance indicators and principal risks and uncertainties are aligned with those of the ultimate parent undertaking, Places for People Group Limited, and are included in the consolidated Group accounts.

The Association's strategy is aligned to that of the parent company Places for People Group Limited, as such the Financial Viability Statement and Value for Money information appropriate to the Association can be found in the Group financial statements that can be obtained from the Group's registered office at 305 Gray's Inn Road, London, WC1X 8QR.

### **Review of the year**

The turnover for the Association for the year ended 31 March 2022 was £43.4m (2021: £38.1m), the movement relates to a increase in non-social housing activities in the year. Turnover from Social Housing activities was £34.8m for the year ended 31 March 2022 (2021: £34.0m). Operating costs for the year were £21.6m (2021: £19.0m). The operating margin for the year has increased to 49.8% (2021: 45.4%).

The Board is pleased to report a net assets position of £233.6m (2021: £225.7m). The Association's available cash balance at 31 March 2022 was £0.8m (2021: £0.8m). The Board considers this balance to be sufficient to cover the short- to medium-term cash requirements of Chorus Homes.

### **Customer Participation**

A comprehensive set of structures exists to ensure that there is effective communication between the Association and its customers.

### **Internal Control**

The Group Board has reviewed the effectiveness of the system of internal control for the year ended 31 March 2022 and up to the date of signing these financial statements. It has not identified any weaknesses which resulted in material losses or contingencies or other uncertainties which require disclosure in the financial statements.

### **Board and Committee Structure**

The board of Directors of Places for People Group ("the Group") is responsible for setting strategies and budgets for the whole Group and co-ordinating the Group's activities. Places for People Group Limited exercises control over the Association's parent company, Chorus Homes Group Limited through an Independence and Responsibilities Agreement, a Service Level Agreement and powers granted to Places for People Group Limited in its rules.

The Group board has delegated certain matters to committees of the board of Places for People Group.

**Board and Committee Structure (Continued)**

The Schedule of Delegations for Chorus Homes Group within the Places for People Group seeks to balance the control required by any Group parent with adequate empowerment of management at Group and subsidiary level. Chorus Homes Board adopted the Schedule of Delegations on 28 March 2018.

**Code of Governance**

The board has regard to the UKCG code when setting their corporate governance, by which they govern the organisation. In doing so the Board closely follows the principles followed by Group. We also comply with the RSH's Governance and Viability Standard.

Linked to the above, the Association has adhered to these principles except for Code provisions 3, 4, 5 and 18.

Provisions 3, 4, and 18 contemplate dialogue with external shareholders or decisions being referred to shareholders on matters of director appointments, auditor appointments, director remuneration and the use of the AGM to communicate with investors.

The Group has an Audit & Risk Committee, a Remuneration & Nominations Committee, a Development Committee and a Treasury Committee. The remit of those committees extends to the Association and its business. The committees draw members from and report to the Group Board. During the year, it was agreed that the Group Board should take direct responsibility for oversight of the Affordable Housing business conducted through the Group's regulated subsidiaries. On 1 May 2021, the members of the Group Board were appointed members of the board of the Association and now have full oversight of the operations of the Association. This will further ensure that the provisions of the Code are met in respect of the Association.

Provision 5 states that the board should understand the views of other key stakeholders and describe in the annual report how their interests and the matters set out in section 172 (duty to promote the success of the company) of the Companies Act 2006 (the 2006 Act) have been considered in board discussions and decision-making. The Association is a registered society rather than a company and so the specific reporting requirements under section 172 of the 2006 Act do not apply to it. However, the Association's ultimate parent company, Places for People Group Limited, publishes consolidated group accounts which do contain a section 172 statement within its Strategic report. That statement addresses the issue of identification of key stakeholders and engagement with their views across the whole Group including the Association.

Provision 5 also prescribes the options for workforce engagement. The board has concluded that its methods for engagement described in the Investing in our colleagues section of Group's Annual report are effective and more suited to the Group's overall needs than any of the Code's prescribed mechanisms.

The Group Annual report contains a Governance report that details the governance arrangements of the Group, and how the Code is applied at Group Board level.

Board members consider the report and accounts, taken as a whole, to be fair, balanced and understandable.

**Compliance with regulator of social housing governance and financial viability standard**

Chorus Homes complies with the Governance and Financial Viability Standard.

The Regulator assesses compliance at the Group level. Places for People Group's most recent judgement of G1/V1 was awarded in December 2020, and was unchanged from the previous assessment. Places for People Group Board confirmed that it is compliant with the Governance and Financial Viability Standard.

**Statement of Disclosure to the Auditors**

At the time of approval of this report:

- a) so far as the Board Members are aware, there is no relevant audit information of which the Association's auditor is unaware, and
- b) the Board Members have taken all steps that they ought to have taken as Board Members in order to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

## **GOING CONCERN STATEMENT**

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. As part of this assessment the Board monitors the external economic and financial environment including any continuing impact of the Covid-19 pandemic, the war in Ukraine, the cost-of-living crisis and increased energy costs. The Board is focussed on mitigating the risks for the Group and has assessed the going concern considering the above factors along with the risks included in the Group risk register.

At 31 March 2022 the Places for People Group ("Group") had cash and undrawn facilities of £1.1bn. The Group continues to actively manage its cash flows in order to mitigate any reductions in income.

The directors have reviewed the projected cash flows covering a period of 12 months from the date of the approval of the financial statements, which indicate that the Group will be able to operate within the levels of its agreed facilities and the compliance with debt covenants. For the purposes of both Viability and Going Concern, the Directors have overlaid several severe but plausible, multi-variant scenarios. These scenarios include limited housing sales, reduction in rents collected, leisure centre closures, loss of management contracts, increase in interest rates, long term increase in inflation and the cost of meeting government sustainability targets.

As a result of these assumptions, and before any cost reductions are applied, management believe the liquidity of the Group at 31 March 2023 would be £600m and £360m at 31 March 2024 if the Group did not raise any additional finance to that which is currently available.

Chorus Homes receives funding from Places for People Homes through an on-lending facility, Places for People Homes is part of the Guarantor Group and can access funding from this Group pool, therefore the liquidity position of the Group supports the going concern assumption for the Chorus Homes Association.

On the basis described above, the directors are confident that the Group has adequate resources to continue to meet all liabilities, as and when they fall due, for 12 months from the date of approval of the financial statements and therefore consider it appropriate to adopt the going concern basis in preparing these financial statements.

## **VIABILITY STATEMENT**

The UK Corporate Governance Code requires the directors to make a statement with regard to the viability of the Group. This requires consideration of solvency and liquidity over a longer period than the going concern assessment. The Group's strategic plan covers a 10-year period, over which the directors have made assumptions regarding revenues, operating costs and cash requirements.

The projections for the first three years of the plan are based on current opportunities and include an expectation of the rental incomes. There is inherently less certainty in the projections from years four to ten. Consistent with prior years, the directors have therefore determined that three years is an appropriate period for this viability statement.

In assessing the Group's prospects and resilience, the management produced projections which considered the Group's current business position and risk appetite. The projections have undergone rigorous single and multi-variate stress testing through consideration of several events, scenarios and mitigation factors, which identify the mix of extreme circumstances that could create challenging conditions for the Group, including a downturn in the housing market. These events and scenarios have been selected from an analysis of the operating environment; policy and politics; the regulatory framework; the Group risk register; and analysis of economic and financial market trends and risks. The results confirmed that the Group would continue to be able to settle projected liabilities as they fall due over a three-year period. Therefore, the Directors were satisfied that measures were in place to mitigate significant risks the Group's operations.

The Group Board can also confirm that it has complied with the Governance and Financial Viability Standard set out by the RSH. During the year, the RSH gave the Group ratings for Governance and Viability of G1 and V1 respectively. External assurance of the Group's viability is demonstrated by the Group's credit ratings (A- (stable) with S&P Global and A3 (stable) with Moody's and A (stable) with Fitch).

Having assessed the prospects of the Group, including the Group's current funding, forecast requirements, existing committed borrowing facilities, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to March 2025.

In making this statement the directors understand that there is inherent uncertainty in all business planning and therefore as a result it is not possible to consider every risk and eventuality that the Group may face. The Board is satisfied that the stress testing that is performed on the Group's business plan includes all the major risks that the Group may face and therefore provides strong assurance of the Group's financial viability.

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

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

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

**Strategic Report**

Chorus Homes Limited has taken the exemption allowed in the statement of recommended practice for registered social housing providers to not include a strategic report as this is prepared for the Places for People Group and is included in the annual report which is available to the public and may be obtained from Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR.

**By order of the Board**



**C Martin**  
**Secretary**

**22 September 2022**

**INDEPENDENT AUDITOR'S REPORT TO CHORUS HOMES LIMITED**

**Opinion**

We have audited the financial statements of Chorus Homes Limited ("the Association") for the year ended 31 March 2022 which comprise the Statement of Financial Position, Statement of Comprehensive Income and Statement of Changes in Reserves and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of affairs of the Association as at 31 March 2022 and of its income and expenditure for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

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

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

Our conclusions based on this work:

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Association will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

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

- Enquiring of directors and inspection of policy documentation as to the Association's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls in particular the risk that Company management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because we do not consider there to be sufficient opportunity, possible incentives and reasonable rationale to fraudulently manipulate revenue in the financial statements when revenue is mostly recognised based on agreements.

We did not identify any additional fraud risks.



### **Fraud and breaches of laws and regulations – ability to detect continued**

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

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unexpected individuals, journals containing specific words, journals posted to seldom used accounts, and journals posted to cash and turnover that were considered outside of the normal course of business.

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

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

As the Association is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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

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

Firstly, the Association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related Co-operative and Community Benefit Societies Act), taxation legislation, pension legislation and disclosures required by Housing legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws and certain aspects of housing legislation recognizing the financial and regulated nature of the Association's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### **Other information**

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

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

### **Matters on which we are required to report by exception**

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

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

We have nothing to report in these respects.

**Board's responsibilities**

As more fully explained in their statement set out on page 6, the directors are responsible for the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

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



**Debra Chamberlain**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
1 St Peter's Square  
Manchester  
M2 3AE

23 September 2022

**Chorus Homes Limited**  
**Statement of Comprehensive Income**  
**For the year ending 31 March 2022**

	Notes	<b>2022</b>	2021
		<b>£'000</b>	£'000
Turnover	2	<b>43,260</b>	38,066
Cost of sales	2	<b>(664)</b>	(671)
Operating costs	2	<b>(21,542)</b>	(19,041)
Surplus on sale of fixed assets	4	<b>644</b>	592
(Loss)/gain on revaluation of investment properties	13	<b>(200)</b>	(1,673)
<b>Operating profit before interest</b>		<b>21,498</b>	17,273
Interest receivable and similar income	7	<b>1</b>	2
Interest payable and similar charges	8	<b>(13,561)</b>	(13,609)
<b>Profit for the year and total comprehensive income</b>		<b>7,938</b>	3,666

The notes on pages 13 to 30 form an integral part of these financial statements.

**Chorus Homes Limited**  
**Statement of Financial Position**  
**As at 31 March 2022**

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Housing properties	11		<b>404,060</b>		398,674
Other fixed assets	12		-		5
Fixed asset investments	13	<b>25,732</b>		25,686	
			<b>25,732</b>		25,686
			<b>429,792</b>		424,365
<b>Non-current assets</b>					
Debtors: amounts falling due after more than one year	15		<b>54,564</b>		53,056
<b>Current assets</b>					
Short term investments	17	<b>2,594</b>		2,594	
Stock	14	-		751	
Debtors: amounts falling due within one year	16	<b>2,894</b>		3,571	
Cash at bank and in hand		<b>761</b>		810	
		<b>6,249</b>		7,726	
Creditors: amounts falling due within one year	18	<b>(46,797)</b>		(10,510)	
<b>Net current (liabilities)/assets</b>			<b>(40,548)</b>		(2,784)
Creditors: amounts falling due after more than one year	19	<b>(210,206)</b>		(248,973)	
			<b>(210,206)</b>		(248,973)
<b>Net assets</b>			<b>233,602</b>		225,664
<b>Capital and reserves</b>					
Income and expenditure reserve			<b>233,602</b>		225,664
<b>Total capital and reserves</b>			<b>233,602</b>		225,664

The notes on pages 13 to 30 form an integral part of these financial statements.

The financial statements on pages 10 to 30 were approved by the Board on 22 September 2022, and signed on its behalf by:



**R Gregory**  
**Chair**



**G Reed**  
**Board Member**



**C Martin**  
**Secretary**

Community Benefit Society no: 7813

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**Chorus Homes Limited**  
**Statement of Changes in Reserves**  
**For the year ending 31 March 2022**

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	<b>Total Reserves £'000</b>
<b>Balance at 1 April 2021</b>	<b>225,664</b>
Profit for the year	7,938
<b>Balance at 31 March 2022</b>	<b><u>233,602</u></b>

The notes on pages 13 to 30 form an integral part of these financial statements.

## 1. PRINCIPAL ACCOUNTING POLICIES

### Legal Status

Chorus Homes Limited ("the Company") is registered under the Co-operative and Community Benefit Societies Act 2014 and is an English Registered Social Housing Provider.

The address of the Company's registered office is 305 Gray's Inn Road, London, England, WC1X 8QR and the address of the principal place of business is Brook House, Ouse Walk, Huntingdon, Cambs, PE29 3QW.

The Company's principal activities are the provision of affordable homes and customer focused services in the communities we serve.

### Basis of accounting

A summary of the principal accounting policies, which have been applied consistently, is set out below.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP), the Accounting Direction for Private Registered Providers of Social Housing 2019. The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator Social Housing (RSH) as a housing provider.

The Association's ultimate parent undertaking, Places for People Group Limited, includes the Association in its consolidated financial statements. The consolidated financial statements of Places for People Group Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. The Association is considered to be a qualifying entity for the purposes of FRS 102 and has applied the exemptions available under FRS 102.1.11 and FRS 102.1.12 (preparation of statement of a cash flows and related notes).

The financial statements are presented in Sterling (£000's). The financial statements are presented in sterling which is also the functional currency of the Company.

### Going Concern

The directors, after reviewing the company's budgets for 2022/23 and the group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The Association receives funding from Places for People Homes through an on-lending facility. Places for People Homes is part of the Places for People Guarantor Group and can access funding from this Group pool. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Turnover

Turnover represents rental and service charge income receivable (net of void losses), income from the sale of properties, income from the sale of the first tranche of shared ownership properties, fees and revenue grants from local authorities and Homes England, mortgage broker fees, equity loan fee income, personal loans interest and loan service delivery fees and other income.

Rental income is recognised from the point the property becomes available for letting, net of any voids. Income from land and property sales is recognised when the risks and rewards of ownership have passed to the purchaser. Long term contract revenue is recognised based on the total contract value and the stage of completion of the contract. Mortgage fee income is recognised over the term of the contract. Other income is recognised upon the delivery of services.

Government grant is recognised in turnover over the expected lives of the assets to which it relates.

All turnover arises from activities within the United Kingdom.

### Rental and service charge income

Rental and service charge income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Other rental income includes the rental of car parking spaces and is recognised when it falls due.

### Shared ownership first tranche sales

Income from first tranche sales is recognised at the point of legal completion of the transaction.

### Sale of land and properties built for sale

Turnover arising from the sale of land and properties developed for sale is recognised when the land/property has been delivered and legal title has passed and the Company has no continuing managerial involvement associated with ownership or effective control of the land/properties sold.

### Fees received from tenants and leaseholders

Fees receivable from tenants and leaseholders are recognised when they fall due.

### Revenue grants

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met.

### Management of development sites

Turnover from the management of development sites is recognised at times appropriate to the stage of completion when the outcome of the contract can be assessed with reasonable certainty.

### Corporation tax

The Association is liable to United Kingdom Corporation Tax.

The charge for taxation for the year is based on the profit for the year end and includes current tax on the taxable profit for the year and deferred taxation. Deferred taxation is recognised in respect of all timing differences between the treatment of certain items for taxation and for accounting purposes which have arisen but not reversed by the statement of financial position date.

### VAT

The majority of the Association's turnover is exempt from VAT. However, certain activities are subject to VAT and give rise to VAT recovery. Where appropriate, costs are stated including irrecoverable VAT.

### Housing Properties

#### Land

Land is stated at lower of cost or its recoverable amount. Land purchased for the development of properties which are planned to be subsequently owned and managed by the Association is recorded in housing properties. Land purchased for the development of properties to be sold is held within stock in current assets.

#### Other fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as outlined in the table on the following page.

## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Depreciation

Fixed assets, other than freehold land and investment properties, are depreciated at rates calculated to reduce the net book value of each component element to its estimated residual value, on a straight line basis over the expected remaining useful economic life of the component. Freehold land is not depreciated. The estimated lives of assets and components is as shown in the table below:

<b>Assets</b>	<b>Depreciation period (years)</b>
<u>Rented housing &amp; commercial properties:</u>	
Kitchens	20
Bathrooms	20
Boilers	15
External windows & doors	30
Roofs	45
Fire safety systems	20
Fencing	30
Digital TV aerials	10
Lifts	20
Social Alarms	From 20-40
Surveys	15
Initial and replacement scheme assets	From 1 to 5
Other elements (new build)	100-125
Other elements (rehab)	80
Other elements (leasehold)	Lesser of term of lease or 100 years
<u>Shared Ownership housing:</u>	
All elements (new build)	100
All elements (rehab)	80
All elements (leasehold)	Lesser of term of lease or 100 years
<u>Other fixed assets:</u>	
Offices (new build)	100
Offices (rehab)	80
Office refurbishment	From 10-20
Offices (long leasehold)	Lesser of term of lease or 100 years
Offices (short leasehold)	Terms of lease
Plant & Equipment	5
Cars and commercial vehicles	5
Computer hardware, software and infrastructure	From 3-15

The actual lives of the assets and residual values, including the structure of the buildings, are assessed annually. Assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### Stock

Stock relates to land and properties built for sale, which are in the course of construction, and are valued at the lower of cost and estimated selling price less all estimated costs to complete and sell. Cost is determined using the cost of direct materials and labour costs and those overheads that have been incurred in bringing work in progress to its present location and condition.

At each reporting date, the Group assesses whether work in progress is impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of work in progress over its estimated selling price less costs to complete and sell is recognised as an impairment loss in income and expenditure. Reversals of impairment losses are also recognised in income and expenditure.



## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Fixed asset investments

Fixed asset investments are measured at cost. An annual review is carried out by management to assess if there are any triggers that would lead to an impairment review. In the event of any impairment, the investment is measured at the lower of its recoverable amount or its value in use. Investments in joint ventures are recognised initially at cost and subsequently measured using the equity method.

### Investment properties

Properties held for rental income or capital appreciation that are not held primarily for the provision of social benefit are held as investment properties at fair value, with changes to fair value recognised in the statement of comprehensive income.

### Borrowing costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use.

General and specific borrowing costs directly attributable to the acquisition and construction of land and properties developed for sale are added to the cost of those developments until such a time as the land/properties are ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on land and properties developed for sale is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed as incurred.

### Impairment

An impairment review is undertaken when there is an indication the asset may be impaired. If assets are found to be impaired, the amount of impairment is disclosed in Note 9.

When undertaking impairment reviews to assess whether assets or cash generating units are held at the lower of cost or recoverable amount, recoverable amount is defined as its value in use. Recoverable amount is normally assessed using discounted cash flow techniques for all anticipated cash flows to generate a net present value.

Costs are assigned to all schemes on a detailed basis, including mixed tenure schemes.

The Association defines cash generating units as housing schemes except where its schemes are not sufficiently large enough in size and it is more appropriate to consider individual assets. This approach supports effective appraisal of housing schemes as it aligns with the management and operation of the business.

### Social Housing Grant and Other Capital Grant

Government grants are included within creditors in the statement of financial position and credited to the statement of comprehensive income over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

Where SHG or other grants are retained following the disposal of property, it is shown under the Disposal Proceeds and Recycled Capital Grant Funds within creditors. These funds will be used for the provision of new social housing for rent and sale and become repayable if unutilised.

## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Financial Instruments

#### Financial Assets - Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in income and expenditure for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

#### Financial Liabilities

##### Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

##### Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

#### De-recognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Foreign Currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transactions or if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the statement of financial position date and gains or losses on translation are included in the statement of comprehensive income.

### Leases

The Association classifies finance leases as those where the risk and reward of ownership of the leased asset has transferred to the Association. Other leases are classified as operating leases.

Assets obtained under finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their economic useful lives. Obligations under finance leases are included in creditors net of the finance charge allocated to future periods. The finance element of the rental is charged to the statement of comprehensive income using the effective interest rate method.

Costs in respect of operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term. Income in respect of operating leases where the Association is the lessor is recognised in the statement of comprehensive income on a straight line basis over the lease term, reduced by the cost of any lease incentives.

### Significant Judgements

The following are the significant judgements, apart from those involving estimations (which are set out separately below), that have been made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### *Going Concern*

In order to assess whether it is appropriate for the Association to be reported as a going concern, the management apply judgement, having undertaken appropriate enquiries and having considered the business activities and the principal risks and uncertainties. The Association's ultimate parent undertaking, Places for People Group Limited, includes a full review of going concern and is set out in the Going Concern and Viability Statement of the consolidated financial statements. In arriving at this judgement there are a large number of assumptions and estimates involved in calculating future cash flow projections. This includes management's expectations of both property sales and rental turnover, operating costs, timing and quantum of future capital expenditure and estimates and cost of future funding. Sensitivity testing, involving challenging scenarios, has been undertaken in respect of the assumptions used within the going concern assessment. As a result of these considerations the financial statements have been prepared on a going concern basis.

#### *Investment properties*

The Association owns a range of different property types. This requires the Association to assess which properties should be classified as investment properties as these properties are held at a market valuation, not at depreciated cost.

The Association considered the FRS 102 definition of investment property which refers to property held to earn rentals for capital appreciation, rather than for administrative purposes or for sale in the ordinary course of business. The Association has also reviewed Section 16 of FRS 102 that precludes the classification of property held primarily for the provision of social benefits being classified as investment property. The Association has applied this by judging that rental properties without public subsidy attached to them are investment properties.

## 1. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Accounting Estimates

The nature of estimation means that actual outcomes may differ from the estimates made.

#### *Residual value of social housing properties*

It is considered that the estimate of residual value of social housing properties has a significant impact on the carrying amount of social housing assets. The Association considers the residual value of social housing property structure to be cost. The net book value of completed social housing properties is £400.9m. The residual value of social housing property structure is £5,740 above the carrying value as at 31 March 2022.

#### *Investment properties*

In addition to judging whether or not properties are categorised as investment properties, the Association is also required to estimate the fair value of investment properties on an annual basis. A full valuation was carried out in line with the principles of RICS guidance and the Red Book. The results of the valuation exercise have been subjected to management scrutiny and challenge.

Chorus Homes Limited

Notes to the Financial Statements

For the year ending 31 March 2022

**2. TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS**

	2022					2021				
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Other operating items £'000	Operating surplus/ (deficit) £'000	Turnover £'000	Cost of sales £'000	Operating costs £'000	Other operating items £'000	Operating surplus/ (deficit) £'000
<b>Social housing lettings (note 3)</b>	<b>34,794</b>	-	<b>(18,514)</b>		<b>16,280</b>	34,008	-	(17,898)	-	16,110
First tranche low cost home ownership sales	-	(21)	(1)		(22)	995	(671)	(36)	-	288
	<b>34,794</b>	<b>(21)</b>	<b>(18,515)</b>	-	<b>16,258</b>	35,003	(671)	(17,934)	-	16,398
<b>Non-social housing activities</b>										
Non social housing property sales	<b>1,495</b>	<b>(643)</b>	<b>(100)</b>		<b>752</b>	-	-	(39)	-	(39)
Non social housing lettings	<b>3,685</b>	-	<b>(2,615)</b>		<b>1,070</b>	3,033	-	(494)	-	2,539
Other	<b>3,286</b>	-	<b>(312)</b>		<b>2,974</b>	30	-	(574)	-	(544)
	<b>43,260</b>	<b>(664)</b>	<b>(21,542)</b>	-	<b>21,054</b>	38,066	(671)	(19,041)	-	18,354
(Loss)/gain on revaluation of investment properties	-	-	-	<b>(200)</b>	<b>(200)</b>	-	-	-	(1,673)	(1,673)
Profit on sale of fixed assets	-	-	-	<b>644</b>	<b>644</b>	-	-	-	592	592
	<b>43,260</b>	<b>(664)</b>	<b>(21,542)</b>	<b>444</b>	<b>21,498</b>	38,066	(671)	(19,041)	(1,081)	17,273

**3. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS**

	2022			Total	2021 Total
	General needs housing £'000	supported housing & older people £'000	Shared Ownership £'000		
<b>Income</b>					
Rent receivable net of identifiable service charges	28,547	2,009	1,025	31,581	31,590
Service charge income	1,440	976	251	2,667	2,295
Amortised government grants	64	7	3	74	67
Other income	406	45	21	472	56
<b>Turnover from social housing lettings</b>	<b>30,457</b>	<b>3,037</b>	<b>1,300</b>	<b>34,794</b>	34,008
<b>Expenditure on social housing lettings activities</b>					
Management	(6,187)	(599)	(292)	(7,078)	(6,898)
Services	(1,572)	(1,040)	(112)	(2,724)	(2,655)
Routine maintenance	(4,086)	(445)	(19)	(4,550)	(4,397)
Planned maintenance	(1,245)	(234)	(39)	(1,518)	(1,598)
Major repairs	(275)	(28)	(13)	(316)	(428)
Rent losses from bad debts	(487)	-	-	(487)	(44)
Depreciation on housing assets	(1,586)	(172)	(83)	(1,841)	(1,878)
<b>Operating costs on social housing lettings</b>	<b>(15,438)</b>	<b>(2,518)</b>	<b>(558)</b>	<b>(18,514)</b>	(17,898)
<b>Operating surplus on social housing lettings</b>	<b>15,019</b>	<b>519</b>	<b>742</b>	<b>16,280</b>	16,110
<b>Void Losses</b>	<b>(596)</b>	<b>(171)</b>	<b>-</b>	<b>(767)</b>	(574)

#### 4. SALE OF FIXED ASSETS

	2022			
	Sale proceeds	Cost of Sales	sales expenses	Surplus
	£'000	£'000	£'000	£'000
Sale of housing assets	1,891	(938)	(309)	644
	<b>1,891</b>	<b>(938)</b>	<b>(309)</b>	<b>644</b>

	2021			
	Sale proceeds	Cost of Sales	Other sales expenses	Surplus
	£'000	£'000	£'000	£'000
Sale of housing assets	1,622	(898)	(132)	592
	<b>1,622</b>	<b>(898)</b>	<b>(132)</b>	<b>592</b>

## 5. DIRECTORS EMOLUMENTS

The directors emoluments during the year were met by Places for People Group Limited. They do not receive remuneration for their duties as directors of the company. The directors are considered to be key management personnel of the company.

## 6. EMPLOYEE INFORMATION

All employees of the Chorus Homes Group are employed by the entity Chorus Homes Group Limited. Where the services are wholly or partly utilised by another member of the group those employees have a contract that recognises that joint employment. Where the services of those employees are utilised by another company, the staff costs relating to that employee are recovered from the relevant company.

	2022 £'000	2021 £'000
Contributions paid to Chorus Homes Group Limited	<u>1,009</u>	<u>1,974</u>

## 7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022 £'000	2021 £'000
Other interest receivable from deposits	<u>1</u>	<u>2</u>
	<u>1</u>	<u>2</u>

## 8. INTEREST PAYABLE AND SIMILAR CHARGES

	2022 £'000	2021 £'000
On financial liabilities not at fair value through income and expense:		
On loans from related undertakings	3,762	3,872
On bank loans and overdrafts	<u>9,816</u>	<u>9,783</u>
	<u>13,578</u>	<u>13,655</u>
Less: Capitalised interest	<u>(17)</u>	<u>(46)</u>
	<u>13,561</u>	<u>13,609</u>
Capitalisation rate used to determine the finance costs capitalised during the year:	<u>5.49%</u>	<u>5.33%</u>

## 9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2022 £'000	2021 £'000
Surplus on ordinary activities before taxation is stated after charging:		
<i>Depreciation and impairment:</i>		
Tangible fixed assets	1,845	1,886
<i>Payments under operating leases:</i>		
Motor vehicles	<u>53</u>	<u>62</u>
	<u>1,898</u>	<u>1,948</u>

Auditor's remuneration in relation to audit services in the year was £31,750 (2021: £28,840).



## 10. TAXATION

The Association has charitable status and is exempt from corporation taxation under the provisions of Section 505 of the Income and Corporation Taxes Act 1988 therefore there is no corporation tax payable in either 2021 or 2020.

## 11. HOUSING PROPERTIES

	Housing properties and land	Completed LSE & Shared Ownership housing properties	Housing properties in the course of construction	LSE & Shared Ownership properties in the course of construction	Total housing properties
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2021	401,684	16,463	2,528	-	<b>420,675</b>
Additions	-	-	7,431	691	<b>8,122</b>
Change of tenure	-	-	-	17	<b>17</b>
Transfer to completed schemes	7,477	31	(7,478)	(31)	<b>(1)</b>
Transfer to sales account on disposal	(414)	(520)	-	-	<b>(934)</b>
<b>At 31 March 2022</b>	<b>408,747</b>	<b>15,974</b>	<b>2,481</b>	<b>677</b>	<b>427,879</b>
<b>Depreciation and impairment</b>					
At 1 April 2021	(21,998)	(3)	-	-	<b>(22,001)</b>
Charge for year:					
Depreciation	(1,840)	-	-	-	<b>(1,840)</b>
Eliminated on disposal:					
Depreciation	22	-	-	-	<b>22</b>
<b>At 31 March 2022</b>	<b>(23,816)</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>(23,819)</b>
<b>Net book value at 31 March 2022</b>	<b>384,931</b>	<b>15,971</b>	<b>2,481</b>	<b>677</b>	<b>404,060</b>
Net book value at 1 April 2021	379,686	16,460	2,528	-	398,674

All properties included within the above note are freehold.

Additions to housing properties in the course of construction during the year include an apportionment of staff time directly spent on the administration of development activities amounting to £0.1m (2021: £0.1m).

Expenditure on major works to existing properties during the year was £4.1m (2021: £4.6m).

## 12. OTHER FIXED ASSETS

	Scheme equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>			
At 1 April 2021	42	145	<b>187</b>
<b>At 31 March 2022</b>	<b>42</b>	<b>145</b>	<b>187</b>
<b>Depreciation</b>			
At 1 April 2021	(37)	(145)	<b>(182)</b>
Charge for year	(5)	-	<b>(5)</b>
<b>At 31 March 2022</b>	<b>(42)</b>	<b>(145)</b>	<b>(187)</b>
<b>Net book value at 31 March 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net book value at 1 April 2021	5	-	5

### 13. FIXED ASSET INVESTMENTS

	2022	2021
	£'000	£'000
External investments (a)	-	-
Investment property (b)	<u>25,732</u>	25,686
<b>Total fixed asset investments</b>	<u><u>25,732</u></u>	<u><u>25,686</u></u>

(a) External investments	2022	2021
	£'000	£'000
<b>Cost</b>		
At 1 April	<u>26,800</u>	26,800
At 31 March	<u><u>26,800</u></u>	<u><u>26,800</u></u>
<b>Accumulated impairment</b>		
At 1 April and 31 March	<u>(26,800)</u>	(26,800)
<b>Net book value at 31 March</b>	<u><u>-</u></u>	<u><u>-</u></u>

	2022
	£'000
<b>(b) Investment properties</b>	
At 1 April 2021	25,686
Additions	246
Revaluation in year	<u>(200)</u>
<b>At 31 March 2022</b>	<u><u>25,732</u></u>

#### 14. STOCK

	2022	2021
	£'000	£'000
Buildings - Completed	-	734
Buildings - In Progress	-	17
	<u>-</u>	<u>751</u>

#### 15. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£'000	£'000
Amounts due from related undertakings	54,232	53,056
Accrued income	332	-
	<u>54,564</u>	<u>53,056</u>

#### 16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Rental debtors	2,392	2,404
Less: provision for bad and doubtful debts	(278)	(404)
	<u>2,114</u>	<u>2,000</u>
Trade debtors	8	178
Other taxes	58	-
Prepayments and other debtor	714	1,393
	<u>2,894</u>	<u>3,571</u>

#### 17. SHORT TERM INVESTMENTS

	2022	2021
	£'000	£'000
Cash held as security	2,594	2,594

The cash held as security relates to cash deposits held as security against a loan in Chorus Homes Finance Limited, a group company, from Canada Life Limited as Facility Agent.

#### 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Other loans	1,307	1,181
Amounts due to related undertakings	37,397	-
Rents and service charges received in advance	1,812	1,331
Other taxes	-	62
Other creditors and accruals	6,166	7,923
Deferred capital grant	89	-
Recycled Capital Grant Fund (note 20)	26	13
	<u>46,797</u>	<u>10,510</u>

## 19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
<b>Debt</b>	<b>£'000</b>	<b>£'000</b>
Housing and bank loans	<b>159,951</b>	159,916
Amounts due to related undertakings	-	37,987
Other loans	<b>42,934</b>	44,241
	<b>202,885</b>	242,144
<b>Other financial liabilities</b>		
Leaseholder contributions towards sinking funds	<b>674</b>	651
Deferred government grant	<b>6,282</b>	5,826
Recycled Capital Grant Fund (note 20)	<b>365</b>	352
<b>Total creditors falling due after more than one year</b>	<b>210,206</b>	248,973
<b>Analysis of debt and other financial liabilities</b>		
These are repayable as follows:-		
In one year or less	<b>38,704</b>	1,181
In one year or more but less than two years	<b>1,384</b>	39,240
In two years or more but less than five years	<b>4,660</b>	4,240
In more than five years:		
By installments	<b>36,890</b>	38,747
Not by installments	<b>159,951</b>	159,917
	<b>241,589</b>	243,325

All secured loans are supported by specific charges on the Group or Associations' housing properties and are repayable at varying rates of interest from, 4.33% - 6.23%, in instalments.

Other loans from Chorus Homes Finance Limited are secured by a debenture over the housing assets of the Company, to Prudential Trustee Company Limited as security trustee.

## 20. RECYCLED CAPITAL GRANT FUND AND DISPOSAL PROCEEDS FUND

### RECYCLED CAPITAL GRANT FUND

	2022	2021
	<b>£'000</b>	<b>£'000</b>
<b>At 1 April</b>	<b>365</b>	365
Inputs to RCGF: Grant recycled	<b>26</b>	-
<b>At 31 March</b>	<b>391</b>	365
Amounts 3 years old or older where repayment may be required	<b>365</b>	352

## 21. NON-EQUITY SHARE CAPITAL

	2022	2021
	£	£
Issued, allotted and fully paid shares of £1 each		
At 01 April and 31 March	<u>3</u>	<u>3</u>

The shares are not transferable or redeemable. Payment of dividends or other benefits to shareholders is forbidden by the Association's rules.

On a return of capital on a winding-up, no member shall receive any property or sum beyond their £1 entitlement.

## 22. CAPITAL COMMITMENTS

	2022	2021
	£'000	£'000
Capital expenditure authorised and contracted but not provided for within the financial statements	<u>7,817</u>	<u>1,427</u>
Additional Capital expenditure that has been authorised by the Board of directors	<u>41,625</u>	<u>38,840</u>

The above commitments will be financed in accordance with the Group Treasury management policy which is detailed in the Places for People Group consolidated accounts.

The commitments under non-cancellable operating leases for the following year, analysed according to the period in which each lease expires, are set out below:

	Motor vehicles	Motor vehicles
	2021	2020
	£'000	£'000
In one year or less	80	68
Between one and two years	63	68
Between two and five years	1	54
	<u>144</u>	<u>190</u>

## 23. FINANCIAL INSTRUMENTS

	2022	2021
	£ '000	£ '000
Financial assets: debt instruments measured at amortised cost	<u>2,799</u>	<u>2,331</u>
Financial liabilities: measured at amortised cost	<u>248,820</u>	<u>252,325</u>

## 24. CONTINGENT LIABILITIES

Under the terms of the large scale voluntary transfer of homes from Huntingdonshire District Council to Huntingdonshire Housing Partnership dated 20th March 2000, the local authority is entitled to receive a share of the proceeds from any home that is sold under preserved right to buy. The percentage of any proceeds repayable to the council varies over the 30 year period covered by the transfer agreement.

## 25. RELATED PARTY TRANSACTIONS AND ULTIMATE PARENT UNDERTAKING

Under Section 33 of FRS 102 defined benefit pension schemes are considered to be related parties. Employees of the Group and its subsidiaries are members of the following defined benefit scheme: The Cambridgeshire County Council Local Government Pension Scheme. Details of transactions with the scheme are disclosed in note 21 of the Chorus Homes Group Limited financial statements.

Chorus Homes Limited is a subsidiary of Chorus Homes Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. The ultimate parent undertaking and controlling party is Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. As the ultimate parent company publishes consolidated group accounts, the company has taken advantage of the exemption not to report transactions with other group members as permitted in FRS 102 section 33.1A.

## 26. HOUSING STOCK

The Group owns or manages 7,506 housing properties, a breakdown of these housing properties is shown below:

	2021	Units developed or newly built units acquired	Units sold/demolished	Other movements	2022
	No	No	No	No	No
<b>Social Housing owned</b>					
General Needs Housing	5,510	10	(7)	(2)	<b>5,511</b>
Affordable housing	23	-	-	-	<b>23</b>
Supported housing and housing for older people	544	-	(4)	-	<b>540</b>
Affordable supported housing	55	-	-	-	<b>55</b>
Low cost home ownership accommodation	282	-	(11)	-	<b>271</b>
Other social housing	182	-	-	2	<b>184</b>
Leased housing - freehold only	518	-	4	-	<b>522</b>
<b>Total Social housing owned and managed</b>	<b>7,114</b>	<b>10</b>	<b>(18)</b>	<b>-</b>	<b>7,106</b>

	2021	Units developed or newly built units acquired	Units sold/demolished	Other movements	2022
	No	No	No	No	No
<b>Social Housing managed</b>					
General Needs Housing	5,616	10	(7)	(2)	<b>5,617</b>
Affordable housing	100	-	-	-	<b>100</b>
Supported housing and housing for older people	544	-	(22)	-	<b>522</b>
Affordable supported housing	55	-	-	-	<b>55</b>
Low cost home ownership accommodation	302	-	(11)	(2)	<b>289</b>
Other social housing	183	-	-	(3)	<b>180</b>
Leased housing - freehold only	518	-	4	-	<b>522</b>
<b>Total Social housing owned and managed</b>	<b>7,318</b>	<b>10</b>	<b>(36)</b>	<b>(7)</b>	<b>7,285</b>

		<b>2022</b>	2021
<b>Non-social housing managed</b>		<b>No</b>	No
Market rent		<b>163</b>	163
Leased housing - freehold only		<b>56</b>	56
<b>Total non-social housing managed</b>		<b>219</b>	219
Total social housing managed		<b>7,285</b>	7,318
<b>Total housing managed</b>		<b>7,504</b>	7,537
Total housing owned but managed by another body		<b>2</b>	-
<b>Total housing owned or managed</b>		<b>7,506</b>	7,537
Garages, commercial premises and other non-residential units managed or serviced		<b>2,179</b>	2,617
<b>Total residential and non-residential units managed or serviced</b>		<b>9,683</b>	10,154