Annual Report and Financial Statements

For the year ended 31 March 2024

Contents

Board Members, Company Secretary and Executive Directors

Board

Yashar Turgut	Chair – Board Member	
Nicole Kershaw	Chief Executive Officer	
Joanne Seymour	Chair of Remuneration & Governance Committee - Board Member	Resigned 27 September 2023
Sue Lock	Chair of Place Committee – Board Member	
Gordon Perry	Former Chair of Audit & Risk Committee – Board Member	Resigned 31 March 2024
Dave Bullock	Chair of Growth Committee – Board Member	
Cath Wilson	Senior Independent Director	
Mick Warner	Board Member	Resigned 30 August 2024
Cllr Rabnawaz Akbar	Board Member	
Gillian Drakeford	Board Member	Appointed 27 September 2023
Tony Deakin	Current Chair of Audit & Risk Committee – Board Member	Appointed 27 September 2023

Company Secretary

Christopher Murphy

Executive Directors

Nicole Kershaw	CEO
Charlotte Grover	Chief Experience Officer
Barry Wears	Chief Finance Officer

Funders and Advisors

Registered Office

Lovell House
Archway 6
Hulme
Manchester M15 5RN

Company registration Number

RS007018

Regulator of Social Housing Number

4808

External auditor

RSM UK Audit LLP
Landmark
St Peter's Square
1 Oxford Street
Manchester M1 4PB

Internal auditor

Beever and Struthers
1 George Leigh St
Manchester M4 5DL

Treasury Advisors

Savills Financial Consultants 33 Margaret Street London W1G 0JD	Chatham Financial (From April 2024) 12 St James's Square London SW1Y 4LB

Bankers

Royal Bank of Scotland 1 Spinningfield Square Manchester M3 3AP	Barclays Bank plc 1st floor, 3 Hardman Street Manchester M3 3HF

Funders

Barclays Bank plc 1st floor, 3 Hardman Street Manchester M3 3HF	Danske Bank 75 King William Street London EC4N 7DT
Royal Bank of Scotland Kirkstane House 139 St Vincent Street Glasgow G2 5JF	Legal and General Assurance Society Limited 1 Coleman Street London EC2R 5AA

Chair's Introduction

It's my pleasure to present the financial statements of One Manchester Group for the year ending 31 March 2024.

This year we've seen significant developments in the housing sector, particularly with the introduction of the new Consumer Standards and Tenant Satisfaction Measures under the Social Housing Regulation Act. The new standards and Code of Practice have set higher benchmarks for housing quality and tenant rights, and we have dedicated the past year to making sure we're fully prepared to meet them.

We retained our G1 rating in the latest annual stability checks and were regraded to a V2 which is a testament to our resilience, and investment in both existing and new homes during challenging times. Managing our assets responsibly has been key. We have developed a new Asset Management Strategy and increased investment in our homes to improve their safety, energy efficiency, and address damp and mould, to make sure we meet standards. In addition, during the year our development team delivered 117 mixed tenure properties.

Despite the recent easing of inflation, economic challenges persist in our communities. Our efforts to support customers in hardship have continued, notably through the Thrive Fund. This year the fund has supported 1,612 customers, with referrals made by colleagues across the organisation which demonstrates our effective new ways of working. Through the relaunch of the One Manchester Community Fund, we've also supported external projects and initiatives that will benefit customers, and I look forward to seeing these progress.

Getting to know our customers and homes has been a key priority this year, and the embedding of our new Neighbourhood Model has supported this, with positive results. Having completed 4,882 tenancy experience visits in the first year, we've proactively identified repairs and made more referrals to our Healthy Homes team. They've also helped us form connections with our customers and understand what's important to them.

Hearing the voice of our customers and using their feedback to improve our services has been a big priority. In 2023/24, we took positive steps to strengthen our approach to customer voice. This includes the establishment of our new Customer Scrutiny Panel, whose first task will be to review our repairs service. We also conducted 60 customer consultation events, including 'The Big Listen' for our repairs service. The feedback from these events is now directly shaping many of our services and strategies.

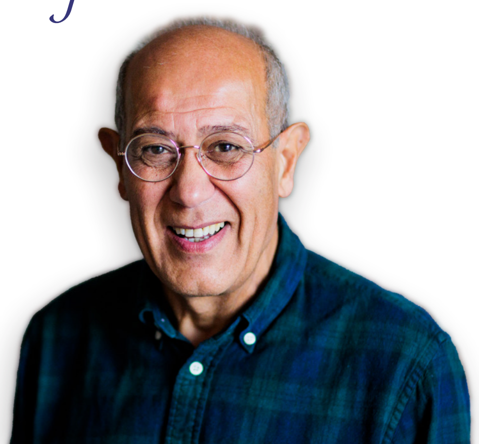
Another highlight has been securing £2.9 million from the Social Housing Quality Fund (SHQF), which we match-funded. This allowed us to upgrade over 400 properties with various measures, helping us progress towards our dual goals of improving energy efficiency for our customers, and reducing our carbon impact.

In closing, I want to extend my gratitude to colleagues, committee members, and the Board for their hard work and commitment to our shared purpose and values. We will continue making One Manchester a great place to work, so together, we can keep being more than just a landlord and provide good quality homes, great services, and real opportunities for our customers and communities.

Yashar Turgut

Group Chair

Yashar Turgut



Report of the Board

Principal activities and review of the business

The One Manchester Group comprises the Group parent (One Manchester Limited) and three subsidiaries: One Manchester Treasury Limited, One Manchester Property Limited, and One Manchester Developments Limited. One Manchester Limited is a Charitable Community Benefit Society (registration number RS007018) and a Registered Social Housing Provider with the Regulator of Social Housing (registration number 4808).

These Group financial statements include the accounts of One Manchester Developments Limited, One Manchester Treasury Limited, and One Manchester Property Limited. One Manchester Limited is the largest social landlord in central, south and east Manchester, owning and managing more than 12,000 homes.

The principal activity of the Group is the provision, management, maintenance, and improvement of affordable social housing. In addition, the Group is working closely with key agencies for the wider public benefit of its communities; to improve and regenerate those communities and provide a positive environment for people to live in. The strategic report considers these activities in further detail.

Each subsidiary has its own Board of Directors. The One Manchester Limited Board acts as the Group Parent and oversees the activities of these wholly owned subsidiaries, namely:

- One Manchester Developments Limited (company number 09246629). A 100% owned subsidiary of One Manchester Limited and a private limited company. It was established to enable non-charitable activity to be undertaken;
- One Manchester Treasury Limited (company number 09456700). A 100% owned subsidiary of One Manchester Limited and a private limited company. It was established to facilitate efficient treasury management for the Group;
- One Manchester Property Limited (company number 11384233). A 100% owned subsidiary of One Manchester Limited and a private limited company. It was established to enable non-charitable purpose, vision, and values activity to be undertaken.

Qualifying third party indemnity provisions

The Group has qualifying third party indemnity provisions in place for the Board members of One Manchester Limited.

> "One Manchester Limited is the largest social landlord in central, south and east Manchester, owning and managing more than 12,000 homes."

Compliance with Governance & Financial Viability Standard

The Regulator of Social Housing's (RSH) Governance & Financial Viability Standard (the 'Standard') was updated in April 2015 and reviewed in July 2017. This review emphasised the importance of the Board's responsibility for health and safety of residents, strengthened stress testing, and ensured organisations were keeping live their Assets & Liabilities Registers and used the information contained within them in strategic decision-making. The Standard was accompanied by a Code of Practice, which provides guidance to registered providers to ensure compliance with the Standard.

The overall required outcomes of the Standard are:

- to ensure there are effective governance arrangements that deliver the aims, objectives, and intended outcomes for tenants and potential tenants in an effective, transparent, and accountable manner;
- to manage resources effectively to ensure registered providers' viability is maintained, ensuring that social housing assets are not put at risk. The Standard requires registered providers to assess their compliance with the Standard at least annually, and Boards are required to report their compliance with the Standard within their annual accounts.

The definition of assurance means that this is not just an internal and external audit issue. Boards need to determine how they are obtaining assurance to demonstrate to the Regulator of Social Housing:

- a clear understanding of asset values, related security, potential losses, and potential chains of recourse. Note that Boards need to know exactly what information will be required in the event of distress and social housing asset exposure to value the assets without delay;
- evidence of application of the principles;
- the assurance they receive on quality of records.

On 29 November 2023, the Regulator issued a regulatory judgement, maintaining the existing G1 grade for One Manchester's governance and V2 for financial viability. The viability regrade has been a common theme across the sector and reflects the current challenging economic conditions. In moving to V2, the Regulator recognises that One Manchester is focused on significantly increasing investment in its existing homes and planning for carbon net zero. This increase in investment, coupled with economic uncertainty in relation to inflation, interest rates, and rent increases, means that One Manchester has reduced interest cover ratios and a lower capacity to respond to adverse events. The Board accept the maintaining of V2 and are confident the organisation is prudently managed financially, with significant headroom budgeted against funder covenants and robust financial controls in place including golden rules.

Compliance with the Standard was assessed by the Board in July 2024 for the year ending 31 March 2024. After considering the self-assessment, the Board can confirm that the Group complies with the Standard.

The Group has also adopted the National Housing Federation Code of Governance (2020). A self-assessment against the Code is carried out annually and the Board can confirm that the Group complies with the Code.

Going concern

The Group's business activities, its current financial position, and factors likely to affect its future development are set out within the Strategic Report. The Group has in place long-term debt facilities that provide adequate resources to finance the committed investment and development programmes, along with the Group's day-to-day operations. The Group also has an updated long-term Business Plan, taking in to account the impact of the current economic volatility, that demonstrates the Group can service these debt facilities whilst continuing to comply with funders' covenants. A series of stress tests have also been carried out to evidence the impact of various scenarios. The 2024 Business Plan has been updated and reflects the current economic circumstances experienced including rent caps, higher interest, higher inflation, and supply chain uncertainty. Our Board is continually monitoring the

Business Plan in relation to these pressures and are appropriately stress testing the Business Plan for deteriorating conditions including higher interest and inflation, and lower rent levels and rent collection.
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 12 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.

Internal Control and Risk Management

The Board is the ultimate governing body and is responsible for ensuring that an adequate system of internal control and risk management is in place and for reviewing its effectiveness.

> "The 2024 Business Plan has been updated and reflects the current economic circumstances experienced including rent caps, higher interest, higher inflation, and supply chain uncertainty."

Internal Control

The system of internal control is designed to manage and reduce, not eliminate, risk, and provide reasonable assurance that key business objectives will be met. It also gives assurance and support to the preparation and reliability of financial and performance information, and the safeguarding of the Group's assets. The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Risks may be defined as those factors which may adversely affect the achievement of the Group's objectives. The internal control framework manages and mitigates risks by identifying those risks and ensuring controls are in place.

The key elements of internal control include:

- Corporate governance arrangements including the adoption of the National Housing Federation Code of Governance (2020).
- The Delegation Framework (reapproved in July 2024) including the Board approved terms of reference and delegated authorities for its Committees, Financial Regulations and Scheme of Delegation.
- Following extensive consultation with stakeholders, the Board agreed a three-year Corporate Plan for 2022/2025 at its meeting in June 2022 supported by annually agreed corporate priorities.
- Strategic and business planning processes within which the Board approves strategy and Business Plan objectives supported by a performance monitoring framework.
- Development, monitoring, and approval of the long-term financial Business Plan updated with the annual budgeting cycle and in response to all significant environmental changes, which includes robust stress testing and assessment of key risks and mitigation analysis.
- The review and approval of annual budgets by the Board; review of results against the approved budget, and revised forecasts prepared at regular intervals. The annual budgeting cycle informs, and is informed, by the long-term financial Business Plan when setting the overall resources of the organisation, in both the short and medium term.
- The annual Treasury Strategy to control exposures in connection with treasury management activities, regular monitoring of loan covenants and requirements for new loan facilities.
- Performance indicators generated monthly to identify trends that are reported to Board each time they meet, to monitor progress towards objectives and to identify intervention.
- Board approved Value for Money Strategy dated May 2024, reinforcing our commitment to the Group's economy, efficiency, and effectiveness objectives.
- Financial appraisals of all proposed major investments in new properties and place regeneration initiatives that are subject to individual approval by the Executive Leadership Team, Growth Committee or Group Board as defined within the Delegatory Framework.
- A Group-wide risk management system (including health and safety) which identifies, evaluates, and manages the significant risks faced by the Group.
- Board approved financial 'golden rules' to support quantification of the Group's financial risk appetite to augment covenant headroom monitoring and stress testing.
- Audit & Risk Committee develop and approve a risk based internal audit plan receiving internal audit reports, tracking implementation of recommendations. Following a competitive tendering process, Beevers and Struthers were appointed by the Audit and Risk Committee as One Manchester's internal auditors in April 2023.
- Formal recruitment, training, and development policies for all colleagues.
- A Board approved Whistle Blowing Policy, updated May 2024.
- A Board approved Probity Policy.
- A Board approved Anti-Money Laundering Policy and an Anti-Bribery, Fraud and Corruption Policy, together with a Fraud Response Plan.
- Ongoing programme of Board training.
- A Crisis Management Plan, including scenario testing with all relevant colleagues, facilitated by an external specialist.

Going concern - continued

The effectiveness of the controls is assured by:

- Independent assurance by internal auditors as to the existence and effectiveness of the risk management activities described by management.
- Board and Audit & Risk Committee review and approval.
- External audit.
- External regulatory scrutiny, including In Depth Assessments, and other reports.
- Review and assurance by management.

The internal control framework, the risk management process, and fraud register are subject to regular review by internal audit, which has responsibility for providing independent assurance to the Board via its Audit & Risk Committee. All reports to Board and Committees consider risk and risk appetite and separately the Board and Audit & Risk Committee considers the overarching risk strategy, register and controls.

A fraud register is maintained and is reviewed by the Audit and Risk Committee on an annual basis. Any reports of alleged fraud were made to the Audit & Risk Committee in accordance with our policy, and any incident recorded in the fraud register.

Instances of fraud in relation to tenancies are investigated and, where fraud has taken place, these are actioned and recorded.

The Audit & Risk Committee has received the Chief Executive's annual review of the effectiveness of the system of internal control for the Company and the annual report of the internal auditor and has reported its findings to the Board. The report concluded that controls were good and worked effectively.

The Board confirms that there is an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group. This process has been in place throughout the year under review and up to the date of the Annual Report and Financial Statements and is reviewed at least quarterly by the Board. The Board has responsibility for the Group as a whole.

Risk management

The One Manchester Board has overall responsibility for risk management with a particular focus on the degree and type of risk it is prepared to take in achieving its overall objectives. This is set within the context of the rapidly changing external environment in which housing associations are operating, subject to policy, market, economic change, and reputational risks which can have a fundamental impact on the business. Risk is formally reported quarterly to the Board. The One Manchester Risk Management Policy, due for review in 2024, articulates the commitment to robust and effective risk management, how it views risk, its approach to its management and the actions it takes to manage and mitigate risk throughout the business.

> "The Audit & Risk Committee has received the Chief Executive's annual review of the effectiveness of the system of internal control for the Company and the annual report of the internal auditor and has reported its findings to the Board. The report concluded that controls were good and worked effectively."

Key risks and risk appetite

The Board maintains a Corporate Risk Register which captures those risks across the business that could have the most significant impact on the achievement of its Corporate Plan.

The Board has reviewed its Risk Appetite Statement, originally approved in February 2023, which articulates its attitude to risk across a range of risk categories.

Risk taking is generally of a cautious nature to protect assets, comply with regulatory requirements, and provide social value rather than seek rapid growth and large surpluses.

We will not compromise the safety of our customers and will always strive to deliver the best value that we can.

We have a 'zero tolerance' to any risks that would breach our covenants, legal, or regulatory duties, or risks that would jeopardise our social housing assets.

We set our financial 'golden rules' with caution and then apply a 'zero tolerance' to any schemes or proposals that would breach those rules.

The Board is prepared to tolerate some levels of risk that will further our corporate strategies and aims to improve the quality and investment in our neighbourhoods. Risk decisions will be viewed on their own merits and in the context of our wider strategies, using all available intelligence at the time.

The Board has articulated risk appetite across a range of categories to reflect the complexity of the risks it manages, the changing nature of the environment in which it operates, and to provide parameters to support the Executive in delivering products and services.

The Board recognises that to deliver its Business Plan with the levels of uncertainty and challenge, particularly around external macroeconomic factors, it will need to assess the level of risk it takes on a considered basis. It also recognises that the risks it faces and its attitude to risk will change with time and circumstance, and it will always consider the longer-term impacts from the short-term decisions it makes and will take into account the voice of the customer.

Where the Board chooses to accept an increased level of risk, it will:

- do so in a considered way, taking into account the benefits, threats, and longer-term impacts;
- confirm that sensible and proportionate measures to mitigate risk can be established;
- review its risks and risk appetites on a regular basis to respond accordingly.

The Board considered the following as the key risks for the 2023/24 financial year:

Risk Summary

1. Strategic Choices

Recognition of the competing pressures and trade-offs in setting the direction and utilising One Manchester's financial capacity and resources.

2. Macroeconomic Risk

The full impact of Covid, Brexit, and the conflict in Ukraine continue to develop with labour market and supply chain disruption and increased prices. Recognition of the economic pressures on our customers. Interventions required to enable some customer groups gain access to quality, affordable housing. Further affected by the impact of slow wage growth and benefit changes.

3. Reputation

Strategic decisions and competing demands from different stakeholders may have an adverse impact on some of these stakeholders such as tenants, local communities, national and local government, lenders, regulators, and the media. Failure to have regard to stakeholders' expectations can have serious ramifications for One Manchester's reputation and that of the sector as a whole.

4. Data integrity and Security

Accurate, up-to-date, complete, and consistent data are fundamental for the Board, and the need to manage the ongoing risks arising from agile working and cyber threats.

5. Financing

The risk of reliance on debt to fund strategic objectives such as investment in new and existing housing, weaker operating margins and lower interest cover therefore.

6. Stock Quality

The need for investment in stock to meet the evolving requirements of the current Decent Homes Standard, and anticipating what the new one will entail when it is published, as well as adhering to the decarbonisation agenda. The need for robust data on the quality of stock and an effective repairs and maintenance service.

7. Health and Safety

Properties must meet all the relevant statutory health and safety obligations and One Manchester's duty to provide a safe working environment for its colleagues and is committed to ensuring the safety of its customers and listening to customers to enable them to feel safe in their homes.

8. Service Delivery and accountability to tenants

Failure to provide effective services and transparent communication with customers and improve the services they receive and ensure compliance with the new consumer regulation regime effective from 1 April 2024

9. Growth (New Supply and Housing Market)

The need for all risks associated with the development, rental, and sale of the full range of products of new units to be understood, including the potential impact on financial viability and the achievement of strategic objectives.

10. Culture and Change

The need to demonstrate engagement and performance to our residents. The commitment to improving equality, diversity, and inclusion, highlighting and tackling inequality and discrimination with a workforce that reflects the communities served.

Audit

All the current Directors have taken all necessary steps to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware. Following the completion of a tender process to appoint a new auditor for 2023/24, members appointed RSM UK Audit LLP at the AGM on 27th September 2023. RSM UK Audit LLP has expressed their willingness to continue. A resolution for the re-appointment of RSM UK Audit LLP as auditor of the Association will be proposed at the Annual General Meeting on 25 September 2024.

By order of the Board

Chris Murphy

Chris Murphy
Company Secretary

Strategic Report

Our Purpose and Vision

One Manchester is a provider of housing and community services that currently owns and manages over 12,000 homes in central, south and east Manchester.

Our purpose is to provide good quality homes, great services, and real opportunities for our customers and communities.

Our vision is to create inclusive, connected, and sustainable places where people can thrive and live well.

Times are challenging, with growing inequalities, poverty, cost of living pressures, and climate change. One Manchester is committed to working in partnership with other organisations to address these issues for the benefit of customers, the City and Greater Manchester. At the same time, One Manchester is determined to provide better quality, safer homes and be more accountable to customers. We want those who live in our homes, both now and in the future, to prosper and live well as part of a thriving Manchester.

Strategies to achieve our purpose and vision

In 2022, Board approved a three-year Corporate Plan for 2022/25 with three new strategic priorities. Underpinning this work is the Shaping our Future programme, which has been designed to deliver a customer focused organisation that is structured to operate in an efficient manner.

Strategic priority one: People

Customers and colleagues are at the centre of what we do. We're committed to keeping everyone safe and treating people equally and fairly. We're determined to listen more to customers and use their feedback to shape brilliant services. We want to recruit and keep talented colleagues who feel rewarded and inspired to do great work.

In 2023/24, we focused on:

Customer voice:
- Reviewing our Customer Voice Strategy and embedding our action plan to ensure customers influence our decision-making.
- Creating and implementing a Customer Experience Strategy.

Great place to work:
- Implementing our People Strategy.
- Creating an Internal Communications, Marketing and Brand Strategy.

Inclusive culture:
- Refreshing our EDI Strategy and embedding our action plan across the business.
- Creating and embedding a One Manchester service style and tone of voice to improve our connection with customers.

Strategic priority two: Place

Where you live can determine what happens in your life. We want to help people succeed by providing quality, affordable, secure homes to rent and buy – and build more to meet future needs. We're investing in sustainable communities that people are proud to live in.

During 2023/24, One Manchester were focused on the following against this priority:

Quality homes:
- Implementing year one of our Asset Management Strategy
- Refreshing our Growth Strategy and delivering our 2023/24 Growth Programme
- Reviewing our Building Safety Strategy

Sustainability:
- Implementing year one of our Sustainability Strategy
- Delivering Wave 2 of the Social Housing Decarbonisation Programme

Neighbourhood focus:
- Implementing our new Neighbourhood Model

Strategic priority three: Prosperity

We want our customers and communities to thrive, so we're committed to tackling inequalities and creating opportunities. We're determined to build more homes and regenerate more places, help more people find work and training, make their money go further, and live well.

During 2023/24, One Manchester were focused on the following against this priority:

Support and succeed:
- Supporting customers with the cost-of-living crisis through our Thrive Fund and new Work and Skills Strategy

Connected communities:
- Implementing our new External Funding Strategy
- Reviewing, mapping, and updating key stakeholders to ensure connectivity and impact

Financially strong and well-governed:
- Implementing year one of the Service Charge Review
- Refreshing our Value for Money Strategy
- Reporting on and working in line with the Social Housing Regulation Act, Tenant Satisfaction Measures (TSM's) and Better Social Housing recommendations

Tenant satisfaction

Tenant Satisfaction Measures (TSMs) were introduced by the regulator for social housing in April 2023 and give our customers the chance to share views and feedback by answering questions on services like repairs and complaints. We will also provide customers with an annual report of our TSM's looking at them in more detail and providing updates on feedback and actions.

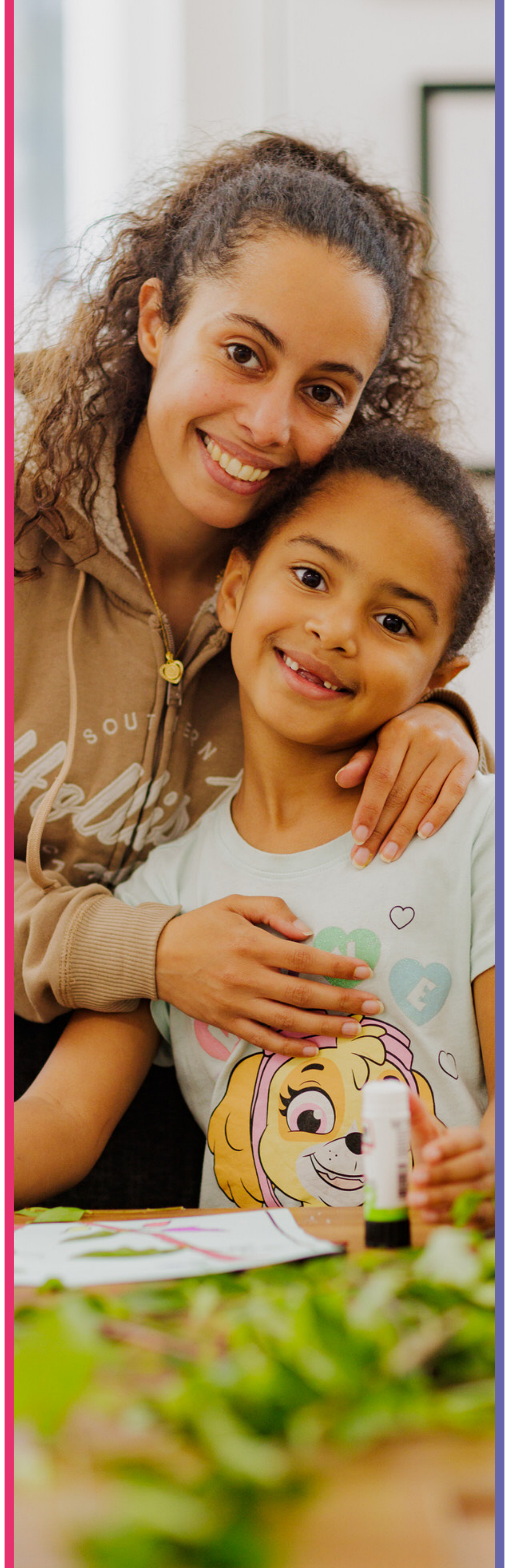
Our TSM's were reported in full on our website for the first time at the end of June 2024 when they were also submitted to the regulator. The report covers our performance across 22 key areas using feedback from over 2300 customers from April 2023 to March 2024.

69.6%

Overall satisfaction with service provided

We received a 69.6% overall satisfaction from our customers, who felt most positive about the behaviour of our colleagues, that we're easy to deal with, and that they liked the quality and speed of our repairs services, particularly when completed right first time. Customers also told us about areas they are dissatisfied with which included wait times for appointments, and feeling we didn't keep them updated on issues reported, meaning issues remained unresolved.

Some key actions we'll be carrying out in 2024/25 to improve this include carrying out a review of our repairs service to improve processes and help us get things right first time and reviewing our customer experience to improve accessibility at all contact points Our more detailed report including insight and actions on each TSM can be found on our website.



Business model

The Corporate Plan is overseen and directed by the Group Board and Executive team. The Plan is delivered through of One Manchester Limited. Property services are delivered in-house, with a directly employed team responsible for gas safety, responsive maintenance, grounds maintenance, and estate cleaning.

The One Manchester Group adopted an efficient treasury structure upon its formation of the treasury vehicle, One Manchester Treasury Limited, which provides the private finance facilities for the Group. This structure allows for a more efficient use of the Group's security and private finance facilities enabling more efficient borrowing costs. The loan facilities and lending covenants apply to the whole Group which collectively form the loan facility obligors.
The treasury section of the financial review of the year ended 31 March 2024 details the current, historic, and undrawn facilities.

One Manchester Developments Limited is the vehicle through which the Group develops new housing, performing the role of principal development contractor for the Group, ensuring efficient development of new homes in accordance with our Growth Strategy.
To address the lack of housing supply in the region, we are a partner in a joint venture between RPs and the GMCA to set up an investment fund to deliver over 800 homes for sale over ten years. The total contribution to be invested by One Manchester is £3m, with the contributions forecast to complete during the 2024/25 financial year.

The Group (for the purposes of statutory reporting in 2023/24) comprises:

- One Manchester Limited, the Group parent and a Registered Social Housing Provider
- One Manchester Developments Limited
- One Manchester Treasury Limited
- One Manchester Property Limited

One Manchester Group Structure

The graphic below shows the Group structure and the relationships between the members as at the balance sheet date of 31 March 2024.

- One Manchester
  Charitable CBS
  - One Manchester Treasury Limited CLS
  - One Manchester Property Limited CLS
  - One Manchester Developments Limited CLS

A Charitable CBS (Community Benefit Society) conducts business on behalf of its community and invests its profits into the Society for the benefit of its community.

A CLS (Company Limited by Shares) is a limited company which gift aids its trading surpluses in a tax efficient manner.

Financial review of the year ended 31 March 2024

Overall, the Group, before adjusting for actuarial loss, generated a surplus of £5.2m (2023: £17.4m Restated) for the period, against a budgeted surplus of £12.9m. The Group faced a challenging operational year with a significant increase in demand for repairs and the increased need to invest in our homes and support our customers. This differs to the previous year, when we had high levels of asset sales which generated additional income to allow us to proactively invest in our homes, the current financial year saw a significant slow down in property sales. Against this backdrop, the Board took the positive decision to continue to invest in customers' homes and increase support during the continuing cost-of-living crisis, resulting in a lower operating surplus. The Board remain committed to invest in our customers and to provide warm, safe and decent homes.

The main factors contributing to the variance to budget of £7.9m, were as follows:

- Income streams were £1.0m lower than budgeted due to the combined impact of delayed development handovers and higher than budgeted levels of empty homes.
- Increased management costs against budget of £1.5m due to higher than anticipated spend in areas of insurance premium and the need to temporarily rehome customers linked to increased investment into damp and mould and an increase in disrepair and compensation claims. The Thrive Fund was increased in the year by £0.3m to further support our customers. Where possible we have reduced spend in other support areas to reduce the impact of these higher costs.
- Service costs were £1.0m higher than estimated due to an increase in communal repairs, fire safety works and grounds maintenance costs, including unplanned tree work.
- Routine Maintenance and Asset Investment costs were £4.5m higher than budget, with an increase in demand relating to the Healthy Homes initiative and general repairs driven by our "Get Behind Every Door" initiative and "See it Say it" campaign
- Surpluses on the sale of Right to Buy and Right to Acquire properties were inline with budget, but significantly lower than previous year. There were 70 property sales, with a surplus of £6.8m compared to 150 the previous year with a surplus of £15.6m.

Group Financial Results

Group Financial Results

	2024	Restated 2023
Highlights of Comprehensive Income	**£'000**	**£'000**
Turnover	69,818	69,050
Cost of Sales and Operating costs	(64,792)	(63,214)
Operating surplus	11,868	21,472
Surplus after taxation, before actuarial gain	5,222	17,362
Actuarial (loss) / gain	(1,334)	(74)
Total comprehensive income for the year	3,888	17,288
Highlights of Financial Position	**£'000**	**£'000**
Social housing properties Net Book Value	304,326	277,022
Investment properties at valuation	55,623	56,371
Cash at bank and in hand	12,493	23,223
Net current (liabilities)/assets	(14,418)	(1,739)
Debt drawn	(198,000)	(181,567)
Revenue reserve	72,135	68,247
Number of homes in management		
Social housing	11,918	11,901
Market rent	372	372
Total	12,290	12,273

The Group Statement of Comprehensive Income is on page 46.

Company Financial Performance

The Company achieved a surplus for the year of £5.4m largely in line with Group performance.

Group Financial Performance

Group turnover increased in the year by £0.8m to £69.8m. The increase is a result of an additional £5.1m from social housing rents, and £0.5m from non-social housing rents largely reflecting allowable rent increases from the rent settlement. There was also an additional £0.6m in non-social housing rents following handover of a new market rent scheme at the start of the financial year. Shared Ownership property sales were lower than previous year by £3.0m, which reflects the lower number of completions in the year and grant amortisation was lower by £2.4m compared to the prior year, due to the 2022/23 one off accelerated release of grants linked to the update of useful economic lives.

Operating costs (including costs of sale) increased in year by £1.6m to £64.8m. The key variances were:

- An increase in service cost expenditure of £1.8m, incorporating inflation, an increase in rechargeable repairs and cost provision to new properties handed over.
- An increase in management costs of £0.3m, which included increasing the Thrive Fund to support our customers, increased cost of insurance and increases in temporary move costs following the investment in our Healthy Homes initiative.
- An increase in asset investment and routine maintenance of £4.4m, due to both a significant increase in demand for repairs and a higher level of investment in empty homes.
- A reduction in Shared Ownership cost of sales of £2.8m, in line with the reduction in number of new property sales, the lower number of handovers is aligned to the development programme.
- A reduction in depreciation of £2.4m following a one off accelerated deprecation charge in 2022/23 linked the update of the useful economic lives.

The total Comprehensive Income for the year was £3.9m (2023: £17.3m restated). The key difference year on year is the positive decision to accelerate investment in customers homes and increase support during a difficult period and the reduction in surplus from RtB/RtA sales.

Asset Management

A review of the Asset Management Strategy was completed in July 2023. The strategy has been co-created with customers, and has 8 key principles prioritising investment. A significant amount of work was completed during 2023/24 which included the delivery of our Social Housing Quality Fund programme. In total 434 homes benefitted from improvements which included replacement windows and doors and the installation of insulation and ventilation. The value of the work was £3.9m with £2.9m grant funding complimented by £1m from our investment programme.

During 2023/24 we continued a number of key programmes of work, this included kitchen, bathroom, windows and door programmes. We also replaced EPS cladding to Cundiff Court, Platt Court and Worsley Court and Bickerdike Court will complete this programme in 2024/25.

In May 2024 we introduced our first Sustainability Strategy and during 2024/25 we will deliver our programme under the Social Housing Decarbonisation Fund (SHDF) Wave 2 which aims to improve the energy efficiency of homes and reduce their carbon output. Work has started to just over 100 properties, it is expected the value of work will be £1.2m.

In July 2023 we started our 'Big Listen' customer consultation on our repairs service. We completed over 40 events and the insight we have gathered will inform our repairs intervention which started in March 2024. The intervention is using a 'check, plan, do' methodology to review our existing system and processes. We expect the intervention to run for another 12 to 18 months with the overall aim of improving our customer satisfaction with our repairs service.

Group Financial Position

The financial position remains strong with social housing properties shown at historic cost of £304.3m (2023: £277.0m restated), representing an increase of 9.9%. The prior year position has been restated following a review and revaluation of our properties under construction. It has been necessary to put through a prior year adjustment for impairment on the Fell View scheme of £2.5m following a number of delivery challenges throughout the life of this scheme, where impairments should have been processed in earlier years. We are working towards completion in 24/25.

The in-year movement is due to an additional £10.7m from new development handovers and capital work to existing properties of £18.8m, offset by property disposals through RTB and RTA and depreciation. On an Existing Use Value – Social Housing (EUV-SH) basis, the Group's properties used as security was £415m at the end of the period. There are further properties not currently used as security, with an approximate value of £200m, which could be valued and charged (subject to legal due diligence) in future years.

We currently have 372 investment properties (market rent properties) which are held at current Market Value. The total value of the investment properties including those under construction is £55.6m.

Cash balances have decreased by £10.7m to £12.5m in 2024

- There was an underlying reduction in cash from business operating activities of £9.9m (2023: £12.2m) before debt servicing of £17.4m (interest and capital repayments).
- The spend on investing activities during the year was £8.7m (2023: £20.3m). This includes expenditure of £18.8m (2023: £20.9m) on the construction of new housing properties less sales receipts of £8.9m (2023:£19.2m).
- There have been loan drawdowns of £25m in the year (2023: £nil), and repayments of £8.6m (2023: £12.2m).

Overall, the cash position reduced significantly in the year in line with expectations. Additional loan drawdowns were taken in the year of £25m, these funds along with the cash generated from normal operations and sale of housing assets, funded the investment in existing homes, new properties and the payment of interest and loan repayments. The revenue reserve now shows an accumulated gain of £72.1m (2023: £68.2m gain restated), reflecting the surplus made during the financial year.

Financial Covenants

The Group has four financial covenants:

- Interest cover – calculated as the sum of: Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), add surplus from property sales, less capitalised major repairs; expressed as a ratio in comparison to net interest paid. In 2023/24, the tightest ratio was 1.23 (2023: 1.78) which provides £1.1m headroom.
- Net debt per unit – has increased to £15.4k (2023: £13.2k) being significantly less than the £22.5k per unit maximum. This movement recognises the increase in drawn debt to £198.0m (2023: £181.6m) relating to drawdown of £25m and repayments made on our RBS and Barclays loans of £8.6m, along with a decrease in cash holding to £12.5m (2023: £23.2m). Loans drawn have financed development and capital investment activity during the year.
- Net debt to housing units at cost – the required level for this measure is that net debt does not exceed 70% of the housing units at cost. For 2023/24 this was 47%.
- Asset cover – expressed as a percentage of the EUV-SH of the properties divided by the drawn loan facilities, resulting in cover for 2024 of 181% across the combined facility (2023: 194%) significantly exceeding the tightest covenant requirement of 110%

Group Performance	2024	2023
Group Operating Surplus as % of Turnover (excluding fixed asset disposal surplus)	7.2%	8.8%
Group Operating Surplus as % of Turnover (including fixed asset disposal surplus)	17.0%	32.2%
Rent losses (voids and bad debts as % of rent and service charge receivable)	1.88%	1.98%
Current Rent arrears (gross arrears as % of net rent and service charge receivable)	7.67%	7.63%
Rent collected % excluding current arrears	97.61%	99.27%
Average re-let time in days	82	26
Net debt to turnover	2.66	2.38
Covenants	2024	2023
Interest cover per loan agreements (Barclays and RBS/L&G)	1.23/2.08	1.78/2.41
Net Debt per unit £'s	15,441	13,188
Effective interest rate	4.45%	4.51%
Asset Cover (Barclays / RBS / L&G)	225%/189%/123%	203%/293%/129%

Cash Flow

The Group has had a net outflow of cash and cash equivalents during the year of approximately £10.7m (2023: net outflow £27.5m). The cash balance at 31 March 2024 was £12.5m (2023: £23.2m). Cash inflows and outflows for the year under review are set out in the Group Statement of Cash Flows. Net cash inflows from operating activities are principally from the management of housing stock.

The most significant net cash outflows are from investing activities; the spend on development and acquisition of new properties £16.0m (2023: £21.3m), and major repairs capital expenditure to existing properties of £16.9m (2023: £14.4m). Debt repayments of £8.6m were made in the year (2023: £12.2m) and £8.9m of interest was paid (2023: £8.0m).

Treasury Management

- Treasury management is the responsibility of the Board. The strategy is approved by the Board annually, with monitoring reports provided throughout the year.
- Borrowings at the financial year-end were £198.0m (2023: £181.5m) with a further £75m (2023: £75m) available to draw.
- The Treasury Strategy aims to ensure that loans are not all due for repayment in any one year. The Barclays debt of £56.5m and the RBS debt of £41.5m have agreed phased repayments until 2035. There is a further £25m of debt with RBS on a revolving credit facility, which can be repaid at any point. The effective interest rate in the year was 4.45% (2023: 4.51%).
- The Group's approved long term financial Business Plan confirms the existing secured facilities and cash balances meets its development and planned investment for a period of two years. In 2024 we have £198m loan drawn (2023: £181.5m) from Barclays Bank Plc, Royal Bank of Scotland Plc (RBS) and Legal and General Investment Management (L&G); the Group also has fully secured facilities of an additional £75m undrawn revolving credit, with RBS and Danske Bank.
- The Group manages the risk of fluctuations in interest rates through a mixture of variable and fixed rate debt. At 31 March 2024 the Group had 12.6% of drawn debt on a variable interest rate, 87.4% was on a fixed rate (the Group's Treasury Policy states that a minimum of 70% of debt should be fixed). The fixed rate loans are on an embedded basis and the Group has no standalone derivatives. All the undrawn facilities are variable.
- The Group borrows only in sterling so does not have any currency risk. Any cash surpluses are invested in approved UK institutions in accordance with the approved Group Treasury Management practices.

Accounting policies

The policies are set out in pages 53 to 99 of the financial statements. Accounting policies are consistent across the Group.

Value for Money Self Assessment

Value for Money (VfM) is fundamental to everything we do at One Manchester. There is an ever increasing demands on resources which makes the focus on efficiency, effectiveness, and economy more important than ever.

In 2023/24 we continued to face a challenging operating environment with the continued cost-of-living crisis and need to support our customers, alongside the need to invest in our customers homes. The Board are committed to increasing and accelerating investment programmes, increased cyclical maintenance and improve Independent Living schemes whilst continuing to provide support to customers through the Thrive Fund.

One Manchester fully complies with the requirements of the VfM Standard and a separate compliance statement has been prepared, reviewed, and adopted by the Board.

Our Value for Money Approach

The VfM Strategy has been updated and refreshed to ensure that the organisation, and its people, always acts in a way that strives to make the most of the resources available to it to support the successful delivery of the Corporate plan. The new strategy was adopted by One Manchester Board in May 2024 and covers the period 2024-2026.

The key principles within the strategy are:

1. Create and embed a culture of VfM.
2. Maximise returns from commercial activity.
3. Create transparency around Value for Money.

Our approach to VfM during 2023/24 is embedded within the three corporate priorities considered in more detail below. This will also be reflected in our customer report.

Delivering value

VfM in 2023/24 was set against the context of the current climate and the practical necessity to support our customers and communities and maintain core services.
Throughout the year, The Thrive fund, introduced in 2022/23, was increased to further support our customers allowing direct access to funding to purchase essential items. The works and skills team supported customers and our communities into work and our income support team continued to provide debt advice. Income collection challenges and cost pressure were also a feature of the current economic operating environment.

One Manchester saw a reduction in operating margin from 32.2% (2023/23) to 17.0% (2023/24), this is due to the positive decision taken to increase investment into our properties and increased support for our healthy homes initiative among other factors, alongside a reduction in housing property sales.

In 2021, the Board approved the commencement of our Shaping our Future programme that looked to deliver targeted efficiencies and also provide a springboard to a more comprehensive overhaul of the business and operations. The Board's objective was to ensure One Manchester remains cost effective, efficient and with good overall Social Housing Cost Per Unit metrics and most importantly deliver exceptional customer service.

The programme identified five major drivers for change at the outset, representing many of the macro issues facing One Manchester along with increased pressures from balancing investment in existing stock against new supply, building safety and achieving net zero carbon.

The Shaping our Future programme has progressed well and is now in the latter stages. The successful outcomes have provided the foundations for One Manchester to deliver great services that customers want, in an efficient and effective manner.

Shaping our Future Programme – The programme has been focused on creating the right structure across front line services and support functions to deliver better customer service, value for money, and positive cultural change. At the beginning of 2023/24 the new neighbourhood model was launched with each Neighbourhood Officer having a smaller patch size of around 500 homes. The neighbourhood officer roles are supported by specialist teams in income collection, financial inclusion, community safety and onboarding. We are committing to conduct a Tenancy visit each year to build a connection with our customers and to include a property inspection (inside and outside), where we will also order repairs that are outstanding or unreported and incidences of damp and mould.

Community Investment – In 2023/24 One Manchester directly invested back into our communities and customers through various community initiatives and Funds. The Employments and Skills team assisted over 280 people into work opportunities and provided training for 437 people. They also supported our customers with working wardrobes and employer open day events.

Through One Manchester's Community fund we invested in various initiatives and groups to support the local communities, such as the Eat well at Home project providing the skills, knowledge, and means to affordably eat well at home and Step Up MCR aimed at promoting adult wellbeing and tackling isolation.

Over the year with our external funding programme, One Manchester brought in £3.3m for grants and funding to invest back into our homes and communities. Within the Assets team, £2.9m was secured from the Social Housing Quality Fund, with £1m match funding, which was used to retrofit 434 of our customers homes. Other initiatives included investment into Green skills boot camps and youth action groups.

Other Savings – We have achieved £85k of interest cost savings through effective treasury management by early repayment of more expensive term debt and more actively utilising cash balances.

The Board recognised that as an organisation and as a sector, we are in a period of significant change. We must provide warm, safe and decent homes for our customers and as a result, the Board approved a Business Plan that looks to invest now to save in the future. In 2023/24 we commenced our journey to increased data and insight by introducing the annual tenancy experience visit. Over the next year we will undertake 100% stock condition surveys, which will inform improvements in repairs and allow the Healthy Homes team to tackle damp, mould and condensation. This work will generate longer term efficiencies which have been built into the Business Plan, as the standard of homes is increased, leading to a less reactive way of working and a move to proactive, planned investment.

Regulatory compliance and scrutiny - In reviewing the Corporate Plan, the VfM strategy, the Business Plan, and Budget, we have been guided by the following principles:

- Benchmarking data (unit cost measures and analysis of our headline numbers).
- Using Global Accounts to understand our costs for delivering services, the quality this provides and how we compare with others.
- Recognising that our revenue costs, and our income will be the direct drivers in our operating margin. Having a rigorous decision-making process in place to challenge what we spend, the how and why.
- Gearing, ROCE and the EBITDA measures provide an indication of meeting our covenant commitments, measuring financial returns against our wider charitable objectives and further debt capacity.

Understanding our unit costs is a key VfM measure against the Value for Money Standard (the "VfM Standard") and we have adopted and included all the VfM Standard's core measures in the tables below. By utilising the 'headline social housing cost per unit' (CPU), we can see how we fare with others in the sector. Using this methodology, in 2022/23 One Manchester had a CPU of £4,888 which was impacted by an increase in management costs as we invested to save in our Shaping our Future and a one off cost of living payment to all colleagues. Our outturn for 2023/24 is £948 higher per unit, this is mainly due to the investment in our Healthy Homes team and higher repairs demand generated through our Tenancy Experience Visits. Our current and future direction analysis below is particularly important to us in maintaining and managing our future financial strength.

The table on the next page details historic actual costs up to 2022/23, the accounts for 2023/24 and Business Plan forecast to 2026/27.

Table 1: unit cost measures – actual and target

	Actual						Business Plan		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Total social housing CPU	£3,077	£3,195	£3,206	£3,803	£4,888	£5,781	£6,511	£6,168	£5,770
Management CPU	£1,137	£1,234	£1,296	£1,457	£1,708	£1,733	£1,960	£1,935	£1,960
Service charge CPU	£204	£251	£275	£291	£396	£526	£577	£593	£606
Maintenance CPU	£714	£825	£789	£857	£893	£1,596	£1,565	£1,533	£962
Major Repairs CPU	£873	£687	£724	£999	£1,677	£1,763	£2,344	£2,041	£2,174
Other social housing CPU	£149	£198	£122	£199	£215	£163	£65	£67	£68
Stock numbers	11,794	11,944	11,878	11,938	11,890	11,918	11,977	11,961	11,957

Overall, the SHCPU figures are reflective of the positive decision made by the Board to accelerate and increase investment in customers' homes and support customers through the cost-of-living crisis. The PY numbers are before restatement.

Management Costs – Management costs increased marginally compared to prior year. Over the year the sector as a whole has faced increasing external pressure from the Housing Ombudsman and Housing Regulator, the introduction of Tenancy Satisfaction Measures (TSMs) and preparation for the new consumer standards, has driven investment into our data and insight team, to gain the knowledge and intelligence to be able to meet our customers needs. One Manchester saw an increase in complaints and disrepair claims, alongside an increased requirement for the use of temporary accommodation linked to the investment into Healthy Homes and damp and mould works.

Service Costs – A full review of the service charges is underway, which is outlined in the Corporate Priorities in 2023/24 and 2024/25 to assess and deliver efficient services whilst improving cost recovery, the review is set to complete in the 2024/25 financial year.

Maintenance Costs – The Board approved an increase in budget for the Healthy Homes team and repairs team over the next two years to support the new neighbourhood model. The tenancy experience visits, introduced in 2023/24, have driven increased demand for these services, expectations are this increase will peak in the next two years, this will generate efficiencies in the medium to long term as we move to a more proactive service.
Major Repairs – This cost increase reflects the commitment to increase and accelerate investment in customers' homes.

Value for Money Metrics

The table below details historic actual, accounts for 2023/24 and budgeted and Business Plan targets through to 2026/27.

Table 3: Value for Money metrics – actual and target (as at March 2024)

		Actual				Projected		
	VfM Metrics	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
1	Reinvestment	13.62%	13.68%	12.73%	12.12%	10.40%	11.73%	13.35%
2a	% New Supply Delivered (Social Housing Units)	0.08%	1.46%	1.04%	0.98%	1.14%	0.45%	0.51%
	No. New Supply Delivered (Social Housing Units)	9	174	124	117	170	126	61
	Closed Social Housing Units	11,878	11,938	11,890	11,918	11,977	11,961	11,957
2b	% New Supply Delivered (Non-Social Housing Units)	0.10%	0.00%	0.49%	0.00%	0.00%	0.04%	0.09%
	No. New Supply Delivered (Non-Social Housing Units)	13	0	63	0	0	5	12
	Closed Housing Units (Social & Non-Social) plus Leasehol	12,853	12,899	12,954	12,290	12,349	12,338	12,346
3	Gearing (Net Book Value of Housing Properties)	57.30%	54.70%	56.13%	60.96%	64.00%	65.00%	65.00%
4	EBITDA MRI Interest Cover	158.80%	97.70%	-29.00%	-84.70%	-20.66%	-9.34%	53.11%
5	Headline Social Housing Cost per Unit	£3,206	£3,803	£4,888	£5,781	£6,511	£6,168	£5,770
6a	Operating Margin (Social Housing Lettings only)	25.66%	18.73%	8.53%	5.14%	4.82%	10.21%	19.51%
6b	Operating Margin (Overall)	25.22%	19.72%	8.76%	7.20%	10.39%	15.27%	23.95%
7	Return on Capital Employed (ROCE)	6.19%	6.08%	6.22%	3.30%	3.59%	4.18%	5.24%

	Other Metrics	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
1	EBITDA MRI Social Housing Lettings Interest Cover	141.90%	114.50%	-13.40%	86.60%	-20.93%	-16.19%	39.20%
2	Net Debt to Social Housing Lettings Turnover	3.3	3.3	3.2	3.2	3.3	3.6	4.0

Note: The detailed calculation of the metrics follow specific definitions to ensure consistency across the sector. The referenced values below follow those definitions.

This table presents the key metrics at the core of the VfM Standard. Specific commentary can be found below:

- Reinvestment: this has been consistent over the period of the table.
- New Supply: the growth in new home delivery reflects the handover stage of the Growth Plan which runs to 2027/28 and will deliver 2397 homes. The growth strategy will be refreshed in 2024/25 to ensure continued delivery of new homes for the long term.
- The total growth in our social housing stock is impacted by continued disposals; a number of tenants retain the Right-to-Buy or Right-to-Acquire as a vehicle to home ownership. One Manchester saw 70 properties sold in the year.
- Gearing: The debt profile continues to increase as we invest in current and new homes. This debt will be paid back over the life of the Business Plan by the cashflows generated by the new and existing homes which will allow for further investment activity.
- EBITDA MRI interest cover: In 2023/24, this metric reduced due to the increased investment in the Healthy Homes and Repairs teams as we launched the tenancy experience visits and get behind every door. The Board recognised this investment is needed and will impact this metric over the short term, with medium to long term recovery. Sufficient headroom against funders covenants was always maintained during the period.
- Operating Margin: as with the prior year, the operating margin has been impacted with increased repair costs and investment works, this is expected to continue into 2024/25. Margin performance improves in 2025/26 as the effects of the proactive investment in our homes take effect.
- ROCE: at 3.12% for 2023/24 against 6.22% for 2022/23, impacted by the reduced number of RtB sales in the year.
- EBITDA MRI Social Housing: This metric is reduced due to the decision to increase investment in to the Healthy Homes and Repairs teams as the new Neighbourhood model rolls out and we get behind every door. Sufficient headroom against funders covenants was always maintained during the period.

The following table sets out how our 2023/24 performance compares to relevant peer groups (NB: LSVT 7-12 Years North West was not selected, as there are only seven organisations in that group).

Table 4: Value for Money metrics 2022/2023 – global accounts sector Comparison

VfM Metric	OM 2023	OM 2024	OM Trend	All RP's (198 Total)		LSVT North West (36 Total)		LSVT >12 Years (87 Total)	
				Median 2023	Variance	Median 2023	Variance	Median 2023	Variance
Reinvestment	12.99%	12.12%	⬇	6.70%	5.42%	7.70%	4.42%	8.40%	3.72%
New supply – social	1.04%	0.98%	⬇	1.30%	-0.32%	1.20%	-0.22%	1.30%	-0.32%
New supply – non-social	0.49%	0.00%	⬇	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gearing	57.26%	60.96%	⬇	45.30%	15.66%	41.90%	19.06%	48.40%	12.56%
Interest cover - EBITDA MRI	-29.00%	-84.70%	⬇	128.40%	-213.10%	122.80%	-207.50%	129.00%	-213.70%
Operating margin – social housing	8.53%	5.14%	⬇	19.80%	-14.66%	18.70%	-13.56%	20.00%	-14.86%
Operating margin – overall	8.76%	7.20%	⬇	18.20%	-11.00%	15.90%	-8.70%	19.60%	-12.40%
ROCE	6.22%	3.30%	⬇	2.80%	0.50%	3.20%	0.10%	3.50%	-0.20%

Overall, the results in this table reflect The Board's positive decisions to invest in our customers' homes. This accelerated investment over the financial year has had an impact on the above metrics but reflects One Manchester's proactive approach to invest now to save un future years. Improvement in these metrics expected over the next three years as a result.

The following paragraphs provide more detail to the figures in this table.

- The reinvestment metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held. It demonstrates that finances are being put to good use by maintaining and improving stock as well as adding to the asset base. Nationally, at the median, RPs are spending the equivalent of 6.70% of their assets' value on reinvestment. Stock transfer organisations have higher median reinvestment rates.
- At 12.12% we are markedly above the LSVT NW median. This new and existing homes investment indicates that we are fulfilling our promises to tenants by investing funds to improve stock and develop new homes.
- New supply: at the median, RPs are developing new social housing, nationally of 1.30% of their stock in a year. Our combined result of 0.98% is in line with our growth plan.
- Gearing measures, the ratio of debt to assets, use a concept similar to mortgage lenders' loan to value measure. While a gearing ratio above the median may demonstrate willingness to leverage assets to fund development, this measure has no real polarity. Gearing can also be affected by funders' lending covenants, which may set conditions in relation to borrowing levels.
- The results show the majority of RP's appear to use borrowing prudently with ratios below 45.3%. Associations with development programmes tend to have higher gearing than those without – our result of 60.96%, higher than the median results, demonstrates that we are committed to utilise financial capacity to invest in current homes and future supply of housing.
- It should be noted that the majority of historic debt was generated to support decent homes 'catch-up' repairs, and as we move forward, our debt profile increases to support both the development and investment programme. In addition, the bulk of our stock is historic social stock from both originating associations and came across at transfer at nil value. The current carrying value of this stock only reflects the investment programme works undertaken through the Decent Homes programme.
- EBITDA MRI measures financial performance before factoring in financing decisions, accounting decisions or tax environments. It approximates cash generated; presenting it as a percentage of interest shows the level of headroom on meeting interest payments for outstanding debt. This metric does not include surpluses from asset sales which is a significant income for One Manchester and is utilised to invest in customers' homes. All funders' covenants allow this income which is reflected in the prudent headroom the budget and Business Plan is operated within. This metric is meaningful for RP's who borrow to invest and cover interest payments with their operating surplus. Whilst it is important for earnings to cover interest payments, a high interest cover ratio could mean there is additional capacity for investment. Our commitment to invest in our homes, using the surplus funds from housing asset sales and supporting both the new homes programme and an increasing spend in major repairs, is reflected in the cost per unit metrics.
- The overall operating margin measures the amount of surplus generated from turnover on a RP's day-to-day activities and is a key measure of operational efficiency as it is influenced by both income and expenditure. Various factors can affect an operating margin including rent charges and increases in costs. The sector as a whole is experiencing significant downward pressures on operating margins as investment in current homes is increased. The approach taken by One Manchester will see margin performance improve in the medium term.
- ROCE – Return on Capital Employed – shows how well an RP is using both its capital and debt to generate a capital return. It is a commonly used ratio to assess the efficient investment in capital resources. The metric supports RPs with a wide range of capital investment programmes. However, it can be influenced by the nature of a RP's property portfolio e.g. balance between market and social rent, age of stock, historic debt and basis of valuation. Generally, higher returns are seen as better, and the national median point was 2.8%. Our result of 3.3% represents a positive measure against the sector median.

Governance

The Board of One Manchester Limited is the Parent Board for the One Manchester Group and as of 31 March 2024 comprised 9 members as follows:

- Seven Independent Board members who are neither Residents nor Local Authority Persons.
- One Manchester City Council Nominee
- The CEO.

The Company Secretary and Executive Leadership team attend all meetings of the Board.

There are five committees that have been established by the Board:

- Audit and Risk
- Remuneration and Governance
- Place
- Growth
- ED&I

Board Composition

In April 2022, One Manchester undertook a programme of recruitment to move to a strategic skills-based Board and to replace the members who had retired.

Two further Independent Board Members were recruited and appointed on 27 September 2023. Recruitment for a Customer Board Member is ongoing.

Board Attendance

The table on the next page sets out the Board membership and attendance which is shown as the number of meetings attended, the number of meetings possible and the overall attendance for both the individual Board Members and the Board in the year. Where Board members are not able to attend a meeting, they are encouraged to communicate their comments and opinions on the matters being considered at the meeting in advance of the meeting to the Chair or relevant Committee Chair.

Board Member	Board Meetings		%	Committee Membership				
	Attended	Possible		Audit & Risk	R&G	Place	Growth	ED&I
Yashar Turgut (Chair)	7	7	100		✓		✓	
Cath Wilson (SID)	7	7	100		Chair		✓	✓
Joanne Seymour	3	3	100	Co-optee				
Sue Lock	7	7	100		✓	Chair		
Gordon Perry	4	7	57					
Dave Bullock	7	7	100				Chair	
Nic Kershaw	7	7	100				✓	
Rabnawaz Akbar (MCC Nominee)	5	7	71					
Mick Warner	7	7	100	✓	✓	✓		Chair
Gillian Drakeford	6	6	100	✓				
Tony Deakin	5	5	100	Chair				
OVERALL ATTENDANCE			**90**					

Notes

The above Committee Membership is as of 31 March 2024. The following changes were made in 2023/24.

- Joanne Seymour stepped down as a Board Member, and Chair of R&G, on 27 September 2023, and became a Co-opted Member of the Audit & Risk Committee.
- Cath Wilson took the role as Chair of R&G and stepped down from the Audit & Risk Committee on 27 September 2023.
- Gordon Perry provided 3 months' notice in December 2023 and officially stepped down as a Board Member on 27 March 2024. Gordon stepped down from the Committees he served with immediate effect of his notice.
- Gillian Drakeford was appointed to the Board on 27 September 2023.
- Tony Deakin was appointed to the Board on 27 September 2023. Tony Deakin was appointed Chair of the Audit & Risk Committee on 31 January 2024.

Code of Governance

One Manchester Limited has adopted the National Housing Federation Code of Governance (2020) ('the Code') for itself and its subsidiaries. The four main principles of the Code are:

- Mission and values: The Board sets and actively drives the organisation's social purpose, mission, values, and ambitions, and through these embeds within the organisation resident focus, inclusion, integrity, openness, and accountability.
- Strategy and delivery: The Board sets the organisation's plans and strategies and exercises demonstrable and effective oversight of their delivery.
- Board effectiveness: The organisation is led by a skilled and diverse Board which regularly reviews and capably manages its own performance and effectiveness and ensures that it complies with this code.
- Control and assurance: The Board actively manages the risks faced by the organisation, and obtains robust assurance that controls are effective, and that plans and compliance obligations are being delivered.

One Manchester Limited and its subsidiaries comply in full with the National Housing Federation Code of Governance (2020).

By order of the Board

Chris Murphy

Chris Murphy, Company Secretary

Directors' responsibilities

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

Co-operative and Community Benefit Society law and social housing legislation require 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 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 current Statement of Recommended Practice (SORP) for Registered Housing Providers have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 is 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 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'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 website is the responsibility of the Board. The Board's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statement of compliance

The Board has sought assurance of the Group's compliance with all regulatory requirements. A key element of the Regulator for Social Housing, Governance and Financial Viability Standard is the requirement to comply with all relevant laws. The Board has taken reasonable steps to seek necessary assurance. On this basis the Board confirms that the Group complies with the requirements of the Regulator of Social Housing Governance & Financial Viability Standard.

Auditor

Following the completion of a tender process to appoint a new auditor for 2023/24, members appointed RSM UK Audit LLP at the AGM on 27th September 2023. RSM UK Audit LLP has expressed their willingness to continue. A resolution for the re-appointment of RSM UK Audit LLP as auditor of the Association will be proposed at the forthcoming Annual General Meeting on 25 September 2024.

Disclosure of information to the auditor

The Board members who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Board members have confirmed they have taken all the 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 it has been communicated to the auditor.

Independent auditor's report to the members of One Manchester Limited for the year ended 31 March 2024

Opinion

We have audited the financial statements of One Manchester Limited ("the Association") and its subsidiaries (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Comprehensive Income, Association Statement of Comprehensive Income, Consolidated Statement of Financial Position, Association Statement of Financial Position, Consolidated Statement of Changes in Reserves, Association Statement of Changes in Reserves, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Association's affairs as at 31 March 2024 and of the income and expenditure of the Group and the income and expenditure of the Association for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. 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 the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account of the Association; 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 Board's responsibilities statement set out on page 40, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the group's and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the Association or to cease operations, or 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and the Association operate in and how the group and the Association are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are Health and Safety at Work Act 1974 and Regulator of Social Housing Regulatory Standards (both Economic and Consumer standards). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

The engagement partner on the audit resulting in this independent auditor's report is John Guest.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at: https://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 Association's members as a body, in accordance with Part 7 of 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 Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Ninth Floor, Landmark,
St Peter's Square
1 Oxford Street
Manchester
M1 4PB

Group Statement of Comprehensive Income

For the year ended 31 March 2024

	Note	2024 £ '000	Restated 2023 £ '000
Turnover: continuing activities	3	**69,818**	69,050
Cost of sales	3	**(1,724)**	(4,478)
Operating costs	3	**(63,068)**	(58,736)
Surplus on the disposal of housing properties	6	**6,842**	15,636
Operating surplus	3,5	**11,868**	21,472
Interest receivable and other income	7	**490**	958
Interest payable and similar charges	8	**(7,834)**	(7,879)
Movement in fair value of investment properties	15	**295**	3,640
Impairment on Housing Property reversal/(Charge)	13	**374**	(829)
Dividend Receivable		**29**	-
Surplus on ordinary activities before taxation		**5,222**	17,362
Tax on surplus on ordinary activities	12	**-**	-
Surplus for the financial year		**5,222**	17,362
Other comprehensive income:			
Actuarial (loss)/gain relating to pension scheme	11	**(1,334)**	(74)
Total comprehensive income for the year		**3,888**	17,288

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Association Statement of Comprehensive Income

For the year ended 31 March 2024

	Note	2024 £'000	Restated 2023 £ '000
Turnover: continuing activities	3	**69,792**	69,050
Cost of sales	3	**(1,724)**	(4,478)
Operating costs	3	**(62,987)**	(58,663)
Surplus on the disposal of housing properties	6	**6,842**	15,636
Operating surplus	3,5	**11,923**	21,545
Interest receivable and other income	7	**527**	984
Interest payable and similar charges	8	**(8,012)**	(8,069)
Gift aid from subsidiary undertakings	9	**270**	335
Movement in fair value of investment properties	15	**295**	3,640
Impairment on Housing Property reversal/(Charge)	13	**374**	(829)
Surplus on ordinary activities before taxation		**5,377**	17,606
Tax on surplus on ordinary activities	12	**-**	-
Surplus for the financial period and Total comprehensive income		**5,377**	17,606
Other comprehensive income:			
Actuarial (loss) / gain relating to pension scheme	11	**(1,334)**	(74)
Total comprehensive income for the year		**4,043**	17,532

The results relate wholly to continuing activities.

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Group Statement of Financial Position

At 31 March 2024

	Note	2024	Restated 2023
		£ '000	**£ '000**
Tangible fixed assets			
Housing properties	13	**304,326**	277,022
Other tangible fixed assets	14	**12,219**	13,112
Investment properties	15	**55,623**	56,371
Fixed Asset Investments	19	**2,261**	993
Total non-current assets		**374,429**	347,498
Current assets			
Stock	17	**249**	2,480
Debtors	18	**7,636**	6,715
Cash at bank and in hand		**12,493**	23,223
		20,378	32,418
Creditors: amounts falling due within one year	20	**(34,797)**	(34,157)
Net current (liabilities)		**(14,419)**	(1,739)
Total assets less current liabilities		**360,010**	345,759
Creditors: amounts falling due after more than one year	21	**(286,487)**	(277,111)
Pension assets		**388**	1,093
Pension liability	11	**(1,776)**	(1,494)
Net pension (liability)		**(1,388)**	(401)
Net asset		**72,135**	68,247
Capital and reserves			
Income and expenditure reserve		**72,135**	67,987
Restricted Reserves		**-**	260
Total reserves		**72,135**	68,247

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

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Chair
21/09/24

Chris Murphy
Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Association Statement of Financial Position

At 31 March 2024

	Note	2024	Restated 2023
		£ '000	**£ '000**
Tangible fixed assets			
Housing properties	13	**305,593**	277,691
Other tangible fixed assets	14	**12,219**	13,112
Investment properties	15	**55,623**	56,371
		373,435	347,174
Current assets			
Stock	17	**249**	2,480
Debtors	18	**8,650**	5,363
Cash at bank and in hand		**4,509**	22,107
		13,408	29,950
Creditors: amounts falling due within one year	20	**(33,233)**	(30,920)
Net current (liabilities)		**(19,825)**	(970)
Total assets less current liabilities		**353,610**	346,204
Creditors: amounts falling due after more than one year	21	**(279,487)**	(277,111)
Pension assets		**388**	1,093
Pension liability	11	**(1,776)**	(1,494)
Pension (liability)		**(1,388)**	(401)
Net asset		**72,735**	68,692
Capital and reserves			
Income and expenditure reserve		**72,735**	68,692
Total reserves		**72,735**	68,692

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Group Statement of Changes in Reserve

2024	Income & Expenditure Reserve £ '000
Balance at 1 April 2023 (Restated)	**67,987**
Surplus for the year	**5,222**
Actuarial gain on defined benefit pension schemes	**(1,334)**
Total comprehensive income for the year	**3,888**
Add back restricted reserves	**260**
Balance at 31 March 2024	**72,135**
Restricted reserve	**260**
Restricted reserve moved to reserves	**(260)**
Total reserves at 31 March 2024	**72,135**

2023	Restated Income & Expenditure Reserve £ '000
Balance at 1 April 2022 (Restated)	50,699
Surplus for the year (Restated)	17,362
Actuarial loss on defined benefit pension schemes	(74)
Total comprehensive income for the year	17,288
Balance at 31 March 2023 (Restated)	67,987
Restricted reserve arising on revaluation	260
Total reserves at 31 March 2023	68,247

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Association Statement of Changes in Reserve

2024	Income & Expenditure Reserve £ '000
Balance at 1 April 2023 (Restated)	**68,692**
Surplus for the year	**5,377**
Actuarial gain on defined pension schemes	**(1,334)**
Other comprehensive income for the year	**4,043**
Balance at 31 March 2024	**72,735**

2023	Restated Income & Expenditure Reserve £ '000
Balance at 1 April 2022 (Restated)	51,160
Surplus for the year (Restated)	17,606
Actuarial loss on defined pension schemes	(74)
Other comprehensive income for the year	16,083
Balance at 31 March 2023 (Restated)	68,692

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Group Statement of Cash Flows

For the year ended 31 March 2024

GROUP STATEMENT OF CASH FLOWS
For the year ended 31 March 2024

	2024	Restated 2023
Cash flows from operating activities	**£ '000**	**£ '000**
Surplus for the year	**5,222**	17,288
Adjustments for:		
Depreciation of Fixed Assets – Housing properties	**8,572**	10,919
Depreciation of Fixed Assets – Other	**1,525**	1,356
Grant amortisation	**(4,373)**	(6,257)
Impairment	**(374)**	829
Difference between pension contributions and costs	**358**	576
Surplus on disposal of fixed assets	**(6,843)**	(15,636)
(Increase)/Decrease in stock	**2,231**	2,145
Increase / (Decrease) in debtors	**921**	(499)
(Decrease) / Increase in creditors	**(7,186)**	(4,106)
Interest receivable	**(490)**	(958)
Interest payable	**7,833**	7,879
Movement on fair value of investment property	**(295)**	(3,640)
Cash from operations	**7,101**	9,896
Corporation Tax paid	**-**	-
Net cash generated from operating activities	**7,101**	9,896
Cash flows from investing activities		
Net proceeds from sales of fixed asset properties	**6,596**	18,561
Investment in Joint Venture	**(1,268)**	(242)
Social Housing Improvement Programme	**(16,895)**	(14,406)
Purchase of Investment Property	**(8)**	(3,432)
Construction of Housing Properties	**(15,983)**	(17,860)
Purchase of other fixed assets	**(632)**	(4,322)
Social Housing Grants received	**2,393**	3,878
Interest received	**402**	570
Net cash used in investing activities	**(25,395)**	(17,253)
Cash from financing activities		
Interest paid	**(8,869)**	(8,000)
Loans repaid	**(8,567)**	(12,153)
Loans received	**25,000**	-
Net cash inflow /(outflow) from financing activities	**7,564**	(20,153)
Net increase /(decrease) in cash and cash equivalents in the year	**(10,730)**	(27,510)
Cash and cash equivalents at beginning of year	**23,223**	50,733
Cash and cash equivalents at end of year	**12,493**	23,223

The notes on pages 53 to 99 form part of these financial statements. The financial statements were approved and authorised for issue by the Board and are signed on its behalf by:

Yashar Turgut
Chair
21/09/24

Chris Murphy
Company Secretary
23/09/24

Tony Deakin Chair of Audit & Risk Committee
23/09/24

Notes to the Financial Statements

1. Legal Status

One Manchester Limited was registered as a Co-operative and Community Benefit Society on 6 October 2014 and is registered with the Regulator of Social Housing as a Registered Provider.

2. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP).
For One Manchester, this includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers" and the Accounting Direction for Private Registered Providers of Social Housing 2022.

One Manchester is a Public Benefit Entity and the accounts are prepared under the historical cost basis except for the modification to a fair value basis for investment properties as specified in the accounting policies below. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The accounts are presented in £000's unless stated otherwise.

Going Concern

The financial statements are prepared on a going concern basis. The Boards assessment of going concern is underpinned by provision of regular updates and assurance through comprehensive reporting on financial and operational performance, robust 40 year financial planning and stress testing, regular updates on liquidity and loan facilities, and regular updates on key issues and factors impacting the industry. This allows for informed and timely decision making and a forward thinking approach.

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

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the parent company would be identical;
- no cash flow statement has been presented for the parent company;
- disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole;
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

2. Accounting policies continued

Basis of consolidation

The consolidated financial statements present the results of One Manchester and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The accounts of the following companies are included in the consolidation:

- One Manchester Limited
- One Manchester Developments Limited
- One Manchester Treasury Limited
- One Manchester Property Limited

One Manchester Limited has the right to appoint members to the Board of the subsidiaries and thereby exercises control over them. One Manchester Limited is the ultimate parent undertaking.
One Manchester Developments Limited is a property development business that provides build project management services to the Group.

One Manchester Treasury Limited is an investment company providing treasury services to the trading entities of the Group.

One Manchester Property Limited was incorporated on 26 May 2018 as a wholly owned subsidiary of Eastlands Homes Partnership Limited with general commercial objects. It was established in order to enable potential non-charitable, non-core activity to be undertaken, which is likely to include property development for sale, joint venture arrangements and providing property management services to third parties.

Income

Income is measured at the fair value of the consideration received or receivable. The group generates the following material income streams:

- Rental income receivable (after deducting lost rent from void properties available for letting),
- Service charges receivable,
- Revenue grants,
- Amortisation of Social Housing Grant and Gap funding grant,
- Proceeds from the sale of land and property, including the first tranche sale of shared ownership properties.

Rental income is recognised from the point when properties under development reach practical completion and are formally let. Revenue Grants are receivable when the conditions for receipt of agreed grant funding have been met. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities. Income from first tranche sales of shared ownership property and sales of properties built for sale is recognised at the point of legal completion of the sale.

Service charges

The Group adopts the variable method for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

Schemes managed by agents

Income is shown as rent receivable and management fees payable to agents are included in operating costs.

Should the Group carry the financial risk on property managed by agents, all the income and expenditure arising from the property during the year will be included in the Statement of Comprehensive Income. Should an agency carry the financial risk, then the Statement of Comprehensive Income will include only that income and expenditure that relates solely to the Group.

Pension costs

Contributions to the Group's defined contribution pension scheme are charged to the Income Statement in the year in which they become payable.
The Group participates in two funded defined benefit schemes, the Social Housing Pension Scheme (SHPS), and the Greater Manchester Pension Fund (GMPF – 4 separate schemes).

GMPF

The difference between the fair value of the assets held in the group's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the group's statement of financial position as a pension asset and/or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the group is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

SHPS

The Scheme is classified as a 'last-man standing arrangement'. The company is therefore potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.
Other Pensions Issues

There are two issues which affect the One Manchester pension schemes - guaranteed minimum pension equalisation (GMP) and the McCloud judgement.

Guaranteed Minimum Pension Equalisation
Employers and employees who contracted out of the additional state pension, paid lower NI contributions. However, for those with pensionable service between 17 May 1990 and 6 April 1997, the pension scheme was required to provide a GMP which was at least equal to the additional state pension foregone.

GMPs are taken at different ages – women at 60 and men at 65. This results in inequality in the GMP value at the point at which benefits are taken. Any scheme that operated a formerly contracted out DB scheme must equalise benefits for men and women.

McCloud Judgement

A series of changes by the government meant public sector workers were moved to new pension schemes in 2015. They were typically offered less generous terms than the one they were to move out of. As part of the changes, transitional arrangements were put in place where older workers could stay in the more generous schemes, while younger workers had to transfer to the new schemes. The court of appeal ruled that these arrangements offered to some workers amounted to unlawful discrimination.
The government published its decision in February 2021 to allow those scheme members affected by these arrangements a "deferred choice underpin", allowing those affected members, retiring before October 2023, to choose which benefits to receive.

2. Accounting policies continued

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

Taxation

The charge for taxation for the year is based on the surpluses arising from non-charitable activities which are liable to tax.

Deferred taxation is provided in full on timing differences which result in an obligation at the Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise, based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax balances are not discounted.

Value Added Tax

The majority of the Group's income, being rents, is exempt for VAT purposes and this gives rise to a partial exemption calculation for VAT recovery. Expenditure is therefore primarily recorded inclusive of VAT with the small proportion that can be recovered credited to the Statement of Comprehensive Income. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Finance costs

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

Tangible fixed assets – Social Housing Properties

Housing properties are valued under the historical cost basis and stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development.

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

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

Housing properties in the course of construction are included in Property, Plant & Equipment and held at cost less any impairment, and are transferred to completed properties when ready for letting.

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

Gains and losses on disposal of social housing property are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

Depreciation of housing property
Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

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

Freehold land is not depreciated. Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life as follows:

Component description	Economic useful life (years)
Structure	100
Kitchen	20
Bathroom	25
Roofs	50
Doors	25
Boiler	10
Rewiring	40
Windows	30
Central Heating	40
Lifts	30
Over cladding	60
Fire Sprinklers	25

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease; when the lease and building elements are depreciated separately over their expected useful economic lives. Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last reporting date in the pattern by which the group expects to consume an asset's future economic benefit.

Gap Funding

The Group has been partly funded through Gap Funding Grant from Homes England. This grant was provided to meet the Decent Homes Standard, regenerate the area and improve the environment. Such funding is accounted for by reference to the accounting treatment of the grant eligible costs so funded. The funding of revenue costs is regarded as revenue income with Turnover, and the funding of capitalised additions to Housing Properties is carried as deferred income in the Statement of Financial Position and released to the Statement of Comprehensive Income on a systematic basis over the useful economic lives of the assets for which it was received.

2. Accounting policies continued

Government grants

Grants received in relation to assets that are presented at historic cost have been accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the statement of financial position and released to the Statement of Comprehensive Income on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP, the useful economic life of the housing property structure has been selected (see table of useful economic lives above).

Where Social Housing Grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the Statement of Comprehensive Income.
Grants relating to revenue are recognised in Income Statement over the same period as the expenditure to which they relate once performance related conditions have been met.

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

Recycled Capital Grant Fund

On the occurrence of certain relevant events, primarily the sale of dwellings, Homes England can direct the Group to recycle capital grants or to make repayments of the recoverable amount. The Group adopts a policy of recycling, for which a separate fund is maintained. If unused within a three year period, it will be repayable to Homes England with interest. Any unused recycled capital grant held within the recycled capital grant fund, which it is anticipated will not be used within one year is disclosed in the Statement of Financial Position under "creditors due after more than one year". The remainder is disclosed under "creditors due within one year".

Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. Investment properties, including assets in the course of construction, are measured at cost on initial recognition and subsequently carried at fair value at each reporting date. Fair value is determined annually by an external valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Impairment of fixed assets

The housing property portfolio for the Group is assessed for indicators of impairment at each accounting date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts. An option appraisal is carried out to determine the option which produces the highest net realisable value. Valuations on rental return or potential sale proceeds are obtained and used to inform the options. The Group looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use.
For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Where the recoverable amount of an asset or cash generating unit is lower than its carrying value an impairment is recorded through a charge to Statement of Comprehensive Income.

Tangible fixed assets – Other

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

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

Depreciation of other tangible fixed assets

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

Asset description	Economic useful life (years)
Freehold & Leasehold offices	40
Furniture, Fixtures & Fittings	4
Computers & applications	3
Plant & equipment	4
Motor vehicles	4

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date. There is no depreciation charged on Freehold Land.

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

Stock and Properties held for Sale

Stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs. Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying value is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Financial Instruments

Financial assets and liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all its liabilities.

Debtors and creditors

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

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

Rent and service charge agreements

The Group has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

Loans, Investments and short term deposits

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

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

Leased assets

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Leased assets: Lessor

Where assets are leased to a third party analysis of the lease is undertaken to determine if the lease gives rights approximating to ownership of the asset to the lessee. The group accounts for lessor transaction based on this analysis:

- where rights are granted to the lessee approximating to ownership (finance leases), the assets are treated as if they have been sold outright.

- where rights are not granted to the lessee approximating to ownership (operating leases), their annual rentals are credited to Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Provision for liabilities

The Group has recognised provisions for liabilities of uncertain timing or amounts including those for major repairs on stock transfers and leaseholders, overage for gap funding and restructuring.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date.

Where the effect of the time value of money is material the amount expected to be required to settle the obligation is recognised at the present value using a discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Comprehensive Income in the period it arises.

Contingent liabilities
A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

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

Reserves

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds. Realised and unrealised gains and losses on assets held by these funds are also allocated to the fund.

Cash and cash equivalents

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

Judgements in applying accounting policies and key sources of estimation uncertainty
In preparing these financial statements, the following judgements have had the most significant effect on amounts recognised in the financial statements.

- **Indicators of impairment of the Group's tangible fixed assets** - Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Group have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The members have also considered impairment based on their assumptions to define cash generating units.

- **Development Expenditure** - The anticipated costs to complete on a development scheme include anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Initial capitalisation of costs is based on management's judgement that development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

- **Leases** - Whether leases entered into by the Group are operating lease or finance leases depends on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

- **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. The Group has determined that market rented properties are investment properties.

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

The Group does not consider that the clause allowing the Group to potentially receive a compensation premium upon early repayment of some or all of the fixed rate loan liability makes this financial instrument 'non-basic' or 'other' as outlined in FRS 102 section 11. The Group considers that this particular loan clause is specifically compliant with section 11.9b) and 11.9c) of FRS 102 and that the substance of this loan arrangement was always that it was always intended to be a simple fixed rate loan arrangement.

2. Accounting policies continued

Other key sources of estimation uncertainty:

- **Pension** - The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation include standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability or asset recorded and annual defined benefit expense. Further details can be found in Note 11.

- **Tangible fixed assets** - Tangible fixed assets, other than investment properties, are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. For housing property assets, the assets are broken down into components based on assessment of the properties. Individual useful economic lives are assigned to these components.

- **Rental and other trade receivables (debtors)** - The estimate for receivables relates to the recoverability of the balances outstanding at the year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

- **Fair Value of Investment Properties** - The group carries its investment properties at fair value, with changes in fair value recognised in the Statement of Comprehensive Income. The group engaged independent valuation specialists to determine the fair value at the Statement of Financial position date. The valuer used a valuation technique based on a discounted cash flow model. The determined fair value of the investment property is the most sensitive to the estimated yield as well as the long term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 15 of the financial statements.

3. Turnover, operating costs and operating surplus

Group	Turnover	Cost of Sales	Operating costs	Operating surplus/ (deficit)	Turnover (Restated)	Cost of Sales	Operating costs (Restated)	Operating surplus/ (deficit)
	Year ended 31 March 2024				Year ended 31 March 2023 (Restated)			
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Social housing lettings	62,350	-	(59,147)	3,203	59,707	-	(54,821)	4,886
Other social housing activities								
First tranche shared ownership sales	2,070	(1,724)	-	346	5,009	(4,478)	-	531
Development costs not capitalised	-	-	(419)	(419)	-	-	(498)	(498)
	2,070	(1,724)	(419)	(73)	5,009	(4,478)	(498)	33
Non-social housing activities								
Place, Skills, Heath & Wellbeing	17	-	(2,101)	(2,084)	155	-	(1,999)	(1,844)
Market rent lettings	4,496	-	(1,239)	3,257	3,470	-	(1,263)	2,207
Other	885	-	(162)	723	709	-	(155)	554
	5,398	-	(3,502)	1,896	4,334	-	(3,417)	917
	69,818	(1,724)	(63,068)	5,026	69,050	(4,478)	(58,736)	5,836
Surplus: Disposal of fixed asset housing property (note 6)				6,842				15,636
				11,868				21,472

Association	Turnover	Cost of Sales	Operating costs	Operating surplus/ (deficit)	Turnover (Restated)	Cost of Sales	Operating costs (Restated)	Operating surplus/ (deficit)
	Year ended 31 March 2024				Year ended 31 March 2023 (Restated)			
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Social housing lettings	62,350	-	(59,066)	3,284	59,707	-	(54,748)	4,959
Other social housing activities								
First tranche shared ownership sales	2,070	(1,724)	-	346	5,009	(4,478)	-	531
Development costs not capitalised	-	-	(419)	(419)	-	-	(498)	(498)
	2,070	(1,724)	(419)	(73)	5,009	(4,478)	(498)	33
Non-social housing activities								
Place, Skills, Heath & Wellbeing	17	-	(2,101)	(2,084)	155	-	(1,999)	(1,844)
Market rent lettings	4,496	-	(1,239)	3,257	3,470	-	(1,263)	2,207
Other	859	-	(162)	697	709	-	(155)	554
	5,372	-	(3,502)	1,870	4,334	-	(3,417)	917
	69,792	(1,724)	(62,987)	5,081	69,050	(4,478)	(58,663)	5,909
Surplus: Disposal of fixed asset housing property (note 6)				6,842				15,636
				11,923				21,545

Particulars of income and expenditure from social housing lettings

Group – Year ended 31 March 2024	General needs housing	Supported housing & housing for older people	Low-cost home ownership	Intermediate Rent	Total	Total
	2024					Restated 2023
General needs housing	**£ '000**	**£ '000**	**£ '000**	**£ '000**	**£ '000**	**£ '000**
Rent receivable net of identifiable service charges	50,484	968	2,844	1,311	**55,607**	51,478
Service charge income	1,772	557	31	10	**2,370**	1,972
Capital grant amortisation	3,941	115	217	100	**4,373**	6,257
Turnover from social housing lettings	**56,197**	**1,640**	**3,092**	**1,421**	**62,350**	59,707
Management	18,615	543	1,024	471	**20,653**	20,306
Services	5,653	165	311	143	**6,272**	4,709
Routine maintenance	17,142	500	943	433	**19,018**	10,615
Planned maintenance	-	-	-	-	**-**	-
Major repairs expenditure	2,080	61	114	53	**2,308**	6,538
Major repairs expenditure – Cladding & Fire Safety	298	9	16	8	**331**	102
Bad debts	423	12	23	11	**469**	275
Depreciation of housing properties	7,727	225	425	195	**8,572**	10,919
Depreciation of other assets	1,373	40	76	35	**1,524**	1,357
Loss on disposal of other fixed assets	-	-	-	-	**-**	-
Impairment	-	-	-	-	**-**	-
Operating costs on social housing lettings	**53,311**	**1,555**	**2,932**	**1,349**	**59,147**	54,821
Operating surplus on social housing lettings	**2,886**	**85**	**160**	**72**	**3,203**	4,886
Void losses	816	52	63	11	942	794

3. Turnover, operating costs and operating surplus (continued)

Particulars of income and expenditure from social housing lettings

Association – Year ended 31 March 2024	**2024** General needs housing	**2024** Supported housing & housing for older people	**2024** Low-cost home ownership	**2024** Intermediate Rent	**2024** Total	**Restated 2023** Total
General needs housing	**£ '000**	**£ '000**	**£ '000**	**£ '000**	**£ '000**	**£ '000**
Rent receivable net of identifiable service charges	50,484	968	2,844	1,311	55,607	51,478
Service charge income	1,772	557	31	10	2,370	1,972
Capital grant amortisation	3,941	115	217	100	4,373	6,257
Turnover from social housing lettings	56,197	1,640	3,092	1,421	62,350	59,707
Management	18,543	541	1,019	469	20,572	20,233
Services	5,653	165	311	143	6,272	4,709
Routine maintenance	17,142	500	943	433	19,018	10,615
Planned maintenance	-	-	-	-	-	-
Major repairs expenditure	2,080	61	114	53	2,308	6,538
Major repairs expenditure – Cladding & Fire Safety	298	9	16	8	331	102
Bad debts	423	12	23	11	469	275
Depreciation of housing properties	7,727	225	425	195	8,572	10,919
Depreciation of other assets	1,373	40	76	35	1,524	1,357
Loss on disposal of other fixed assets	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Operating costs on social housing lettings	53,239	1,553	2,927	1,347	59,066	54,748
Operating surplus on social housing lettings	2,958	87	165	74	3,284	4,959
Void losses	816	52	63	11	942	794

4. Accommodation in management

At the end of the year, units managed for each class of accommodation were as follows:

Group	2023 No.	Additions No.	Disposals No.	2024 No.
Social housing				
General housing (social rents)				
Social Rents	11,019	-	**(96)**	**10,923**
Supported housing	6	-	-	**6**
Housing For Older People	241	-	-	**241**
Intermediate Rent	246	**90**	**(3)**	**333**
Affordable rent GN	239	**11**	**(1)**	**249**
Low-Cost home ownership – shared ownership	150	**18**	**(2)**	**166**
	11,901	**119**	**(102)**	**11,918**
Non-social housing				
Market rent (investment properties)	372	-	-	**372**

*PY opening balances have been amended following a data cleanse in year.

Association	2023 No.	Additions No.	Disposals No.	2024 No.
Social housing				
General housing (social rents)				
Social Rents	11,019	-	**(96)**	**10,923**
Supported housing	6	-	-	**6**
Housing For Older People	241	-	-	**241**
Intermediate Rent	246	**90**	**(3)**	**333**
Affordable rent GN	239	**11**	**(1)**	**249**
Low-Cost home ownership – shared ownership	150	**18**	**(2)**	**166**
	11,901	**119**	**(102)**	**11,918**
Non-social housing	372	-	-	**372**
Market rent (investment properties)				

*PY opening balances have been amended following a data cleanse in year.

5. Operating surplus

This is arrived at after charging:	Group		Association	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Depreciation of housing properties	**8,572**	8,491	**8,572**	8,491
Depreciation of other tangible fixed assets	**1,524**	1,356	**1,524**	1,356
Operating lease rentals:				
- vehicles, office equipment & computers	**1,297**	750	**744**	750
- land & buildings	**98**	78	**98**	78
Auditor's remuneration (including VAT)				
- for external audit services	**82**	66	**70**	61
- for non-audit services (tax advisory, other)	**15**	15	**5**	5

6. Surplus on disposal of fixed assets – housing properties

GROUP AND ASSOCIATION	Shared Ownership	Other Housing	Total	Total
Housing Properties:	**2024 £'000**	**2024 £'000**	**2024 £'000**	**2023 £'000**
Disposal proceeds	363	7,990	**8,353**	**19,305**
Cost of Disposals	(250)	(1,773)	**(2,023)**	**(4,473)**
Selling Costs	(2)	(87)	**(89)**	**(136)**
Grant Recycled	-	-	**-**	**-**
Grant Disposed	-	601	**601**	**940**
	111	6,731	**6,842**	**15,636**

In line with emerging practice, the surplus on disposal of fixed assets has been presented as part of the operating surplus, as this is normal trading activity for the group.

Disposal proceeds attributable to MCC have been included in the cost of disposals for £922k.

7. Interest receivable and other income

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Interest receivable and bank deposits	**440**	590	**477**	616
Net pension fund interest (note 11)	**50**	368	**50**	368
	490	958	**527**	984

8. Interest payable and similar charges

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans and bank overdrafts	**8,638**	8,847	**8,816**	9,038
Capitalised Interest	**(1,121)**	(1,223)	**(1,121)**	(1,223)
Bank charges	**10**	24	**10**	23
Amortisation of Financing Costs	**220**	148	**220**	148
Interest on Disposal Proceeds Fund	**26**	4	**26**	4
Net pension fund interest (note 11)	**-**	43	**-**	43
Interest on SHPS liability (note 11)	**61**	36	**61**	36
	7,834	7,879	**8,012**	8,069

Capitalised Interest

Interest cost of £1.12m (2023: £1.2m) was capitalised in the year in relation to new property development. Interest is capitalised at a rate of 4.45% of borrowings and is capitalised when directly related to a scheme.

Capitalised Interest – Housing property developments

The cumulative amount of interest capitalised on housing property is £4.82m (2023: £3.7m).

Capitalised Interest – Investment property developments

The cumulative amount of interest capitalised on investment property is £842k (2023: £842k).

9. Gift aid

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Gift aid received from subsidiary undertakings	-	-	**270**	335
	-	-	**270**	335

A gift aid payment of £113,356 (2023: £162,847) was received on 15 December 2023 in respect of the period ended 31 March 2023 from One Manchester Developments Limited.

A gift aid payment of £156,647 (2023: £172,128) was received on 15 December 2023 in respect of the period ended 31 March 2023 from One Manchester Treasury Limited.

10. Group and Association Employees, Board members and Executive Directors

All employees of One Manchester Group are employed on joint contracts of employment for all companies within the Group and at any time may be engaged on work for any of the Group's companies.

Employees

Average monthly number of employees expressed in full time equivalents:	2024	2023
	No.	No.
Administration	**92**	90
Neighbourhood Services	**181**	167
Property Services	**210**	199
Total Full-time equivalents based on a 35-hour working week:	**483**	456

Employee costs:	2024	2023
	£ '000	£ '000
Wages and salaries	**18,639**	16,444
Social security costs	**1,916**	1,691
Pension costs	**2,757**	2,870
	23,312	21,005

10. Group and Association Employees, Board Members and Executive Directors (continued)

Salary bandings for all Employees (including Directors) earning over £60,000 as at the end of March 2024 was as follows:

Salary bandings for all Employees (including Directors) earning over £60,000 as at the end of March 2024 was as follows:

Bands	2024	2023
£60,000-£69,999	16	7
£70,000-£79,999	8	2
£80,000-£89,999	-	5
£90,000-£99,999	3	1
£100,000-£109,999	1	-
£110,000-£119,999	-	-
£120,000-£129,999	-	1
£130,000-£139,999	1	1
£140,000-£149,999	1	-
£170,000-£179,999	1	1
	31	18

Board members and Executive Directors

	2024 £ '000	2023 £ '000
Aggregate remuneration paid to Directors (including Pension contributions) *Prior year includes National Insurance.	525	558
Aggregate remuneration paid to Board members	66	51
Emoluments paid to the highest paid Director, Chief Executive excluding pension contributions		
Chief Executive	196	180

The Chief Executive is a member of the Social Housing Pension Scheme (SHPS). They were an ordinary member of the pension scheme, and no enhanced or special terms apply. The Company does not make any further contribution to an individual pension arrangement for the Chief Executive. Directors comprise the Chief Executive and Executive Directors as listed within the Company Information section at the front of the financial statements. These individuals are those considered by the Group to be the key management personnel.

Board Member	Remuneration for the period to 31 March 2024	One Manchester Board	Audit & Risk Committee	Place Committee	Growth Committee	Remuneration & Governance Committee	Equality, Diversity & Inclusion Committee
Yashar Turgut (Chair)	£14,329	✓			✓	✓	
Joanne Seymour	£5,772	Resigned 27/09/2023	✓ (Co-optee from 27/09/2023)			Resigned 27/09/2023	
Sue Lock	£7,251	✓		✓		✓	
Gordon Perry	£7,251	Resigned 31/03/2024	Resigned 31/03/2024			Resigned 31/03/2024	
Dave Bullock	£7,251	✓			✓		
Cath Wilson (Senior Independent Director)	£9,000	✓			✓	✓ Appointed as Chair 27/09/2023	✓
Mick Warner	£6,134	✓	✓ Appointed 14/02/2024	✓		✓ Appointed 31/01/2024	✓
Cllr Rabnawaz Akbar	Nil (Council Nominee)	✓					
Gillian Drakeford	£3,140	✓ Appointed 27/09/2023	✓ Appointed 14/02/2024				
Tony Deakin	£5,391	✓ Appointed 27/09/2023	✓ Appointed as Chair on 31/01/2023				

11. Pensions – Group

Social Housing Pension Scheme

The Group participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at August 2021. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The next valuation has an effective date of 30 September 2023, results are expected in August / September 2024.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

The Association has been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over recent years. The Trustee has been advised to seek clarification from the Court on potential changes to the pension liability. This process is ongoing and the Association understands that the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the Court process is known, it is not possible to calculate the impact on the liabilities of this issue, particularly on an individual employer basis, with any accuracy for the purposes of the 31 March 2024 financial statements. Accordingly no adjustment has been made in these financial statements in respect of this potential issue.

Social Housing Pension Scheme (Continued)

Period Ended 31 March 2024	**Assets £'000**	**Obligations £'000**	**Net (liability) / asset £'000**
Fair Value of plan assets	7,487	-	7,487
Present value of funded liabilities	-	(8,981)	(8,981)
Opening position at 1 April 2023	**7,487**	**(8,981)**	**(1,494)**
Service costs			
Current service cost	-	-	-
Expenses	-	(11)	(11)
Past service costs (including curtailments)	-	-	-
Total service cost	**-**	**(11)**	**(11)**
Net interest			
Interest income on plan assets	370	-	370
Interest cost on defined benefit obligation	-	(431)	(431)
Total net interest	**370**	**(431)**	**(61)**
Total defined benefit cost recognised in Profit or (Loss)	**370**	**(442)**	**(72)**
Cashflows			
Plan participants contributions	-	-	-
Employer contributions	460	-	460
Benefits paid	(151)	151	-
Expected closing position	**8,166**	**(9,272)**	**(1,106)**
Remeasurements			
Changes in demographic assumptions	-	80	80
Changes in financial assumptions	-	225	225
Scheme experience	(693)	(282)	(975)
Return on assets excluding amounts included in net interest	-	-	-
Total remeasurements recognised in Other Comprehensive Income (OCI)	**(693)**	**23**	**(670)**
Fair value of plan assets	7,473	-	7,473
Present value of funded liabilities	-	(9,249)	(9,249)
Closing position as at 31 March 2024	**7,473**	**(9,249)**	**(1,776)**

This scheme is closed to further accrual.

11. Pensions – Group (Continued)

Social Housing Pension Scheme (Continued)

Period Ended 31 March 2023	**Assets £'000**	**Obligations £'000**	**Net (liability) / asset £'000**
Fair Value of plan assets	13,248	-	13,248
Present value of funded liabilities	-	(14,760)	(14,760)
Opening position at 1 April 2022	**13,248**	**(14,760)**	**(1,512)**
Service costs			
Current service cost	-	-	-
Expenses	-	(10)	(10)
Past service costs (including curtailments)			
Total service cost	**-**	**(10)**	**(10)**
Net interest			
Interest income on plan assets	367	-	367
Interest cost on defined benefit obligation	-	(403)	(403)
Total net interest	**367**	**(403)**	**(36)**
Total defined benefit cost recognised in Profit or (Loss)	**367**	**(413)**	**(46)**
Cashflows			
Plan participants contributions	-	-	-
Employer contributions	444	-	444
Benefits paid	(449)	449	-
Expected closing position	**13,610**	**(14,724)**	**(1,114)**
Remeasurements			
Changes in demographic assumptions	-	17	17
Changes in financial assumptions	-	5,210	5,210
Scheme experience	(6,123)	516	(5,607)
Return on assets excluding amounts included in net interest	-	-	-
Total remeasurements recognised in Other Comprehensive Income (OCI)	**(6,123)**	**5,743**	**(380)**
Fair value of plan assets	7,487	-	7,487
Present value of funded liabilities	-	(8,981)	(8,981)
Closing position as at 31 March 2023	**7,487**	**(8,981)**	**(1,494)**

Social Housing Pension Scheme

Financial assumptions

	31 March 2024 % per annum	**31 March 2023 % per annum**
Discount rate	**4.93**	4.83
Inflation (RPI)	**3.08**	3.16
Inflation (CPI)	**2.79**	2.82
Salary growth	**3.79**	3.82
Allowance for commutation of pension for cash at retirement	**75% of Maximum allowance**	75% of Maximum allowance

Mortality assumptions

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

	2024 No. of years	**2023 No. of years**
Retiring in 2023/24		
Males	**20.5**	21.0
Females	**23.0**	23.4
Retiring in 2043/44		
Males	**21.8**	22.2
Females	**24.4**	24.9

11. Pensions – Group (Continued)

Assets

	31 March 2024 (£000s)	31 March 2023 (£000s)
Absolute Return	**292**	81
Alternative Risk Premia	**237**	14
Cash	**147**	54
Corporate Bond Fund	**-**	-
Credit Relative Value	**245**	283
Currency Hedging	**(3)**	14
Distressed Opportunities	**263**	227
Emerging Markets Debt	**97**	40
Fund of Hedge Funds	**-**	-
Private Equity	**6**	-
Global Equity	**745**	140
High Yield	**1**	26
Infrastructure	**755**	855
Insurance-Linked Securities	**39**	189
Liability Driven Investment	**3,042**	3,448
Liquid Credit	**-**	-
Long Lease Property	**48**	226
Net Current Assets	**13**	19
Opportunistic Illiquid Credit	**292**	320
Opportunistic Credit	**-**	1
Private Debt	**294**	333
Property	**300**	322
Risk Sharing	**437**	551
Secured Income	**223**	344
Total assets	**7,473**	7,487

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

Social Housing Pension Scheme

Scheme assets and liabilities	**2024 £ '000**	**2023 £ '000**
Fair value of plan assets	**7,473**	7,487
Present value of funded liabilities	**(9,249)**	(8,981)
Net defined benefit liability	**(1,776)**	(1,494)

Amounts charged/(credited) to income statement	**2024 £ '000**	**2023 £ '000**
Current service cost	**-**	-
Expenses	**11**	10
Amounts charged to operating costs	**11**	10
Interest income on plan assets	**(370)**	(367)
Interest cost of scheme liabilities	**431**	403
Net interest (credit)	**61**	36

Amounts charged/(credited) to other comprehensive income	**2024 £ '000**	**2023 £ '000**
Changes in demographic assumptions	**(80)**	(17)
Changes in financial assumptions - liabilities	**(225)**	(5,210)
Scheme experience (Obligations)	**282**	(516)
Scheme experience (Assets)	**693**	6,123
Net actuarial movements in other comprehensive income	**670**	380

11. Pensions – Group (Continued)

Greater Manchester Pension Fund (GMPF)

The GMPF is a multi-employer scheme, administered by Tameside Metropolitan Borough Council ("TMBC") under the regulations governing the Local Government Pension Scheme, a defined benefit scheme.

The Group contributes to three schemes within the GMPF as detailed below:

GMPF Scheme 1

Employees participating in this scheme are those, which transferred from Manchester City Council (MCC) in 2003 with the transfer of housing stock to the Company at that time. MCC has entered into an agreement with TMBC and the Company whereby the contributions payable by the Company are set in relation to the current service cost only (being based on contribution rates applied to MCC employees). In accordance with the provisions set out in FRS 102, the scheme is treated as a defined contribution scheme as the Company's contributions are linked to those of another employer and the actuary has indicated that it is not possible to allocate assets and liabilities to the Company's staff on a consistent and reliable basis given the degree of cross-subsidy that exists and the relative size of the Company compared with other members of the scheme. The income statement charge for the period represents the employer contributions payable.

The Company paid contributions at the average rate of 17.2% during the accounting period. The employers' contribution to the scheme in the period amounted to 2024: £74,516 (2023: £74,904). Member contributions vary between 5.8% and 8.0%. Future contribution rates will be set at the same level as MCC.

GMPF Scheme 2

Employees participating in this scheme are those that transferred from Manchester City Council (MCC) on 30 March 2009 with the transfer of East Manchester housing stock to the Company and those new starters between the 2003 transfer and the 2009 transfer. The most recent formal actuarial valuation was completed as at 31 March 2024 by a qualified independent actuary.

Expected employer contributions for the year 2023/24 are £288,000. Actuals contributions for 2022/23 were £269,000.

GMPF Scheme 2

Changes in Fair Value of Plan Assets, Defined Benefit Obligation and Net (Liability)/Asset for year ended 31 March 2024

Period Ended 31 March 2024	**Assets £'000**	**Obligations £'000**	**Asset ceiling £'000**	**Net (liability) / asset £'000**
Fair Value of plan assets	55,399	-	-	55,399
Present value of funded liabilities	-	(28,370)	-	(28,370)
Restriction of asset surplus	-	-	(26,458)	(26,458)
Opening position at 1 April 2023	**55,399**	**(28,370)**	**(26,458)**	**571**
Service costs				
Current service cost	-	(342)	-	(342)
Past service costs (including curtailments)	-	-	-	-
Total service cost	**-**	**(342)**	**-**	**(342)**
Net interest				
Interest income on plan assets	2,618	-	-	2,618
Interest cost on defined benefit obligation	-	(1,335)	-	(1,335)
Interest on the effect of the asset ceiling	-	-	(1,257)	(1,257
Total net interest	**2,618**	**(1,335)**	**(1,257)**	**26**
Total defined benefit cost recognised in Profit or (Loss)	**2,618**	**(1,677)**	**(1,257)**	**(316)**
Cashflows				
Plan participants contributions	99	(99)	-	-
Employer contributions	288	-	-	288
Benefits paid	(971)	971	-	-
Expected closing position	**57,433**	**(29,175)**	**(27,715)**	**543**
Remeasurements				
Changes in demographic assumptions	-	186	-	186
Changes in financial assumptions	-	1,251	-	1,251
Other experience	-	(786)	-	(786)
Return on assets excluding amounts included in net interest	1,337	-	-	1,337
Changes in the effect of the asset ceiling	-	-	27,715	27,715
Total remeasurements recognised in Other Comprehensive Income (OCI)	**1,337**	**651**	**27,715**	**29,703**
Fair value of plan assets	58,770	-	-	58,770
Present value of funded liabilities	-	(28,524)	-	(28,524)
Restriction of asset surplus	-	-	(29,858)	(29,858)
Closing position as at 31 March 2024	**58,770**	**(28,524)**	**(29,858)**	**388**

11. Pensions – Group (Continued)

GMPF Scheme 2

Changes in Fair Value of Plan Assets, Defined Benefit Obligation and Net (Liability)/Asset for year ended 31 March 2023

Period Ended 31 March 2023	Assets £'000	Obligations £'000	Net (liability) / asset £'000
Fair Value of plan assets	53,982	-	53,982
Present value of funded liabilities	-	(40,143)	(40,143)
Restriction of asset surplus	-	-	(10,912)
Opening position at 1 April 2022	**53,982**	**(40,143)**	**2,927**
Service costs			
Current service cost	-	(641)	(641)
Past service costs (including curtailments)	-	(47)	(47)
Total service cost	**-**	**(688)**	**(688)**
Net interest			
Interest income on plan assets	1,449	-	1,449
Interest cost on defined benefit obligation	-	(1,081)	(1,081)
Total net interest	**1,449**	**(1,081)**	**368**
Total defined benefit cost recognised in Profit or (Loss)	**1,449**	**(1,769)**	**(320)**
Cashflows			
Plan participants contributions	93	(93)	-
Employer contributions	269	-	269
Benefits paid	(938)	938	-
Expected closing position	**54,885**	**(41,067)**	**13,788**
Remeasurements			
Changes in demographic assumptions	-	1,222	1,222
Changes in financial assumptions	-	12,755	12,755
Other experience	813	(1,280)	(467)
Return on assets excluding amounts included in net interest	(269)	-	(269)
Total remeasurements recognised in Other Comprehensive Income (OCI)	**544**	**12,697**	**13,241**
Fair value of plan assets	55,399	-	55,399
Present value of funded liabilities	-	(28,370)	(28,370)
Restriction of asset surplus (Restated)	-	-	(26,458)
Closing position as at 31 March 2023	**55,399**	**(28,370)**	**571**

GMPF Scheme 3

Employees participating in this scheme are employees of City South Manchester Housing Trust prior to the merger. The most recent formal actuarial valuation was completed as at 31 March 2019 by a qualified independent actuary. Expected employer contributions for the year 2023/24 are £372,000 (Actuals 2022/23: £416,000).

Changes in Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year ended 31 March 2024

Period Ended 31 March 2024	Assets £'000	Obligations £'000	Asset ceiling £'000	Net (liability) / asset £'000
Fair value of plan assets	47,557	-	-	47,557
Present value of funded liabilities	-	(33,175)	-	(33,175)
Restriction of asset surplus			(13,860)	(13,860)
Opening position at 31 March 2023	**47,557**	**(33,175)**	**(13,860)**	**522**
Service costs				
Current service cost	-	(409)	-	(409)
Past service cost	-	-	-	-
Total service cost	**-**	**(409)**	**-**	**(409)**
Net interest				
Interest income on plan assets	2,242	-	-	2,242
Interest cost on defined benefit obligation	-	(1,560)	-	(1,560)
Interest on the effect of the asset ceiling	-	-	(658)	(658)
Total net interest	**2,242**	**(1,560)**	**(658)**	**24**
Total defined benefit cost recognised in profit or (loss)	**2,242**	**(1,969)**	**(658)**	**(385)**
Cashflows				
Plan participants contributions	133	(133)	-	-
Employer contributions	372	-	-	372
Benefits paid	(1,233)	1,233	-	-
Expected closing position	**49,071**	**(34,044)**	**(14,518)**	**509**
Remeasurements				
Changes in demographic assumptions	-	205	-	205
Changes in financial assumptions	-	1,888	-	1,888
Other experience	-	(1,023)	-	(1,023)
Return on assets excluding amounts included in net interest	1,146	-	-	1,146
Changes in the effect of the asset ceiling	-	-	14,518	14,518
Total remeasurements recognised in Other Comprehensive Income (OCI)	**1,146**	**1,070**	**14,518**	**16,734**
Fair value of plan assets	50,217	-	-	50,217
Present value of funded liabilities	-	(32,974)	-	(32,974)
Restriction of asset surplus	-	-	(17,243)	(17,243)
Closing position as at 31 March 2024	**50,217**	**(32,974)**	**(17,243)**	**0**

11. Pensions – Group (Continued)

GMPF Scheme 3

Changes in Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year ended 31 March 2023

Period Ended 31 March 2023	Assets £'000	Obligations £'000	Net (liability)/asset £'000
Fair value of plan assets	47,486	-	47,486
Present value of funded liabilities	-	(48,650)	(48,650)
Opening position at 31 March 2022	**47,486**	**(48,650)**	**(1,164)**
Service costs			
Current service cost	-	(994)	(994)
Past service cost	-	(304)	(304)
Total service cost	**-**	**(1,298)**	**(1,298)**
Net interest			
Interest income on plan assets	1,275	-	1,275
Interest cost on defined benefit obligation	-	(1,318)	(1,318)
Total net interest	**1,275**	**(1,318)**	**(43)**
Total defined benefit cost recognised in profit or (loss)	**1,275**	**(2,616)**	**(1,341)**
Cashflows			
Plan participants contributions	150	(150)	-
Employer contributions	416	-	416
Benefits paid	(1,020)	1,020	-
Expected closing position	**48,307**	**(50,396)**	**(2,089)**
Remeasurements			
Changes in demographic assumptions	-	273	273
Changes in financial assumptions	-	17,672	17,672
Other experience	(513)	(724)	(1,237)
Return on assets excluding amounts included in net interest	(237)	-	(237)
Total remeasurements recognised in Other Comprehensive Income (OCI)	**(750)**	**(17,221)**	**16,471**
Fair value of plan assets	47,557	-	47,557
Present value of funded liabilities	-	(33,175)	(33,175)
Restriction of asset surplus	-	-	(13,860)
Closing position as at 31 March 2023	**47,557**	**(33,175)**	**522**

Sum of GMPF Schemes 2 and 3

Scheme assets and liabilities	**2024 £ '000**	**2023 £ '000**
Fair value of plan assets	**108,987**	102,956
Present value of funded liabilities	**(61,498)**	(61,545)
Restriction of asset surplus	**(47,101)**	(40,318)
	388	1,093

Amounts charged/(credited) to income statement	**2024 £ '000**	**2023 £ '000**
Current service cost	**751**	1,635
Amounts charged to operating costs	**751**	1,635
Interest income on plan assets	**4,860**	2,724
Interest cost of scheme liabilities	**(2,895)**	(2,399)
Interest on the effect of the asset ceiling	**(1,915)**	-
Net interest charge / (credit)	**50**	325

Amounts charged/(credited) to other comprehensive income	**2024 £ '000**	**2023 £ '000**
Changes in demographic assumptions	**391**	1,495
Changes in financial assumptions - liabilities	**3,139**	30,427
Other experiences gains/(losses) - liabilities	**(1,809)**	(1,704)
Return on net assets excluding amounts in net interest	**2,483**	(506)
Changes in the effect of the asset ceiling	**(4,868)**	(29,406)
Net actuarial movements in other comprehensive income	**(664)**	306

11. Pensions – Group (Continued)

GMPF Schemes 2 and 3 Key Assumptions

Financial assumptions

	31 March 2024 % per annum	31 March 2023 % per annum
Discount rate	**4.80**	4.75
Future salary increases	**3.60**	3.80
Future pension increases	**2.80**	3.00

Mortality assumptions

The post-retirement mortality assumptions adopted to value the benefit obligation at 31 March 2024 is based on the CMI2022 model (2023: CMI2021 model). The assumed life expectations on retirement at age 65 are:

Scheme 2 Assumptions	2024 No. of years	2023 No. of years
Current pensioners:		
Males	**20.2**	19.9
Females	**23.0**	23.4
Future Pensioners:		
Males	**20.9**	20.3
Females	**24.2**	24.3

Scheme 3 Assumptions	2024 No. of years	2023 No. of years
Current pensioners:		
Males	**19.8**	19.9
Females	**23.2**	23.4
Future Pensioners:		
Males	**20.2**	20.3
Females	**24.1**	24.3

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

Scheme 2 and 3 Assumption	2023 %	2022 %
Equities	**68**	70
Bonds	**15**	14
Properties	**8**	8
Cash	**9**	8

The Association is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department in respect of LGPS, the SHPS scheme trustees and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

12. Tax on surplus on ordinary activities

The association did not suffer a tax charge during the period due to its charitable status and the charitable nature of its activities.

The group tax charge was £Nil (2023: £Nil). There is an unrecognised deferred tax asset of £39.2k in One Manchester Property. Deferred tax balances at the year-end have been measured at 25% (2023: 19%) which is the rate that the deferred tax liabilities are expected to crystalise.

Current tax reconciliation – Group	2024 £ '000	2023 £ '000
Surplus on ordinary activities before tax	**5,222**	18,191
Tax on surplus on ordinary activities at standard CT rate of 25% (2023: 19%)	**1,204**	3,456
Deferred tax not recognised	**-**	-
Charitable income not chargeable to tax	**(1,204)**	(3,456)
Over Provision in Previous Year	**-**	-
Actual current and total taxation charge	**-**	-

13. Tangible fixed assets – housing properties

Group	Social housing properties held for letting	Housing properties for letting under construction	Shared ownership properties completed	Shared ownership properties under construction	Total housing properties
Cost	**£ '000**	**£ '000**	**£'000**	**£ '000**	**£ '000**
At 1 April 2023 (Restated)	303,230	46,082	6,705	8,790	**364,807**
Reclassification from Investment Properties	190	-	-	-	**190**
Reclassification	(654)	6,154	429	(4,525)	**1,404**
Additions	-	17,590	-	475	**18,065**
Schemes Completed	10,722	(10,722)	4,360	(4,360)	**-**
Works to existing properties	18,813	-	-	-	**18,813**
Disposals	(6,592)	-	(460)	-	**(7,052)**
At 31 March 2024	**325,709**	**59,104**	**11,034**	**380**	**396,227**
Depreciation					
At 1 April 2023 (Restated)	85,524	-	2,261	-	**87,785**
Charged in year	8,497	-	75	-	**8,572**
Impairment	-	(374)	-	-	**(374)**
Eliminated on disposal	(4,063)	-	(19)	-	**(4,082)**
At 31 March 2024	**89,958**	**(374)**	**2,317**	**-**	**91,901**
Net book value					
At 31 March 2024	**235,751**	**59,478**	**8,717**	**380**	**304,326**
At 31 March 2023 (Restated)	217,706	46,082	4,444	8,790	277,022

Interest cost of £1.1m (2023: £1.1m) was capitalised in the year in relation to new property development. The cumulative amount of interest capitalised on housing property is £4.8m (2023: £3.7m). Interest is capitalised at a rate of 4.45% of borrowings and is capitalised when directly related to a scheme. Included in the figures above is an impairment reversal of £374k.

Association	Social housing properties held for letting	Housing properties for letting under construction	Shared ownership properties completed	Shared ownership properties under construction	Total housing properties
Cost	**£ '000**	**£ '000**	**£ '000**	**£ '000**	**£ '000**
At 1 April 2023 (Restated)	303,021	46,488	7,039	8,928	**365,476**
Reclassification from Investment Properties	190	-	-	-	**190**
Reclassification	(654)	6,154	429	(4,525)	**1,404**
Additions	-	18,179	-	484	**18,663**
Schemes Completed	10,722	(10,722)	4,364	(4,364)	**-**
Works to existing properties	18,813	-	-	-	**18,813**
Disposals	(6,592)	-	(460)	-	**(7,052)**
At 31 March 2024	**325,500**	**60,099**	**11,372**	**523**	**397,494**
Depreciation					
At 1 April 2023 (Restated)	85,524	-	2,261	-	**87,785**
Charged in year	8,497	-	75	-	**8,572**
Impairment	-	(374)	-	-	**(374)**
Eliminated on disposal	(4,063)	-	(19)	-	**(4,082)**
At 31 March 2024	**89,958**	**(374)**	**2,317**	**-**	**91,901**
Net book value					
At 31 March 2024	**235,542**	**60,473**	**9,055**	**523**	**305,593**
At 31 March 2023 (Restated)	217,497	46,488	4,778	8,928	277,691

Interest cost of £1.1m (2023: £1.1m) was capitalised in the year in relation to new property development. The cumulative amount of interest capitalised on housing property is £4.8m (2023: £3.7m). Interest is capitalised at a rate of 4.45% of borrowings and is capitalised when directly related to a scheme. Included in the figures above is an impairment reversal of £374k.

13. Tangible fixed assets – housing properties (continued)

Group Housing Properties Book Value net of depreciation and impairment	2024	Restated 2023
	£ '000	£ '000
Freehold land and buildings	**258,179**	243,321
Long leasehold land and buildings	**46,147**	33,701
Total	**304,326**	277,022

Group expenditure on works to existing properties	2024	2023
	£ '000	£ '000
Amounts capitalised	**18,813**	15,315
Amounts charged to income and expenditure account	**2,203**	4,622
Total	**21,016**	19,937

14. Group and Association Tangible fixed assets - other

	Freehold offices	Furniture fixtures and fittings	Computers and office equipment	Plant and equipment	Motor Vehicles	Total
Cost	£ '000	£ '000	£ '000	£ '000	£'000	£ '000
At 1 April 2023	11,022	2,866	7,979	178	23	**22,068**
Additions	148	-	467	-	17	**632**
Disposal	-	-	-	-	-	**-**
Reclassification	3,257	(2,445)	(812)	-	-	0
At 31 March 2024	**14,427**	**421**	**7,634**	**178**	**40**	**22,700**
Depreciation						
At 1 April 2023	3,346	382	5,036	169	23	**8,956**
Charged in year	300	25	1,190	7	3	**1,525**
Disposal	-	-	-	-	-	**-**
At 31 March 2024	**3,646**	**407**	**6,226**	**176**	**26**	**10,481**
Net book value						
At 31 March 2024	**10,781**	**14**	**1,408**	**2**	**14**	**12,219**
At 31 March 2023	7,676	2,484	2,943	9	0	13,112

15. Group Tangible fixed assets – investment properties

	Market Rent properties held for letting £ '000	Investment Properties under construction £ '000	Total £ '000
At 1 April 2023	55,410	961	**56,371**
Additions	-	8	**8**
Disposal	-	-	**-**
Transfer to Social Property	(190)	(861)	**(1,051)**
Schemes Completed	-	-	**-**
Revaluation	295	-	**295**
At 31 March 2024	**55,515**	**108**	**55,623**

Interest cost of £0k (2023: £173k) was capitalised in the year in relation to new property development. The cumulative amount of interest capitalised on investment property is £842k (2022: £842k). Interest is capitalised at a rate of 4.45% of borrowings and is capitalised when directly related to a scheme.

Association Tangible fixed assets – investment properties

	Market Rent properties held for letting £ '000	Investment Properties under construction £ '000	Total £ '000
At 1 April 2023	55,410	961	**56,371**
Additions	-	8	**8**
Disposals	-	-	**-**
Transfer to Social Property	(190)	(861)	**(1,051)**
Schemes Completed	-	-	**-**
Revaluation	295	-	**295**
At 31 March 2024	**55,515**	**108**	**55,623**

The Group's completed investment properties are valued annually on 31 March at fair value, determined by an independent, professionally qualified valuer.

The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' (RICS) Appraisal and Valuation Manual. Investment properties are held at open market value subject to existing tenancies.

The surplus on revaluation of investment property arising of £295k (2023: surplus of £3,640k) has been credited to the Statement of Comprehensive Income for the year. The historic cost of investment properties is £43,704k (2023: £44,682k).

16. Investments in subsidiaries

The following are wholly owned subsidiaries of One Manchester Limited:

Name	**Country of incorporation**	**Proportion of voting rights**	**Nature of Business**
One Manchester Treasury Limited	UK	100%	Financing vehicle- funding
One Manchester Developments Limited	UK	100%	Property development
One Manchester Property Limited	UK	100%	Property development

The registered address of all companies is Lovell House, Archway 6, Hulme, Manchester, M15 5RN.

17. Stock Group

	2024 £ '000	2023 £ '000
Shared ownership properties:		
- Under construction	**249**	2,480
Materials stock	**-**	-
	249	2,480

Stock Association

	2024 £ '000	2023 £ '000
Shared ownership properties:		
- Under construction	**249**	2,480
Materials stock	**-**	-
	249	2,480

18. Debtors

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Due within one year				
Rent and service charges receivable	**8,740**	7,578	**8,740**	7,578
Less: Provision for bad and doubtful debts	**(4,475)**	(4,264)	**(4,475)**	(4,264)
Net rent and service charges receivable	**4,265**	3,314	**4,265**	3,314
Other debtors	**653**	1,359	**641**	1,321
Amounts owed to group undertakings	-	-	**1,575**	-
Prepayments and accrued income	**2,718**	2,042	**2,169**	728
	7,636	6,715	**8,650**	5,363

19. Fixed Asset Investments

	Group 2024 £'000	Group 2023 £'000
One Manchester Property Limited investment in Joint Venture.	**2,261**	993

This JV investment is funded by the intercompany loan referred to on page 43.

20. Creditors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Trade creditors	**1,224**	1,968	**1,216**	1,838
Rent and service charges received in advance	**2,734**	2,906	**2,734**	2,906
RTB Sharing agreements – MCC Council	**975**	2,201	**975**	2,201
Accruals and deferred income	**11,618**	12,727	**10,062**	8,587
Other taxation / social security creditors	**794**	731	**794**	731
Other creditors	**1,156**	750	**1,156**	725
Deferred capital grant (note 23)	**3,901**	4,307	**3,901**	4,307
Loans payable within one year (note 24)	**12,395**	8,567	-	-
Amounts owed to group undertakings	-	-	**12,395**	9,625
	34,797	34,157	**33,233**	30,920

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

	Group 2024 £'000	Group Restated 2023 £'000	Association 2024 £'000	Association Restated 2023 £'000
Loans payable after one year (note 24)	**185,605**	173,000	-	-
Amounts owed to group undertakings	-	-	**178,605**	173,000
Less unamortised Arrangement Fees	**(2,447)**	(2,369)	**(2,447)**	(2,369)
Deferred capital grant	**102,667**	105,878	**102,667**	105,878
Recycled Capital Grant Fund > 1 yr. (note 22)	**662**	602	**662**	602
	286,487	277,111	**279,487**	277,111

22. Recycled Capital Grant Fund (RCGF)

	Group		Association	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
At 1 April 2023	**602**	314	**602**	314
Additions	**154**	366	**154**	366
Utilised	**(94)**	(78)	**(94)**	(78)
Balance at 31 March 2024	**662**	602	**662**	602

23. Deferred capital grant – Group

		Restated
	2024	**2023**
	£'000	**£'000**
Net deferred capital grant at start of year	**110,185**	114,618
Total Grant received	**2,393**	3,878
Less Grant Received in advance	**-**	(585)
Grant disposals	**(1,637)**	(1,469)
Grant amortisation	**(4,373)**	(6,257)
	106,568	110,185
Net deferred capital grant due in less than one year	**3,901**	4,307
Net deferred capital grant due in more than one year	**102,667**	105,878
	106,568	110,185

Gross accumulated capital grant received is £189,599k (2023: £187,206k). Total accumulated revenue grant received is £41,966k (2023: £41,966k).

24. Debt analysis

	Group		Association	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Within one year	**12,395**	8,567	**12,395**	8,567
Between one and two years	**6,186**	12,215	**6,186**	12,215
Between two and five years	**53,015**	28,562	**53,015**	28,562
After five years	**126,404**	132,223	**126,404**	132,223
	198,000	181,567	**198,000**	181,567

Security

The bank loans are secured by a floating charge over the assets of the Group and by fixed charges on individual properties. The Group's loan facilities are sterling denominated. The interest rate profile of the Group's financial liabilities at 31 March was:

	2024	**2023**
	£ '000	**£ '000**
Floating rate	**25,000**	3,567
Fixed rate	**173,000**	178,000
Total	**198,000**	181,567
Less: Arrangement fees	**(2,447)**	(2,356)
Total	**195,553**	179,211

The floating rate financial liabilities comprise bank loans and overdrafts that will have the cost of borrowing based on SONIA (Sterling Overnight Index Average). Interest rates on fixed rate borrowings range between 2.29% and 7.08%, with a weighted average of 4.45%.

25. Net Debt Reconciliation

	As at 31 Mar 2023	Cash flows	Other Non-Cash Movements	As at 31 Mar 2024
Cash and Cash Equivalents				
Cash	23,223	(10,730)	-	12,493
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	23,223	**(10,730)**	-	**12,493**
Borrowings				
Debt Due < 1 Year	(8,567)	(3,828)	-	(12,395)
Debt Due > 1 Year	(173,000)	(12,605)	-	(185,605)
	(181,567)	**(16,433)**	-	**(198,000)**
TOTAL	(158,344)	**(27,163)**	-	**(185,507)**

26. Non-equity share capital

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up.

27. Income and Expenditure Reserves

Income and Expenditure Reserves had an opening balance of £68,247k (Restated) at 1 April 2023 with a surplus for the year of £5,222k during 2023/24 and an actuarial loss of (£1,334k) for 2023/24. Closing income and expenditure reserves balance was £72,135k at 31st March 2024.

28. Group financial commitments

Capital expenditure commitments were as follows:	**2024 £ '000**	**2023 £ '000**
Expenditure contracted for but not provided in the accounts	**8,126**	23,400
Expenditure authorised by the Board, but not contracted	**22,445**	28,607
	30,571	52,007

Capital commitments for the Group will be funded as follows:

	2024 £ '000	**2023 £ '000**
Existing loan facilities	**25,000**	32,838
First tranche and outright sale of properties	**685**	3,343
Grants	**820**	820
Existing reserves	**4,066**	-
	30,571	37,001

29. Group operating leases

The association had minimum lease payments under non-cancellable operating leases as set out below:

	2024 £ '000	**2023 £ '000**
Motor Vehicles, office equipment and computers expiring:		
Within one year	**1,297**	750
One to five years	**965**	1,311
	2,262	2,061

	2024 £ '000	**2023 £ '000**
Land & Buildings expiring:		
Within one year	**98**	78
One to five years	**380**	477
Beyond five years	**833**	833
	1,311	1,388

30. Contingent liabilities

The Group had no contingent liabilities requiring disclosure at 31 March 2024 with the exception of the pension liability of £1.4m detailed in note 11 (2023: £0.4m).

31. Financial Instruments – Group

The financial instruments may be analysed as follows:

	2024 £ '000	2023 £ '000
Financial Assets		
Financial Assets measured at historical cost:		
- Trade receivables	**4,265**	3,314
- Other receivables	**653**	1,359
- Current asset investments	**-**	-
- Cash and cash equivalents	**12,493**	23,223
	17,411	27,896

	2024 £ '000	2023 £ '000
Financial Liabilities		
Financial liabilities measured at amortised cost:		
- Loans payable	**198,000**	181,567
Financial liabilities measured at historical cost:		
- Trade creditors	**1,224**	1,968
- Other creditors	**122,060**	131,784
	321,284	315,319

Financial assets measured at historical cost comprise trade debtors, other debtors, and amounts owed by associated undertakings. Financial liabilities measured at historical cost comprise trade creditors and other creditors.

32. Related parties

One member of the Board is a local councillor and was local authority appointed on the 22nd September 2022.

One Manchester Limited has 14.3% control over JV North and has paid £24.5k (2023: £6.8k) in costs during the year. There were no year-end balances with the Company (2023: £Nil).
The Company provides management services, other services, and loans to its subsidiaries. The Company also receives charges from its subsidiaries.

Intra-group management fees are receivable by the Company from its subsidiaries to cover the running costs the Company incurs on its behalf in managing the subsidiaries.
Intra-group interest is charged by the Company's subsidiary One Manchester Treasury Limited to Group subsidiaries at the rates incurred by the Group on its bank loans plus a margin of 0.1% £185k (2023: 0.1% £191k). Balance owed to One Manchester at the year end was £51k.

One Manchester Developments Limited was paid £14,587k (2023: £15,971k) for construction services and related costs by One Manchester Limited. One Manchester Developments is owed £462k (2023: £1,315k) by One Manchester Limited at the year end.
One Manchester Property Limited was paid £1,300k (2023: £222k) by One Manchester Limited for investment into the Joint Venture. One Manchester Property Limited owed £2,435k (2023: £1,071k) at the end of the year. The balance owed to One Manchester Limited at year end is £2,435k

33. Prior Year Restatement

Prior Year Adjustment 1

A review of one of the Development Scheme's under construction during the year has brought the need to impair the holding cost of the asset by £2.5m as a correction of a prior year error in the 2022/23 accounts. This has resulted in the restatement of the prior year operating surplus, the opening balances for the Revenue reserves and opening balance for the Housing properties holding value in both Group and the Association.

Prior Year Adjustment 2

A restatement has also been made to the opening balance for the housing properties accumulated depreciation in Note 13 and Deferred capital grant Note 23. This is due to a system error correction following the update to the asset useful economic lives in 2022/23. Previously the accelerated depreciation has been included in the depreciation closing balance. This is a restatement across the balance sheet and does not impact the PY Revenue Reserves balance.

The principal effects of this on the amounts previously stated as at 31 March are stated below:

	Previously reported	Prior Period Adjustment 1	Restated Adj 1	Prior Period Adjustment 2	Restated
	£'000	£'000	£'000	£'000	£'000
Group Statement of comprehensive income					
Turnover: continuing activities	66,622	0	66,622	2,428	69,050
Operating costs	56,308	0	56,308	2,428	58,736
Association Statement of comprehensive income					
Turnover: continuing activities	66,622	0	66,622	2,428	69,050
Operating costs	56,235		56,235	2,428	58,663
Group Statement of comprehensive income					
Impairment	0	-829	-829	0	-829
Total comprehensive income for the year	18,117	-829	17,288	0	17,288
Association Statement of comprehensive income					
Impairment	0	-829	-829	0	-829
Total comprehensive income for the year	18,361	-829	17,532	0	17,532
Group statement of financial position					
Housing properties	281,977	-2,529	279,448	-2,426	277,022
Creditors: amounts falling due after more than one year	-279,537	0	-279,537	2,426	-277,111
Total reserves as at 31 March 2023	70,776	-2,529	68,247	0	68,247
Association statement of financial position					
Housing properties	282,646	-2,529	280,117	-2,426	277,691
Creditors: amounts falling due after more than one year	-279,537	0	-279,537	2,426	-277,111
Total reserves as at 31 March 2023	71,221	-2,529	68,692	0	68,692
Group statement of changes in reserves					
Opening Balance at 1 April 2022	52,399	-1700	50,699	0	50,699
Total comprehensive income for the year	18,117	-829	17,288	0	17,288
Total reserves as at 31 March 2023	70,776	-2,529	68,247	0	68,247
Association statement of changes in reserves					
Opening Balance at 1 April 2022	52,860	-1700	51,160	0	51,160
Total comprehensive income for the year	18,435	-829	17,606	0	17,606
Total reserves as at 31 March 2023	71,221	-2,529	68,692	0	68,692
Note 13 Tangible fixed assets - Group					
Housing properties for letting under construction	48,611	-2,529	46,082	0	46,082
Total cost at 1 April 2023	367,336	-2,529	364,807	0	364,807
Social housing properties held for letting accumulated depreciation	83,098	0	83,098	2,426	85,524
Total housing properties NBV	281,977	-2,529	279,448	-2,426	277,022
Note 13 Tangible fixed assets - Association					
Housing properties for letting under construction	49,017	-2,529	46,488	0	46,488
Total cost at 1 April 2023	368,005	-2,529	365,476	0	365,476
Social housing properties held for letting accumulated depreciation	83,098	0	83,098	2,426	85,524
Total housing properties NBV	282,646	-2,529	280,117	-2,426	277,691
Group Housing Properties Book Value net of depreciation and impairment					
Freehold land and buildings	248,276	-2,529	245,747	0	245,747
Note 23 Deferred Capital Grant Group & Association					
Grant amortisation	-3,829	0	-3,829	-2,426	-6,257
Closing Deferred Capital Grant	112,611	0	112,611	-2,426	110,185

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