One Housing

One Housing Group Limited

Financial Statements | Year ended 31 March 2021

Contents

Our vision and values

Vision
We create places for people to call home and support them to live well. Our five strategic aims are the goals we have set to achieve our vision.

- Creating places to call home
- Supporting people to live well
- Building homes and communities
- Growing responsibly & sustainably
- A modern, flexible & fun place to work

Values
We are committed to working with our employees and our residents to deliver our vision and strategic aims, whilst embedding these values across all the work that we do.

- We work together
- We do a great job
- We value diversity
- We keep our promises
- We look for ways to improve

Group Chair's Overview

This is my first year as Chair and although in many ways this has been a challenging year, I'm very proud to be Chair of this diverse and important organisation. What we do has never been so vital and if this pandemic has taught us anything, it is that the people providing care to some of the most vulnerable in our society deserve our greatest respect and praise.

Thank you for taking the time to read One Housing's financial statements for 2020/21. In the following pages you will see details of the progress made this year in many areas. However, like many organisations across the country, we've felt the financial impact of the Covid-19 pandemic, particularly across our Care & Support services.

Although we are facing many challenges, the Care & Support work that we do is a crucial part of who we are. It is part of our DNA and will continue to play a significant role within the organisation. It is not an easy sector to operate in, with cuts to local authority budgets and increasing pressure on adult social care, but it's a service that we're committed to as a core part our social purpose. I want to pay special tribute to our frontline care workers who went above and beyond for our customers this year. They truly are the heroes of the country and of One Housing, and I want to personally thank them for everything they did, and continue to do, to protect our customers and provide an outstanding service throughout really difficult times.

I also want to say thank you to all the employees of One Housing. Many of our employees continued to go out to work throughout the various lockdowns, maintaining our properties and providing essential services. Some employees juggled caring responsibilities or home-schooling with working and they deserve our thanks from the Board for doing two demanding jobs at once.

In January 2021 the Regulator of Social Housing downgraded One Housing's governance grading from a G1 to a G2. Whilst this is still a compliant grade, the downgrade was a disappointment to the Board. The Board and the Executive Team are committed to learning from the Regulator's feedback and our focus is to strengthen our governance so we can get back to a G1 rating as soon as possible. Further details are set out in the Governance section of these financial statements.

An area of focus for One Housing over the last year has been on building safety and the impact it has had on our customers, employees and the organisation. I'm enormously proud of the progress we have made so far as we have started to tackle one of the most challenging problems the sector has ever had to face. The safety of our customers and buildings is our number one priority and will continue to be for the next year.

Our strategy has been to be proactive in recognising the potential benefits from a merger. We are excited to have announced in June 2021 that we are working in partnership with Riverside Group as we develop detailed proposals to join together later in the year. We believe this will create a sector-leading national organisation, sharing common values, a strong voice, a complementary geography and the capacity to do even more for our customers and communities.

During 2020/21, two non-executives left the One Housing Board, Steve Douglas and Wendy Wallace. Kevin Brush will be leaving on 31 July 2021. Over the years Steve, Wendy and Kevin have all contributed hugely to the organisation and I would like to extend my thanks to them for their service.

During 2020/21, I was delighted to welcome both Lee Gibson and Yvonne Arrowsmith to the Board.

Finally, I want to end by reassuring our stakeholders that despite the challenges, we remain a financially stable and robust organisation. One Housing's business strategy has fundamentally changed under the present Board and Executive, taking a lower risk approach to development and refocussing upon our core social purpose. I'm confident that together the Board and Executive have already made good progress tackling some of the historic challenges and will become an even stronger organisation dedicated to our core values and social purpose as a housing association.

I look forward to working with employees, customers and stakeholders over the coming year to continue to improve our services and provide great places for people to call home.

Caroline Corby
Group Chair
23 July 2021

Group Executive's Report - 'A year like no other'

As I write this in the summer of 2021, I am looking back over a year like no other where the country and the entire world was gripped by the Covid-19 pandemic. We are starting to see things slowly return to a new version of normality but, though I am very hopeful for the future, if we have learned anything over the last year it is that things can change very suddenly.

The top priority for the Board and my Executive Team this year has been our commitment to keeping our residents and staff safe, whether in relation to the pandemic or in relation to building safety.

We recognised at the start of the year that the pandemic would clearly impact on our finances and on our services. I'm extremely proud of the way that our employees, particularly those working on the front-line and in our care homes, delivered services through extraordinary and difficult circumstances. I want to echo our Chair, Caroline Corby, and extend my personal gratitude and thanks to our incredible employees. Without them it would have been impossible for us to continue to deliver the services our customers rely on.

Providing high quality Care & Support is an important part of One Housing's service offer. These are difficult services to provide, offering low margins and returns on capital, which is why many housing associations do not operate in this area. It is a key part of our social purpose to provide homes and services to our ageing population and to others in society who need some extra support to live independently. However, we can only do so provided that these services are financially sustainable. So, we will continue to deliver care & support, because it is the right thing and a core part of our social purpose, but we will do it in a more cost-effective and sustainable way.

It will come as no surprise to anyone operating in the care sector that financial pressures have become more acute in recent years with austerity impacting local authorities which has, in turn, impacted our care contracts and bottom line. The negative impact of the Covid-19 pandemic on our occupancy rate has also been felt as, understandably, families were reluctant to entrust their loved ones to care homes whilst uncertainties remained about Covid-19 and the likelihood that they may not be able to visit for extended periods.

Building safety issues continue to dominate sector risks. We took the decision to press ahead with the most urgent / high risk work without external funding agreed knowing that this would impact on reported results. This year we spent £27.3m on cladding and other fire safety works. Over the next five years, we plan on spending a further c.£200m on cladding replacement and other fire safety works. I would like to acknowledge and thank our funders for the support and flexibility that they have shown to enable us to move forward with this programme.

Working closely with G15 colleagues, we have spent a lot of time and effort in lobbying the Government on behalf of our leaseholders. I'm pleased to see some of that effort has already paid off when the Government announced extra funding to remediate cladding in tall buildings. We are hopeful that many leaseholders will receive financial support either through Government funding or as a result of One Housing seeking legal redress from the original developers or other third parties.

We remain committed to addressing the acute shortage of truly affordable housing, particularly in our core London boroughs. Since I joined One Housing in 2017, our development model has been changed. It is now focussed upon regeneration of existing estates, unlocking land value to deliver additional homes, creating quality homes that will be energy efficient and cost effective to manage, and reducing risk by working through joint ventures with quality house-builders thereby accessing additional skills and expertise.

We want to improve the quality of our service delivery to customers. We have recruited new operational management. During the year we have put a lot of resource into improving back office systems, processes and data so that we can make better informed decisions about how to deploy scarce resources to deliver the greatest value for money.

I want to stress that despite the challenges facing One Housing, the sector and the economy, we remain a robust organisation. We have strong liquidity and a sustainable long-term business model. I have every confidence that we will face these challenges head-on and continue to be a force for good in our communities.

As difficult as this year has been for our customers, stakeholders and employees, it has also brought out the very best of community spirit and has highlighted to the wider public just how vital carers are in our society and the importance of having a good-quality stable home.

Society should no longer tolerate rough sleeping or leaving our ageing population without adequate support. We believe that housing associations, such as One Housing, that support the most vulnerable provide an essential service.

I am very proud to lead this organisation that supports people to live well, builds homes and communities and continues to make a positive difference to our customers every day.

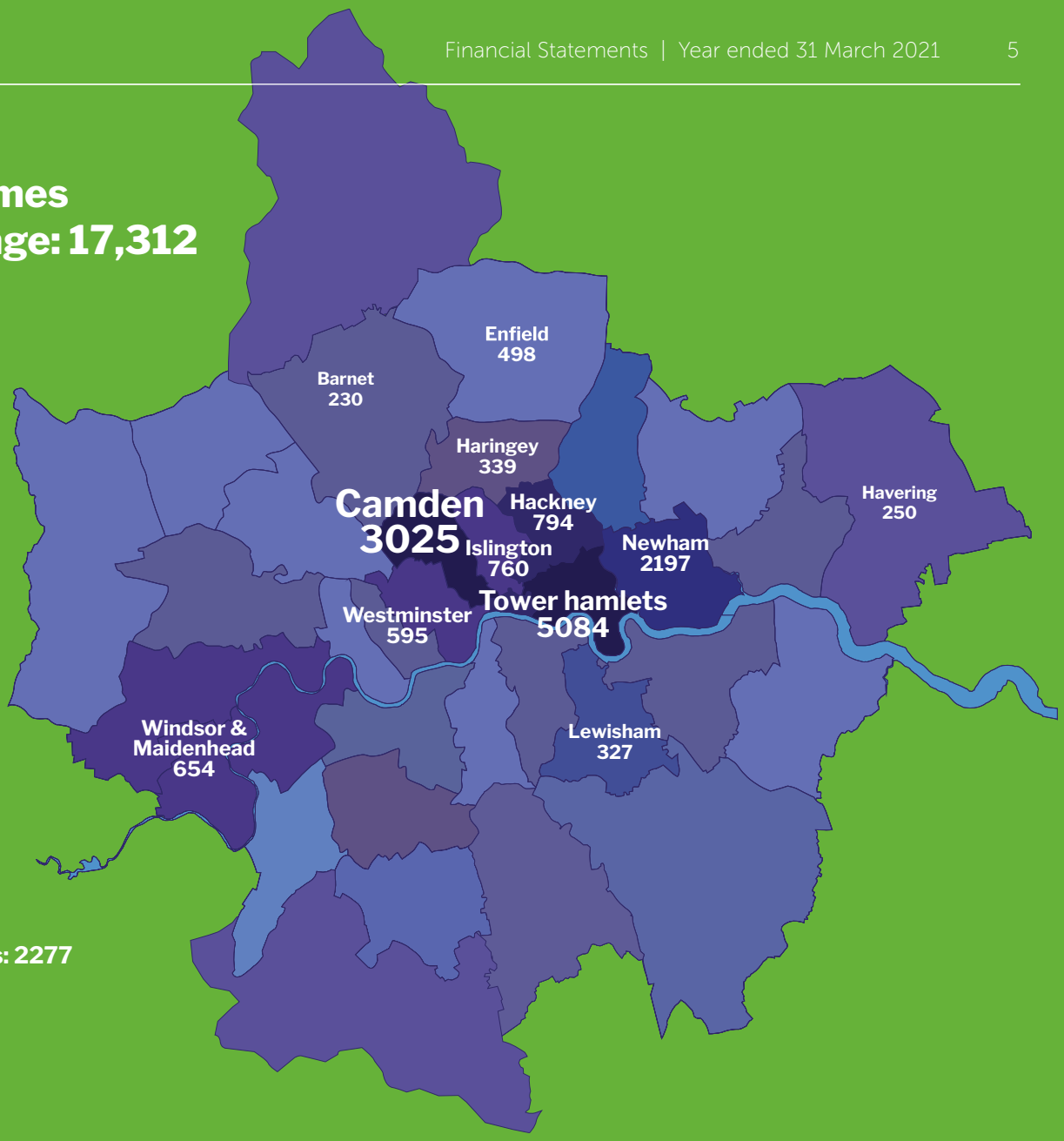
Richard Hill
Chief Executive Officer
23 July 2021

Summary Financial Results

Year ended 31 March	2021	2020
Operating surplus by business stream (refer to Review of Financial Results)	Surplus/ (deficit) £'m	Surplus/ (defucit) £'m
Housing (excluding fire related)	23.8	31.2
Other social housing activities	-	(3.0)
Property related (excluding Victoria Quarter)	12.4	8.0
Private Care Homes - Baycroft	(9.6)	(5.8)
Other commercial activities	6.2	9.3
	32.8	**39.8**
Cladding and fire related costs	(17.3)	(8.2)
Victoria Quarter impairment	(13.0)	-
Operating surplus	**2.5**	**31.6**
Net interest & financing cost	(37.4)	(35.9)
Movement in fair value of financial instruments	14.4	(6.0)
Movement in fair value of property & other investments	(4.9)	1.8
Deficit before taxation	**(25.5)**	**(8.6)**

Statement of Financial Position at 31 March	2021	2020
	£'m	£'m
Housing Properties	1,702.0	1,680.1
Investment Properties	192.4	222.2
Other Fixed Assets	96.4	79.6
	1,990.8	**1,981.9**
Net current assets	51.4	9.2
Long term creditors	(1,708.7)	(1,631.6)
Provisions for Liabilities and Pensions	(14.4)	(7.2)
Net assets = Capital and Reserves	**319.1**	**352.3**

Total homes we manage: 17,312



Housing in other locations: 2277

Review of the business - introduction

The Board presents its Strategic Report and the Group's audited financial statements for the year ended 31 March 2021. This strategic report is structured as follows:

Introduction:

- Who we are
- Principal activities
- Strategic objectives
- The challenges of 2021

Finance report including:

- Review of results for the year
- Treasury & Funding
- Value for Money

Operations & Service Delivery report including:

- Housing Services
- Care & Support
- Development
- Supporting Services

Governance report including:

- Group and Committee structure
- Compliance with Regulatory standards and internal controls
- Risk management
- Board responsibilities

Who we are

One Housing Group Limited ("OHGL" or the "Association") is a charitable registered provider of social housing administered by a board of directors. When we refer to 'the Group' we mean the consolidated Group inclusive of all subsidiaries. Our subsidiaries and joint ventures are listed in notes 18 and 19 of the financial statements.

We are regulated by the Regulator of Social Housing ("RSH").

The Association is the parent company responsible for the strategic planning and direction of the Group, along with central and development services. For clarity and simplicity in this report (as in our day-to-day communication) we refer to the Group as simply One Housing.

Principal activities

One Housing builds, sells, rents and manages homes for people from a range of backgrounds and especially those who struggle to afford a place to live. We own and/or manage around 17,000 homes across c.50 local authority areas, with the greatest concentrations of homes being in the London Boroughs of Tower Hamlets, Camden, Newham, Hackney and Islington.

We also help people into employment and work hard to make a positive difference to our residents' lives by promoting aspiration, independence and well-being through a range of training and support services.

In London, we are a provider of quality Care & Support to people with a range of needs and we help them to live independently in the community. Our supported housing schemes transform the lives of people with mental health needs and we help homeless people to move on to secure homes and more stable futures.

Our principal activities are described further below:

Housing

We offer a wide range of housing options including homes for social rent in partnership with local authorities as well as homes for affordable rent, shared ownership, private rent and private sale. We operate in the following key business areas:

- Social housing: providing rented housing for people and families who cannot afford to rent or buy on the open market. General needs properties include newly built homes as well as housing transferred from local authorities.
- Intermediate housing: an option for people who can't afford typical market rents. This includes key worker rent and rent to home-buy schemes.
- Affordable home ownership and leasehold: shared ownership homes, where residents buy a share in the equity of their homes (which they can increase as and when they can afford it) and pay rent to us on the remainder.
- Market rent: providing homes on the private rental market generating surpluses to support delivery of core services and social housing.

Care & Support and Other Social Housing Activities

- Housing Care & Support: helping people who need housing-related support or extra care.
- Specialist housing support to young people, the elderly within retirement homes and people with complex mental health needs.
- Specialist provision to address homelessness / rough sleeping.
- Personalised support to meet our customers' individual needs together with choice and control

Property related and Other Commercial Activities

- Property development: developing and delivering new high-quality homes for people at every income level to meet the urgent housing need across London and the South East.
- Private Care Homes: modern specialist homes catering for self-funding residents.
- Commercial property: in addition to our market rent housing property, we also hold a portfolio of commercial property.

Community and Social Mobility

- Community investment programmes: involving residents through a combination of consultation and community-improvement schemes and projects.
- Social mobility and aspiration: focusing on employment and training schemes, including volunteering opportunities to build skills and promote employment opportunities in the communities we serve.

One Housing's historic base of Camden is still a core location for our homes and services

Our strategic objectives

Our current strategic priorities were set at the start of our five-year corporate plan (2018-2023):

- Creating places to call home
- Supporting people to live well
- Building homes and communities
- Growing responsibly & sustainably
- A modern, flexible & fun place to work

Rising to the challenges of 2020/21

This past year has been unlike any other due to the pandemic; in the last few months of 2019/20 we started to see the effects of Covid-19, but few predicted that it would have lasted so long. We have had to adapt and change and sometimes at short notice. In most cases, we have been able to deliver the services residents expected from us, doing so within the parameters of changing laws and guidance to keep our customers and colleagues safe.

Our development programme has been disrupted by the stop and start nature of the various lockdowns and other measures. These impacted our Care & Support and other social housing activities.

Despite these obvious challenges, we remained committed to doing the best for our residents and customers and focused on delivering of our strategic objectives.

Throughout these financial statements you will see detailed information, figures and analysis concerning the four key issues that lie behind all aspects of One Housing Group's results and activities for 2020/21, namely:

- Fire Safety
- Covid-19;
- Victoria Quarter
- Supporting people

Fire safety remediation work continuing at Wharton House in East London

2021 Financial Review

At the start of the 2020/21 financial year, we recognised that there were two significant challenges ahead of us; the rapidly developing Covid-19 pandemic and fire safety. The Board of One Housing took the decision to prioritise the safety of those we house and of our staff in the full knowledge the at the year-end we would have suffered a deficit for the year. We had £352m of retained reserves, valuable assets and strong liquidity and were confident that our business could afford this short-term impact. The underlying business model is strong and this will be further enhanced in following years by the changes already made to operational delivery and the benefits of the restructure and de-risking of One Housing's business model.

It became clear in the spring of 2020 that Covid-19 would have a substantial impact on our Care & Support operations, and also that we needed to move swiftly to address fire safety issues. Accordingly, we produced a revised budget, approved by the Board in July 2020, and the operational results delivered throughout the year have been in line with this budget.

Key stakeholders, including our funders and the Regulator of Social Housing, were kept fully informed of the Board's strategy. We are grateful for the support of our key stakeholders.

Our 2020/21 financial results were therefore something we prepared for, looking closely at our budgets throughout the year and reforecasting as the pandemic continued to impact the business. The result for the year is a pre-tax loss of £25.5m (2020: £8.6m), and the fall in performance is primarily attributable to a fall in the operating surplus due to an operating environment impacted by Covid-19, fire safety works and impairment. Fire safety works and the associated costs are disclosed in note 16 of the financial statements. The impact of impairment on our operating surplus is disclosed in the Property related section of this review.

	Year ended 31 March 2021	Year Ended 31 March 2020
	Surplus/ (deficit) £'000	Surplus/ (deficit) £'000
Operating Surplus	2,478	31,580
Net interest & financing cost	(37,385)	(35,932)
Movement in fair value of financial instruments	14,373	(6,019)
Movement in fair value of property & other investments	(4,932)	1,778
Deficit before taxation	**(25,466)**	**(8,593)**

This review of financial results section of the Strategic Report of the Board, primarily focuses upon the operational results. To aid clarity we have detailed the impact on our financial performance of some of the challenges for the year, including Covid-19 impact on costs and occupancy in our care homes, fire safety spend and the impairment of Victoria Quarter which is a legacy development scheme.

Set out in the table below is a non-statutory presentation of the results which aids understanding of performance. The table shows our operating activities by business streams and the performance of the business streams in the year. Please note, all of the figures stated have been directly taken from the statutory Statement of Comprehensive Income and supporting notes.

	Year ended 31 March 2021			Year ended 31 March 2020		
Summary of activity by business streams	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**
Turnover per SOCI	184,369			218,963		
Income from Sohostel, staircasing and right to buy	52,087			23,114		
	236,456			**242,077**		
Core housing (excluding fire related)	110,845	23,824	21.5%	110,250	31,223	28.3%
Other social housing activities	30,158	(29)	(0.1%)	27,454	(2,972)	(10.8%)
Property related (excluding Victoria Quarter)	75,477	12,377	16.4%	83,230	7965	9.6%
Private Care Homes - Baycroft	8,324	(9,586)	(115.2%)	7,600	(5,772)	(75.9%)
Other Commercial activities	10,544	6,196	58.8%	13,543	9,342	69.0%
	235,348	**32,782**		**242,077**	**39,786**	
Cladding and fire related income/(costs)	1,108	(17,304)		-	(8,206)	
Victoria Quarter impairment	n/a	(13,000)		n/a	-	
	236,456	**2,478**		**242,077**	**31,580**	

Core Housing

Our core housing activity comprises general needs housing including supported accommodation, shared ownership rents and charges to leaseholders. Due to the significant impact of fire safety related costs these are split out to make clear the underlying business performance.

	Year ended 31 March 2021			Year ended 31 March 2020		
Core Housing	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**
General needs and shared ownership						
Rents, grants and other	90,866	19,405	21.4%	88,561	30,992	35.0%
less: fire safety related	(300)	10,548		-	3,447	
underlying performance excluding fire	**90,566**	**29,953**	**33.1%**	**88,561**	**34,439**	**38.9%**
Service charges	15,352	(4,208)		16,283	(3,408)	
Sub-Total	**105,918**	**25,745**		**104,844**	**31,031**	
Leaseholders						
Rents, grants and other	5,735	(8,677)		5,406	(4,567)	
less: fire safety related	(808)	6,756		-	4,759	
underlying performance excluding fire	**4,927**	**(1,921)**		**5,406**	**192**	
Core housing (excluding fire related)	110,845	23,824	21.5%	110,250	31,223	28.3%
Cladding and fire related income / (costs)	1,108	(17,304)		-	(8,206)	
Core housing after all fire related costs	**111,953**	**6,520**		**110,250**	**23,017**	

Core housing key points to note:

- General needs and shared ownership income grew steadily reflecting the rent settlement and changes in housing stock;
- The underlying performance of general needs and shared ownership, excluding fire related costs, was a surplus of £25.7m (2020: £31.0m);
- The fall in surplus was driven by increases in operating costs of social housing lettings, which are largely attributable to increases in routine maintenance and major repairs, as well as an increase in bad debts and void losses. As discussed in the Operations & Service Delivery report (page 33 et seq.) we have been investing to improve services to tenants, including improvements to repairs to existing stock, though operational efficiency was impacted by Covid safety measures. Bad debts and void losses increased primarily due to the economic impact on residents of Covid-19.
- We continue to incur a deficit in recovery of service chargeable costs for both social housing and leaseholders. We recognise that it is unreasonable to ask residents to pay more if they are not fully satisfied with the service and/or accuracy of charges. We are investing to improve both service delivery and the accuracy and timeliness of service charge data. A new customer relationship management system went live at the start of the year. As the service improves over the next two to three years, we expect to improve recovery of costs.
- During the year we incurred £17.3m (2020: £8.2m) of costs that were expensed through the Statement of Comprehensive Income ("SOCI") relating to fire safety. Keeping our residents safe was our priority. We took the policy decision to deal with urgent works on cladding and other fire safety irrespective of tenure or funding, knowing that we would have to expense costs relating to leaseholders and shared owners. For 2020/21, we also took a policy decision to not recharge any waking watch costs and this has also impacted our results. There will be further costs relating to leaseholders and shared owners that will have to be expensed in 2021/22. Further detail on fire safety is included in note 16.

Homelessness support services provided at Arlington House include those focused on wellbeing

Other Social Housing Activities

Supporting people contract income business activities includes various contracts with local authorities, health partnerships and social services.

	Year ended 31 March 2021			Year ended 31 March 2020		
Other social housing activities	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**
Supporting people contract income	28,632	972		27,454	(1,135)	
Community regerenation	637	(1,001)		-	(1,837)	
Furlough grant	889	-		-	-	
	30,158	**(29)**	**(0.1%)**	**27,454**	**(2,972)**	**(10.8%)**

We provide a range of services ranging from getting rough sleepers of the streets through to local authority funded supported housing for elderly people. Together these constitute a major part of One Housing's service offer to our Care & Support customers. These services are difficult to provide and will never generate the same level of contribution as other areas of the business and, under the Value for Money calculations, have an adverse impact upon our cost per unit since costs are included even when there are no additional housing units.

Other social housing activities key points to note:

- Covid-19 disproportionately impacted on other social housing activities as extra staffing, cleaning and other costs were incurred to keep people safe. Continuing on from the pattern seen at the end of 2020, our Senior Living Care Homes continued to suffer reduced occupancy where families and local authorities have been understandably reluctant to allow older relatives to move into a care home whilst there were concerns over safety and when visits were not allowed. This reduced income at a time when additional costs were being incurred.

- In 20/21, the supporting people business stream had an overall surplus of £1.0m (19/20: Loss - £1.1m), which is an excellent result in a challenging environment. The improvement reflected very careful cost management together with the benefit of having exited from some loss-making contracts. We want to continue to be an excellent and cost-efficient service provider, but our role is not to subsidise local authorities, social services, the NHS or other parties. Accordingly, as an ongoing strategy, we will continue to critically scrutinise all contracts as these come up for renewal / renegotiation to ensure that they do not operate at a loss.

- Community regeneration work is a vital part of supporting and sustaining viable mixed communities. Working as we do in some challenging and deprived parts of London we believe in the value of these services. We have been grateful to receive funding from various charitable and other sources to support this work and our aim is to continue to seek funding sources for our work in the future.

Property related

Property related activity includes everything in relation to property development, asset sales and shared ownership. It includes disposal of properties previously used in core social housing or other social housing activities but excludes rental income from properties held for investment purposes which is included in other commercial activities.

	Year ended 31 March 2021			Year ended 31 March 2020		
Property related	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**
Sales of properties developed for outright sale	9,024	(483)		44,301	3,476	
Impairment - net release / (charge) on sites other than VQ		766			(6,811)	
Joint venture losses on legacy sites		(601)			-	
Result from sales in year -sub-total	**9,024**	**(318)**	**(3.5%)**	**44,301**	**(3,335)**	**(7.5%)**
Shared ownership first tranche sales	14,366	3,496	24.3%	15,815	3,955	25.0%
Staircasing (note 11)	9,425	5,365	56.9%	15,654	7,558	48.3%
Right to Buy and other sales (note 11)	11,412	8,211	72.0%	7,460	3,802	51.0%
SoHostel Sale (note 11)	31,250	20	0.1%	-	-	
Development Costs Not Captalised	n/a	(4,397)		n/a	(4,015)	
Results from property related activities in year-sub-total	75,477	12,377		83,230	7,965	
Impairment - Victoria Quarter (see page 14)	n/a	(13,000)		n/a	-	
	75,477	**(623)**	**(0.8%)**	**83,230**	**7,965**	**9.6%**

Note: Income arising from Sohostel sale, staircasing and right to buy is excluded from turnover on the SOCI.

Property related key points to note:

- Property related activities performed well during the year, generally in line or ahead of budget and better than in 2020.
- At March 2020, we undertook a detailed review of all sites and recognised impairment provisions wherever required. The majority of these have proved to be reasonably prudent and accurate and where appropriate we have updated provisions at 31 March 2021. With the exception of Victoria Quarter (see below), there is overall net release of impairment this year of £0.8m (2020: charge of £6.8m).
- Properties for outright sales performed as expected as the majority of sales related to properties that were already impaired to expected net realisable value. This means that although we have suffered a loss from sales in the year of £0.3m this represents a significant improvement from the £3.3m loss suffered in 2020.
- For our remaining legacy outright sale schemes, a strategy is in place to either dispose or develop through joint ventures. The value tied up in Properties for Sale (see Note 22) has fallen materially. Where appropriate we have successfully adopted a policy of changing tenures from outright sale to shared ownership, market rent or affordable rent in order to ensure empty properties become occupied homes and to realise the carried investment.
- Shared ownership first tranche sales have generally held up well despite the challenges of selling during Covid-19 lockdown. Properties have often taken longer to complete the legal process, either due to delays in searches or due to buyers' / mortgage providers' understandable concerns regarding building safety / requirement for EWS1 certificates.
- Right to Buy, Staircasing and Other Sales continued to perform strongly and although volumes were impacted by the Covid lockdown margins improved, reflecting the underlying open market value of the portfolio as opposed to its book value, resulting in a higher overall profit contribution.
- During the year we disposed of SoHostel, a backpacking hostel in a prime central London location. The decision to dispose was based on the consideration of non-core activity and the release of cash. No material profit on disposal is reported on the SOCI as SoHostel was held at fair value as an investment property, but the cash received in year supported our business activities.

SoHostel cost of disposal breakdown	Group £'000	Association £'000
Historic Cost	5,834	5,834
Fair value gains on investment	24,916	24,916
Total value at 31st March 2020	**30,750**	**30,750**
Selling cost	480	480
Cost of disposal	**31,230**	**31,230**

Surplus on Sale of Fixed Assets - SoHostel	Group £'000	Association £'000
Disposal Proceeds	**31,250**	**31,250**
Cost of disposal	(31,230)	(31,230)
Surplus on disposal	**20**	**20**

SoHostel Sale - Realised gain on historic cost	Group £'000	Association £'000
Disposal proceeds	31,250	31,250
Historic cost	(5,834)	(5,834)
Realised gain on historic cost	**25,416**	**25,416**

- The development team continue to seek and develop opportunities; we take a cautious and prudent view on capitalisation and during the year £4.4m (2020: £4.0m) of development costs were expensed to operating costs.
- For the reasons discussed in more detail below we have taken an impairment charge of £13m against the carried investment in the Victoria Quarter site, which is a legacy development scheme.


A vision of what our Granville Road development will look like when complete

Property related impairment provisions

During the year we took £12.2m of impairment charges, which was £13m of charges relating to Victoria Quarter offset by a net release of £0.8m of provision across all other sites.

Victoria Quarter is an old gasworks site which was acquired prior to 2017 by the previous management team and which required substantial remediation of contaminated land.

A planning application to build 652 homes on the Victoria Quarter site in New Barnet was submitted to LB Barnet in April 2020 and although there was substantial local opposition, the scheme was supported by a positive officer recommendation. However, the application was refused by the Planning Committee and, in December 2020, the Mayor of London declined to call in the application.

Together with our joint venture ("JV") partners, Fairview New Homes, we believe that this site will be able to provide much needed new homes in Barnet. We have developed a robust strategy to achieve planning consent and are addressing the previous refusal on grounds of height, massing and density. This has led to a reduction in the number of homes as well as increasing build costs. These changes will reduce the value of the share of JV profits the Association will receive from the scheme, therefore requiring a further impairment of £13m in the value of One Housing Group Limited's ("OHGL") investment. During the year the site was purchased by the joint venture Citystyle Fairview VQ LLP in which OHGL holds a 50% interest.

For all schemes, including those detailed in the table below, there is a clear strategy for maximising value and realising the investment. Sales or offers have been secured at Bangor Wharf, Chalk Farm Road, Acton Town Hall and Sutton Court Road. At Merchant Taylor and Nunhead, we have achieved best value by changing tenure to either shared ownership or market rent.

	Provision 31 March 2021	Group Charge to SOCI in the year		
	Total £'000	2021 £'000	2020 £'000	Earlier years £'000
Included in Joint Ventures (note 20)				
Victoria Quarter	**36,864**	**13,000**	**-**	**23,864**
Included in Properties for Sale (note 21) Work in Progress				
Chalk Farm Road (Citystyle Living (Polo) Ltd)	796	-	-	796
North End Farm (Citystyle Living (North End Farm) Ltd)	2,514	-	-	2,514
Bangor Wharf (Citystyle Living (Bangor Wharf) Ltd)	5,750	(1,828)	-	7,578
	9,060	**(1,828)**	**-**	**10,888**
Completed Properties				
Boyn Valley Road	655	655	-	-
Sutton Court Road Citystyle Living (Sutton Court Road)	105	105	-	-
Railway Terrace (Citystyle Living Ltd)	91	-	57	34
Nunhead (Citystyle Living (Nunhead) Ltd) (disposed in year)	-	-	2,971	488
Merchant Taylor (Citystyle Living (Belmont) Ltd)	3,107	15	2,791	1,062
Acton Town Hall (Citystyle Living (Acton Town Hall) Ltd)	287	287	-	-
	4,245	**1,062**	**5,819**	**1,584**
Included in Housing Properties under construction (note 15)				
Suttons Wharf South	760	-	760	-
Pembury Road	232	-	232	-
	992	**-**	**992**	**-**
	51,161	**12,234**	**6,811**	**36,336**

Other commercial activities

There are three primary areas of activity included within other commercial activities: private care homes; market rent housing; and commercial lettings.

	Year ended 31 March 2021			Year ended 31 March 2020		
Other commercial activites	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**	**Turnover & Sales £'000**	**Operating surplus/ (deficit) £'000**	**Margin %**
Market rent housing	6,789	4,683	69.0%	6,925	4,934	71.2%
Commercial lettings and other activities	3,755	1,513	40.3%	6,618	4,408	66.6%
Sub-Total	**10,544**	**6,196**	**58.8%**	**13,543**	**9,342**	**69.0%**
Private Care Homes - Baycroft	8,324	(9,586)	(115.2%)	7,600	(5,772)	(75.9%)
	18,868	**(3,390)**	**(18.0%)**	**21,143**	**3,570**	**16.9%**

Other commercial activities key points to note:

Private Care Homes – "Baycroft"

- Private Care Homes: in 2016 the previous Board took the decision to set up private care homes catering for self-payers under the Baycroft brand. Three of these were opened during 2019/20 just prior to the Covid-19 pandemic striking. We now have five homes open and a sixth home completed. During the year the Board took the decision to mothball the sixth home, delaying opening until the current crisis has passed.
- The business plan supporting the original investment decision recognised that it would take several years before these newly built homes reached maturity. They were particularly badly impacted in terms of occupancy by the Covid-19 pandemic. We took the decision early not to accept anyone being discharged from hospital which meant, compared to many operators in the Care Sector, we had a good record of keeping customers and staff safe. However, demand was understandably much lower during lockdown and access restrictions also slowed the rate of growth in occupancy, impacting on our care home income.
- Costs however increased both in relation to staffing, Personal Protective Equipment (PPE) and cleaning, as we prioritised the safety of our customers and staff.
- During the year all of the Baycroft Homes operated considerably below capacity; whilst financially it may have made sense to temporarily close some of these, we took the view that to do so would be to put elderly and vulnerable people at more risk. Our staff showed great dedication during very challenging times. We therefore continued to operate and suffered increased losses of £9.6m (2020: £5.8m). Baycroft is being closely scrutinised and there is a recovery plan in place to address the overall loss-making position.

Market rent housing

- Demand for market rent housing held up reasonably well and this continued to contribute profits and cash flow to the group.
- Voids have been higher than previously as a result of the pandemic but the properties are still profitable, generating £4.7m of surplus (2020: £4.9m).

Commercial lettings and other activities

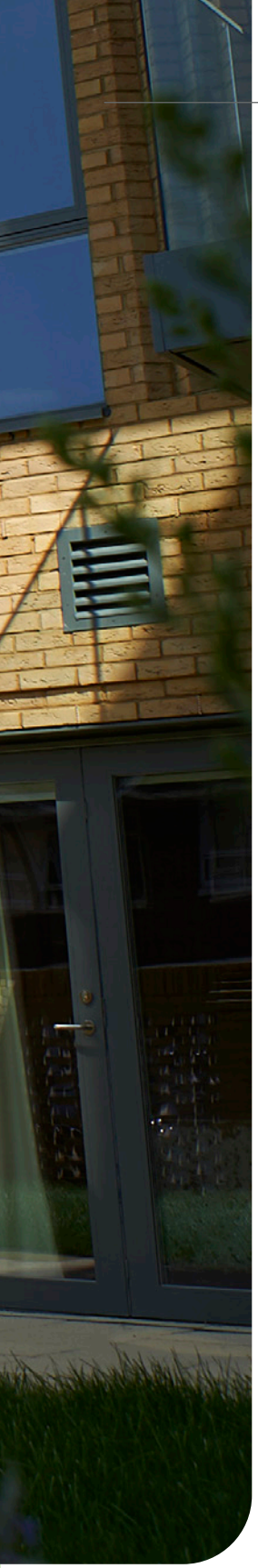
- Commercial lettings and other activities generated a much reduced surplus of £1.5m (2020: £4.4m) due to the following two primary reasons:
- As a result of Covid-19 we agreed rent reductions or other measures on a case-by-case basis for those commercial tenants impacted by the pandemic.
- SoHostel was closed due to the lockdown in the early months of the year and was sold in August 2020. Consequently, there is no contribution to income / surplus achieved in the year, albeit that significant historic profits and cash flow were realised by the sale.

Providing housing and support for older people and those with specific needs is a fundamental part of One Housing's operations

Statement of financial position highlights

We have maintained a robust financial position, reflecting strong asset values and liquidity. Key highlights include:

- The value of the Group's housing properties at historic cost increased to £1.70bn (2020: £1.68bn);
- The value of the Group's investment properties on an MV-T basis, fell to £192m (2020: £222m) mainly as a result of the sale of SoHostel, as well as an updated independent valuation;
- We have over £2.0bn of assets (2020: £2.0bn) and £319m of retained reserves (2020: £352m)
- As detailed in the treasury section which follows, we have drawn down loans of £978m (2020: £923m) and undrawn facilities / cash of £208m (2020: £369m)



Financial Outlook

Despite the uncertainty and challenges of the 2020/21 financial year and of dealing with various legacy issues, the underlying One Housing business model remains strong; our stock survey showed that stock is, on average, in good condition and has positive Net Present Value on a cash flow basis. Much of our stock would be worth considerably more on an open market basis than the value at which it appears on the balance sheet, which helps support our funding. We will continue to work hard to mitigate risk from the business and will ensure we are able to continue to provide services, homes and support for many years to come.

The Executive Team and the Board have been focused on plans to return to strong financial performance which includes critically challenging and refining our business model, mitigating risk, restructuring back-office teams to provide efficiency savings and implementing our care & support recovery plan.

We have previously committed to continuing to provide vital care & support and we stand by that commitment because it is the right thing to do and is a core part of our social purpose. However, we have also said that some parts of our current operating model are not sustainable, and we will look to exit from some of our care & support contracts if these are not viable. This does not mean that we are moving away from being a strong provider of care & support. We are implementing these measures so we can continue to provide these essential services to some of the most vulnerable in society.

Our programme of improving building safety will continue to be a focus for the organisation. We have already made significant progress in dealing with matters arising from fire risk assessments and have an experienced and dedicated team backed by leading external advisors. We expect to invest in excess of £200m over the next five years to remediate our buildings that have defective cladding or to address other fire safety issues. We will continue to lobby the Government for more funding to try to ensure that our leaseholders are protected from costs.

In some cases, original contractors have agreed to remedy defects at their cost; in others we are pursuing the original contractors for building safety costs and these discussions will continue into the next year. Where available we have applied for Government funding though our business plans take a cautious view on the timing and quantum of grants. Keeping our customers safe remains our number one focus and we have adopted a risk-based approach of dealing with the highest risk buildings first and of providing waking watch wherever there are concerns.

Even in uncertain times, it is important that we do not lose sight of our strategic objectives; providing good quality homes and wraparound support, strong resident engagement programmes, and investing in our communities and services. We've shown progress on all these essential activities in the past year, and we will continue to focus on delivering these in the future.

We could not have continued to provide this support to our customers if we did not have the right tools in place to enable our employees to do their jobs while working remotely. We successfully implemented a Customer Relationship Management system (CRM) which captures key data about services delivered and provides insight thereby helping us to improve our customer service and even anticipate what our customers' needs might be. Over the next year we will ensure that the CRM is supporting real changes to our customer service.

Good customer service also means investing in our communities and we will continue to do just that by moving forward with regeneration projects. We were pleased that residents on our Bellamy Close and Byng Street estate in Tower Hamlets voted in favour of regeneration and our planning application to start re-development was also approved by the Council. We are looking forward to delivering 149 new homes, working with our residents to revitalise their homes and community.

We will continue to engage with residents across all of our estates who are interested in regeneration projects, and we look forward to bringing proposals to these communities in the following year.

Despite financial and economic challenges this year, we remain committed to our ethos as a housing association – creating places for people to call home and support them to live well. We remain a robust organisation with good governance and strong liquidity. We are confident that by applying some of the changes to our business and operating model, we will remain in a strong position to continue to provide good customer service, care & support, and invest in our homes and communities for our 35,000 customers.

Review of Treasury

Treasury management

The Group Treasury Management Policy sets out the principles and objectives of our treasury management activities. It is reviewed annually to ensure we apply best practice.

The Group Treasury Strategy sets out how we will apply the policy in the year ahead and details our approach to funding and how we mitigate and manage treasury-related risks such as liquidity risk, interest rate risk, covenant risk and counterparty risk.

During the 2020/21 year a key element of the strategy was to start a process to more closely align funding with the Group's business strategy and needs. This included:

- the intention to move to fewer funding providers to reduce risks and workload from having multiple different funding terms and conditions;
- pro-active engagement with funders;
- renegotiating funding terms to enable the Group to meet its commitment to fire safety;
- ensuring funding terms would enable the Group to take advantage of future opportunities for estate regeneration and other development opportunities.

The Group's core funders were strongly supportive of this approach; in some limited cases where we were not certain of obtaining agreement in a reasonable timescale, or where funders were unable to give commitments beyond a short timescale, we chose to exit from undrawn facilities. We took the view that this was the right approach from a balance of risks and also represented better value for money not to incur non-utilisation fees.

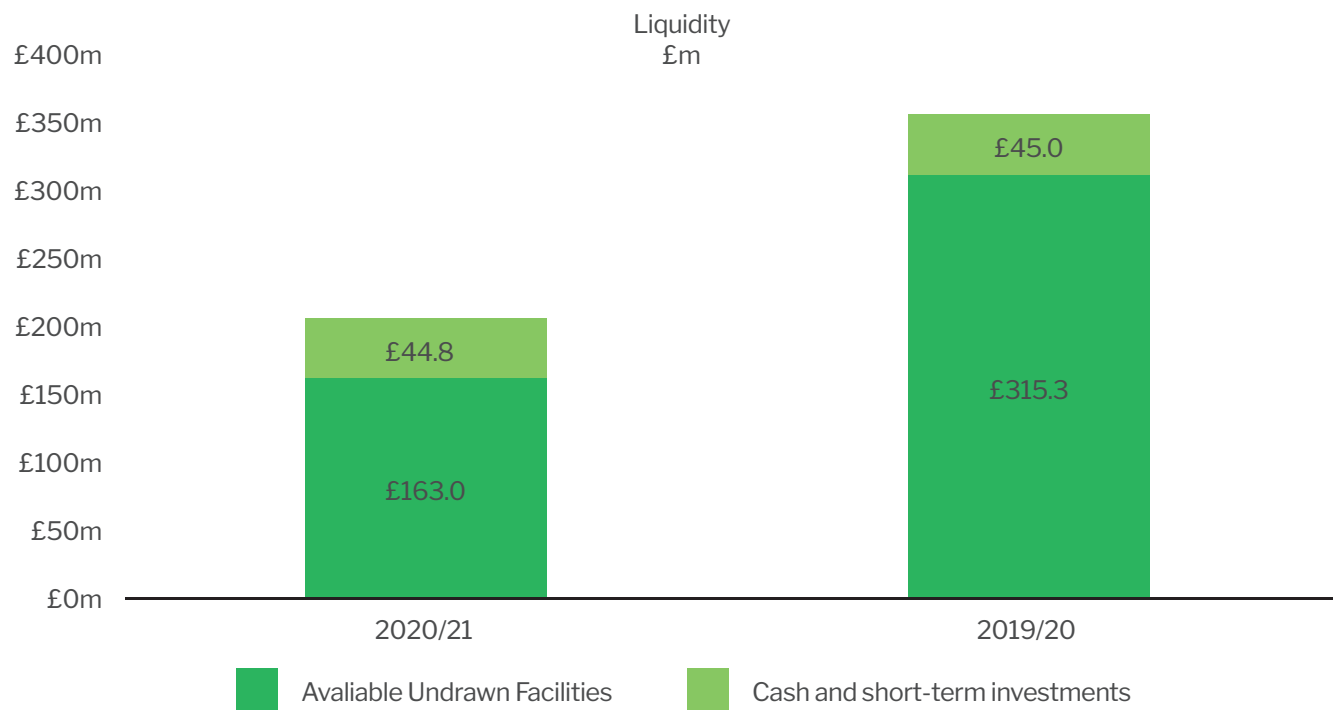
Liquidity

During the year our Treasury Management Policy required us to maintain a minimum of £100m liquidity of which £30m must be cash. Our policy further requires us to hold sufficient funds in place so as not to rely on sales income.

At 31 March 2021 the group had £207.8m (March 2020: £360.3m) of available liquidity, comprised of cash and short-term investments of £44.8m (March 2020: £45.0m) and immediately available loan facilities of £163.0m (March 2020: £315.3m). These resources are sufficient to meet the Group's contractual commitments.

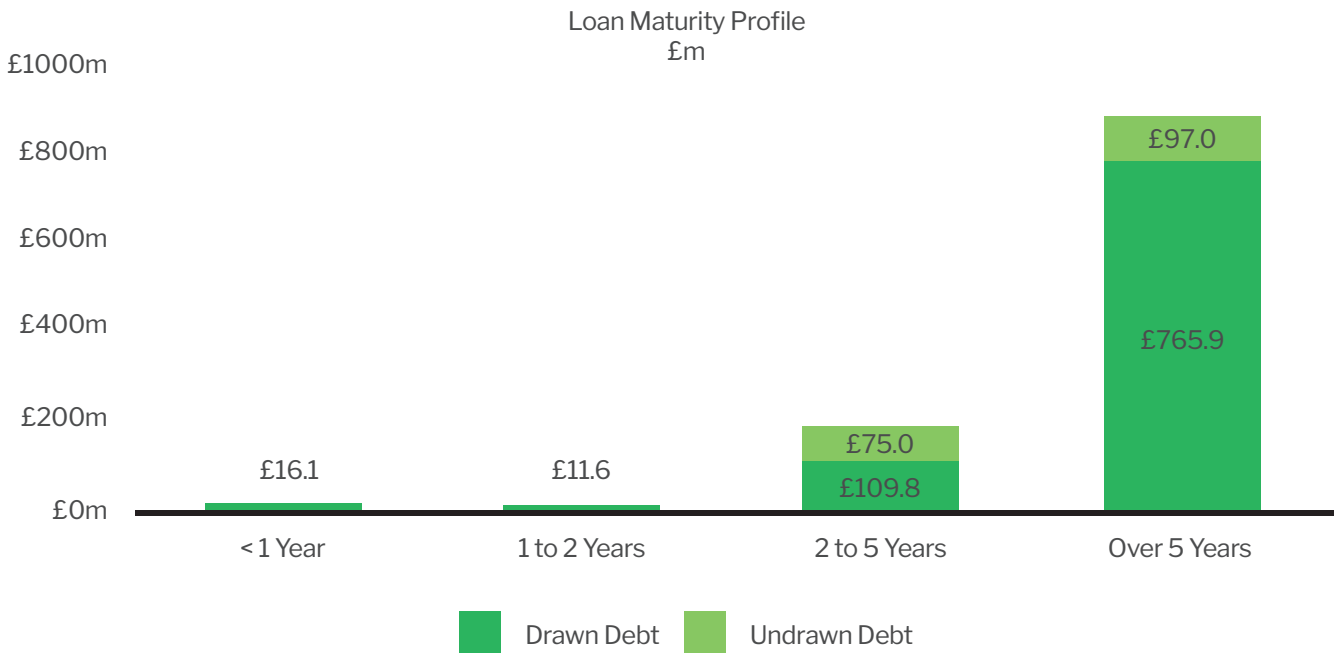
The reduction of liquidity was mainly due to scheduled repayments during the year and the cancellation of a total of £100m from two undrawn facilities, which will be replaced during the 2021/22 financial year.

In addition to the above facilities the group is in the process of pledging security to a loan facility which will increase liquidity by £9m.



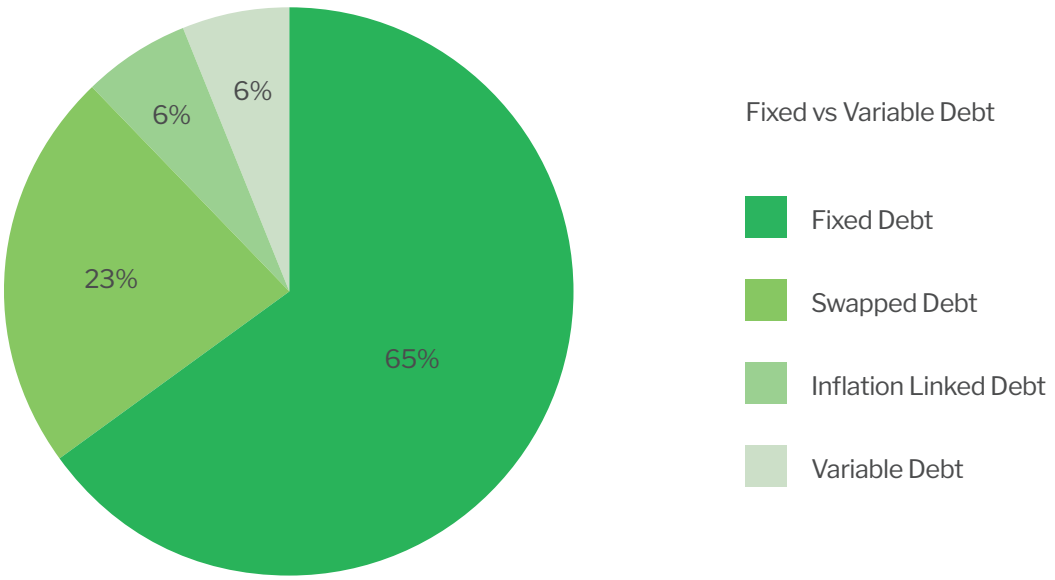
Debt Repayment Profile

As at 31 March 2021, the Group had total facilities of £1,075.2m (March 2020: £1,303.1m) of which £903.2m (March 2020: £922.8m) were drawn.



Interest Rate Management

The Group manages its exposure to fluctuations in interest rates with a view to achieve an acceptable level of certainty in its net interest costs. As at 31 March 2021 94% (March 2020: 96%) of our drawn debt was fixed or inflation linked.



We manage our Mark to Market (MTM) exposure risk using unsecured thresholds built into our ISDA agreements and property security collateral.

As at 31 March 2021, MTM exposure on standalone derivatives was £37.9m (March 2020: £47.4m). The impact of a -1% shift in rates would have increased our MTM exposure to £50.9m. This scenario was fully covered by unsecured thresholds and property security collateral.

Covenant Compliance

Our Loan Covenants are predominantly based upon interest cover, asset cover and gearing ratios. We monitor covenant compliance monthly and report to Treasury and Finance Committee on a quarterly basis. The Group complied with all financial covenants for the year ended 31 March 2021.

Value for Money

Overall delivery of value for money

In our 2020 value for money report, we set out how the focus had been on improving the delivery of services to customers. We gave examples of organisational IT resilience, procurement efficiencies and installation of a CRM system. In this 2021 report we have set out details of how we have built upon this to deliver further progress delivery of Value for Money.

Our Key Performance Indicators have some targets where actual Value for Money metrics are measured against the targets e.g. Rent Collected. In the new year, we will be expanding our Key Performance Indicators to include measurements of non-financial Sector Scorecard metrics such as occupancy and new supply. Our financial standards will also be updated in the new year to include targets reflective of the current environment we are operating within, which has been significantly impacted by fire safety costs.

1. **Customer Experience Strategy:** building upon the investment in the CRM which went live at the start of the year we listened to our customers and developed our customer experience strategy details of which are set out in the housing services section of this report on page 33. This will help us allocate resources more efficiently and effectively to achieve a more positive customer experience which we believe will deliver Value for Money.

2. **Data:** there is a lot of ongoing investment into improving the reliability of data that can be used to inform business decisions. During the year a considerable amount of work has taken place in preparation for replacement / upgrade of our housing management system. Projects are underway to move data from spreadsheets to core systems. Ultimately this will drive operational efficiency including improved recovery of service chargeable costs, driving up first time fix, reducing back-office time costs and also by supporting the customer experience strategy.

3. **Fire safety strategy:** as part of the delivery of fire safety project we are carefully considering how best this can deliver VfM, including:

    a. Accelerating the capital spend to cut short the period during which we incur revenue spend on items such as waking watch;

    b. Analysing whether other works can be achieved at a lower price if undertaken at the same time as cladding / other ire-works. An example may be for a tall building that has to be scaffolded it may be cost advantageous to replace windows at the same time;

    c. Considering whether it is better value to remediate a building or to entirely rebuild / redevelop / include in a regeneration scheme. Value for Money (VfM) is both what we spend, but more importantly what we deliver for the benefit of customers in return for this spend.

We are mindful that our costs are relatively high by G15 standards. This is partly driven by the nature of our services, since the Care & Support business stream is a low margin activity. As detailed within the sections below, if supporting people and fire safety costs are stripped out, our costs per unit are much more in line with our comparator groups.

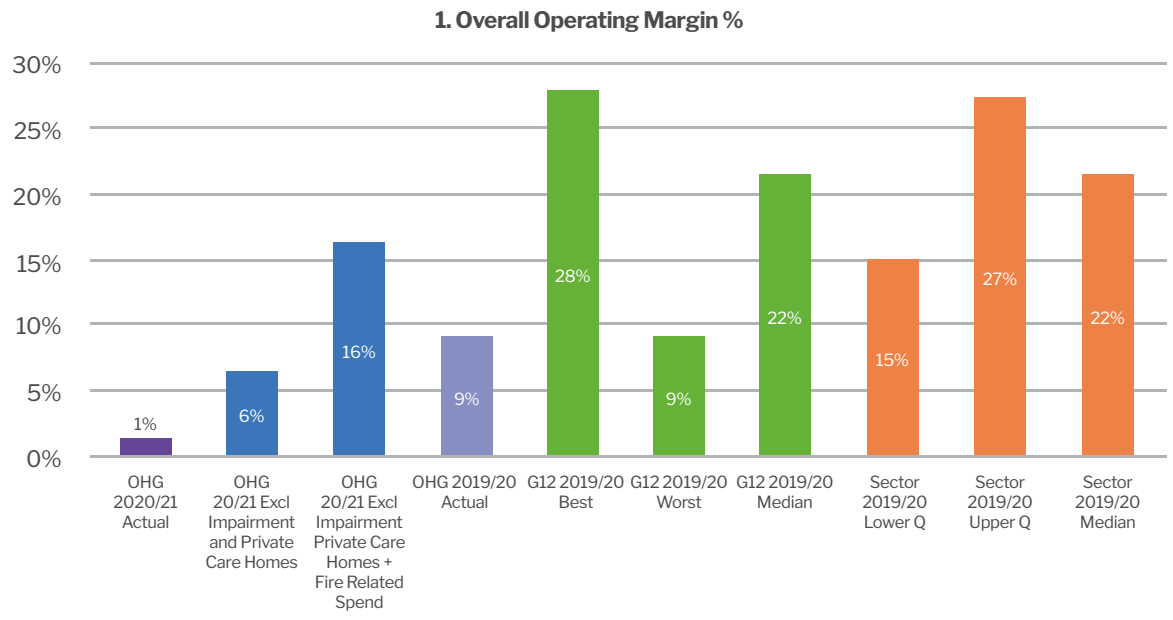
Delivery of VfM involves considering costs and benefits over the whole life of an asset or contract, rather than just short-term cost in the coming year. As a long-term social housing provider, we believe in investing to deliver ongoing improvements, even if this comes at a short-term cost, provided that this investment delivers significant value for money to our customers. Ultimately this approach will both reduce cost and provide better outcomes.

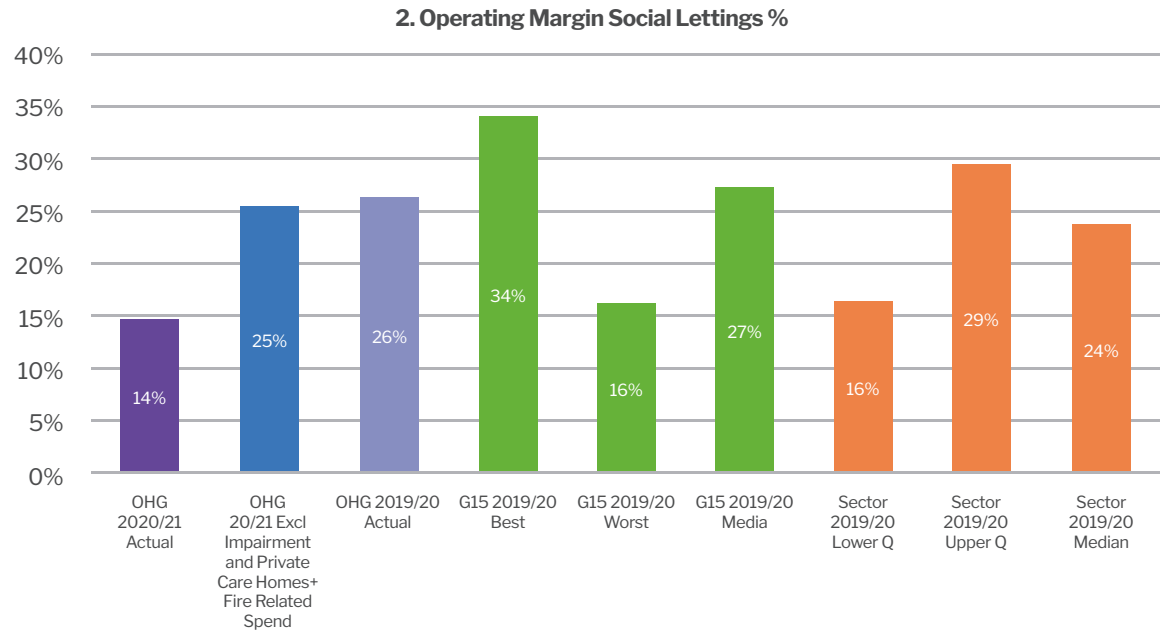
Delivery of VfM during the course of the year is monitored and reported internally, primarily through a focus on delivery of operational budgets that were set to deliver VfM, but also through monitoring of an extensive suite of financial and non-financial KPI's some of which are aligned to VfM metrics.

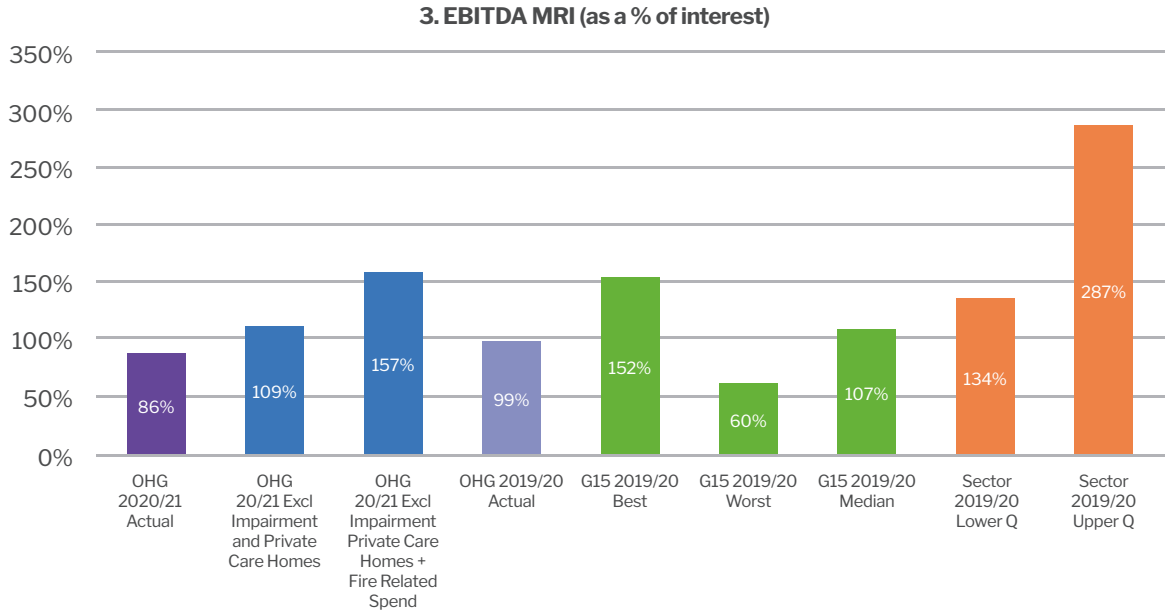
One Housing participates in the annual Sector Scorecard, which reports on 15 metrics that measure our business health, development capacity and supply, outcomes delivered, effective asset management and operating efficiencies. We report in the sections below on our performance measured using these 15 metrics against our peer group, the G15 group of large London-based housing associations, as well as against sector averages. We use 2020 data for comparative purposes as this is a complete data set, whereas 2021 data will not be available in all cases. We track our progress against our targets and prior year metrics. This helps us identify where to focus efforts and resources to deliver improvements for our residents and other stakeholders.

We have shown additional measures to exclude the impact of the Baycroft Care Homes, fire related expenditure and impairment. In line with current best practice, we have set out how we have calculated these metrics at the end of this section - Sector Scorecard calculations.

Business Health Measures (metrics 1 – 3)







Business Health Measures (metrics 1-3)

Our overall operating margin (excluding fixed asset disposals) should be considered in the context of our significant Care & Support activities which operate in a low margin sector. This year's result of 1% is below the target of 3% and is a reduction from what was achieved last year (9%). The lower outcome achieved against target and last year outcome is a reflection of the significant expenditure incurred for fire safety and related works as we continue to keep our residents safe (£27.3m in total, £18.4m impacting the margin) and losses from Baycroft Care Homes (£9.6m). Covid-19 and the lockdowns in the year significantly impacted the occupancy of our Baycroft Care Homes, and costs increased as staff were impacted by the pandemic and we worked to restrict staff to only working in one care home. Excluding this spend, the operating margin improved to 16%.

Our operating margin on social housing lettings reflects the impact of our Care & Support operations. Excluding fire safety related expenditure, the margin increases to 25%, which is broadly in line with the G15 median and slightly under the sector median of the 2020 results.

Our EBITDA MRI at 79% is lower than prior year and target of 81% and 162% respectively. The position achieved in the year is primarily for the same reasons discussed above, Baycroft Care Homes and the increase in our fire related costs. Excluding these items, the EBITDA MRI improves to be amongst the best of the G15.

Over the medium-term, we aim to improve the business health metrics across the Group through improved efficiency, organisational restructure and savings from our One Future Transformation Programme.

Development Capacity and Supply Measures (metrics 4 – 6)

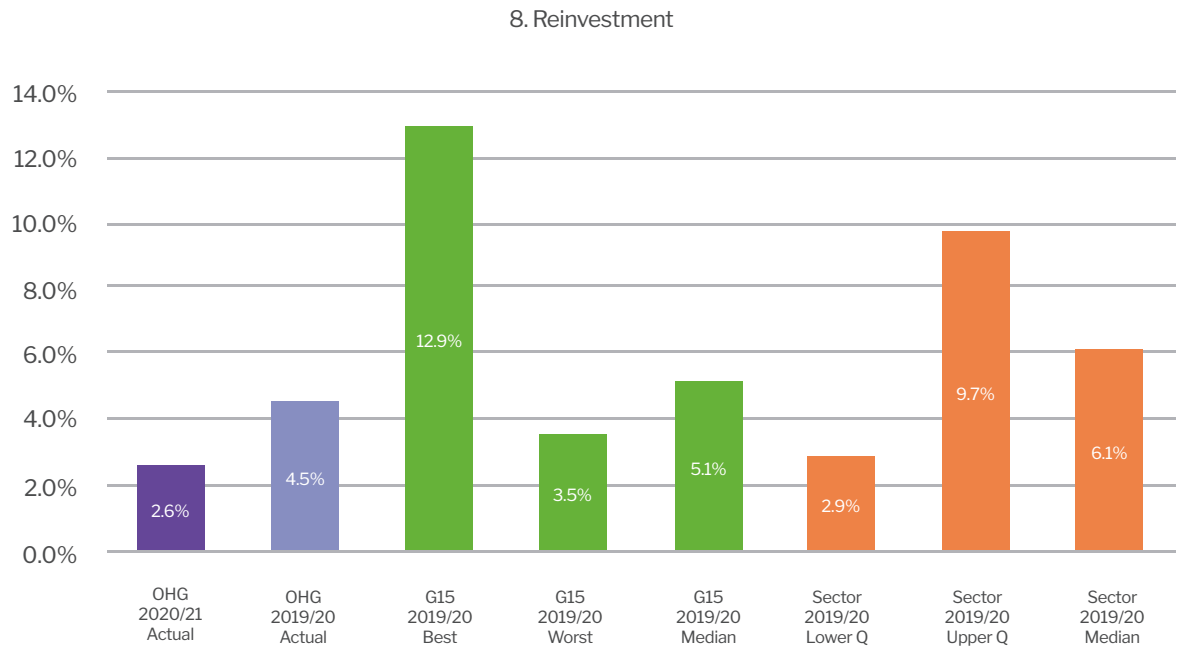
Sector scorecard		OHG 2021	OHG 2020	G15 Best 2020	G15 Worst 2020	G15 Median 2020	Sector Lower Q 2020	Sector Median 2020	Sector Upper Q 2020
Development - capacity and supply									
4.	New supply - social	142	215	1,810	98	785			
	New supply - social as a % of total units owned	0.8%	1.3%	2.4%	0.3%	1.5%	0.0%	1.3%	2.6%
5.	New supply - non-social	42	123	1,251	123	290			
	New supply social as a % of total units owned	0.3%	2.0%	2.0%	0.2%	0.8%			
6.	Gearing	57%	62%	38%	62%	46%	18%	34%	46%

We have worked throughout the pandemic to continue to meet the delivery of new homes. We delivered 184 new homes for both social and non-social housing of which 142 were much needed affordable homes underlining our on-going commitment to increase the supply of new homes.

Gearing at 59% slightly decreased from our target and last year's outcome which were both at 62%. This was driven by strong cash generation from asset sales during the financial year. The standard calculation for the sector scorecard gearing metric includes the fair value of some non-basic financial instruments as defined under FRS102.

Outcomes Delivered Measurements (metrics 7 – 9)

Customer transactional surveys were not undertaken during 2020/21 due to the Covid pandemic, so there is no measure 7 presented. Through our new Customer Experience Strategy we have developed a customer feedback framework to drive forward service improvements. This will be used to collect both perception and transactional customer feedback. We have now launched Customer Voice surveys by text message for all closed cases and completed repairs. Early returns from these surveys are positive – with an average score of 4.5 out of 5 in the month of April 2021; more importantly, the 9 customers who scored the service as 1 or 2 received a call within 2 hours to resolve concerns.

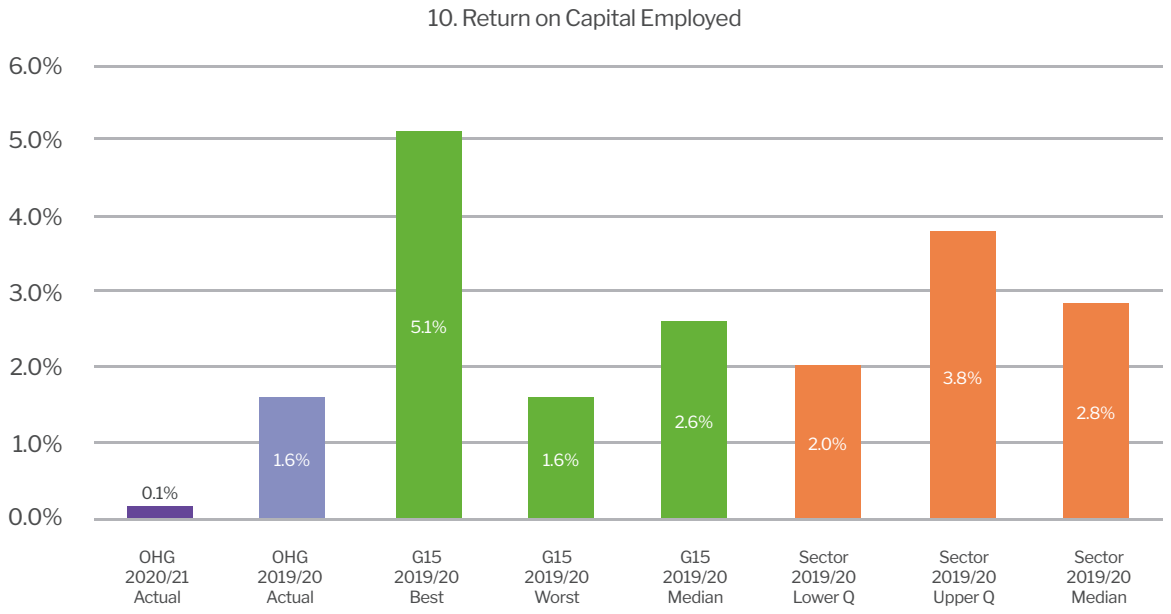


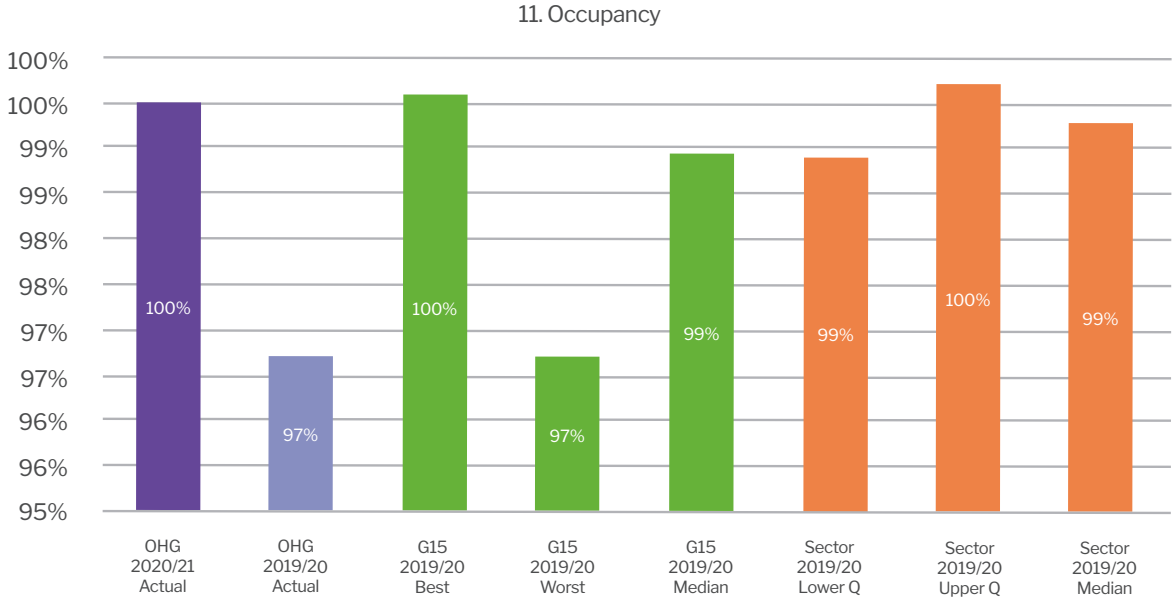
Our reinvestment percentage has decreased from last year as our development programme has slowed reflecting a concentration on larger, existing schemes working their way through planning and a more prudent approach to acquisitions in the face of external market conditions.

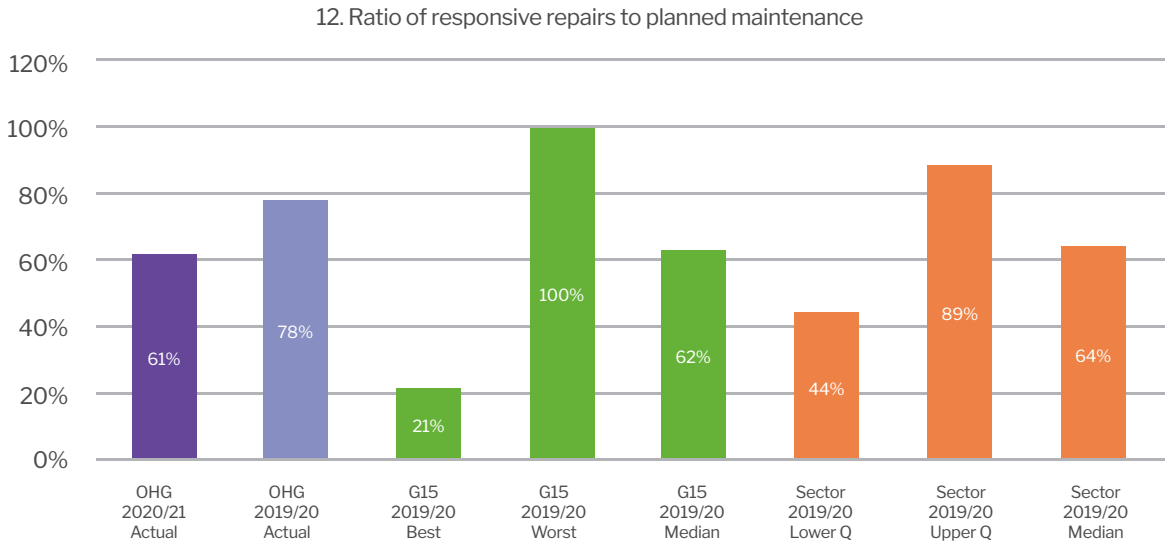
Sector scorecard	OHG 2021	OHG 2020	G15 Best 2020	G15 Worst 2020	G15 Median 2020	Sector Lower Q 2020	Sector Median 2020	Sector Upper Q 2020
Outcomes delivered								
7. Customer Satisfaction	n/a	84%	95%	69%	78%	80%	87%	91%
8. Reinvestment	2.6%	4.5%	12.9%	3.5%	5.1%	2.9%	6.1%	9.7%
9. Investment in communities (£'m)	1.6	1.8	16.6	0.3	2.3			

In 2020/21, we invested £1.6 million in community activities across the Group, a decrease of £0.2 million from last year due to the Covid-19 restrictions. We serve some of the most economically challenged communities in London and through this investment we continue to positively impact our residents' lives.

Effective Asset Management Measurements (metrics 10 – 12)







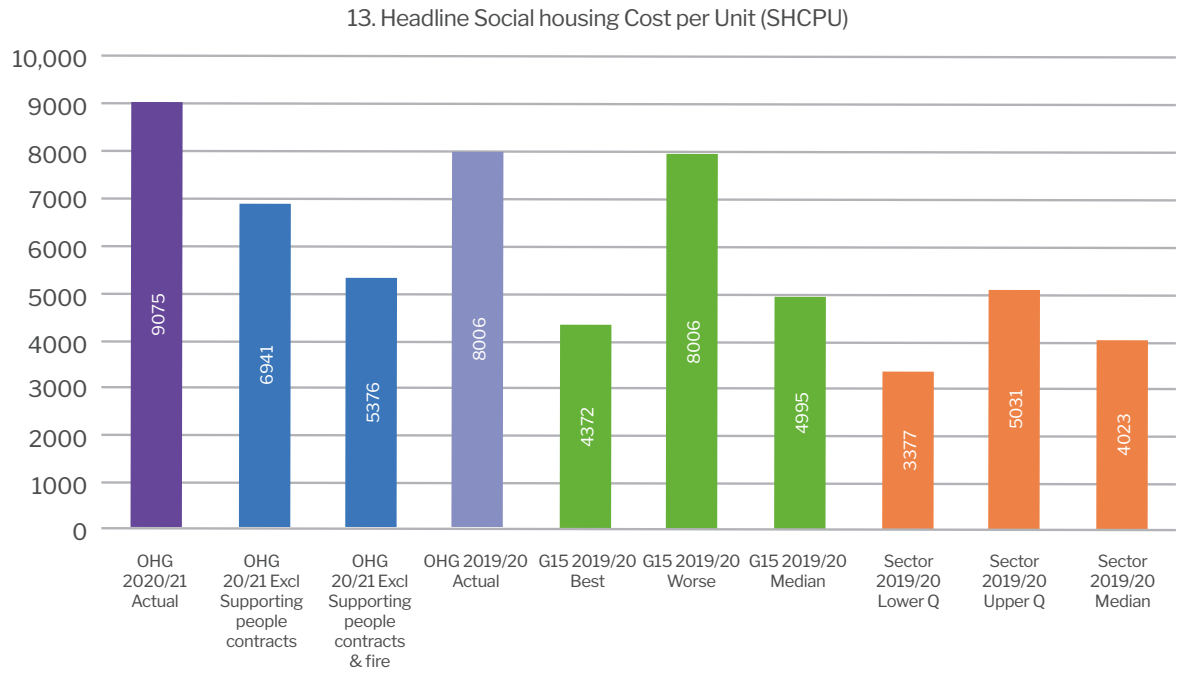
The lower return on capital employed of 0.1% reflects our reduced operating margin compared to our target (1.0%) and prior year (1.6%) for the reasons already discussed. This measure is also impacted by the net impairment charge of £12.2m.

The occupancy percentage has risen from 96.7% last year to 100% this year. This is a result of positive progress being made in general needs housing voids following the first lockdown in Spring 2020.

Our ratio of responsive repairs to planned maintenance of 61% has improved 17% from the previous year but has been impacted by Covid-19. As a result of Government guidance and national lockdowns, we were unable to undertake our original capital works programme. We reviewed our programme in June 2020 and delivered a restricted programme during the remainder of 2020/21.

Operating Efficiencies Measurements (metrics 13 – 15)

	Sector scorecard	OHG 2021	OHG 2020	G15 Best 2020	G15 Worst 2020	G15 Median 2020	Sector Lower Q 2020	Sector Median 2020	Sector Upper Q 2020
	Operating effciencies								
13	**Headline social housing £ cost per unit**	**9,075**	**8,006**	**4,372**	**8,006**	**4,995**	**3,377**	**4,023**	**5,031**
	Management cost per unit	1,155	1,155	564	1,815	1,281			
	Service charge cost per unit	1,484	1,499	521	1,499	819			
	Maintenance cost per unit	1,395	1,066	699	1,848	1,358			
	Major Repairs expenditure per unit	2,321	1,495	570	1,495	883			
	Other costs per unit	2,720	2,791	49	2,791	654			



Headline Social Housing Cost per unit	Cost	Cost per unit
Management costs	**14,967**	**1,155**
Fire related	1,480	114
Other	13,488	1,041
Service Charge Costs	**19,238**	**1,484**
Fire related	616	48
Other	18,623	1,437
Maintenance	**18,080**	**1,395**
Fire related	2,209	170
Other	15,872	1,225
Major repairs	30,080	2,321
Fire related	7,070	546
Other	8,266	638
Capitalised major repair fire related	8,907	687
Capitalised major repairs other	5,837	450
Other (Social Housing Lettings Costs)	**35,256**	**2,720**
Charged for Support Services	27,660	2,134
Development Services	4,397	339
Community/Neighbourhood Service	1,638	126
Lease Costs	1,561	120
Total	**117,622**	**9,075**
Social units	12,960	
Healine Social Housing Cost per unit excluding Fire	**97,341**	**7,510**
Healine Social Housing Cost per unit excluding Support contracts	**89,962**	**6,941**
Healine Social Housing Cost per unit excluding Fire and Support contracts	**69,681**	**5,376**

Headline Social Housing Cost Per Unit (SHCPU)

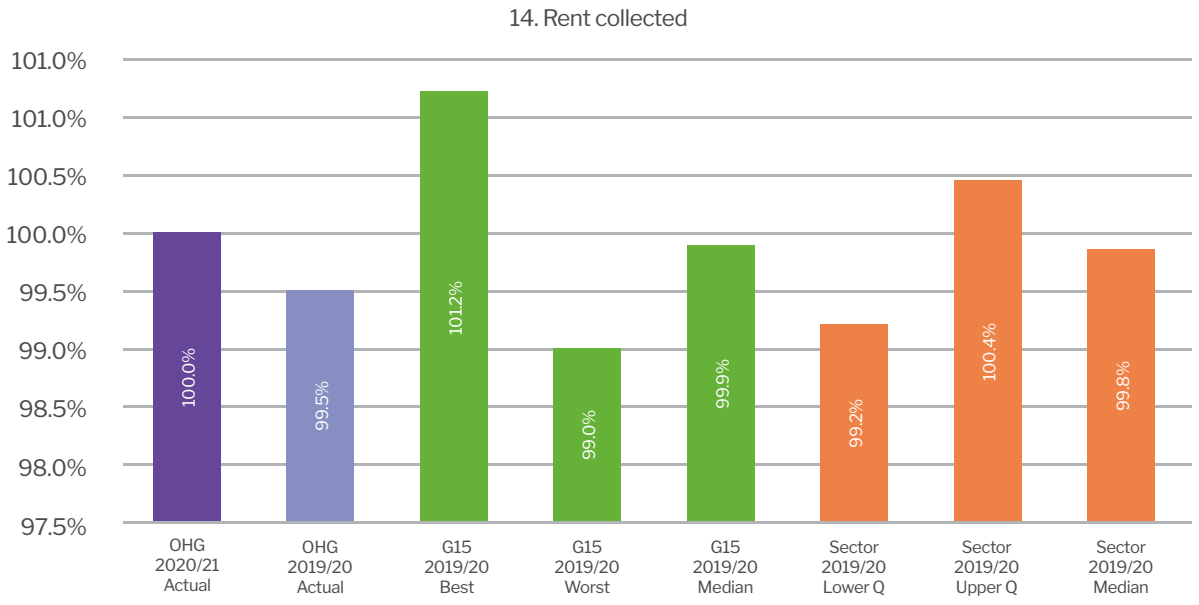
The graph and table above show how our performance compares with the G15 peer group. Our headline social housing cost per unit of £9,075 is above the G15 average and higher than last year, which is lower than our target of £10,593

Our cost per unit is heavily impacted each year by our commitment to our Care & Support business, which provide much needed social care to our most vulnerable customer, including elderly support, floating support and NHS partnership contracts. We spend £28m on these activities and these are low margin contracts, especially as we've committed to paying our staff a London Living Wage. The Care & Support contracts add £2,134 to our cost per unit, and where we are a significant provider of these services, many other Housing Associations we are compared to do not offer this level of social care.

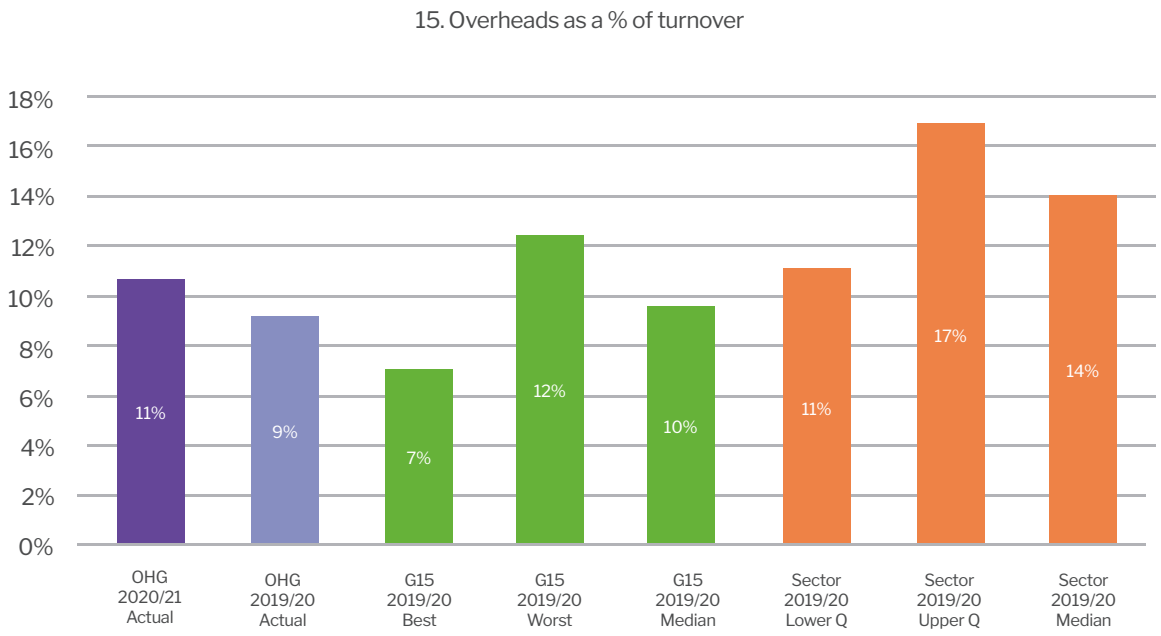
The cost per unit has also been impacted by high fire safety related costs, which add £1,565 to our cost per unit.

Excluding supporting people contracts and fire safety related expenditure, our cost per unit is £5,376. This is slightly higher than the G15 median.

The other costs per unit category is defined by the Regulator as including development costs not capitalised, community costs and charges relating to support services. Support services predominantly includes our Care & Support services, impacting on the outcome of this metric.



Significant work was undertaken with residents during 2020/21 to offer support, welfare benefit advice and flexibility during the Covid-19 pandemic. This enabled us to achieve 100% collection exceeding our target of 99.0%. Income collection with associated support for residents remains a priority for the coming year.



Our overheads as a percentage of turnover are in line with the G15 median and 2% higher than last year. This is largely due to the full impact of renting our new offices at Atelier House, high IT costs as the One Future transformation project delivered the last of its projects and high unutilised staff holidays due to the pandemic.

Arlington House was founded in 1905 and is the last and largest of the Rowton Houses, set up to help London's poor

Looking forward – key value for money metrics

	Sector scorecard	OHG 2022 Budget	OHG 2021 Actual	OHG 2021 Budget	OHG 2020 Actual	OHG Restated 2019	G15 Best 2020	G15 Worst 2020	G15 Median 2020	Sector Lower Q 2020	Sector Median Q 2020	Sector Upper Q 2020
Business Health												
1	Operating Margin (overall exd fixed asset disposals)	10%	1%	3%	9%	12%	28%	9%	22%	15%	22%	27%
2	Operating Margin (social housing lettings excl fixed asset disposals)	23%	14%	15%	26%	29%	34%	16%	27%	16%	24%	29%
3	EBITDA MRI (as a percentage of interest)	185%	86%	162%	81%	101%	152%	60%	107%	134%	196%	287%
Development - capacity and supply												
6	Gearing	59%	57%	62%	62%	59%	38%	62%	46%	18%	34%	46%
Effective asset management												
10	Return on capital employed (ROCE)	2.0%	0.1%	1.0%	1.6%	2.3%	5.1%	1.6%	2.6%	2.0%	2.8%	3.8%
Operating efficiencies												
13	Headline social housing £ cost per unit	9,476	9,075	10,593	8,006	7,770	4,372	8,006	4,995	3,377	4,023	5,031

Once the pandemic took hold, we updated our budget to take into account the impact to our financial performance. Our core operations performed as expected, with Operating Margin (social lettings) broadly in line with budget and our Headline Social Housing cost per unit coming in substantially lower. This is due to an increased focus on our cost and budgetary control.

In the year ahead, fire safety related expenditure will continue to be a focus and we will look to help balance these costs by creating greater efficiencies in our operations. We will do this by leveraging the transformation the One Future project has brought in our systems and processes, further focus on forecasting and budgetary control and actioning the findings from reviews of our Care & Support business and service charges.

Sector Scorecard calculations

Sector scorecard	One Housing 2020/2021	
Operating margin (overall) Calculated as operating surplus excluding any gain/(loss) on disposal of fixed assets and share of joint venture results ÷ turnover	£2m ÷ =	£184m 1%
Operating margin (social housing lettings "SHL" only) Calculated as SHL operating surplus/(loss) excluding disposal of fixed assets and share of joint venture results (per note 4) ÷ SHL turnover (per note 4)	£15m ÷ =	£106m 14 %
EBITDA MRI (as % of interest) EBITDA MRI represents earnings before interest, tax, depreciation and amortisation adding back major repair capitalised costs calculated as EBITDA MRI ÷ Gross interest payable x100	£34m ÷ =	£39m 86%
Gearing as prescribed in the current Sector Scorecard Calculated as net debt ÷ carrying value of housing properties where net debt presents total bank and debenture loans and loan costs less cash and cash equivalents	£971m ÷ =	£1,702m 57%
Reinvestment % (total properties) Reinvestment looks at the investment in properties (new and existing stock) as % of the value of the total properties held calculated as development of new properties plus work to existing properties and schemes completed (per note 15) ÷ carrying value of housing properties	£44m ÷ =	£1,702m 3%
Return on capital employed Calculated as operating surplus including any gain/(loss) on disposal of fixed assets and share of joint venture results ÷ total fixed assets + total current assets less current liabilities at end of year	£2m ÷ =	£2,042m 0.1%
Ratio of responsive repairs to planned maintenance spend Calculated as routine maintenance as a percentage of planned maintenance + major repairs expenditure + capitalised major repairs and re-improvements		£18m ÷ (£4m + £11m + £15m) = 62%
Overheads as a percentage of adjusted turnover Calculated as overheads ÷ turnover including property sales excluding cost of sales and grant	£21m ÷ =	£196m 11%
Total social housing units Social units are defined as General needs, affordable, shared ownership, supported housing, rent to homebuy social units managed and social care homes (per note 6)		12,960
Management cost per unit Total management cost (per note 5) excluding costs from homes not managed ÷ total social housing homes	£15m - ÷ =	£0.4m 12,960 £1,155
Service charge cost per unit Total service cost (per note 5) excluding costs from homes not managed ÷ total social housing homes	£20m - ÷ =	£0.3m 12,960 £1,484
Maintenance cost per unit Total maintenance cost (per note 5) excluding costs from homes not managed ÷ total social housing homes	£18m - ÷ =	£0.4m 12,960 £1,395
Major Repairs cost per unit Total planned and major repairs (per note 5) Supporting people contract expenditure (per note 4) Development cost not capitalised (per note 4) Community regeneration (per note 4) Property lease costs (per note 5)	£15m + ÷ =	£15m 12,960 £2,321
Other social housing cost per unit Total other social housing cost which is the sum of: Supporting people contract expenditure (per note 4) Development cost not capitalised (per note 4) Community regeneration (per note 4) Property lease costs (per note 5) ÷ total social housing homes	£28m £4m £2m £2m £35m ÷ =	12,960 £2,720
Total headline social housing cost per unit Sum of the above		£9,075
Further clarification:		
Headline SHPU Total costs excluded for homes not managed is £1m which relates to Canalside properties managed by MTVH. This cost is in our accounts but as the units are excluded from the headlines social housing homes total, the costs are also stripped out		
Other variations shown Where other variations of the above calculations are shown, the following adjustments are made: Impairment Baycroft loss Net Fire related expenditure impacting operating margin		 £1m -£10m -£17m

We are working with Newham Council and Bouygues Development on the regeneration of the Hallsville Quarter in East London

Operations and Service Delivery

Housing Services

Customer Experience Strategy

We reported last year that we had invested in a new Customer Relationship Management system, which went live at the start of 2020/21. This provides greater insight and ability to track our interactions with customers and in some cases we were not happy with what this showed about the service we were providing. This was part of a wider process throughout 2020/21 to listen to customers and to identify how we can deliver a better service to our customers.

We then commissioned the Institute of Customer Services (ICS) to provide customer insight and feedback and, on the back of this, developed a Customer Experience Strategy. This sets out our vision for providing great customer experience and how we will achieve this over the next three years. The Strategy has been informed by customer insight and feedback and has been developed following feedback from staff and resident workshops, engagement opportunities and discussion with Tenant and Resident Associations and key stakeholders, which were supported by the ICS.

The new Customer Experience Strategy is aligned with our Corporate Plan which highlights key customer experience outcomes to:

"Improve our customer experience through better systems and processes, and a culture that focuses on our residents"

The purpose of the Customer Experience Strategy is to:

- Improve our customer experience and achieve consistently high levels of customer satisfaction
- Ensure our customers voice is heard
- Ensure we meet the diverse needs of our customers
- Help us allocate resources more efficiently and effectively to achieve a more positive customer experience

The Customer Experience Strategy identifies five key themes:

1. Think Customer First
2. Communicate with Clarity & Compassion
3. Learn from our Customers
4. Perform with Transparency and Accountability
5. Build Trust & Keep our Promises

This strategy will drive improvements both in the customer experience, but also in the efficiency with which we deliver services. We have already invested in supporting systems and better data and recognise that there is more to do in this respect. During the year our Chief Operating Officer recruited experienced staff to a number of senior management positions to strengthen the housing team.

Supporting our residents

We provide something most people would consider to be their most important possession, a home. If a home doesn't provide safety and security, it simply becomes just bricks and mortar. In line with this, we reviewed our approach to domestic abuse and supported the Government's #YouAreNotAlone campaign to help victims of domestic abuse as well as fulfilling the requirements of the Chartered Institute of Housing's #Makeastandcampaign. This included reviewing our policies, staff training, promoting support for domestic abuse victims, and appointing a domestic abuse champion for the business. Following consultation with residents, partners, our resident panels and customer service committee, we have launched a new Domestic Abuse Policy which puts residents at the heart of every decision.

Key performance indicators for affordable homes

The Group's key indicators are set out below against targets (where set):

#	Measure	2021 Actual	2021 Target	2020 Actual
1	Customer star rating out of 5	n/a	4.4	4.2 / 5
2	Repairs star rating out of 5	n/a	4.5	4.6 / 5
3	Customer satisfaction in Care & Support	88.0%	88.0%	88.2%
4	Customers who would recommend One Housing new homes	74.9%	85.0%	82.1%
5	Digital self service	39.2%	35.0%	23.7%
6	Gas safety compliance	99.1%	100.0%	99.85%
7	Fire risk assessments compliance	100.0%	100.0%	100.0%
8	Responsive repairs first time fix rate	79.3%	75.0%	67.0%
9	Engagement with training and employment programme	5,949	1,800	1,977
10	Income collection on social lettings	100.0%	99.0%	99.5%
11	Achieve an average employee engagement score of 70%	62.0%	70.0%	68.0%
12	Staff feeling that One Housing is welcoming and inclusive	74.0%	75.0%	77.0%

Customer satisfaction (KPI 1-4)

Customer transactional surveys were not undertaken during 2020/21 due to the Covid pandemic. Through our new Customer Experience Strategy, we have developed a customer feedback framework to drive forward service improvements. This will be used to collect both perception and transactional customer feedback. We have now launched Customer Voice surveys by text message for all closed cases and completed repairs. Early returns from these surveys are positive – with an average score of 4.5 out of 5 in the month of April 2021; more importantly, the 9 customers who scored the service as 1 or 2 received a call within 2 hours to resolve concerns.

Satisfaction with new homes remains a priority. We have worked throughout the pandemic to continue to meet the delivery of new homes. We delivered 184 new homes for both social and non-social housing of which 142 were much needed affordable homes. We have however had to carry out much of our customer facing work including viewings and new resident inductions remotely. This has resulted in slightly lower satisfaction than we would usually see in this area.

Digital self-serve (KPI 5)

Since the launch of the MyOneHousing customer portal we have seen a month-on-month increase in residents signing up to the new service. With new enhancements to the portal expected during 2021/22, we anticipate more customers choosing to go digital enabling more choice and flexibility for our customers to access our services.

Keeping our customers safe (KPI 6)

Our gas compliance was negatively impacted by Covid-19 and a reluctance of some residents to allow us access into their home for this safety check. As shielding lifted on 31 March 2021, we have proactively reached out to these residents to arrange appointments. We expect our compliance to return to 100% during 2021.

This year One Housing appointed Savills as its sole provider of Fire Risk Assessments and instituted a system called RiskHub to manage the actions that result out of the assessments. We completed circa 16,000 fire risk actions across our properties. We are now consistently 100% compliant on all properties requiring a Fire Risk Assessment, covering all blocks with communal areas that are under One Housing's responsibility. This does not include single family houses, maisonettes or flats that open directly on to street level.

Our priority is always about keeping our residents and customers safe and this year has been no different. We have continued our programme of work on fire safety which is based on height and risk.

We have 170 buildings over 11m where there were investigations required to ensure these would be safe. We have a programme of works where we will spend over £200m on fire safety work including cladding replacement. Originally we had budgeted to undertake this work over ten years but following good progress during 2020/21 the Board has decided to deliver the remainder of the programme over the next 5 years.

In 2020/21 a total of £27.3m was spent on fire safety works, both capital and those expensed to SOCI and further details are set out in Note 16 to the financial statements. For 2020/21, the decision was taken to cover the cost of waking watches and not pass this cost onto tenants or leaseholders. All of this was only achievable with the fantastic support from our funders.

Where eligible, we have made applications for funding from the Building Safety Fund, though for the sake of prudence we have not assumed that any recovery will be made during 2021/22. The Government has announced an additional £3.5bn worth of funding, although there are widely expressed concerns that this still won't be enough for the whole sector.

We are doing everything to minimise costs to leaseholders and are working hard to recoup remediation bills from the original contractors where we can, and we are continuing to work with our colleagues in the G15 to lobby Government to cover the full cost of remediation works for building safety. However, if it is not possible to recover costs from third parties, we will undertake appropriate S20 consultations with leaseholders to enable us to recover costs from them.

We have appointed a specialist dedicated in-house team to manage this project.

Adopting a risk-based approach, the project firstly identified twelve buildings that had combustible cladding and, as a matter of urgency, remediation work is progressing on these buildings. The current estimate for the contracted works for all twelve buildings is c.£30m.

During the course of the summer of 2020, four contracts were tendered and Kier, Vinci and United Living were appointed to carry out the works to the twelve buildings. Various specialist professional advisors have been engaged, including PRP Architects as a multidisciplinary service provider to administer the building contracts and Devonshires as Legal Advisors to the project.

This is a complicated project which will continue to evolve as we manage the various complexities. We will ensure that we deliver the right solutions for every home impacted. We do understand and recognise the worry that our residents are going through and that they will always want delivery at the earliest opportunity. We will fully engage with them to provide assurance that we are taking all the right measures to keep our residents safe in their homes.

Maintaining our homes (KPI 8)

In terms of the maintenance of our estates and buildings, we want to thank our residents and customers for their continued patience and understanding over the last year. In order to keep everyone safe, unfortunately planned programmes were impacted, and we also had to move to emergency responsive repairs. Our frontline staff did an amazing job in making sure that our estates and communities were clean and safe.

Consequently, our first-time fix rate was impacted during 2020/21. Throughout the year, we had extensive periods when our service was restricted to 'emergency' repairs only, as we adhered to Government guidance linked to national lockdowns. During the first lockdown (March-June 2020) we had a number of staff furloughed and our materials providers were also closed, which negatively impacted our first-time fix performance. In the latter part of the year there was some catch up as lock-down measures eased and it is likely that this will continue into the year ahead.

Training and employment programme (KPI 9)

Following the national lockdown in March 2020, all services aimed at engaging staff and residents with training and employment support were delivered online. We continue to develop and strengthen this new model of delivery. Despite the challenges, during the year to March 2021 we delivered:

- 5,082 staff training sessions. Online staff training is delivered regularly in focused sessions covering personal and team performance and wellbeing.
- 809 resident training sessions. Our daily online resident training programme receives excellent feedback.
- 58 employment outputs. The employment team have now supported a total of 58 residents into work 'remotely' whilst also providing training to existing client caseloads. Their work continues to be funded by external employment programmes.

Income collection (KPI 10)

This last year has been difficult for us all and not least those residents who have lost their jobs, been furloughed or have had to close businesses. In some cases this has meant rent arrears building up. Our income team has worked tirelessly to help our residents who found themselves in this unfortunate position. We benchmarked with G15 colleagues and our arrears position was in the range comparable to other G15s in the benchmarking group. We've also been helping residents to access benefits and other support to alleviate financial hardship. We also kept our promise not to evict anyone as a result of financial hardship caused by Covid-19.

Significant work was undertaken with residents during 2020/21 to offer support, welfare benefit advice and flexibility during the pandemic. This enabled us to achieve 100% collection exceeding our target. Income collection with associated support for residents remains a priority for the coming year.

As at 31 March 2021 there were 2,001 accounts with Universal Credit (UC) against 8,267 active social tenancies. We achieved a high collection rate of 101.8% for those on UC. We are monitoring the update of UC claims to set up Alternative Payment Arrangements where possible for guaranteed rent payments and any addition payments towards arrears. The collection rate for accounts not claiming Universal Credit was 99.5%. We have ended the year with a combined collection rate of 100.4% which is above target. The individual percentages for specific tenures shown below are also above target. There will be a re-focus on arrears in the 2021/22 year.

Tenure	Collection rate (%)	Amount collected (£m)
General Needs	100	65
Care and Support	99.7	15.1
Leasehold	102.2	22.7

Employment engagement (KPI 11-12)

This year has been a challenging year for employee engagement with a large number of our colleagues at the very frontline of providing essential services to our residents and employees, whether in Care & Support or in our estate management teams, and a significant number of staff having to work from home to reduce the risk of Covid infection. We have looked for opportunities during the year to thank and reward staff for the additional discretionary effort needed to work through a pandemic.

Our One Future investments, particularly in agile technology, meant that our people were able to respond effectively and we have been able to run our Contact Centre, and other key parts of the organisation, from home. We were even able to successfully introduce new systems, and new ways of working, such as our new CRM while colleagues were working remotely. In April 2021, this was reflected positively in our pulse survey scores including on questions such as 'encouraged by senior leaders to use digital tools and tech' (73%) and 'feel up-to-date with important matters' (67%).

However, our overall employee engagement figure, measured through an Employee Net Promoter Score, has dropped by 4% since 2019-20 and is now below target. Scores vary across departments and greater efforts are being made by local managers to produce and implement local action plans to improve this and other below target scores.

At a strategic level, we continue to focus on our aim to make One Housing a modern, flexible and fun place to work. In 2021-22 we will review our People Strategy and, learning lessons from operating during Covid, look to focus on this important area of work.

Providing a safe and supportive environment was a key priority for our care homes this year, our staff excelled in helping our customers

Equality, diversity and inclusion (KPI 12)

One Housing is a values-based organisation and one of our key values is that 'we value diversity'. This has been a commitment across the organisation and 74% of our staff feel that 'One Housing is welcoming and inclusive.' The events of 2020-21, including the murder of George Floyd in May 2020, have put this commitment to diversity, including and anti-racism into ever sharper focus.

During 2020-21 our focus has been on continuing to diversify the leadership of One Housing, providing opportunities for BAME and women managers, and encouraging, and working with, a range of diversity groups.

At the end of the 2020-21 year, 55% of the Non-Executive Directors on our Board are female and 33% are BAME. We have continued to support the Leadership 2025 programme for senior BAME leaders and our Director of Sales and Marketing was a graduate of the programme this year. We successfully launched the G15 Accelerate programme – a leadership programme for BAME managers – and this will be delivered for the G15 by One Academy. Across the organisation we support a number of groups – One for All, LGBT+, BAME and Women in Social Housing (WiSH).

We are working with Tonic – a LGTB+ organisation – to create opportunities for homes for LGTB+ seniors as part of our Bankhouse scheme for over-55s in Vauxhall.

Looking forward, the Board have indicated that they want to renew our EDI strategy in 2021-22. We are working with an external consultant to develop reinvigorated strategy that responds to the changing environment and sets further stretching EDI targets for both our people and our residents.

Our progress on the gender and diversity pay gaps is set out in in the Diversity and Inclusion section of the Governance report on page 48 et seq.

Care & Support

Historically our primary focus has been upon the delivery of services to the customer, ensuring that these are of good standards and follow best practice. However, as discussed earlier, Care & Support operates in a low margin environment. In accepting this low margin environment, we need to ensure that we are a financially efficient operator focussing upon cost control and maximisation of income under contracts. Our role is to provide these vital services, but we are not here to subsidise local authorities, social services, the NHS or other parties.

Last year we reported that the Care & Support division had historically run at a deficit and that the Board had concluded that there would need to be significant changes in order to turn around financial performance.

During 2020/21 we have:

- deployed dedicated finance staff to critically examine all aspects of Care & Support's financial performance;
- identified contracts and areas of concern to be addressed;
- improved the granularity and insight provided by internal reporting;
- increased the focus on management to budget, including significant improvements to the billing and income collection processes; and
- prepared a detailed turn-around plan for the division.

Staff costs

The staff in our Care & Support division are our greatest asset – they are knowledgeable and dedicated and were key to the maintenance of services in the face of the many challenges last year.

Despite the financial challenges with our Care & Support part of the business we continue to pay the London Living Wage because it is the right thing to do. We realise that in the shorter term this will cost us as a business but going forward it will reduce the use of agency staff and will mean current employed staff are happier and retention will be easier in a sector that sees lots of staff turnover.

Staff cost is the largest cost in the division, and it is the one where we have the greatest control. This is under close scrutiny to ensure that we strike the right balance between service delivery, ensuring we meet all safety requirements and managing the cost. We have introduced additional controls over the recruitment of staff.

Contract negotiations

All aspects of a contract are important – we will not sacrifice service quality or safety for the sake of profit, but if we cannot negotiate acceptable terms we will exit from contracts where these are not sustainable.

We reported last year that we had exited from a number of contracts and this process has continued during 2020/21. During the year, following unsuccessful attempts to renegotiate terms we have given notice that we will exit in 2021/22 from a loss-making contract with one local authority, and in another case have declined to re-tender when a contract comes up for renewal. Typically, there are quite long notice periods on such contracts which means that the benefit from exit will not be realised until a later period.

Financial performance and delivery against the turn-around plan are being closely monitored by the Executive, by the Care & Support Committee and by Board.

As reported in the Review of Financial Results section, there has been a significant improvement in results from supporting people contracts which has generated a surplus of £1.0m from turnover of £28.6m (2020: Loss of £1.1m; turnover £27.5m) driven by careful cost management and from having exited from some loss-making contracts.

Service provision in the face of Covid-19

With Covid-19 likely to have severe longer-term consequences on social care, homelessness and mental wellbeing, we will continue to target our Care & Support services to help the most vulnerable people in our society. Covid-19 has had a significant impact on our Care & Support business. However, from all of this disruption has come amazing fortitude from our frontline staff to keep customers and residents safe and we have set out in the paragraphs below some examples of how our services have been delivered.

In our care homes, the staff dedication has been second to none as we know how hard it has been for residents without family visits. It was important to keep everything as normal as possible and despite the pandemic, customers' birthdays were celebrated, chair dancing and exercise continued as well as bingo, afternoon teas, painting and flower arranging to name just a few activities that continued to happen across our homes.

A small thing can make the biggest impact and during one of the lockdowns, residents at our Baycroft home in Great Baddow created a video to send a heart-warming message of reassurance to their relatives and expressing gratitude to the staff who were taking care of them during these difficult times. The video has had more than 1000 views to date.

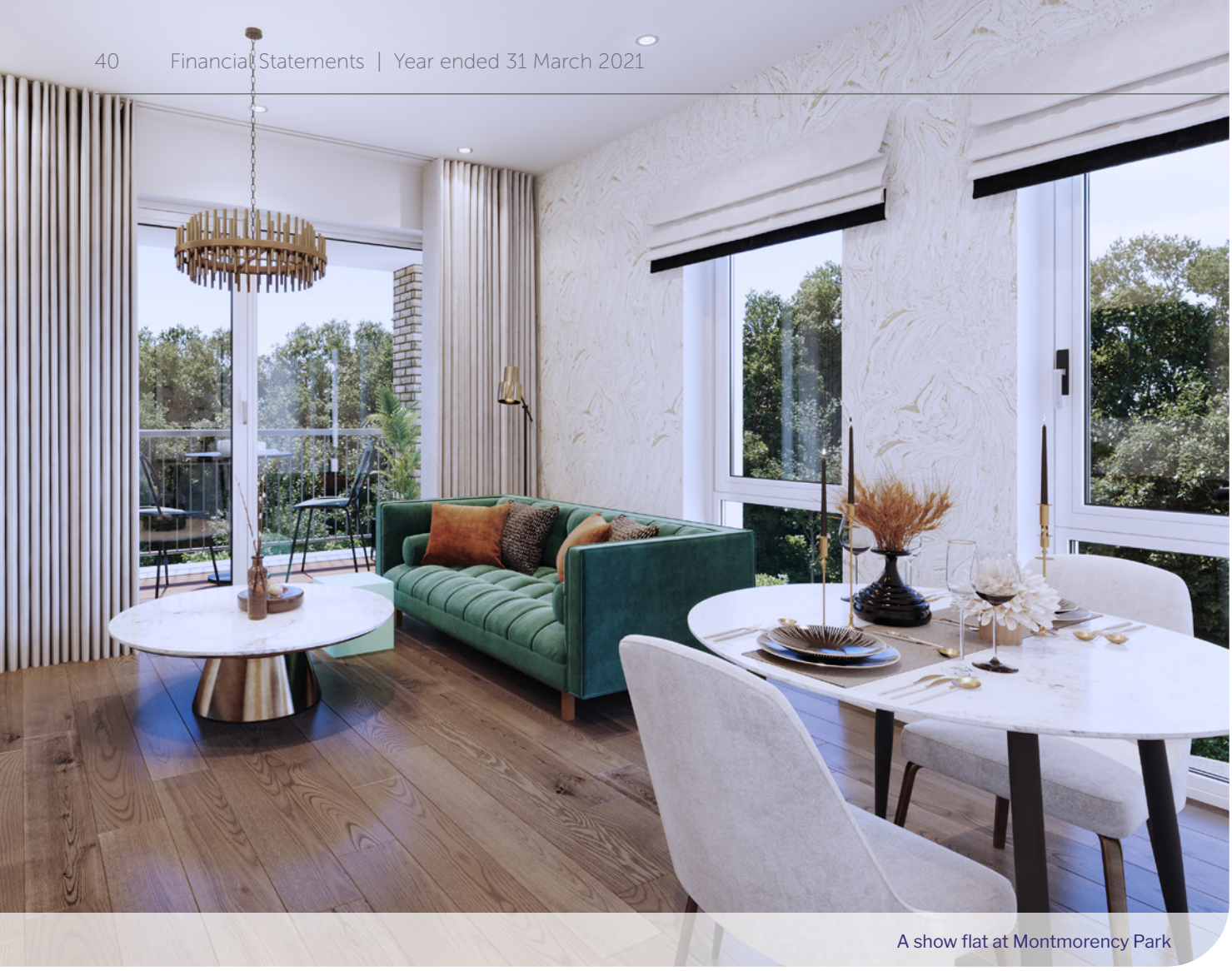
The vaccine roll-out began, and it is pleasing that most of our staff and customers in our care homes and assisted living schemes have now been fully vaccinated or will shortly receive their second vaccine. Even before the Government announced that vaccination would be compulsory for all Care Home staff, we had an active programme of education and engagement to encourage our staff to be vaccinated and to discuss, share and address any concerns that they may have had. We want to thank those that have or are taking part in the vaccine programme. By doing so our employees and customers are safeguarding our vulnerable customers.

Development & Sales

In the financial year 2020/21, we have continued to implement the strategy we put in place three years ago. We are focused on:

- Building new homes where it is complementary to our existing stock, where it can ultimately drive value for money in delivery of our landlord services.
- New business transactions to deliver a pipeline of quality assets which are efficient to manage and help us to grow our strong asset portfolio.
- Progressing with the resident led regeneration of our estates.
- Replacing older stock that incur higher running costs with newer more efficient stock. This enables us to retain the underlying asset value and to leverage value through densification, thus negating need for reinvestment in older stock and improving performance in our long-term plan.
- Delivering new homes via joint ventures with private sector developers / housebuilders, enabling us to access private development and sales expertise, whilst sharing development risk.

Montmorency Park in North London



A show flat at Montmorency Park

Mayor of London's move on programme

As part of the Mayor of London's 'move-on' programme, we are the first housing association to be awarded a contract to help rough sleepers. As a part of this, we are working with Solace Women's Aid to support victims of violence against women and children. We are delivering 115 homes and residents will be provided with support including for mental health issues, financial management, help finding employment and education or training opportunities. We have recently created a partnership with Camden Council to deliver 10 units through this programme. Through the Rough Sleepers Accommodation programme funded by the Ministry of Housing, Communities and Local Government ("MHCLG"), we have also won a bid to deliver an additional 24 units.

Bellamy & Byng

The residents of Bellamy Close and Byng Street in the London Borough of Tower Hamlets voted overwhelmingly in favour of plans to regenerate their area. This was our first regeneration ballot after a year working alongside residents and THA Design to develop the new plans to deliver attractive and sustainable new homes within the constraints of the site.

The regeneration option was proposed after residents raised concerns about living next to the 'Alpha Square' construction site, where three tower blocks and a number of commercial properties are going up and they asked us to explore opportunities to move them away from the noise, dirt and disruption. We are pleased that the council approved our planning application, and we are looking forward to working with our customers, the council and the wider community to improve their homes and community.

Of 149 new homes, 83 will be affordable and 10% of all homes will be wheelchair accessible. 24 will be allocated for all existing Bellamy and Byng households. The approved planning application provides a housing mix of three storey family houses of 2, 3, 4 and 5 bedrooms, 3 bedroom maisonettes and 1, 2, 3 and 4 bedroom apartments.

Hallsville Quarter

Hallsville Quarter is a partnership with Newham Council and Bouygues Development in the Canning Town and Custom House area. We are the affordable housing provider and also involved in phase three of the project to deliver the first extra-care homes in Newham. These will be allocated to residents who need extra care services and facilities, enabling more people to remain independent and cared for in their own homes.

Phase 3 continues the masterplan, with the first two phases having already delivered 528 new homes, a 196-room hotel, new restaurants, shops, a gym, leisure spaces, a car park and enhanced public realm, including the creation of Terry Spinks Place under the A13 flyover and a new piece of public art.

Central Services, People and Technology

Website and Digital Services

In looking to improve service delivery, we recognised that our customer facing website needed to be improved. Before we started developing an updated website, we carried out research among customers and they made it clear that the ability to access more services and information online was vital.

The new website has been designed to give a much better and richer online experience. Information has also been set out in a more logical and customer-friendly way and the improved search functionality makes it easier to find the right information.

MyOneHousing, a platform providing customers with online accounts and services, was launched in 2020. As of June 2021, there were over 3,000 active accounts. Initial functionality focussed on tenancy and payment services. However, as we continue to develop the links between the Customer Relationship Management and MyOneHousing systems, we intend to offer most of our services via this digital platform.

Improving customer relationship management data

We have continued to improve our Customer Relationship Management systems and data. This central platform will help us to deliver improved and efficient customer services. Our investment has also helped the organisation, to have the right data, systems etc and, as detailed in the Housing Services section of this report, we're now focused on improving customer experience. The existing focus on data quality is already benefiting customers from a safety and service delivery perspective. Furthermore, future budget efficiencies will be derived from improved ways of working closely linked to these modern systems and high-quality data.

One Future

Over the last few years, we have invested in our IT systems and data through a change programme called One Future. It made it possible for our employees to be agile in the way that they worked. No-one could have foreseen the global pandemic, but it did mean that when our staff had to work from home, that the right tools were in place. That meant that the transition from office working to home working was very smooth, encountering little or no disruption in productivity. We have also worked hard to support those employees who have had challenges in working from home via our IT Service Desk and Internal communications teams.

The investment is helping the organisation to have the right data and systems. The focus on data quality is benefiting customers from a safety and service delivery perspective. At the time of closing the programme (March 2021), One Future had completed 42 of the 50 projects commissioned, with some of the open projects now taking on a continuous improvement approach, given our commitment to digital transformation and technology.

Equality, Diversity & Inclusion

One Housing employs a diverse workforce, particularly in terms of gender and ethnic backgrounds, and we have made good progress in improving the level of diverse representation in senior manager roles recently. For example, in 2020 45% of the top 20 highest paid roles in the organisation were filled by women and this has increased by 15% from only 30% in 2019. We continue to operate the 'Rooney Rule' as part of our Leadership 2025 social housing diversity campaign commitment. whereby all BAME and female candidates who meet the essential selection criteria are automatically shortlisted for vacant roles.

We are always looking at how we can improve our overall recruitment process to draw the benefits from having staff at all levels with a diverse range of experiences, skills and backgrounds. A project is underway to standardise our selection assessment methodology for most vacancies, whereby we select candidates who have an affinity with One Housing's values. By looking beyond conventional skills and experience criteria, we anticipate this will contribute to expanding the diversity of our workforce even further during this year.

We have engaged a diversity & inclusion specialist to help us to standardise our model and make it 'inclusive by design'. We also discuss our approach with our Equality, Diversity and Inclusion Steering Group, 'One for All', which enables our employees from across the organisation to share their ideas and participate in progressing our diversity agenda. Our diversity networks for BAME, LGBTQI+ and female staff also contribute to shaping these discussions, plans and initiatives.

We continue to support BAME colleagues internally through our BAME network and female staff through our internal WISH (Women in Social Housing) Group, which provides safe spaces for these groups within our workforce to discuss issues of shared experience, encourage allyship amongst other colleagues and contribute to promote diversity and inclusion at One Housing. Both networks host events and webinars aimed at enabling the career and personal development for BAME and female colleagues.

In terms of ensuring that our employment policies recognise the diverse needs of our workforce, we have recently launched a Supporting Employees Experiencing Domestic Abuse Policy and aim to ensure our policies are family friendly and address the mental health support and wellbeing needs of all our colleagues.

Caroline Corby, Group Chair

Governance

Board and Committee Structure

The Board is collectively responsible for providing leadership for the Group and concentrates its efforts on strategy, performance, governance and internal control.

Board composition

The Board consists of nine non-executive members plus the Chief Executive Officer and the Chief Financial Officer. During the year there were changes to Board membership as detailed below:

- Steve Douglas stepped down as Chair at the end of July 2020 due to a conflict of interest when he took an Executive role with another organisation.
- Caroline Corby, who had been the Senior Independent Director, became Chair of the Board at the start of August 2020 following an internal appointment process.
- Lee Gibson, was appointed to the Board in May 2020 and became Chair of the Treasury and Finance Committee in September 2020.
- Stewart Davenport was appointed as the Senior Independent Director in September 2020.
- Wendy Wallace, Board Member and Chair of Care & Support Committee, stepped down in 2021. Wendy made an excellent contribution to One Housing; her knowledge, experience and good judgement were invaluable. The Board and the Executive extent their sincere thanks and best wishes to her.
- In order to ensure an appropriate balance of skills and expertise on the Board, Yvonne Arrowsmith was initially co-opted to Board in February 2021 and became a full board member in April 2021. She has been a member of the Care & Support Committee since October 2018 and since November 2020, has chaired that committee.

The details of those who served on the Board and Executive Team during the year are detailed on page 119. Our Board members are recruited for their individual skills and experience. More information about each of our Board members' backgrounds can be found on our website.

Each non-executive member of the Board holds one fully paid share of £1 in One Housing Group Limited, which is cancelled when they leave the Board.

The Board intentionally carried one vacant post for part of the year in line with its succession plan.

Role of the Board

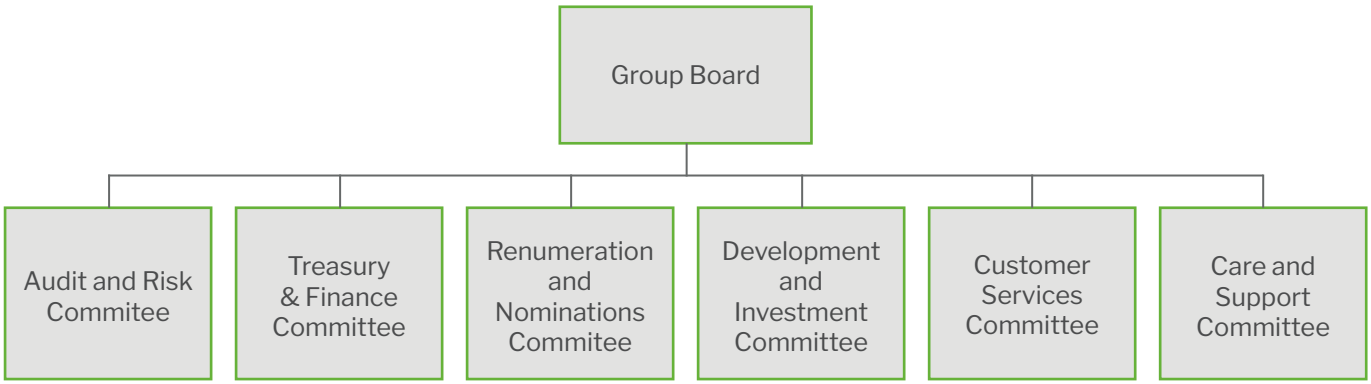
The Board is ultimately responsible for promoting the long-term success of the Group. The Board leads and provides direction for management by setting strategy and overseeing its implementation by management. The Board is also responsible for oversight of the Group's systems of governance, internal controls and risk management.

Specific key decisions and matters have been reserved for approval by the Board. These include decisions on the Group's strategy, the annual budget, the approval of the Group's risk appetite and governance issues.

Role of the Board committees

During the year the Group revised its committee structure and, following on from the board effectiveness review, concluded that the People Committee should be replaced by Remuneration and Nominations Committee in the latter part of 2020.

The committee structure at the year-end was as follows:



The major committees supporting the Board in its activities are:

- **Audit & Risk Committee –** supports the Board in its responsibilities for risk, control, governance and compliance matters including reviewing the effectiveness of internal controls and risk management; statutory and regulatory compliance, including asset compliance; internal and external audit; annual accounts; fraud; whistleblowing and probity.

- **Treasury & Finance Committee -** oversees delivery of the Group's Treasury Strategy, compliance with the Treasury Management Policy and other key financial matters. The Board has delegated authority to the Committee in relation to treasury and finance activities. The Boards of the subsidiary companies of OHGL have delegated responsibility for treasury management to OHGL which in turn has delegated these matters to this Committee.

- **Remuneration and Nominations Committee (which succeeded People Committee) -** the Committee is responsible for leading the process on board appointments, ensuring plans are in place for orderly diverse succession to both the board and executive positions. It also oversees the remuneration of these positions.

- **Development and Investment Committee -** assists Group Board in approving certain development activities and in monitoring the performance of the Group's development and sales programme. Subsidiary companies of OHGL have delegated responsibility for development and investment activity to OHGL (in so far as aligns with their Articles of Association) which in turn has delegated these matters to this Committee.

- **Customer Services Committee -** supports Group Board in its responsibilities for scrutinising and reviewing the policy, performance and overall service delivery to customer.

- **Care & Support Committee -** supports Group Board in its responsibilities for overseeing and scrutinising the strategy, performance and operational delivery of Care & Support services.

All committees report to the Board meeting held immediately after each committee meeting. Committee membership is drawn from non-executive Board members, independent members, members of the Executive Team and, for the Customer Services Committee, Resident Panel Chairs. All committees are chaired by a non-executive Board member.

Al Robinson joined the Treasury & Finance and Development and Investment Committees as an independent member in July 2020 following an open recruitment process. Due to his concerns about a possible conflict of interest Al Robinson stepped down from his role as independent member on 19 July 2021.

Meetings and attendance

The Board holds meetings at regular intervals. At these meetings standing items such as the Group's performance against the Corporate Plan, financial performance, risk, governance and other strategic matters are reviewed and discussed. There is a comprehensive Board pack and agenda which is circulated beforehand so that Board members have the opportunity to consider the issues to be discussed. Detailed minutes and any actions arising out of the discussions are documented. Between meetings, the Board has an approved process to decide urgent matters by Written Resolution.

In response to Covid-19, a Board sub-group met regularly in the early stages of the pandemic. The core group consisted of Chair of the Board, Chair of Audit & Risk and Chair of Treasury & Finance. Each business area Executive lead and the relevant Committee Chair met and discussed the response of that business area to the pandemic to provide assurance over business continuity for customers and the organisation.

Attendance of Board members at Board and committee meetings held during the year ended 31 March 2021 is shown below:

Board and Committee Attendance

Board members	Board	Audit & Risk Committee	Remuneration and Nominations Committee (formerly known as People Committee)	Development & Investment Committee	Treasury & Finance Committee	Care & Support Committee	Customer Services Committee
Yvonne Arrowsmith (pro rata)	1/1						
Kevin Brush	6/7			4/4		2/3	4/4
Caroline Corby	7/7	2/2	2/2		4/4	3/3	
Stewart Davenport	6/7		2/3	4/4			
Steve Douglas	2/2		1/1				
Lee Gibson	7/7	7/8			7/8		
Paul Gray	7/7			4/4	8/8		
Richard Hill	7/7						
Alexandra Jones	7/7	7/8			7/8		
Rommel Pereira	7/7	8/8			8/8		
Julie Price	7/7	2/2	3/3				2/2
Sandra Skeete	6/7			4/4			4/4
Wendy Wallace	4/7	6/8				2/5	

Non-Board (Independent) Committee Members *

Independent members	Board	Audit & Risk Committee	Remuneration and Nominations Committee (formerly known as People Committee)	Development & Investment Committee	Treasury & Finance Committee	Care & Support Committee	Customer Services Committee
Yvonne Arrowsmith	n/a					5/5	
Lee Gibson (pro rata)	n/a	1/1					
Alison Rose-Quirie	n/a					5/5	
Al Robinson	n/a			3/3	4/4		

**Following on from changes to Board membership and the findings of the Board Effectiveness Review, there were some changes to committee membership (as well as board membership) during the year. The figures set out above reflect this.*

Chairs of our resident panels are also non-voting members of our Customer Services Committee.

Conflicts of interest

Under the NHF's Code of Conduct which the Board has adopted, Board members have a duty to avoid situations that may give rise to a conflict of interests. Formal procedures are in place to deal with any conflict of interest. Board members are responsible for notifying the Chair or Company Secretary as soon as they become aware of any actual or potential conflict of interest which is then recorded in a central register. Board and Committee members are also required, to complete a declaration of interests form annually or when interests change. Declaration of interests is a standing item for all board and committee meetings.

Induction, training and professional development

On appointment, all new board members receive a tailored induction which is supplemented by the provision of key governance documents as reading material, including the Rules, Code of Conduct, Regulatory Standards, board meeting schedule and previous board and committee minutes.

An annual programme of training is available to all Board members, it includes topics identified through skills assessments and effectiveness review and any topical items.

Board effectiveness review

The Board undertakes a formal evaluation of its effectiveness on an annual basis. Each committee does likewise and the Chair reviews individual board member performance with members.

During the early summer of 2020 an externally facilitated board and committee effectiveness review took place. The Board had a detailed discussion of the review outcomes at its July 2020 away day and at subsequent Board meetings. The recommendations implemented over the course of the year include:

- Abolishing the People Committee and instead the Board taking ownership of cultural issues;
- Establishing a Remuneration and Nominations Committee (R&NC);
- Designating a lead NED for equality and inclusion matters;
- A focus on more succinct board papers;
- Moving from 5 to 6 board meetings a year from March 2021;
- A short Chair's report included in each (Group) Board pack;
- Some changes to strengthen committee membership.

Our chair, Caroline Corby discussing her plans at a strategy day held in Arlington House

Group Structure

The Group structure was originally set up with multiple subsidiaries intended to deliver individual development schemes. This structure has proved administratively inefficient, nor in the view of the current Board, did it adequately ring fence the Association from related risks. The Association, led by Directors of the subsidiaries and supported by the Board, has continued this year with a process of simplifying the overly-complex group structure. The aim is to ensure One Housing Group is transparent to its stakeholders and resilient to external environment changes.

The subsidiaries of OHGL during the year were all limited by shares (except where stated) and were:

- **TPHA Limited (TPHA)** - manages low cost home ownership and the sale of outright units. It is a non-charitable registered provider.
- **Citystyle Living Limited (CSL)** - owns and manages market rented properties.
- **East End Lettings (2) Limited (EEL)** - owns and manages market rented properties.
- **CHA Ventures Limited (CHV)** - manages all development contracts on behalf of the Group.
- **One Housing Foundation** - a company limited by guarantee and also a registered charity that provides a range of quality community support services.
- **One Direct Maintenance Limited (ODML)** - provided repairs and maintenance services on behalf of the Group. This subsidiary (as at 7 May 2021) is in the process of being struck off.

- **Pembury Road Care Limited (PRC)** - provided private care homes and facilities for older people was dissolved on 20 October 2020.
- **Renovo Facilities & Services Limited (REN)** - a 51% owned subsidiary. It was formed to provide facility management services on behalf of the Group.

There are also another 15 subsidiary companies that developed properties for outright sale (Special Purpose Vehicles or "SPV"s). Many of these schemes are now completed and the subsidiaries are either dormant or have little remaining activity. From most of these subsidiaries any distributable profits arising are gift aided to OHGL.

Joint Ventures

One Housing has investments in the following joint ventures that have been formed to develop property:

- **New Ladderswood LLP**, formed in 2011, is a 50% joint venture between CHV and Mulalley and Company Limited.
- **New Granville LLP**, formed in May 2013, is a 50% joint venture between CHV and Mulalley and Company Limited.
- **Dollar Bay Developments LLP**, formed in June 2013, is a 50% joint venture between CHV and Mount Anvil Group Limited.
- **Citystyle Fairview Victoria Quarter LLP**, formed in March 2019 is a 50% joint venture with Fairview New Homes Limited.

Group rationalisation

In the course of the financial year there has been continued progress on rationalising the Group structure which is overly-complex for the size and nature of the Group. A summary status update is provided below.

SPVs closures (completed)

- **Citystyle Living (Stone) Limited** – dissolved, 20 October 2020.
- **Pembury Road Care Limited** - dissolved, 20 October 2020.
- **Citystyle Living (Thurlow Park) Limited** – dissolved, 16 March 2021.

SPV closures (in progress)

- **Citystyle Living (White Horse Field) Limited** – dissolved 8 June 2021
- **One Direct Maintenance Limited (ODML)** – dissolved 15 June 2021

Joint venture liquidation

- **Central Street Developments LLP**
- The OHGL joint venture partner (CHA Ventures) has entered the liquidation process.

Subsidiary company governance

Each subsidiary company has its own Board of Directors who meet quarterly. The Board receive updates on the group structure at each meeting.

Diversity and Inclusion

Diversity and gender pay gap

Employers with over 250 staff are required by UK law to publish their gender pay gap annually, based on their payroll on a snapshot date in early April each year. Usually the requirement is to publish this gap report within 12 months of the snapshot date. However, this timescale was extended for the 2020 figures to October 2021 due to the pandemic. OHGL (One Housing Group) has published its April 2020 pay gap report figures and details are set out below.

As an organisation, publishing and monitoring pay gaps will help us understand the reasons for any gap and wconsider whether there is a need to develop action plans to tackle the causes. This is different from equal pay which highlights when people are paid differently for the same job.

Pay Gap

OHGL (One Housing Group) has reduced its mean gender pay gap to 18.08% in 2020. (2018: 23.04%, 2019: 21.35%). This is a reduction of 4.96% since 2018.

Our figures for 2019 excluding our Care & Support schemes was 8.18% this is now down to -2.43%.

The mean gender pay gap reduction is largely because of proactive measures to encourage more women to apply for our senior roles, as demonstrated by progress in female representation in leadership roles. In 2020 we had 45% of women in the top 20 highest paid roles (2019: 30%). We also ensure pay decisions take account of the need to close the existing gap. The mean gender pay gap is calculated from the difference between the average salaries of men and women.

Our median gender pay gap was 13.57% in 2019 (7.05% excluding Care & Support) and 24.81% in 2020 (-3.4% excluding Care & Support). As the median is calculated from the mid-point salary this figure has increased for the organisation as we are now a higher percentage of women in our lower quartile when compared to men. This reflects the overall growth of One Housing in the Care & Support function and workforce during 2019. For context, based on Office for National Statistics analysis of the gender pay gap reporting, the average median gender pay gap for organisations based in London was 14.1% (ONS, November 2020)

According to the World Health Organisation women form 70% of workers in the global health and social sector, this is also represented at OHGL with a percentage of 77% of females working in the Care & Support function.

The quartile table below shows the percentage of each gender at each quartile in OHGL.

Our Workforce and Pay Quartile positioning by Gender

In April 2020, our workforce was made up of 62.18% females and 37.82% males. Although this shows an overall increase of 4% male when compared to our 2019 figures. The percentage of women in the lower quartile has increased by 6.24% because of our growth in the Care & Support function. A considerable number of these roles are care staff working in One Housing's care homes across London and the Southeast, which are carried out by a largely female workforce.

Quartile	Females	Male
Upper quartile (the highest paid 25%)	52.88%	47.12%
Upper middle quartile (the next 25%)	48.83%	51.17%
Lower middle quartile (the next 25%)	61.52%	38.48%
Lowest quartile (the lowest paid 25%)	80.42%	19.58%

Bonus Payment

The gender pay gap also looks at the difference in bonus payments. OHGL's mean bonus pay gap was 39.41% in 2019 and now 19.09% in April 2020. This shows a closed gap of 20.3%.

OHGL continues to pay comparably fewer bonuses as increases are typically consolidated rises to base salary. Bonuses are paid in the year following the year to which the bonus relates. Only 2.28% of all men and 0.93% of all women received a bonus in 2020. The bonus level figure is again based on a small number of bonus payments.

Our Median Bonus pay gap was 36.03% in 2019 and 9.59% in 2020.

We recognise that for some people gender does not simply refer to male and female. For the purposes of this report, however, our gender pay gap is calculated using the approach required by the regulations.

Our Next steps

We continue to develop our Diversity and Inclusion network groups reporting on diversity statistics and action plans to our non-executive directors through our Remuneration and Nominations Committee.

We encourage female and BAME staff to develop their careers either in One Housing, or if opportunities are not available, in another organisation with the social housing, care or wider not-for-profit sectors. We run regular learning and personal development events targeted at supporting women to progress in their careers in One Housing.

We introduced the voluntary London Living Wage from April 2020 across all our care schemes which is where a considerable number of our female and BAME staff are employed.

Ethnicity Pay Gap

As of April 2020, our workforce consists of 49% of employees from Black, Asian and minority ethnic groups. Although organisations are not yet required to publish the ethnicity pay gap, we have calculated that our mean ethnicity pay gap was 15.96% in 2019 and now 15.89% in 2020, a small improvement. For comparison, based on Office for National Statistics analysis of the ethnicity pay gap reporting, the average ethnicity pay gap for organisations based in London was 23.8% (ONS, October 2020).

Compliance with Governance and Financial Viability Standard

In January 2021, One Housing Group was downgraded from a governance grade 1 (G1) to a governance grade 2 (G2) by the Regulator of Social Housing (RSH). G2 is a compliant grade. Like many developing associations, One Housing Group is rated V2, which is also a compliant grade.

The governance downgrade related largely to historic data issues: the Regulatory Judgement stated "Although the board has taken significant steps to mitigate the risks from some longstanding, legacy business activities, its decision making has not been consistently supported by accurate data." The Board recognises the absolute importance of accurate data across the business and significant work has been undertaken over the last year, as well as the preceding two years, to improve data with particular focus in 2020/21 on treasury and asset related data. Additionally, where any controls weaknesses are identified by management these are proactively addressed and progress updates reported to ARC and to Board.

At its July 2021 meeting, the Board reviewed a detailed, evidence-based assessment of the Group's compliance with the Regulator of Social Housing's Governance and Viability Standard and supporting Code of Practice. On the basis of that review and actions taken set out within it, the Board hereby certifies its compliance with the Standard and the supporting Code of Practice both during the year to 31 March 2021 and in the period to the date of approving these financial statements.

The Code of Practice is issued by the Regulator of Social Housing under section 195(1) of the Housing & Regeneration Act 2008 (as amended) (the Act). It relates to the Governance and Financial Viability Standard set by the regulator under section 194(1) of the Act (the Standard). The Code of Practice applies to all registered providers who are subject to the Standard (i.e. registered providers and not local authority providers of social housing).

Compliance with Regulatory Standards

Code of Governance

The Board continue to comply with the National Housing Federation (NHF) Code of Governance 2015 which was adopted in the summer of 2018. Following a detailed assessment against the provisions of the Code of Governance, the Board confirms its compliance during the year to 31 March 2021 and up to the date of signing.

A revised NHF Code of Governance was published in November 2020. The 2020 Code of Governance places far more of an emphasis than earlier versions on: accountability to residents and other customers; equality, diversity and inclusion in governance; environmental and wider sustainability; and organisational culture. The NHF expect a statement of compliance with the new Code of Governance to first appear in the 2021/22 annual report (financial statements) for those associations with a 31 March year end, with organisations signed up to the Code of Governance having taken the 2021/22 financial year to embed compliance. Initial analysis of One Housing's compliance with the new Code of Governance took place during 2020/21 and the Board signed up to the new Code of Governance in May 2021, noting that whilst largely compliant some further work needed to be completed to ensure compliance.

Compliance with reporting standards and legislation

The Board further confirms that this report has been prepared in accordance with the applicable reporting standards and legislation.

Effectiveness of Internal Controls

Assessment of the effectiveness of internal controls

The Board has overall responsibility for the Group's system of internal control and for monitoring its effectiveness. The Group's system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the Group's objectives and can only provide reasonable, and not absolute, assurance that we are not exposed to material misstatement or loss.

The Audit & Risk Committee ("ARC") has been in operation throughout the period and overseen the effectiveness of the system of internal control by considering risk reports, internal audit reports, management assurances, the external audit management letter and specialist reviews. Material risk or control matters are reported by the ARC to the Board.

The Board confirms that the key processes for identifying, evaluating and managing the significant risks faced by the Group have been in place throughout the year under review up to and including the date of approval of the annual report and financial statements.

Some of the key policies and processes that the Board has established to provide effective internal control include:

- clearly delegated powers to board sub-committees, the subsidiary company boards and the executive team reviewed and updated on an annual basis;
- strategic and business planning processes with detailed financial budgets and forecasts;
- regular reporting to the board and appropriate committees on key business objectives, targets and outcomes;
- regular group board review of risk management processes, with a very significant focus across the business of covid-related risks;
- insurance policies to ensure that the group's assets and activities are properly insured in accordance with best practice;
- documented policies and procedures for key operational areas;

- maintaining a fraud register and related processes including the review of the register at arc meetings;
- adoption of an internal audit programme monitored by the ARC;
- ARC review of the external audit management letter and reporting of this to Board; and

a standing item at all ARC meetings for members to meet privately with BPO LLP (external audit) and KPMG (internal audit) without executive or other staff members present. We have a suite of probity policies designed to tackle fraud, bribery, corruption, theft and breaches of regulations. These are reviewed regularly.

The ARC has received and reviewed assurance on the effectiveness of the system of internal control for the Group, together with the annual report of the internal auditor. It has reported its findings to the Board both through an annual report and the minutes of its meetings.

Significant work has continued during the year to continue to strengthen control processes, building on the work of the previous year. These include:

- Six-monthly Director's Assurance Statements – to identify any material control breaches and actions to resolve these;
- Monthly audit clinics to review progress in delivering internal audit recommendations, actions from Director's Assurance Statements, external audit actions, regulatory standards improvement actions and operational risks;
- Introduction of Foundations for a Sustainable Business methodology – to facilitate in depth review of business areas to determine policy and procedural coverage, the adequacy of data management of risk and compliance requirements.

Continuing this work remains a priority for ARC and the Board.

The Board confirms that there are no material weaknesses which require disclosure in these financial statements.

Donations

The Group made no political donations during the year (2020: £nil).

Risk management

We recognise that an effective risk management framework, embedded in practices and behaviours across the Group, is fundamental to achieving our strategic objectives.

The Group Board has overall responsibility for risk management. It is supported in this by the Audit and Risk Committee (ARC) and risk is a standing item at all ARC and Board meetings. Strategic risks are identified, evaluated, managed and reported to Board by Executive.

Operational risks are largely the responsibility of senior leadership team directors, with Executive Team, monthly audit clinics, and then ARC, providing oversight and challenge. Risks identified in board committees' discussions are reported to ARC to ensure a clear line of sight across all areas of operation and activity at board level.

Emerging risks are reported to Executive, ARC and Board for consideration and discussion. The Board and the committees, in particular ARC, continue to provide robust challenge to the Executive across all aspects of risk management.

Our risk management framework

Our risk management framework – which includes our risk management strategy and policy, our risk appetite approach and an annual review of the Regulator of Social Housing's sector risk profile - forms part of our wider risk, control and assurance framework. A strategic risk register is maintained and in addition all directorates have operational risk registers.

Our programme and project management approach also encompasses risk registers and RAG ratings for key performance indicators. Throughout last year, as the impact of Covid 19 and restrictions on activity continued, our business continuity processes were maintained and all directorates revised service plans and related risk registers on a regular basis. In our Care & Support business, key risks were also monitored at an individual care scheme level

The approach we take to all aspects of how we work with our customers, stakeholders and colleagues is that we expect risk management to be at the heart of how colleagues interact, engage and work together. Through a range of wider activities across our business such as our change management processes and our audit clinics, we focus on a holistic approach to risk, control and assurance.

We assess inherent risk levels (i.e. without mitigations) and re-assess those risks with mitigations in place to ensure that risks are being adequately managed. We also set a target risk score for each risk so that we can, over time, introduce additional controls to bring the management of risks to an optimum level taking account of what we can control and, in the macro sense, what we can only influence.

Risk appetite

We use risk appetite, or put more simply risk tolerance levels, to set out the level of risk the Board is prepared to accept in given scenarios or specified areas of our activity. Our risk appetite statement was reviewed and revised by the Board in November 2020 and is made up of two types of measurement:

- quantitative measures that are specific and measurable (e.g. approved financial indicators, hurdle rates for scheme development and contractual loan covenant measures); and

- qualitative indicators which are applied to each of our corporate objectives.

Tolerances for qualitative indicators vary within set criteria depending on the risk area. In November 2020 the Board adopted, overall, a more risk averse stance than previously held including in relation to expansion of the Care & Support business, operating margin, aspects of development, and major change projects.

Strengthening Internal controls

We have a proactive approach to the use of Internal Audit (IA). As well as providing assurance to the Board, internal audits are a key tool in our continuous improvement drive. This year there was an expanded IA programme which encompassed new areas and detailed re-reviews of areas previously assessed as requiring improvement, all of which had moved to an assessment outcome the equivalent of 'significant assurance'. We also fully embedded our monthly audit clinic process chaired by the CEO and Group Director Governance and Compliance. The clinics, which are held for each directorate, check progress to internal and external audit recommendations, actions arising from our directors' assurance statement process and any regulatory actions arising from our assessment of compliance with the RSH's regulatory standards. We have seen a clear improvement with actions completed leading to a stronger control framework and better understanding of the importance of a strong control framework.

Cladding & fire safety

As reported previously in these financial statements, the safety of our residents is the highest priority for our Board and Executive. We have carried out extensive work with the support of internal and external specialists to ensure our approach is robust and comprehensive. A cross-departmental group on cladding is in place which also includes external experts who provide expertise in risk-rating all of our buildings based on the safety of the composition of our buildings. In parallel, the group and our legal advisors assess whether or not we should make a legal claim against developers to remedy defective building safety works. Throughout the year, Savills continued and also completed up-to-date fire risk assessments for all of our properties that are required to have these assessments.

Cladding and fire safety are regularly reported to Audit & Risk Committee and Board as well as to our Executive team. Our Customer Services Committee scrutinise our approach to communications to residents, leaseholders and shared owners.

Financial resilience

During the year we have taken various steps to improve our financial resilience. We have reduced the scale of development commitments, have made provisions against carrying value and have reduced the number and value of unsold homes. We have actively engaged with funders and have amended terms and conditions to enable us to make fire safety spending commitments whilst ensuring reasonable covenant headroom. We have strengthened the controls around reporting and forecasting and the Treasury and Finance Committee held additional meetings during the year to scrutinise, challenge and oversee this process.

Covid-19

Throughout 2020/21 we faced the Covid-19 global pandemic. Our focus has been on managing risks to customers and staff safety, particularly in our care homes. We instituted board level oversight of the delivery of our corporate pandemic preparedness plan and management of strategic and operational Covid-19 risks. The impact on our costs and the income of our Care & Support business as a consequence of Covid-19 has been significant and is likely to continue to be through much of 2021/22.

Customer Service Strategy

The Board recognised the risks associated with delivering customer service which falls below the standard that both our customers and our Regulator expect. The customer service strategy, as detailed in the Operations and Service Delivery report on page 33, will help address these risks.

Investing in our staff and fleet has been important in facing the challenges of the last year

Key strategic risks

Our key risks, causes and risk mitigations are summarised below.

Risk	Causes	Key Mitigations
Challenging operational and financial environment and poor financial performance leads to breach of covenant(s) and non-delivery of business plan.	Impact of Covid-19 on costs and revenue streams. Housing market and external environment uncertainty further impacted by Covid and Brexit. Costs of cladding/fire safety works.	Income maximisation plans in line with new Rent Standard. Pro-active engagement with lenders on approach to fire safety spend and restructuring of debt and covenant terms where necessary. Reprofiling of development schemes and withdrawal from consideration of schemes no longer within revised risk appetite. Regular and detailed monitoring of financial performance and forecast outturn against budget. Revised evidence-based control and assurance framework for treasury reporting.
Measures to prevent Covid-19 infection are inadequate leading to serious illness/deaths including major outbreak in Care & Support scheme(s).	Inadequate infection control measures including incorrect use of PPE. Staff not self-isolating as directed by Public Health England. Infection introduced to schemes by visitors and/or new residents. Testing regime fails to register extent of outbreak.	Continued risk assessment processes to manage restrictions. Existing policies and procedures supplemented by Covid-19 specific guidance e.g. placing restrictions on accepting new residents on discharge from hospital. Active management of PPE sourcing. Infection control, visitor controls, shielding processes and deep cleans in place for care schemes. Proactive engagement with NCF, PHE, CQC, local authorities and other partners to follow best practice.
Financial targets in the Care & Support Recovery Plan are not achieved.	Impact of Covid 19 on costs and occupancy rates. Occupancy rates and contract changes negatively impact on viability.	Care & Support recovery plan in place, supported by appointment of a dedicated Care & Support Finance Director. Increased financial analysis of contracts and service provided to ensure viable; renegotiation of terms or exit from contracts. Pause in further development / opening of Baycroft Schemes until Covid-19 impact is clear. Regular monitoring of financial and occupancy performance to inform strategic approach to provision of Care & Support services.

Risk	Causes	Key Mitigations
Reputation - we do not manage resident concerns / dissatisfaction effectively in respect of sector-wide issues such as leaseholder cladding costs.	Leaseholder concerns that they should not have to fund the cost of cladding or other fire safety works or changes to achieve carbon neutrality lead to reputational damage and resident dissatisfaction. Expectations not met regarding timing and delivery of remediation.	Improved visibility and tracking of concerns now possible through the use of the CRM system installed during the year. Enhanced resident support and engagement with affected groups. Monthly newsletters providing updates to affected residents. Bids made to Building Safety Fund to cover leaseholder costs.
Failure to meet Health & Safety obligations in relation to asset management and compliance.	Changes to legal/government requirements and obligations in particular for cladding. Stock condition and asset profile. External environment impedes the ability to sufficiently plan long term. Poor or incomplete data.	Removal of Aluminium Composite Material (ACM) programme underway. Assistant Director of Fire employed to provide corporate leadership on Fire Safety across the Group. Proactive engagement with London Fire Brigade as part of Primary Authority arrangement. Asset Management Strategy agreed by Board September 2020. Policies, procedures and management plans for Fire Safety, Asbestos, Water, Gas, Electrical and Lifts approved and regularly monitored by Board. Implementation of the Keystone Asset Management System.
Key area internal control failure – e.g. in treasury, forecasting, data, other - results in failure to deliver to corporate objective(s).	Control and assurance framework insufficiently robust. Appropriate procedures are not in place. Forecasting is inaccurate. Data is inaccurate or incomplete.	Implementation of action plan to move from G2 to G1 regulatory grading. Implementation of recommendations from Internal Audit reviews of treasury management. Information Governance Group reviewing data anomaly reports and improvement plans. Roll out of Foundations for a Sustainable Business process. Monthly Executive led audit clinics to drive improvements from internal audit reports, external audit reports, directors' assurance statements and reviews of compliance with regulatory standards.

Approval

This strategic report was approved by order of the Board

Caroline Corby	Richard Hill	Hilary Milne
Chair	Chief Executive	Secretary

Board Members' Responsibilities

Going concern

The Board has made enquiries and examined significant areas that could give rise to financial exposure and is satisfied that no material or significant exposures exist other than as reflected in these financial statements and that the Group has adequate resources to continue its operations for the foreseeable future.

In particular, the Board has considered the material risks arising both from the Covid-19 environment and cladding replacement and fire safety related works, the impact of these operational risks and how they can be mitigated. We considered the implications of these risks to ensure that the Group has adequate resources to meet its financial obligations.

Our short-term cash flow forecast went through sensitivity analysis to determine the impact of the Covid-19 significant risks materialising and to support our confidence in our level of liquidity. We have been able to conclude that we hold sufficient liquidity to absorb Covid-19 and cladding replacement risks. The multi-variant stress testing scenarios, which include a fall in sales, increased rent arrears, increased voids, and reduced occupancy on our private care homes demonstrated that we have sufficient available facilities to absorb any significant risks arising from Covid-19. The Board has also considered steps to manage and mitigate against the risks around cladding replacement and fire safety related works, and our mitigations include disposals of cash generating assets, reprofiling our planned programme of capital works and proactive funder engagement. Mitigations have been considered to ensure compliance with covenant, regulatory and operational requirements.

Following the stress testing analysis, the Board has concluded that the Group has adequate resources to continue its operations for the foreseeable future and meet its financial obligations. For this reason, the going concern principle has been applied in preparing these financial statements.

Board members' responsibilities

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

Co-operative and Community Benefit Society law and social housing legislation require the Board members to prepare financial statements for each financial year for the Group and Association in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing these financial statements, the Board members are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable uk accounting standards and the statement of recommended practice: 'accounting by registered social housing providers', update 2018 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 association will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Association's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Group and Association and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Board is responsible for ensuring that its report is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2014.

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

The Arlington Centre is also an adaptable and popular conference and events space

Annual general meeting

The Annual General Meeting will be held on 23 July 2021.

Auditors

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

During the year, the Board and ARC reviewed the effectiveness of both the external and internal audit process.

The Board and ARC are satisfied that BDO LLP continues to meet the Group's requirements for external audit services.

BDO LLP has expressed its willingness to continue in office and a resolution for the re-appointment of BDO LLP as auditors of the Association is to be proposed at the forthcoming annual general meeting.

By order of the Board

Date: 23 July 2021

Caroline Corby	Richard Hill	Hilary Milne
Chair	Chief Executive	Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE HOUSING GROUP LIMITED

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2021 and of the Group's and the Association's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of One Housing Group Limited ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated and Association statement of comprehensive income, the consolidated and Association statement of financial position, the consolidated and Association statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

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

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

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

Other information

The board are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information including the Strategic Report, Statement of Corporate Governance and Internal Controls and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the parent Association; or
- a satisfactory system of control has not been maintained over transactions; or
- the parent Association financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the board members' responsibilities statement, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board are responsible for assessing the Group and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the Group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the Group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Regulator of Social Housing, and we considered the extent to which non-compliance might have a material effect on the Group Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Accounting Direction for Private Registered Providers of Social Housing and tax legislation.

In addition the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meeting of those charged with governance, reviewing correspondence with HMRC and the other regulators;
- Reviewing items included in the fraud register;
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management, privileged users or with unusual account combinations;
- Challenging assumptions made by management in their significant accounting estimates and judgements in particular in relation to the following:
  - Whether indicators of impairment exist
  - Recoverable amount of housing properties
  - Capitalisation of development costs
  - Appropriate allocation of costs between tenure types and between first and subsequent shared ownership tranches
  - UELs of housing property components
  - Assumptions used in investment property valuations
  - Assumptions used in pension valuations
  - Assumptions used in derivative valuations.
- We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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

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

Use of our report

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

BDO LLP
Statutory Auditor
Gatwick

Date: 18th August

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

One Housing provide a free employment service to residents who are looking for a job, training or work experience

Consolidated and Association statement of comprehensive income for the year ended 31 March 2021

	Notes	Group 2021	Group 2020	Association 2021	Association 2020
		£'000	£'000	£'000	£'000
Turnover	4, 5	**184,369**	218,962	**175,771**	185,310
Cost of sales	4, 5	**(19,611)**	(59,479)	**(11,631)**	(12,825)
Operating costs	4, 5	**(162,275)**	(139,247)	**(172,240)**	(142,504)
Surplus on disposal of fixed assets	11	**13,596**	11,360	**13,205**	18,304
Share of (deficit)/surplus in joint ventures	20	**(13,601)**	(16)	**-**	-
Operating surplus	7	**2,478**	31,580	**5,105**	48,285
Other interest receivable and similar income	12	**1**	468	**370**	913
Interest and financing costs	13	**(37,386)**	(36,400)	**(35,642)**	(35,887)
Movement in fair value of financial instruments	30	**14,373**	(6,019)	**14,373**	(6,019)
Movement in fair value of investment properties	18	**(4,932)**	1,784	**-**	5,878
Movement in fair value of listed investment	21	**-**	(6)	**-**	(6)
Deficit before taxation		**(25,466)**	(8,593)	**(15,794)**	13,164
Taxation on deficit	14	**(172)**	5,936	**-**	42
(Deficit)/surplus for the financial year		**(25,638)**	(2,657)	**(15,794)**	13,206
Actuarial gain/(loss) on defined benefit pension schemes	32	**(7,548)**	8,572	**(7,548)**	8,572
Total comprehensive loss/(income) for year		**(33,186)**	5,915	**(23,342)**	21,778
Total comprehensive loss/(income) attributable to:					
Owners of the parent		**(33,220)**	5,897	**(23,342)**	21,778
Non-controlling interests		**34**	18	**-**	-
		(33,186)	5,915	**(23,342)**	21,778

All activities relate to continuing operations.

The notes on pages 68 to 118 form part of these financial statements.

Consolidated and Association statement of financial position as at 31 March 2021

	Notes	Group 2021	Group 2020	Association 2021	Association 2020
		£'000	£'000	£'000	£'000
Tangible fixed assets					
Tangible fixed assets - housing properties	**15**	**1,702,049**	1,680,097	**1,713,494**	1,697,000
Tangible fixed assets - other	17	**33,636**	30,085	**33,584**	30,013
Investment properties	18	**192,393**	222,219	**55,267**	90,809
Investments - subsidiaries	19	**-**	-	**232,711**	212,817
Investments - joint ventures	20	**62,733**	49,504	**-**	-
Investments - listed investments	21	**30**	30	**30**	30
		1,990,841	1,981,935	**2,035,086**	2,030,669
Current assets					
Properties for sale	22	**41,720**	123,679	**10,947**	62,389
Debtors	23	**42,687**	31,152	**39,744**	127,420
Cash and cash equivalents		**58,739**	53,932	**53,542**	47,351
		143,146	208,763	**104,233**	237,160
Creditors: amounts falling due within one year	24	**(91,780)**	(199,603)	**(154,854)**	(297,060)
Net current assets		**51,366**	9,160	**(50,621)**	(59,900)
Total assets less current liabilities		**2,042,207**	1,991,095	**1,984,465**	1,970,769
Creditors: amounts falling due after more than one year	25	**(1,708,671)**	(1,631,561)	**(1,615,066)**	(1,585,056)
Provision for liabilities	31	**(2,169)**	(1,224)	**(1,246)**	(462)
Net assets excluding pension liability		**331,367**	358,310	**368,153**	385,251
Pension liability	**32**	**(12,226)**	(5,983)	**(12,226)**	(5,983)
Net assets		**319,141**	352,327	**355,927**	379,268
Capital and reserves					
Called up share capital	34	**-**	-	**-**	-
Income and expenditure reserve		**318,986**	352,183	**355,922**	379,263
Restricted reserves		**67**	90	**5**	5
Equity attributable to owners of the parent		**319,053**	352,273	**355,927**	379,268
Non-controlling interests		**88**	54	**-**	-
Total equity		**319,141**	352,327	**355,927**	379,268

The notes on pages 68 to 118 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board on 23 July 2021 and signed on its behalf by:

Caroline Corby	Richard Hill	Hilary Milne
Chair	Chief Executive	Secretary

Consolidated and Association statement of changes in reserves for the year ended 31 March 2021

Group	Income and expenditure reserve	Restricted reserve	Minority Interest	Total
Year ended 31 March 2021	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 April 2020	352,183	90	54	352,327
Deficit for the year	**(25,615)**	**(23)**	**-**	**(25,638)**
Other comprehensive income/(expenditure):				
Actuarial loss on pensions	(7,548)	-	-	(7,548)
Non-controlling interest	(34)	-	34	-
Balance at 31 March 2021	**318,986**	**67**	**88**	**319,141**

Group	Income and expenditure reserve	Restricted reserve	Minority Interest	Total
Year ended 31 March 2020	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 April 2019	344,438	1,938	36	346,412
Deficit for the year	**(2,609)**	**(48)**	**-**	**(2,657)**
Other comprehensive income:				
Actuarial gain on pensions	8,572	-	-	8,572
Non-controlling interest	(18)	-	18	-
Reserves transfers:				
Restricted reserve to income and expenditure reserve	1,800	(1,800)	-	-
Balance at 31 March 2020	**352,183**	**90**	**54**	**352,327**

31 March 2021 Association	Income and expenditure reserve	Restricted reserve	Total
Year ended 31 March 2021	**£'000**	**£'000**	**£'000**
Balance at 1 April 2020	379,263	5	379,268
Deficit for the year	**(15,793)**	**-**	**(15,793)**
Other comprehensive income:			
Actuarial loss on pensions	(7,548)	-	(7,548)
Balance at 31 March 2021	**355,922**	**5**	**355,927**

Association	Income and expenditure reserve	Restricted reserve	Total
Year ended 31 March 2020	**£'000**	**£'000**	**£'000**
Balance at 1 April 2019	357,485	5	357,490
Surplus for the year	**13,206**	**-**	**13,206**
Other comprehensive income:			
Actuarial gain on pensions	8,572	-	8,572
Balance at 31 March 2020	**379,263**	**5**	**379,268**

Consolidated statement of cash flows for the year ended 31 March 2021

31 March 2021		One Housing Group Limited
	2021	**2020**
	£'000	£'000
Cash flows from operating activities		
Surplus for the financial year	**(33,186)**	5,915
Adjustments for:		
Depreciation of fixed assets - housing properties	**18,193**	16,669
Depreciation of fixed assets – other	**5,030**	2,349
Amortised grant	**(5,717)**	(5,543)
Impairment	**(627)**	(6,811)
Share of deficit/(surplus) in joint ventures	**13,601**	16
Net fair value losses recognised in profit or loss	**(9,441)**	4,241
Interest payable and finance costs	**39,412**	36,400
Interest received	**(1)**	(468)
Taxation expense	**172**	(5,936)
Add back cost of sales fixed assets - housing properties	**14,585**	10,891
Add back cost of sales fixed assets - investment properties	**31,352**	-
Movement in trade and other debtors	**(27,152)**	(1,114)
Movement in stocks	**47,346**	53,230
Movement in trade and other creditors	**5,686**	(735)
Movement in provisions	**945**	(1,183)
Movement in pension liability	**6,241**	(9,678)
Cash from operations	**106,439**	98,243
Taxation paid	**(163)**	-
Net cash generated from operating activities	**106,276**	98,243
Cash flows from investing activities		
Purchase of fixed assets – housing properties	**(44,151)**	(70,886)
Purchase of fixed assets – other	**(8,581)**	(14,686)
Purchase of investment properties	**(7,482)**	(3,434)
Investment in joint ventures	**(4,380)**	(11,848)
Proceeds from disposal of joint venture investments	**14,060**	663
Proceeds from sale of land to joint venture	**5,200**	-
Repayment of joint venture profits	**(132)**	-
Receipt of grant	**2,935**	9,143
Repayment of grant	**(2,114)**	-
Interest received	**19**	468
Purchase of other investments	**-**	(6)
Net cash used in investing activities	**(44,626)**	(90,586)
Cash flows from financing activities		
Interest paid	**(36,996)**	(38,921)
New loans – bank	**108,000**	250,163
Repayment of loans – bank	**(127,515)**	(227,391)
Repayment of loan security deposits	**-**	1,710
Net cash used in financing activities	**(56,511)**	(14,439)
Net (decrease)/increase in cash and cash equivalents	**5,139**	(6,782)
Cash and cash equivalents at beginning of year	**53,600**	60,382
Cash and cash equivalents at end of year	**58,739**	53,600

31 March 2021				One Housing Group Limited
Group	1 April 2020	Cashflow	Other non-cash changes	31 March 2021
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash	53,932	4,807	-	**58,739**
Overdrafts	(332)	332	-	**-**
	53,600	5,139	-	**58,739**
Borrowings				
Debt due within one year	(130,320)	-	114,256	**(16,064)**
Debt due after one year	(931,207)	19,515	(101,908)	**(1,013,600)**
	(1,061,527)	19,515	12,348	**(1,029,664)**
	(1,007,927)	24,654	12,348	**(970,925)**

Notes forming part of the financial statements for the year ended 31 March 2021

1. Legal status

The Association is registered in the UK with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a registered provider of social housing. One Housing Group Limited is considered to be a Public Benefit Entity and applies the relevant parts of FRS102 for Public Benefit Entities.

2. Accounting policies

The financial statements have been prepared on a going concern basis in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for One Housing Group Limited 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, the Accounting Direction for Private Registered Providers of Social Housing 2019.

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

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 but 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.

The following principal accounting policies have been applied:

Going concern

The Board has made enquiries and examined significant areas that could give rise to financial exposure and are satisfied that no material or significant exposures exist other than as reflected in these financial statements. The Board has reasonable expectation that the business has adequate resources to continue its operations for at least twelve months from the date of approval of the financial statements.

A 30-year business plan has been produced which was approved on 25 May 2021. The Board has considered an extensive range of individual sensitivities and single and multivariate stress tests.

The stress testing considers an increase in arrears and bad debts, increased overheads, lower rent inflation, interest rate changes, changes to development spend, a decrease in property values, reduced occupancy in our Baycroft properties as well as other impacts on general costs and income.

The base plan includes the following material items:

Fire Safety costs:

Allowance has been made for Cladding replacement and other Fire Safety costs together with a cautious estimate for recovery of costs from third parties. The Fire Safety programme has been accelerated from a 10-year to a 6-year programme and, although this has had some financial impact on Group resources, it is the best course of action to ensure resident safety. Recovery has been assumed from third parties such as the original developers, the Building Safety Fund or leaseholders where relevant.

Our support services will continue to provide creative and engaging ways to help people as we emerge from the pandemic

Covid-19:

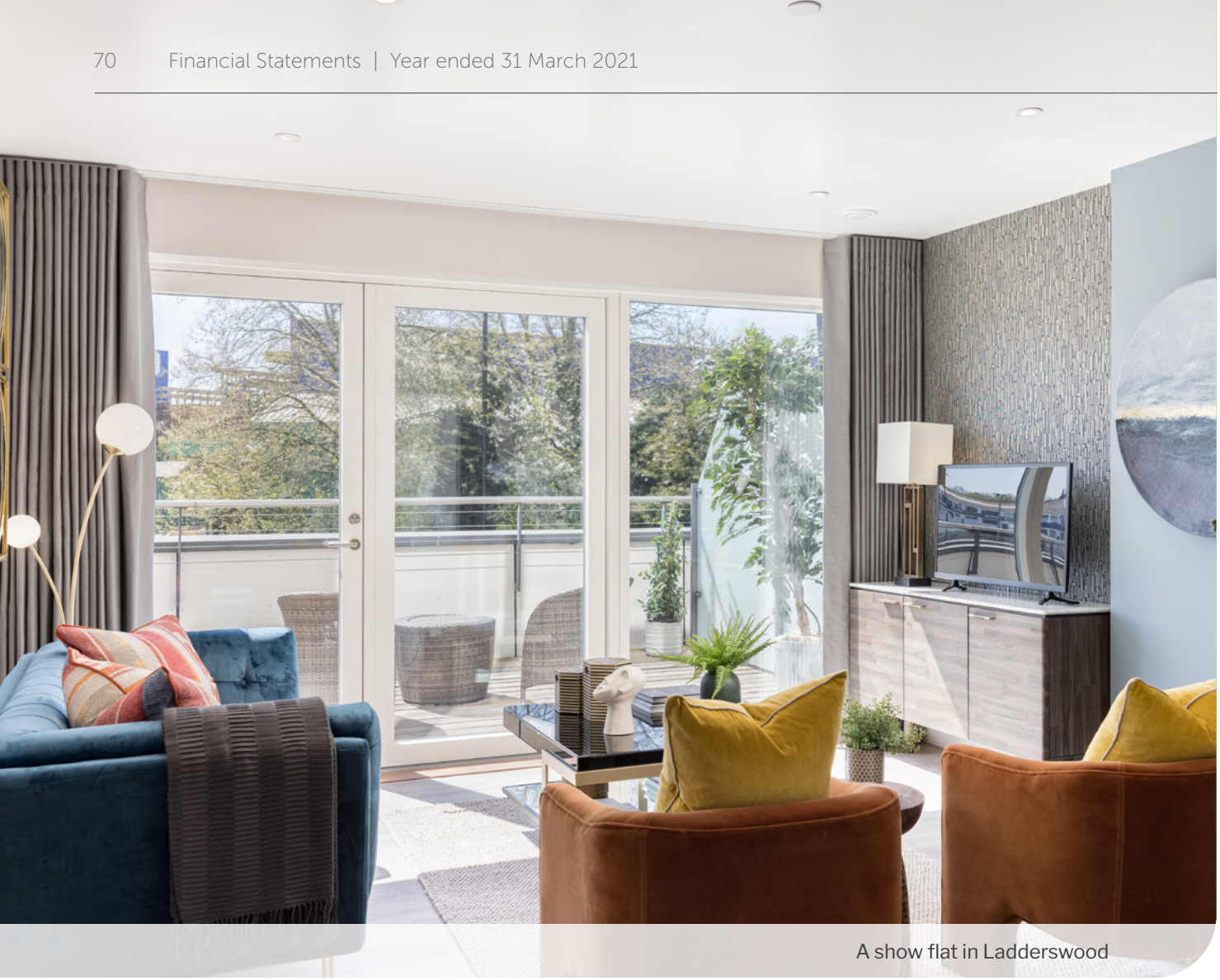
Financial performance of our Baycroft homes has been impacted by Covid-19, in particular as demand from potential customers to move into a new care home was significantly reduced whilst strict lock-down arrangements are in place. We have assumed this will continue in the short term but have a plan in place to deliver improvements. There is significant risk attached to this so we have carried out sensitivities in this area.

Development:

Included in the plan are a number of large development schemes where there is uncertainty around the timing of planning being achieved. As is usual in this area, changes to the phasing, tenure mix and profit margin would have an impact on the profit or cashflow in future years. We have included cautious and prudent estimates.

Riverside Partnership:

We have carried out our going concern assessment on the basis of One Housing Group as a separate entity. We do not consider that our expected partnership with Riverside would impact on our conclusion that One Housing Group is a going concern.



A show flat in Ladderswood

The base plan has been assessed for the following:

Liquidity:

The Group's liquidity position remains strong and we intend to raise further debt to maintain a strong liquidity position.

Covenants:

We expect to remain compliant with all financial and non-financial covenants. The headroom varies by year and under some sensitivities. Various reasonable mitigations have been considered in response to this. The Group will continue to be vigilant in reviewing the performance monitoring triggers and actual financial performance to ensure that we have sufficient time to react in a timely manner. The Group will also continue to negotiate improvements to its covenant definitions to provide capacity to cope with any adverse performance.

Basis of consolidation

The consolidated accounts incorporate the financial statements of the Group, its subsidiaries, and joint ventures. The results of subsidiaries are included in the consolidated statement of comprehensive income from the date of incorporation or acquisition. Subsidiaries acquired during the year are consolidated using the acquisition method. Intra-group balances, transactions, income and expenses are eliminated on consolidation.

Investments in joint ventures and associates are accounted for using the equity method per FRS102 chapter 15. The consolidated statement of comprehensive income includes the Group's share of the undertakings surpluses less deficits while the Group's share of gross assets and liabilities is shown in the consolidated Statement of Financial Position.

Currency

The Group financial statements are presented in pound sterling and rounded to thousands.

Business combinations and goodwill

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Business combinations

Joint ventures:

An entity is treated as a joint venture where the Group is party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

In the consolidated accounts, interests in joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the consolidated statement of financial position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

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)
- first tranche sales of low cost home ownership housing properties developed for sale
- service charges receivable
- revenue grants
- proceeds from the sale of land and property.

Rental income is recognised from the point when properties under development reach practical completion and are available for letting.

Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Revenue grant is recognised when the conditions for receipt of grant funding have been met.

Service charges

The Group adopts either the fixed method or 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.

Supported housing schemes

The Group receives Supporting People grants from a number of London Boroughs and County Councils. The grants received in the period, as well as costs incurred by the Group in the provision of support services have been included in the statement of comprehensive income. Any excess of cost over the grant received is borne by the Group where it is not recoverable from tenants.

Management of units owned by others

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

Schemes managed by agents

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

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated based on tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met
- where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them, and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible fixed assets - housing properties

Housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development. Directly attributable costs of acquisition include capitalised interest calculated, on a proportional basis, using finance costs on borrowing which has been drawn to finance the relevant construction or acquisition. Where housing properties are under 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. All other repair and replacement expenditure is charged to the statement of comprehensive income.

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

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in PPE and held at cost less any impairment, and are transferred to completed properties when ready for letting.

When housing properties are developed for sale for another social landlord, the cost is dealt with in current assets under housing properties and stock for sale.

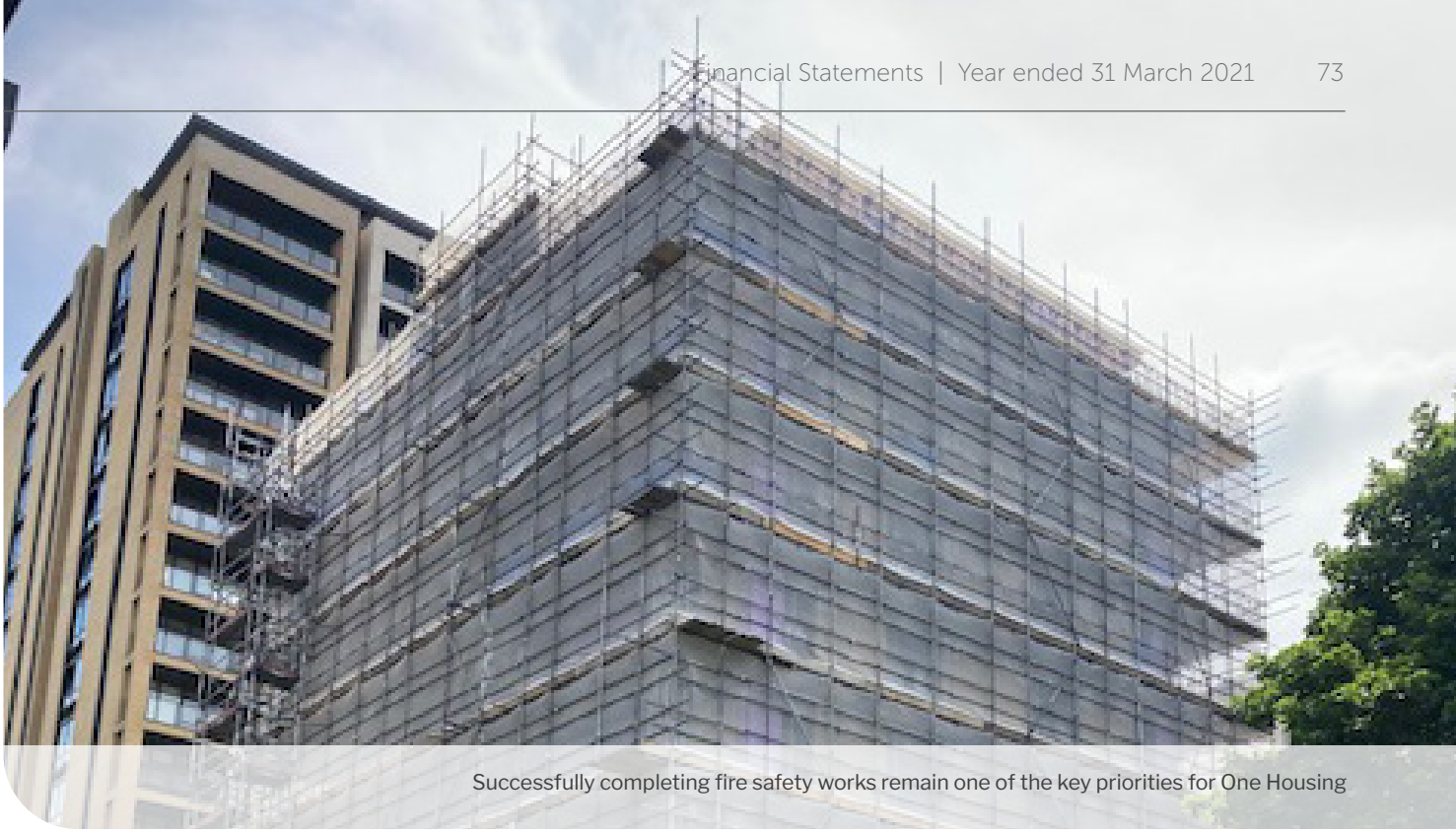
Completed housing properties acquired from subsidiaries are valued at existing use value for social housing at the date of acquisition.

Depreciation of housing property

Housing land and property is split between land, structure and other major components that are expected to require replacement over time.

The portion of shared ownership property retained or expected to be retained is not depreciated on account of the high residual value. Neither the depreciable amount nor the expected annual depreciation charge for such assets is considered material, individually or in aggregate.

Assets in the course of construction are not depreciated until the year after 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.



Successfully completing fire safety works remain one of the key priorities for One Housing

Depreciation of housing property

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Assets in the course of construction are not depreciated until the year after 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.

Value Added Tax

The Group charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT on expenditure to the extent that it is borne by the Group and not recoverable from HM Revenue & Customs. Recoverable VAT arises from partially exempt activities and is credited to the income and expenditure account.

Finance costs

Finance costs are charged to profit or loss 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.

Pension costs

Contributions to the Group's defined contribution pension scheme are charged to the statement of comprehensive income in the year in which they become payable.

The Group participates in two Local Government Pension Schemes (LGPS). There is a stated policy for charging the net defined benefit scheme between those group companies that are a party to the scheme and hence a proportion of the defined benefit scheme assets, liabilities, income and costs are recognised by individual group companies in accordance with that policy.

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 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.

Under defined benefit accounting, the schemes' assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

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.

Tangible fixed assets - housing properties

Housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development. Directly attributable costs of acquisition include capitalised interest calculated, on a proportional basis, using finance costs on borrowing which has been drawn to finance the relevant construction or acquisition. Where housing properties are under 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. All other repair and replacement expenditure is charged to the statement of comprehensive income.

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

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in PPE and held at cost less any impairment, and are transferred to completed properties when ready for letting.

When housing properties are developed for sale for another social landlord, the cost is dealt with in current assets under housing properties and stock for sale.

Completed housing properties acquired from subsidiaries are valued at existing use value for social housing at the date of acquisition.

Depreciation of housing property

Housing land and property is split between land, structure and other major components that are expected to require replacement over time.

The portion of shared ownership property retained or expected to be retained is not depreciated on account of the high residual value. Neither the depreciable amount nor the expected annual depreciation charge for such assets is considered material, individually or in aggregate.

Assets in the course of construction are not depreciated until the year after 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.

Component	Years
Main structure	125
Roof structure	80
Envelope (including roof covering and cladding)	50
Common parts (internal and external)	50
External windows and doors	40
Heating and cold-water services	40
Central boilers	40
Bathrooms	30
Electrics	30
Lifts	30
Kitchens	20
Individual boilers	15
Cladding	30

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.

Any difference between the historical annual depreciation charge and the annual depreciation charge on assets carried at deemed cost is transferred to the revaluation reserve for the asset concerned until that reserve is depleted.

Stock swaps

Housing properties acquired from other social landlords in exchange for non-monetary assets, or a combination of monetary and non-monetary assets, are measured at fair value. Where there is government grant associated with housing properties acquired as part of the stock swap, the obligation to repay or recycle the grant transfers to the Group. The fair values of the properties are included within property, plant and equipment and accordingly no grant is disclosed within creditors. In the event of the housing properties being disposed, the Group is responsible for the recycling of the grant. Where there is government grant associated with housing properties disposed of as part of the stock swap, the obligation to repay or recycle transfers is with the social landlord to whom they were transferred to.

Shared ownership properties and staircasing

Under low cost home ownership arrangements, the Group disposes of a long lease on low cost home ownership housing units for a share ranging between 25% and 75% of value. The buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds are included in turnover. The remaining element (staircasing element) is classed as property, plant and equipment and included in completed housing property at cost and any provision for impairment. Sales of subsequent tranches are treated as a part disposal of PPE. Such staircasing sales may result in capital grants being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Low cost home ownership properties are not depreciated on the expectation that the recoverable amount of the properties at the time of disposal is expected to be more than the historical cost.

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

Allocation of costs for mixed tenure and shared ownership developments

Costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure costs are allocated on a floor area or unit basis depending on the appropriateness for each scheme.

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

Depreciation of other tangible fixed assets

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

Description	Years
Freehold offices	50
Leasehold office property	Life of lease
Furniture and equipment	5
Motor vehicles	4
Computer equipment	5
Information system	5

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

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

Government grants

Grants received in relation to assets that are presented at deemed cost at the date of transition have been accounted for using the performance model as required by Housing SORP 2018. In applying this model, such grant has been presented as if it were originally recognised as income within the statement of comprehensive income in the year it was receivable and is therefore included within brought forward reserves.

Grant received since the transition date in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the 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 2018 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 the statement of comprehensive income 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

When certain relevant events happen, primarily the sale of dwellings, Homes England and the Greater London Authority (GLA) can direct the Association to recycle capital grants or to make repayments of the recoverable amount. The Group adopts a policy of recycling, for which a separate fund is maintained. If unused within a three-year period, it will be repayable to Homes England or the GLA with interest. Any unused recycled capital grant held within the recycled capital grant fund, when it is anticipated it 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'.

Disposal Proceeds Fund

Sales Receipts less eligible expenses from Right to Acquire (RTA) sales made prior to 6 April 2017 are required to be retained in a ring – fenced fund which can only be used for providing replacement housing. If the amount in the fund cannot be allocated, it will be repaid to the GLA.

Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by qualified valuers 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 income or expenditure.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Impairment of fixed assets and goodwill

The housing property portfolio for the Group is assessed for indicators of impairment at each statement of financial position 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. We carry out an option appraisal 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.

The Group defines cash generating units as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger cash generating units. 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.

Stock

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

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

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 income statement in other operating expenses.

Recoverable amount of rental and other trade receivable.

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.

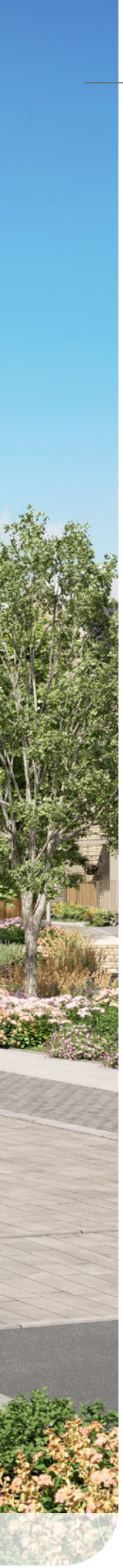
Rent and service charge agreements

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, however we have calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated in the statement of financial position at transaction value. Loans and investments that are payable or receivable within one year are not discounted.

Developments like Granville Road in Barnet will help create the new homes London needs



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.

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.

Derivative instruments and hedge accounting

The Group holds floating rate loans which expose the Group to interest rate risk, to mitigate against this risk we use interest rate swaps. These instruments are measured at fair value at each reporting date. They are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The group has not chosen to adopt Hedge Accounting.

Interest rate swap derivatives

The derivative contract sets the basic information required to be able to calculate the fair value of the derivatives. E.g. the term to maturity, the fixed leg rate and the variable leg basis. Derivative fair value is based on the known fixed leg rate and variable rate derived from the forward curve.

Leased assets: lessee

Where assets are financed by leasing agreements that give rights approximately to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the statement of comprehensive income over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 April 2014) to continue to be charged over the period to the first market rent review rather than the term of lease.

For leases entered into on or after 1 April 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to profit or loss over the term of the lease.

Leasehold Sinking Funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors.

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 finance cost in the statement of comprehensive income in the period it arises.

Onerous leases

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

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.

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.

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

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

Impairment of Tangible Fixed Assets

Tangible fixed assets are assessed for indicators of impairment at each reporting date. Indicators of impairment include the economic viability and future financial performance of the asset. The calculation of impairment is on the basis of EUV-SH or depreciated replacement cost. Estimates of future financial performance includes assumptions for inflation, voids and future costs. A judgement will be made as to the expected costs to complete including an estimation of construction and other costs.

Net realisable value of property developed for sale

The anticipated costs to complete on a development scheme are based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, the recoverability of the cost of properties developed for outright sale and/or land held for sale is then determined by an estimate of sales value based on economic conditions within the area of development.

Recoverability of investments in subsidiaries and intercompany debts

A large number of OHGL's subsidiaries are special purpose vehicles created for a single mixed tenure development scheme that includes outright sale. These are funded by equity investment. An estimation of the net realisable value of the development scheme is carried out and any impairment will be reflected as impairment of OHGL's investment.

The recovery of investment in other subsidiaries is on the basis of future cash forecasts.

New Developments

There are a number of tenure types of housing property where it is a matter of judgement whether they should be categorised as investment property or property, plant and equipment. The intended use of the property needs to be determined when categorising different tenure types of housing property providing due consideration to the level of rent charged and with regard to objectives of the Group.

When properties are under construction interest is capitalised on the cumulative cost to date of the scheme, based on the estimated weighted average cost of capital. The calculation of the weighted average cost of capital is revisited on an annual basis.

Costs are between different tenures in the case of a mixed tenure development based on square meterage. In the same way costs are apportioned to individual properties. The cost remains with the property throughout its life, and is used in estimating surplus on disposal.

The expected percentage of shared ownership properties to be sold at first tranche and thus to be included in properties for sale for properties under development is estimated. Scheme costs are apportioned to individual properties based on square footage.

We have been working with Ealing Council and English Heritage to redevelop Grade II listed Acton Town Hall

Leases

A number of leases have been entered into for a number of care homes and the head office. The judgement regarding their classification as operating or finance leases are based 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. Considerations include landlords' covenants, break clauses, length of lease and repair and replacement responsibilities.

Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives. The actual lives of the assets and residual values are assessed annually based on information such as surveys, historic data, benchmarking and current performance. For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Government grant is amortised over the useful economic life of the asset.

Investment properties

Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate. The professional valuers will use current rents, voids, leases alongside assumptions regarding discount rates, inflation and rent increases.

Bad debt provisions

To calculate appropriate provisions, historic collection rates are reviewed alongside external information such as the current benefit rules, the impact of Covid-19 and other economic impacts.

Pensions

The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as 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 recorded and annual defined benefit expense.

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

Group - particulars of turnover, cost of sales, operating costs and operating surplus

						2021
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus disposal of fixed assets £'000	Share of surplus in ventures £'000	Operating surplis (deficit) £'000
Social housing lettings (note 5)	106,218		(91,021)	-	-	15,197
Other social housing activities						
Supporting people contract income	28,632	-	(27,660)	-	-	972
Development income and cost not capitalised	-	-	(4,397)	-	-	(4,397)
Shared ownership first tranche sales	14,366	(10,870)	-	-	-	3,496
Leaseholders	4,927		(9,099)	-	-	(4,172)
Leaseholder fire and cladding costs	808		(5,313)			(4,505)
Staircasing activity on low cost home ownership	-	-	-	5,365	-	5,365
Right to buy sales	-	-	-	8,231	-	8,231
Community regeneration	637	-	(1,638)	-	-	(1,001)
Furlough grant	889	-	(889)	-	-	-
	50,259	(10,870)	(48,996)	13,596	-	3,989
Non-social housing activities						
Sales of properties developed for outright sale	9,024	(8,741)	-	-	(13,601)	(13,318)
Private care homes	8,324	-	(17,910)	-	-	(9,586)
Market rented lettings	6,789	-	(2,106)	-	-	4,683
Commercial properties	2,739	-	(2,037)	-	-	702
Furlough grant	205	-	(205)	-	-	-
Other	811	-	-	-	-	811
	27,892	(8,741)	(22,258)	-	(13,601)	(16,708)
Total	**184,369**	**(19,611)**	**(162,275)**	**13,596**	**(13,601)**	**2,478**

The loss on JVs includes £13m impairment of our investment in the Victoria Quarter joint venture.

Group - particulars of turnover, cost of sales, operating costs and operating surplus

						2020
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus disposal of fixed assets £'000	Share of surplus in ventures £'000	Operating surplis (deficit) £'000
Social housing lettings (note 5)	104,844	-	(77,260)	-	-	27,584
Other social housing activities						
Supporting people contract income	27,454	-	(28,589)	-	-	(1,135)
Development income and costs not capitalised	-	-	(4,015)	-	-	(4,015)
Shared ownership first tranche sales	15,815	(11,860)	-	-	-	3,955
Leaseholders	5,406	-	(9,973)	-	-	(4,567)
Staircasing activity on low cost home ownership	-	-	-	7,558	-	7,558
Right to Buy sales	-	-	-	3,802	-	3,802
Community regeneration	-	-	(1,837)	-	-	(1,837)
	48,675	(11,860)	(44,414)	11,360		11,360
Non-social housing activities						
Sales of properties developed for outright sale	44,300	(47,619)	-	-	(16)	(3,335)
Private care homes	7,600	-	(13,372)	-	-	(5,772)
Market rented lettings	6,925	-	(1,991)	-	-	4,934
Commercial properties	5,433	-	(1,991)	-	-	2,744
Other	1,185	-	479	-	-	1,664
	65,443	(47,619)	(17,573)	-	(16)	235
Total	**218,962**	**(59,479)**	**(139,247)**	**11,360**	**(16)**	**(16)**

Association - particulars of turnover, cost of sales, operating costs and operating surplus

	2021				
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus disposal of fixed assets £'000	Operating surplis (deficit) £'000
Social housing lettings (note 5)	103,871	-	(89,580)	-	14,291
Other social housing activities					
Supporting people contract income	28,589	-	(28,328)	-	261
Development income and costs not capitalised	-	-	(4,276)	-	(4,276)
Shared ownership first tranche sales	14,366	(11,631)		-	2,735
Leaseholder	4,741	-	(9,460)	-	(4,719)
Leaseholder cladding costs	827		(5,108)	-	(4,281)
Staircasing activity on low cost home ownership	-	-	-	5,119	5,119
Right to Buy sales	-	-	-	8,086	8,086
Community regeneration	-	-	(130)	-	(130)
Furlough grant	568		(568)		-
	49,091	(11,631)	(47,870)	13,205	2,795
Non-social housing activities					
Impairment of investment in subsidiaries	-	-	(13,914)	-	(13,914)
Care home	8,365	-	(17,907)	-	(9,542)
Lettings	653	-	(899)	-	(246)
Commercial properties	2,821	-	(1,865)	-	956
Gift Aid receipts	8,970	-	-	-	8,970
Management services for group undertakings	1,009	-	-	-	1,009
Furlough grant	205	-	(205)	-	-
Other	786	-	-	-	786
	22,809	-	(34,790)	-	(11,981)
Total	**175,771**	**(11,631)**	**(172,240)**	**13,205**	**5,105**

Association - particulars of turnover, cost of sales, operating costs and operating surplus

	2021				
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus disposal of fixed assets £'000	Operating surplis (deficit) £'000
Social housing lettings	**102,525**	**-**	**(76,341)**	**-**	**26,184**
Other social housing activities					
Supporting people contract income	27,454	-	(28,608)	-	(1,154)
Development income and costs not capitalised	-	-	(4,034)	-	(4,034)
Shared ownership first tranche sales	15,815	(11,860)	-	-	3,955
Leaseholder	4,809	-	(9,078)	-	(4,269)
Staircasing activity on low cost home ownership	-	-	-	6,909	6,909
Right to Buy sales	-	-	-	3,801	3,801
Community regeneration	1,800	-	(137)	-	1,663
	49,878	(11,860)	(41,857)	10,710	6,871
Non-social housing activities					
Impairment of investment in subsidiary	-	-	(7,301)	-	(7,301)
Sales of properties developed for outright sale	2	(965)		-	(963)
Private care homes	7,600	-	(13,377)	-	(5,777)
Lettings	3,310	-	(1,374)	7,594	9,530
Commercial properties	3,313	-	(1,052)	-	2,261
Gift Aid receipts	16,370	-	-	-	16,370
Management services for group undertakings	1,517	-	(1,202)	-	315
Other	795	-	-	-	795
	32,907	(965)	(24,306)	7,594	15,230
Total	**185,310**	**(12,825)**	**(142,504)**	**18,304**	**48,285**

5. Statement of comprehensive income from social housing lettings

Group - particulars of income and expenditure from social housing lettings

	General housing £'000	Shared ownership £'000	2021 £'000	2020 £'000
Income				
Rents receivable net of identifiable service charges	72,338	12,396	**84,734**	82,912
Service charge income	11,784	3,568	**15,352**	16,283
Amortised government grants	5,220	505	**5,725**	5,542
Net rental Income	**89,342**	**16,469**	**105,811**	**104,737**
Government grants taken to income	9	299	**308**	-
Other income	91	8	**99**	107
Turnover from social housing lettings	**89,442**	**16,776**	**106,218**	**104,844**
Expenditure				
Management	(14,035)	(1,309)	**(15,344)**	(15,279)
Service charge costs	(16,908)	(2,652)	**(19,560)**	(19,691)
Routine maintenance	(17,230)	(1,232)	**(18,462)**	(14,051)
Planned maintenance	(4,022)	(377)	**(4,399)**	(4,726)
Major repairs expenditure	(8,036)	(2,901)	**(10,937)**	(4,099)
Bad debts	(2,124)	(87)	**(2,211)**	(1,051)
Depreciation of housing properties	(16,798)	-	**(16,798)**	(16,233)
Accelerated depreciation on component write-offs	(1,395)	-	**(1,395)**	(435)
Depreciation of other fixed assets	(354)	-	**(354)**	(155)
Property lease charge	(1,540)	(21)	**(1,561)**	(1,540)
Operating costs on social housing lettings	**(82,442)**	**(8,579)**	**(91,021)**	**(77,260)**
Operating surplus on social housing lettings	**7,000**	**8,197**	**15,197**	**27,584**
Void losses	**2,595**	**(20)**	**2,575**	**(2,127)**

5. Statement of comprehensive income from social housing lettings continued

Association - particulars of income and expenditure from social housing lettings

	General housing £'000	Shared ownership £'000	2021 £'000	2020 £'000
Income				
Rents receivable net of identifiable service charges	72,364	10,868	**83,232**	81,163
Service charge income	11,780	2,943	**14,723**	15,816
Amortised government grants	5,219	406	**5,625**	5,443
Net rental Income	**89,363**	**14,217**	**103,580**	**102,422**
Government grants taken to income	9	282	291	-
Other income	-	-	**-**	103
Turnover from social housing lettings	**89,372**	**14,499**	**103,871**	102,525
Expenditure				
Management	(13,713)	(1,186)	**(14,899)**	(14,704)
Service charge costs	(16,815)	(2,322)	**(19,137)**	(19,721)
Routine maintenance	(17,203)	(1,103)	**(18,306)**	(13,888)
Planned maintenance	(4,008)	(341)	**(4,349)**	(4,583)
Major repairs expenditure	(8,020)	(2,587)	**(10,607)**	(4,062)
Bad debts	(2,124)	(74)	**(2,198)**	(1,038)
Depreciation of housing properties	(16,798)	-	**(16,798)**	(16,233)
Accelerated depreciation on component write-offs	(1,395)	-	**(1,395)**	(435)
Depreciation of other fixed assets	(330)	-	**(330)**	(137)
Property lease charge	(1,540)	(21)	**(1,561)**	(1,540)
Operating costs on social housing lettings	**(81,946)**	**(7,634)**	**(89,580)**	(76,341)
Operating surplus on social housing lettings	**7,426**	**6,865**	**14,291**	26,184
Void losses	**2,586**	**(20)**	**2,566**	**(2,057)**

6. Housing stock

Homes managed

	Group		Associations	
	2021	2020	**2021**	2020
	No.	No.	**No.**	No.
Social housing				
General needs housing				
Social	**7,855**	9,059	**7,853**	9,058
Affordable	**1,159**	1,026	**1,159**	1,026
Leaseholder	**3,486**	3,403	**3,126**	3,070
Shared ownership	**2,237**	2,199	**1,935**	1,896
Supported housing	**1,133**	13	**1,133**	13
Rent to HomeBuy	**1**	1	**1**	1
Care homes	**48**	36	**48**	36
Total social housing	**15,919**	15,737	**15,255**	15,100
Non-social housing				
Market rent	**396**	390	**39**	42
Private care homes	**470**	391	**470**	391
Total non-social housing	**866**	781	**509**	433
Total homes under management	**16,785**	16,518	**15,764**	15,533
Homes owned but not managed	**527**	559	**527**	559
Total Homes	**17,312**	17,077	**16,291**	16,092

The Association has 514 units under construction at year end (2020 : 652 units) . The Group has 600 units under construction at year end (2020 : 780) .

Movement in stock:

Group	2020	Additions	Disposals	Other movements	2021
Total managed accommodation	16,518	348	(81)	-	16,785
Units managed by other associations	559	-	(32)	-	527
Total	**17,077**	**348**	**(113)**	**-**	**17,312**

Association	2020	Additions	Disposals	Other movements	2021
Total managed accommodation	15,533	313	(80)	(2)	15,764
Units managed by other associations	559	-	(32)	-	527
Total	**16,092**	**313**	**(112)**	**(2)**	**16,291**

7. Operating surplus

The surplus for the year is stated after charging:

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Depreciation on housing properties - annual charge	**16,798**	16,233	**16,798**	16,233
Impairment of Housing Properties under construction	**-**	992	**-**	992
Depreciation on other tangible fixed assets	**5,030**	2,349	**5,009**	2,299
Impairment of properties for sale	**(766)**	6,588	**655**	-
Impairment of investment in subsidiary	**-**	-	**12,792**	7,301
Impairment of investment in joint ventures	**13,000**	-	**-**	-
Operating lease charges	**5,580**	3,170	**5,580**	2,879
Auditors' remuneration (excluding VAT):				
fees payable to the groups auditor for the audit of the group's annual accounts	**144**	121	**89**	61
Defined contribution pension costs	**2,854**	2,592	**2,743**	2,249

8. Employee information

The aggregate staff cost and average full-time equivalent number of employees, including executive officers, during the year was:

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Wages and salaries	**55,029**	52,519	**51,410**	45,695
Social security costs	**5,124**	5,260	**4,826**	4,164
Cost of defined contribution schemes	**2,854**	2,592	**2,743**	2,249
Other benefits	**5**	-	**5**	-
	63,012	60,371	**58,984**	52,108

The average number of employees (including Executive Team) expressed as full-time equivalents (calculated based on a standard working week of 35 hours) during the year was as follows:

	Group		Association	
	2021	2020	**2021**	2020
	Number	Number	**Number**	Number
Administration	**187**	172	**186**	172
Care and support	**822**	741	**822**	741
Developing or selling housing stock	**64**	54	**64**	54
Managing or maintaining housing stock	**561**	584	**421**	339
Social mobility	**33**	32	**7**	-
	1,667	1,583	**1,500**	1,306

9. Board members and executive officers

The executive officers are defined as the members of the Board of management, the Chief Executive and the executive team are disclosed on page 119.

Aggregate emoluments in respect of the executive officers, including the Chief Executive, were as follows:

	Group		Associations	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Executive directors' emoluments	**1,640**	1,486	**1,640**	1,486
Compensation for loss of office	**30**	-	**30**	-
Contributions to money purchase schemes	**131**	125	**131**	125
	1,801	1,611	**1,801**	1,611

Emoluments paid to the Chief Executive, who was also the highest paid director, were £226k (2020: £232k). There were no directors in the Group's defined benefits pension scheme (2020: nil). The scheme was closed in June 2018.

Remuneration paid to staff (including Executive Team) earning over £60,000:

	Group		Associations	
Remuneration	**2021**	2020	**2021**	2020
	Number	Number	**Number**	Number
£60,000 - £70,000	**48**	41	**48**	40
£70,001 - £80,000	**29**	23	**28**	23
£80,001 - £90,000	**8**	9	**8**	9
£90,001 - £100,000	**6**	6	**6**	5
£100,001 - £110,000	**7**	6	**7**	6
£110,001 - £120,000	**2**	1	**2**	1
£120,001 - £130,000	**3**	3	**2**	3
£130,001 - £140,000	**1**	1	**1**	1
£140,001 - £150,000	**2**	-	**2**	-
£150,001 - £160,000	**1**	3	**1**	3
£160,001 - £170,000	**2**	2	**2**	2
£170,001 - £180,000	**2**	-	**2**	-
£180,001 - £190,000	**-**	1	**-**	1
£190,001 - £200,000	**1**	-	**1**	-
£220,001 - £230,000	**1**	-	**1**	-
£230,001 - £240,000	**-**	1	**-**	1
	113	97	**111**	95

10. Non-executive board and independent committee members

Board Member	Remuneration	Expenses
Stewart Davenport	15,000	-
Kevin Brush	13,425	-
Caroline Corby	18,333	-
Alexandra Jones	12,000	712
Julie Price	15,000	-
Steve Douglas	6,667	-
Rommel Pereira	15,000	21
Wendy Wallace	12,500	-
Sandra Skeete	15,000	-
Lee Gibson	12,262	-
Yvonne Arrowsmith	1,806	

Independent committee member	Remuneration	Expenses
Lee Gibson	1,115	-
Yvonne Arrowsmith	9,028	-
Alison Rose-Quire	10,000	-
Albert Robinson	6,052	-

11. Surplus on sale of fixed assets

Group	Shared ownership staircasing 2021 £'000	Other housing properties 2021 £'000	Investment properties 2021 £'000	Total 2021 £'000	Total 2020 £'000
Housing properties:					
Disposal proceeds	**9,425**	**10,912**	**31,750**	**52,087**	23,114
Cost of disposal	**(4,060)**	**(2,846)**	**(31,585)**	**(38,491)**	(11,754)
Surplus on disposal of housing properties	**5,365**	**8,066**	**165**	**13,596**	11,360

Association	Shared ownership staircasing 2021 £'000	Other housing properties 2021 £'000	Investment properties 2021 £'000	Total 2021 £'000	Total 2020 £'000
Housing properties:					
Disposal proceeds	**9,179**	**29,831**	**54,647**	**93,657**	90,882
Cost of disposal	**(4,060)**	**(21,765)**	**(54,627)**	**(80,452)**	(72,578)
Surplus on disposal of housing properties	**5,119**	**8,066**	**20**	**13,205**	18,304

12. Interest receivable and income from investments

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Bank and other interest	**104**	463	**96**	473
Interest received from joint arrangement	**(103)**	5	**(103)**	5
Interest receivable from group undertakings	**-**	-	**377**	435
	1	468	**370**	913

13. Interest payable and similar charges

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Bank loans and overdrafts	**29,442**	30,639	**27,819**	29,539
Loan set up cost amortised	**2,176**	1,921	**2,065**	1,881
Derivatives	**5,544**	4,899	**5,544**	4,899
Interest payable to group undertakings	**-**	-	**6**	194
Other interest payable	**106**	82	**90**	82
Loan breakage costs	**-**	1,668	**-**	1,668
Non-utilisation and other loan fees	**1,452**	1,100	**1,452**	1,045
Net interest on defined benefit liability	**113**	342	**113**	342
	38,833	40,651	**37,089**	39,650
Interest capitalised on construction of housing properties	**(1,447)**	(4,251)	**(1,447)**	(3,763)
	37,386	36,400	**35,642**	35,887
Capitalisation rate used to determine the finance costs capitalised during the period	**3.94%**	3.60%	**3.95%**	3.60%

14. Taxation

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
UK Corporation Tax				
Current tax on (deficit)/surplus for the year	**10**	(151)	**-**	(42)
Total current tax	**10**	**(151)**	**-**	**(42)**
Deferred tax				
Origination and reversal of timing differences (note 33)	**162**	(5,785)	**-**	-
Taxation on surplus	**172**	(5,936)	**-**	(42)

14. Taxation (continued)

The tax assessed for the year differs to the standard rate of Corporation Tax in the UK applied to surplus/ (deficit) before tax. The differences are explained below.

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
(Deficit)/Surplus on ordinary activities before tax	**(25,466)**	(8,593)	**(15,794)**	13,164
Surplus multiplied by 19% (2020: 19%) standard rate of UK Corporation Tax	**(4,839)**	(1,633)	**(3,001)**	2,501
Effects of:				
Exemption of charitable activities	**319**	(3,090)	**270**	(3,104)
Use of charitable qualifying donations	**(974)**	(2,397)	**-**	-
Revaluation of listed investments	**-**	1,761	**-**	1,761
Movement in fair value of financial instruments	**2,731**	(616)	**2,730**	(616)
Movement in investment properties	**937**	2,365	**-**	(544)
Utilisation of losses from prior year	**185**	1,337	**-**	-
Under provision for prior year	**(1)**	(149)	**1**	(40)
Expenses not deductible for tax purposes	**1,652**	2,271	**-**	-
Tax provision for the year	**10**	(151)	**-**	(42)

15. Tangible fixed assets: housing properties

Group	Housing property		Shared ownership		
	under construction £'000	completed and available for letting £'000	under construction £'000	completed and available for letting £'000	2021 Total £'000
Cost/valuation					
At 1 April 2020	51,774	1,516,118	17,507	257,257	**1,842,656**
Additions: construction	20,553	-	8,849	-	**29,402**
Additions: components	-	14,802	-	-	**14,802**
Adjustment	-	-	-	(59)	**(59)**
Completions in year	(20,220)	20,220	(19,636)	19,636	**-**
Disposals	-	(2,492)	-	(4,291)	**(6,783)**
Disposal of land to joint venture	(8,215)	-	-	-	**(8,215)**
Eliminated on component replacements	-	(2,886)	-	-	**(2,886)**
Transfer to current assets	-	1,940	(1,884)	-	**56**
Transfer from current assets	-	6,539	-	3,474	**10,013**
Adjustment to first tranche percentage	-	-	-	(805)	**(805)**
Transfer from investment properties	(1,710)	2,734	-	-	**1,024**
At 31 March 2021	42,182	**1,556,975**	**4,836**	275,212	**1,879,205**
Depreciation					
At 1 April 2020	-	(162,575)	-	16	**(162,559)**
Charged in the year	-	(16,798)	-	-	**(16,798)**
Eliminated on component replacements	-	1,491	-	-	**1,491**
Disposals	-	710	-	-	**710**
At 31 March 2021	-	**(177,172)**	-	16	**(177,156)**
Net book value					
At 31 March 2021	42,182	**1,379,803**	**4,836**	275,228	**1,702,049**
At 31 March 2020	51,774	1,353,543	17,507	257,273	**1,680,097**

15. Tangible fixed assets: housing properties (continued)

Association	Housing property		Shared ownership		
	under construction £'000	completed and available for letting £'000	under construction £'000	completed and available for letting £'000	2021 Total £'000
Cost/Valuation					
At 1 April 2020	52,510	1,538,863	17,507	250,695	**1,859,575**
Additions: construction	20,852	-	8,849	-	**29,701**
Additions: components	-	14,802	-	-	**14,802**
Completions in year	(20,956)	20,956	(19,636)	19,636	**-**
Disposals	-	(2,492)	-	(4,190)	**(6,682)**
Eliminated on component replacement	-	(2,886)	-	-	**(2,886)**
Transfers (to)/from group undertakings	(8,215)	417	-	3,557	**(4,241)**
Transfer to/(from) current assets	-	2,062	(1,884)	-	**178**
Adjustment to first tranche percentage	-	-	-	(805)	**(805)**
Transfer (to)/from investment properties	(1,710)	2,734	-	-	**1,024**
At 31 March 2021	**42,481**	**1,574,456**	**4,836**	**268,893**	**1,890,666**
Depreciation					
At 1 April 2020 (as restated)	-	(162,575)	-	-	**(162,575)**
Charged in the year	-	(16,798)	-	-	**(16,798)**
Eliminated on component replacement	-	1,491	-	-	**1,491**
Disposals	-	710	-	-	**710**
At 31 March 2021	**-**	**(177,172)**	**-**	**-**	**(177,172)**
Net book value					
As at 31 March 2021	**42,481**	**1,397,284**	**4,836**	**268,893**	**1,713,494**
As at 31 March 2020	52,510	1,376,288	17,507	250,695	1,697,000

During the year the Association and Group has recognised an impairment of £nil (2020: £991k) in Housing Properties under construction.

	Group		Association	
	2021	2020	**2021**	2020
Housing properties comprise	**£'000**	£'000	**£'000**	£'000
Freeholds	**1,553,787**	1,549,525	**1,592,126**	1,576,439
Long leaseholds	**137,506**	130,572	**120,561**	120,561
	1,691,293	1,680,097	**1,712,687**	1,697,000

The Group adopted the deemed cost option on transition to FRS 102 and increased its housing asset. If housing property had been accounted for under historical accounting rules, the properties would have been measured as follows:

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Historic cost	**1,836,705**	1,800,831	**1,848,165**	1,817,753
Accumulated depreciation	**(143,289)**	(131,515)	**(143,305)**	(131,531)
Impairment	**(991**	(991)	**(991)**	(991)
	1,692,425	1,668,325	**1,703,869**	1,685,231

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Interest capitalisation				
Interest capitalised in the year	**1,447**	3,763	**1,447**	3,763
Cumulative interest capitalised	**70,283**	68,836	**70,283**	68,836
	71,730	72,599	**71,730**	72,599
Rate used for capitalisation	**3.95%**	3.60%	**3.95%**	3.60%

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Works to properties				
Improvements to existing properties capitalised	**14,802**	14,506	**14,802**	14,487
Major repairs expenditure to income and expenditure account	**4,399**	4,726	**4,349**	4,061
	19,201	19,232	**19,151**	18,548

Finance leases

The net book value of housing properties for the Group includes an amount of £nil (2020 - £nil).

Impairment

The Group considers individual schemes to represent separate cash generating units (CGU's) when assessing for impairment in accordance with the requirements of FRS102 and SORP 2018. During the current year, the Group and Association have recognised an impairment loss of £nil (2020 - £992k) in respect of general needs housing stock under construction.

Properties held for security

One Housing Group Limited – Registered social housing provider had property with a net book value of £961m pledged as security at 31 March 2021.

16. Fire related expenditure

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Grant income	**1,109**	-	**1,109**	-
Total income	**1,109**	-	**1,109**	-
Fire related revenue spend	**(6,415)**	(5,423)	**(6,405)**	(5,423)
Leaseholders/shared owners cladding and fire	**(7,282)**	-	**(6,848)**	-
Waking watch	**(4,715)**	(2,783)	**(4,661)**	(2,783)
Total fire related revenue spend	**(18,412)**	(8,206)	**(17,914)**	(8,206)
Fire related capital spend	**(8,907)**	(5,541)	**(8,946)**	(5,541)
Total fire related spend	**(27,319)**	(13,747)	**(26,860)**	(13,747)
Net cost after grant income	**(26,210)**	(13,747)	**(25,751)**	(13,747)

Summary breakdown for notes 4, 5 and Social Housing Cost per unit (SHCPU)

	Group		Association	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Core social - cladding and fire related	**11,374**	3,444	**11,044**	3,444
Other social (leaseholder) - cladding and fire related	**7,038**	4,762	**6,870**	4,762
Total fire related revenue spend	**18,412**	8,206	**17,914**	8,206
Fire related capital spend	**8,907**	5,541	**8,946**	5,541
Gross cost fire related spend	**27,319**	13,747	**26,860**	13,747

The expenditure relates to fire safety and building cladding works. Spend on building cladding are works required on our high-rise blocks as we continue works on fire safety compliance. The grant income received was funding for the removal of ACM cladding for leaseholders and shared owners at two schemes. Waking watch costs relate to costs for our in-house team and services provided by sub-contractors.

17. Other tangible fixed assets

Group	Freehold offices £'000	Leasehold offices £'000	Furniture & equipment £'000	Computer equipment £'000	Information systems £'000	Motor vehicles £'000	2021 Total £'000
Cost							
At 31 March 2020	2,318	2,126	9,027	2,294	22,061	29	37,855
Additions	-	(71)	908	-	7,742	1	8,580
Reclassification	1	(215)	-	-	(397)	-	(611)
At 31 March 2021	**2,319**	**1,840**	**9,935**	**2,294**	**29,406**	**30**	**45,824**
Depreciation							
At 31 March 2020	(1,330)	(811)	(1,893)	(2,046)	(1,661)	(29)	(7,770)
Reclassification	(1)	-	9	1,782	(1,177)	(1)	612
Charge for year	(134)	-	(1,398)	(868)	(2,630)	-	(5,030)
At 31 March 2021	**(1,465)**	**(811)**	**(3,282)**	**(1,132)**	**(5,468)**	**(30)**	**(12,188)**
Net book value							
As at 31 March 2021	**854**	**1,029**	**6,653**	**1,162**	**23,938**	**-**	**33,636**
As at 31 March 2020	988	1,315	7,134	248	20,400	-	30,085

Association	Freehold offices £'000	Leasehold offices £'000	Furniture & equipment £'000	Computer equipment £'000	Information systems £'000	Motor vehicles £'000	2021 Total £'000
Cost							
At 31 March 2020	2,318	2,126	8,935	2,293	22,061	29	37,762
Additions	-	(71)	908	-	7,742	1	8,580
Reclassification	1	(215)	9	-	-397	-	-602
At 31 March 2021	**2,319**	**1,840**	**9,852**	**2,293**	**29,406**	**30**	**45,740**
Depreciation							
At 31 March 2020	(1,330)	(811)	(1,872)	(2,046)	(1,661)	(29)	(7,749)
Reclassification	(1)	-	-	1,780	(1,177)	(1)	601
Charge for year	(134)	-	(1,377)	(868)	(2,629)	-	(5,008)
At 31 March 2021	**(1,465)**	**(811)**	**(3,249)**	**(1,134)**	**(5,467)**	**(30)**	**(12,156)**
Net book value							
As at 31 March 2021	**854**	**1,029**	**6,603**	**1,159**	**23,939**	**-**	**33,584**
As at 31 March 2020	988	1,315	7,063	247	20,400	-	30,013

18. Investment properties

Group	Market rented £'000	Commercial £'000	Total £'000
At 1 April 2020	143,593	78,626	222,219
Additions	7,482	-	7,482
Tenure change	(2,734)	1,710	(1,024)
Disposals	(602)	(30,750)	(31,352)
Revaluations	(4,592)	(340)	(4,932)
At 31 March 2021	143,147	49,246	192,393

Association	Market rented £'000	Commercial £'000	Total £'000
At 1 April 2020	11,749	79,060	90,809
Additions	698	1,710	2,408
Transfer from housing properties	(2,734)	-	(2,734)
Revaluations	340	(340)	-
Disposals to subsidiary	(3,489)	(31,727)	(35,216)
At 31 March 2021	6,564	48,703	55,267

The Group's 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' Appraisal and Valuation Manual. Details on the assumptions made and the key sources of estimation uncertainty are given in note 3. In valuing investment properties, a discounted cash flow methodology was adopted with the following key assumptions:

Discount rate	6.50%
Exit yield	4.25-4.5%
Annual inflation rate	3.00%
Level of long term annual rent increase	3.00%

The deficit on revaluation of investment property arising of £4,932k (Association - £nil) has been charged to the statement of comprehensive income for the year.

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

	Group		Associations	
	2021	2020	**2021**	2020
Investment properties at historic cost:	**£'000**	£'000	**£'000**	£'000
Historic cost	**92,351**	91,716	**24,675**	4,193
Accumulated depreciation	**(18,023)**	(17,051)	**(1,200)**	(926)
	74,328	74,665	**23,475**	3,267

19. Investments: subsidiaries

Association investments in subsidiaries:	2021	2020
At 1 April	**212,817**	176,150
Additions	**115,169**	77,048
Return of capital	**(81,262)**	(33,080)
Impairment	**(12,762)**	(7,301)
Repayment of investment via qualifying donation	**(1,251)**	-
At 31 March	**232,711**	212,817

Total impairment included in investment in subsidiaries is £37,653k (2020: £24,891k).
The principal undertakings in which the Association has an interest in are as follows:

Name	Ordinary share capital held	Nature of business	Nature of entity
TPHA Limited	100%	Provision of low cost home ownership	Registered provider of social housing
One Housing Foundation	n/a	Provision of community support services	Registered charity
CHA Ventures Limited	100%	Property development	Incorporated company
Citystyle Living Limited	100%	Rental of properties at market rent	Incorporated company
East End Lettings (2) Limited	100%	Rental of properties at market rent	Incorporated company
One Direct Maintenance Limited	100%	Property maintenance services	Incorporated company
Renovo Facilities & Services Limited	51%	Property maintenance services	Incorporated company
Citystyle Living (Acton Town Hall) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Bangor Wharf) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Belmont) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Close) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Goldhawk Road) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (High Road Haringey 624 THA) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Kidwells THA) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Polo) Limited	100%	Property development for outright sale	Incorporated company
Citystyle (Site A Nunhead Lane) Living Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (St Ann's) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Victoria Quarter) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Wenlock Road) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (North End Farm) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Shakespeare Orchard) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (Sutton Court Road) Limited	100%	Property development for outright sale	Incorporated company
Citystyle Living (White Horse Field) Limited	100%	Property development for outright sale	Incorporated company
One Housing Investments Limited	100%	SPV Holding Company	Incorporated company

All subsidiaries are incorporated or registered in England.

An application to strike off was make to Companies House on 19 March 2021 for Citystyle Living (White Horse Field) Ltd and One Direct Maintenance Ltd.

20. Investments: joint ventures

The Group holds an indirect interest in the following joint ventures:

Name	Ordinary share capital held	Nature of business	Nature of entity
New Ladderswood LLP	50%	Property development	Limited liability partnership
Dollar Bay Developments LLP	50%	Property development	Limited liability partnership
New Granville LLP	50%	Property development	Limited liability partnership
Citystyle Fairview VQ LLP	50%	Property development	Limited liability partnership

The equity value of investments was:

	2021 £'000	2020 £'000
At 1 April	**49,504**	38,336
Additions	**40,757**	11,849
Return of capital	**(14,060)**	(665)
Impairment	**(13,000)**	-
Share of profit / (loss) for the year	**(601)**	(16)
Distributions received in the year	**133**	-
At 31 March	**62,733**	49,504

The impairment relates to the Group's investment in the Victoria Quarter joint venture.

21. Investments: other investments

	31 March 2021		31 March 2020	
	£'000	£'000	£'000	£'000
	Cost	**Fair value**	Cost	Fair value
Total share subscription	**30**	**30**	30	30
	30	**30**	30	30

22. Properties for sale

Group	First tranche Shared ownership 2021 £'000	Outright Sale 2021 £'000	Total 2021 £'000	Total 2020 £'000
Work in progress	4,078	29,649	**33,727**	126,125
Impairment	(655)	(9,060)	**(9,715)**	(38,326)
	3,423	20,589	**24,012**	87,798
Completed properties	13,928	7,370	**21,298**	39,826
Impairment	(3,107)	(483)	**(3,590)**	(3,945)
	10,821	6,887	**17,708**	35,881
Total properties for sale	14,244	27,476	**41,720**	123,679
Capitalised interest included in properties for sale			**469**	1,135

Association				
	First tranche	Outright		
	Shared ownership	Sale	**Total**	Total
	2021	2021	**2021**	2020
	£'000	£'000	**£'000**	£'000
Work in progress	4,078	-	**4,078**	73,446
Impairment	(655)	-	**(655)**	(23,864)
	3,423	-	**3,423**	49,582
Completed properties	7,524	-	**7,524**	12,807
Impairment	-	-	**-**	-
	7,524	-	**-**	-
Total properties for sale	10,947	-	**10,947**	62,389
Capitalised interest included in properties for sale			**378**	1,135

Impairment is charged as follows:

	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
At 1 April	**42,271**	37,604	**23,864**	23,864
Charge for the year	**1,062**	5,819	**655**	-
Released	**(1,828)**	-	**-**	-
Released on disposal	**(28,200)**	(1,152)	**(23,864)**	-
At 31 March	**13,305**	42,271	**655**	23,864

23. Debtors

	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Rent arrears	**14,551**	15,492	**14,093**	14,933
Less provision for bad and doubtful debts	**(6,192)**	(7,019)	**(6,021)**	(6,755)
	8,359	8,473	**8,072**	8,178
Amounts due from group companies	**-**	-	**16,900**	104,553
Other debtors	**26,757**	16,567	**8,216**	8,577
Prepayments and accrued income	**7,377**	5,941	**6,362**	5,941
Loan security deposits	**-**	18	**-**	18
Amounts due from leaseholders	**194**	153	**194**	153
	42,687	31,152	**39,744**	127,420

24. Creditors: amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Bank overdraft (note 28)	**-**	332	**-**	330
Housing and short-term loans (note 28)	**16,064**	130,320	**16,064**	124,792
	16,064	130,653	**16,064**	125,122
Trade creditors	**3,229**	2,982	**3,088**	2,606
Social Housing Grant repayable	**19,326**	19,326	**19,326**	19,326
Amounts due to group undertakings	**-**	-	**65,788**	106,589
Other taxation and social security	**1,374**	1,353	**1,325**	1,288
Other creditors	**10,950**	5,511	**10,548**	5,037
Accruals and deferred income	**30,064**	29,607	**28,392**	27,312
Rent and service charges paid in advance	**8,855**	8,214	**8,438**	7,849
Property deposits and sinking fund	**1,918**	1,958	**1,885**	1,931
	91,780	199,603	**154,854**	297,060

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

	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Bank loans (note 28)	**1,013,600**	931,207	**946,222**	911,883
Deferred capital grant (note 25)	**664,887**	670,571	**643,144**	648,579
RCGF (note 26)	**11,985**	12,558	**10,872**	10,468
DPF (note 27)	**1,006**	998	**1,006**	998
Sinking fund balances	**17,193**	16,227	**13,822**	13,128
	1,708,671	1,631,561	**1,615,066**	1,585,056

26. Deferred capital grant

	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Total grant at start of period	**727,269**	714,213	**714,905**	701,569
Received during the period	**4,052**	9,494	**4,052**	9,494
Disposals	**(3,128)**	(5,046)	**(3,080)**	(4,766)
Transfer to revenue grants (fire safety grant received on behalf of leaseholders)	**(1,117)**	-	**(1,117)**	-
Other	**-**	8,608	**-**	8,608
Total grant at end of period	**727,076**	727,269	**714,760**	714,905
Total amortisation at start of period	**(56,698)**	(51,539)	**(66,326)**	(61,376)
Released to income in the period	**(5,717)**	(5,543)	**(5,623)**	(5,444)
Released on disposal	**228**	384	**334**	494
Total amortisation at end of period	**(62,187)**	(56,698)	**(71,615)**	(66,326)
Net book value at end of period	**664,889**	670,571	**643,145**	648,579

Other relates to grant transferred from the strategic partnership grant, shown as social housing grant repayable in creditors.

27. Recycled capital grant fund

Group	2021			2020		
Funds pertaining to activities within areas covered by	Homes England £'000	GLA £'000	Total £'000	Homes England £'000	GLA £'000	Total £'000
At 1 April	**736**	**11,822**	**12,558**	736	8,972	9,708
Inputs to fund:						
Grants recycled from deferred capital grants	**-**	**3,196**	**3,196**	-	5,226	5,226
Interest accrued	**-**	**98**	**98**	-	89	89
Recycling of grant:						
New build	**-**	**-**	**-**	-	(351)	(351)
Other	**-**	**-**	**-**	-	(2,114)	(2,114)
Repayment of grant to Homes England/GLA	**-**	**(3,867)**	**(3,867)**	-	-	-
At 31 March	**736**	**11,249**	**11,985**	736	11,822	12,558
Amounts three years or older where payment may be required	**-**	**3,867**	**3,867**		577	577

Group	2021			2020		
Funds pertaining to activities within areas covered by	Homes England £'000	GLA £'000	Total £'000	Homes England £'000	GLA £'000	Total £'000
At 1 April	**69**	**10,399**	**10,468**	69	7,845	7,914
Inputs to fund:						
Grants recycled from deferred capital grant	**-**	**3,149**	**3,149**	-	4,946	4,946
Interest accrued	**-**	**82**	**82**	-	74	74
Recycling of grant:						
New build	**-**	**-**	**-**	-	(351)	(351)
Other	**-**	**-**	**-**	-	(2,115)	(2,115)
Repayment of grant to Homes England/GLA	**-**	**(2,827)**	**(2,827)**	-	-	-
At the end of the year	**69**	**10,803**	**10,872**	69	10,399	10,468
Amounts three years or older where payment may be required	**-**	**42**	**42**	-	-	-

28. Disposal proceeds fund

	Group		Association	
	GLA 2021 £'000	GLA 2020 £'000	**GLA 2021 £'000**	GLA 2020 £'000
At 1 April	**998**	989	**998**	989
Inputs to fund:				
Interest accrued	**8**	9	**8**	9
At 31 March	**1,006**	998	**1,006**	998
Amounts three years or older where payment may be required	**954**	193	**954**	193
The fund has no balances with Homes England (2020: £nil).				

29. Loans and borrowings

Loans and borrowings	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Within one year	**16,064**	130,650	**16,064**	125,122
One to two years	**11,579**	19,039	**11,579**	19,039
Two to five years	**109,751**	53,828	**109,751**	53,828
In more than five years	**765,853**	719,576	**697,853**	699,574
	903,247	923,093	**835,247**	897,563

Loans repayable	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Bank loans	**466,992**	520,419	**466,992**	517,345
Bond	**88,000**	88,000	**88,000**	88,000
Private placement	**235,000**	235,000	**235,000**	235,000
Other loans	**113,255**	79,344	**45,255**	56,888
Bank overdraft	**-**	330	**-**	330
Total loans and borrowings	**903,247**	**923,093**	**835,247**	**897,563**
Bond discounts	**(2,644)**	(2,756)	**(2,644)**	(2,756)
Bond premiums	**267**	330	**267**	330
Loan issue costs	**(10,514)**	(12,488)	**(9,892)**	(11,812)
Sub total	**890,356**	**908,179**	**822,978**	**883,325**
Loans previously measured at fair value	**94,027**	97,310	**94,027**	97,310
Derivative fair value	**45,281**	56,370	**45,281**	56,370
	1,029,664	1,061,859	**962,286**	1,037,005

Loans are secured by specific charges on the housing properties of the Group.

The Association has £80m of unsecured loans, £70m secured under numerical apportionment basis and £753.2m secured by specific charges on the housing properties of the Association.

Derivatives Fair Value includes the value of the standalone derivatives and the FV of an £18m embedded option.

The mark to market values of free standing SWAPs as at 31 March 2021 was £37.9m out of the money (2020 - £47.3m out of the money).

30. Financial instruments

Financial instruments	Group 2021 £'000	Group 2020 £'000	Association 2021 £'000	Association 2020 £'000
Financial liabilities measured at amortised cost				
Loans payable	**903,246**	923,091	**835,246**	897,563
Derivative financial instruments designated as hedges of variable interest rate risk	**45,281**	56,370	**45,281**	56,370
Total financial liabilities	**948,527**	979,461	**880,527**	953,933

To hedge the potential volatility in future interest cash flows arising from movements in LIBOR, the Group has entered into standalone floating to fixed interest rate swaps with a nominal value of £211.8m. The Group also has an £18m cancellable embedded swap.

The swaps have a mark-to-market valuation of £37.9m, the embedded option has a mark-to-market of £7.3m.

31. Provision for liabilities

Group	Deferred taxation £'000	Other £'000	Total £'000
At 1 April 2020	762	462	**1,224**
Charged to statement of comprehensive income			
Additions	-	1,212	**1,212**
Released	-	(428)	**(428)**
Origination and reversal of timing differences	**161**	**-**	**161**
At 31 March 2021	**923**	**1,246**	**2,169**

Association	Other £'000	Total £'000
At 1 April 2020	462	**462**
Charged to statement of comprehensive income		
Additions	1,212	**1,212**
Utilised in year	(428)	**(428)**
At 31 March 2021	**1,246**	**1,246**

Other provisions consist of amounts provided in respect of disrepair, dilapidations and staff costs.

32. Pension Obligations

The Group participates in the following defined benefit pension schemes; LGPS (Tower Hamlets) and LGPS (Lewisham). The employees in the LGPS schemes have been TUPE'd from local authorities and are closed to new members. The defined benefit SHPS scheme closed to future accrual in 2019.

Group	SHPS £'000	LGPS £'000	2021 Total £'000	2020 Total £'000
Actuarial gain/(loss) on defined benefit pension scheme	(7,877)	329	**(7,548)**	(8,572)
Net interest expense	126	13	**139**	(342)
	(7,751)	**342**	**(7,409)**	**8,230**

Group	SHPS £'000	LGPS £'000	2021 Total £'000	2020 Total £'000
Fair value of plan assets	49,968	11,888	**61,856**	53,893
Present value of plan liabilities	(62,600)	(11,097)	**(73,697)**	(59,478)
Provision for cessation debt	-	(385)	**(385)**	(398)
Total	**(12,632)**	**406**	**(12,226)**	**(5,983)**

Defined contribution scheme

A defined contribution scheme is operated by the Group on behalf of employees. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pension charge represents contributions payable by the Group to the fund and amounted to £2,743k (2020: £2,249k). Contributions totalling £512k (2020: £468k) were payable to the fund at the year-end and are included in creditors.

Social Housing Pension Scheme (SHPS)

The company 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 completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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.

For financial years ending on or before 28 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Social Housing Pension Scheme (SHPS) cont.

For accounting purposes, a valuation of the scheme was carried out with an effective date of 30 September 2018. The liability figures from this valuation were rolled forward for accounting year-ends from 31 March 2019 to 29 February 2020 inclusive.

Similarly, actuarial valuations of the scheme were carried out as at 30 September 2019 to inform the liabilities for accounting year ends from 31 March 2020 to 28 February 2021 inclusive, and as at 30 September 2020 to inform the liabilities for accounting year ends from 31 March 2021 to 28 February 2022 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Financial assumptions

	2021 %	2020 %
Discount rate	**2.19**	2.37
Salary increase rate	**3.87**	2.60
Inflation - RPI	**3.26**	2.60
Inflation - CPI	**2.87**	1.60
Allowance for commutation of pension for cash at retirement	**75%**	75%

Mortality assumptions

The average future life expectancies at age 65 are summarised below.

	2021 %	2020 %
Retiring in 2020		
- Male	**21.6**	21.5
- Female	**23.5**	23.3
Retiring in 2040		
- Male	**22.9**	22.9
- Female	**25.1**	24.5

Reconciliation of present value of plan liabilities	2021 £'000	2020 £'000
At 1 April	**50,084**	57,245
Expenses	**35**	35
Interest cost	**1,171**	1,326
Benefits paid	**(1,325)**	(913)
Re-measurements - change in financial assumptions	**12,571**	(7,083)
Re-measurements - experience	**(162)**	(31)
Re-measurements - demographic assumptions	**226**	(495)
At 31 March	**62,600**	50,084

Reconciliation of present value of plan assets	2021 £'000	2020 £'000
At 1 April	**44,054**	42,371
Interest income on plan assets	**1,045**	995
Employer contributions	**1,436**	1,395
Benefits paid	**(1,325)**	(913)
Experience on plan assets - gain	**4,758**	206
At 31 March	**49,968**	44,054

Net pension scheme liability	2021 £'000	2020 £'000
Fair value of plan assets	**49,968**	42,371
Present value of plan liabilities	**(62,600)**	(57,245)
	(12,632)	(14,874)

Amounts recognised in comprehensive income	2021 £'000	2020 £'000
Included in administrative expenses:		
Expenses	**35**	35
Interest	**126**	331
	161	366

Analysis of actuarial loss recognised in other comprehensive income	2021 £'000	2020 £'000
Re-measurements - change in financial assumptions	**(12,571)**	7,083
Re-measurements - experience	**162**	31
Re-measurements - demographic assumptions	**(226)**	495
Experience on plan assets	**4,758**	206
	(7,877)	7,815

Composition of plan assets	2021 %	2020 %
Equities	**7,964**	6,443
Property	**1,038**	970
Cash	**1**	-
Absolute return	**2,758**	2,297
Distressed opportunities	**1,443**	849
Credit relative value	**1,572**	1,208
Alternative risk premia	**1,882**	3,080
Fund of hedge funds	**6**	26
Emerging markets debt	**2,017**	1,334
Risk sharing	**1,819**	1,488
Insurance linked securities	**1,200**	1,353
Infrastructure	**3,332**	3,279
Private debt	**1,192**	888
Corporate bond fund	**2,952**	2,512
Long lease property	**979**	762
Secured income	**2,078**	1,671
Liability driven investment	**12,699**	14,621
Opportunistic Illiquid credit	**1,270**	1,066
Liquid credit	**596**	18
Net current assets	**304**	189
High Yield	**1,496**	-
Opportunistic credit	**1,370**	-
Total plan assets	**49,968**	44,054

33. Deferred taxation

	Group		Association	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Deferred tax liabilities				
Investment property revaluations	**923**	762	**-**	-
	923	762	**-**	-

34. Share capital

	2021 £'000	2020 £'000
Allotted, issued and fully paid shares of £1 each		
At 1 April	**9**	10
Issued in year	**1**	1
Redeemed/cancelled in the year	**(1)**	(2)
	9	9

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When a shareholder ceases to be a member, that share is cancelled and the amount paid thereon becomes the property of the Association. Therefore, all shareholdings relate to non-equity interests.

35. Contingent liabilities

At 31 March 2021, the Group and Association had no contingent liabilities in respect of litigation and claims arising in the ordinary course of business (2020: £204k).

SORP 2014, S17.30-32 states that where there are exchanges of housing properties between social landlords for non-monetary or monetary values or a combination of both, then the value of the transaction must be the fair value.

Where there is government grant associated with the housing properties, then the obligation to recycle or repay the grant is transferred and assumed to be in the fair value of the properties. This accounting treatment gives rise to a contingent liability as the liability to recycle or to repay the grant crystallises on the future sale or staircasing of properties that were included in the stock transaction between the social landlords.

As a result, the sale of housing properties to the Association from its subsidiary TPHA Limited (which is a social landlord) in November 2015 has given rise to a contingent liability of £11.0m (2020: £11.1m). Subsequent sales and staircasing will result in any grants attached to the properties being recycled and the total surplus/deficit from these properties being decreased or increased respectively. An annual impairment review will have to be done on these properties.

Grants received in relation to assets that are presented at deemed cost at the date of transition to FRS 102 have been accounted for using the performance model as required by SORP 2014 and is therefore included in brought forward reserves.

As at 31 March 2021, grant which has been written off to reserves represents a contingent liability of £35.9m (2020 £44.8m). This contingent liability will be realised if the assets to which the written off grant relates are disposed.

In addition, the stock swap of 2019 and stock acquisition in 2020 has added a further £4.8m to this contingent liability.

36. Operating leases

The Group and the Association had minimum lease payments under non-cancellable operating leases as set out below:

	Group		Association	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts payable as lessee				
Not later than one year	**7,871**	7,787	**7,871**	7,787
Later than one year and not later than five years	**29,141**	27,790	**29,141**	27,790
Later than five years	**173,514**	187,867	**173,514**	187,867
	210,526	223,444	**210,526**	223,444

	2021 £	2020 £	2021 £	2020 £
Amounts receivable as lessor				
Not later than one year	**11,846**	11,338	**10,329**	9,867
Later than one year and not later than five years	**51,359**	49,458	**44,783**	43,043
Later than five years	**252,193**	265,731	**219,900**	231,262
	315,398	326,527	**275,012**	284,172

Amounts receivable as a lessor are in respect of leases from rental incomes due on shared ownership and commercial properties. The average lease is assumed to be 40 years with rent increases at RPI + 0.5% per annum.

37. Capital commitments

	Group		Association	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Development commitments contracted but not provided for				
Construction	**148,895**	153,354	**148,895**	169,380
Acquisition	**23,806**	42,084	**23,806**	24,924
Joint Ventures	**83,889**	90,070	**-**	-
Development commitments approved by the Board but not contracted for				
Construction	**284,951**	346,255	**284,951**	346,255
Acquisition	**61,231**	49,634	**61,231**	49,634
Joint Ventures	**311,911**	233,103	**-**	-
	914,683	914,500	**518,883**	590,193

	Group		Association	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Other commitments approved by the Board but not contracted for				
Building safety (cladding)	**35,502**	-	**35,502**	-
Other fire safety spend	**3,913**	-	**3,913**	-
Other capital programme	**13,369**	-	**13,369**	-
	52,784	-	**52,784**	-

Capital commitments for the Group and Association will be funded as follows

	Group		Association	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Social housing grant	**56,930**	43,586	**56,896**	43,587
New loans	**264,640**	239,793	**332,399**	311,287
Sales of properties	**593,113**	631,121	**129,588**	235,319
	914,683	914,500	**518,883**	590,193

Construction includes obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements for all investment property accounted for at fair value through the statement of comprehensive income.

Joint ventures include commitments relating to joint ventures, including its share in the capital commitments that have been incurred jointly with other joint venture partners, as well as its share of the capital commitments of the joint ventures themselves.

38. Related party disclosures

The ultimate controlling party of the Group is One Housing Group Limited. There is no ultimate controlling party of One Housing Group Limited.

All transactions in respect of the tenant board member and other related public and commercial entities are carried out at arm's length and under normal commercial terms. Rent charged to the tenant board member during the year was £4,573 (2020: £4,506) of which £115 was in credit (2020: £178 in arrears) at the year-end.

Transactions

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

Payable to the Association:

2021	Management fees £'000	Interest £'000	Gift Aid £'000	Other £'000	Other £'000
By regulated entities					
TPHA Limited	134	-	3,214	-	3,348
Social housing total	**134**	**-**	**3,214**	**-**	**3,348**
By non-regulated entities					
CHA Ventures Limited	100	-	884	-	984
Citystyle Living (Close) Limited	-	-	115	-	115
Citystyle Living (Goldhawk Road) Limited	-	-	288	-	288
Citystyle Living (Polo) Limited	-	-	22	-	22
Citystyle Living (Wenlock Road) Limited	-	-	141	-	141
Citystyle Living Limited	529	377	4,139	76	5,121
East End Lettings (2) Limited	-	-	6	-	6
Renovo Facilities & Services Limited	246	-	-	-	246
Citystyle Living (Acton Town Hall) Limited			11	-	11
Citystyle Living (Shakespeare Orchard)	-	-	150	-	150
Non-social housing total	**875**	**377**	**5,756**	**76**	**7,084**
Grand total	**1,009**	**377**	**8,970**	**76**	**10,432**

2020	Management fees £'000	Interest £'000	Gift Aid £'000	Other £'000	Other £'000
By regulated entities					
TPHA Limited					
	263	-	9,000	-	9,263
Social housing total	**263**		**9,000**	-	9,263
By non-regulated entities					
One Housing Foundation	-	-	-	1,800	1,800
CHA Ventures Limited	-	-	715	-	715
Citystyle Living (Close) Limited	-	-	(130)	-	(130)
Citystyle Living (Goldhawk Road) Limited	-	-	1,810	-	1,810
Citystyle Living (Kidwells) Limited	-	-	52	-	52
Citystyle Living (Polo) Limited	-	-	214	-	214
Citystyle Living (Thurlow Park Limited	-	-	133	-	133
Citystyle Living (Wenlock Road) Limited	-	-	(108)	-	(108)
Citystyle Living Limited	514	435	1,140	76	2,165
East End Lettings (2) Limited	-	-	2,277	-	2,277
One Direct Maintenance Limited	898	-	-	-	898
Renovo Facilities & Services Limited	261	-	-	-	261
Citystyle Living (Acton Town Hall) Limited	-	-	1,267	-	1,267
Non-social housing total	**1,673**	**435**	**7,370**	**1,876**	**11,354**
Grand total	**1,936**	**435**	**16,370**	**1,876**	**20,617**

Payable by the Association:

2021	Sales £'000	Interest £'000	Other £'000	Total £'000
To non-regulated entities				
One Housing Foundation	-	-	146	146
CHA Ventures Limited	8,295	1	-	8,296
Citystyle Living Limited	-	1	-	1
East End Lettings (2) Limited	-	2	-	2
Citystyle Living (Shakespeare Orchard) Limited	3,557	-	-	3,557
Non-social housing total	**11,852**	**4**	**146**	**12,002**
Grand total	**11,852**	**4**	**146**	**12,002**

2020	Sales £'000	Management Fees £'000	Maintenance services £'000	Interest £'000	Other £'000	Total £'000
To regulated entities						
TPHA Limited	-	-	-	30	-	30
To non-regulated entities	-					
One Housing Foundation		-	-	11	116	127
CHA Ventures Limited	26,933	-	-	-		26,933
Citystyle Living (Close) Limited	-	-	-	1	-	1
Citystyle Living (Kidwells) Limited	-	-	-	21	-	21
Citystyle Living (Polo) Limited	-	-	-	-	213	213
Citystyle Living (Wenlock Road) Limited	-	-	-	1	-	1
Citystyle Living	-	-	-	12	-	12
One Direct Maintenance Limited	-	922	8,050	-		8,972
Citystyle Living (Haringey) Limited	-			48		48
Citystyle Living (Acton Town Hall) Limited	-			53		53
Citystyle Living (St Ann's) Limited	-			17		17
Non-social housing total	**26,933**	**922**	**8,050**	**164**	**329**	**36,398**
Grand total	**26,933**	**922**	**8,050**	**194**	**329**	**36,428**

Transactions with subsidiaries use the following basis of allocation:

Property development fees:

CHA Ventures Limited applies a mark-up of 2.0% (2020: 2.0%) on development administrative services supplied to the Association.

Maintenance Services:

One Direct Maintenance Limited is now dormant but previously provided repair, maintenance, void, improvement, refurbishment and major capital works services to OHGL and its subsidiaries at cost.

Management fees:

The Association provides management and administrative services to subsidiaries. The most significant element of this is staff costs, as the subsidiaries do not have their own employees.

Interest:

Interest is charged by the Association to subsidiaries at agreed rates of interest on loan balances. Interest is paid by the Association to subsidiaries on balances held on their behalf.

Gift Aid:

Distributable profits of subsidiaries are Gift Aided to the Association.

Other:

Legal – the Association provides conveyancing and related services for property sales across the Group. A flat rate is charged to subsidiaries for standard work, and an appropriate rate for non-standard work.

Leases - Citystyle Living Limited leases a number of units from the Association. The amounts charged by the Association equates to the income stream of those units.

Balances

At the year-end, balances between regulated and non-regulated entities were:

31 March 2021	One Housing Group Limited		
	Assets £'000	Liabilities £'000	Total £'000
Social housing			
TPHA Limited	4,792	-	**4,792**
Social housing total	**4,792**	-	**4,792**
Non-social housing			
One Housing Foundation	122	(1,263)	**(1,141)**
CHA Ventures Limited	-	(4,863)	**(4,863)**
Citystyle (Site A Nunhead Lane) Living Limited	160	-	**160**
Citystyle Living (Acton Town Hall) Limited	-	(1,731)	**(1,731)**
Citystyle Living (Bangor Wharf) Ltd	1,254	(6,619)	**(5,365)**
Citystyle Living (Belmont) Limited	-	(2,512)	**(2,512)**
Citystyle Living (Goldhawk Road) Limited	135	(899)	**(764)**
Citystyle Living (High Road Haringey 624 THA) Limited	32	(401)	**(369)**
Citystyle Living (Kidwells THA) Limited	1	-	**1**
Citystyle Living (North End Farm) Limited	-	(302)	**(302)**
CSL (Polo) Limited	4	(584)	**(580)**
Citystyle Living (St Ann's) Limited	45	-	**45**
Citystyle Living (Sutton Court Road) Limited	1,730	-	**1,730**
Citystyle Living (Victoria Quarter) Limited	2	(42,802)	**(42,800)**
Citystyle Living (Wenlock Road) Limited	18	(17)	**1**
Citystyle Living (Shakespeare Orchard) Limited	147	(147)	**-**
Citystyle Living Limited	7,499	(3,203)	**4,296**
East End Lettings (2) Limited	-	(1)	**(1)**
Renovo Limited	542	-	**542**
Non-social housing total	**11,691**	**(65,344)**	**(53,653)**
Grand total	**16,483**	**(65,344)**	**(48,861)**

TPHA had no outstanding balances with any non-regulated entities.

At the year-end, balances between regulated and non-regulated entities were:

31 March 2020	One Housing Group Limited			TPHA Limited		
	Assets £'000	Liabilities £'000	Total £'000	Assets £'000	Liabilities £'000	Total £'000
Social housing						
One Housing Group Limited	-	-	**-**	1	(3,858)	(3,857)
TPHA Limited	3,858	(1)	**3,857**	-	-	-
Social housing total	**3,858**	**(1)**	**3,857**	**1**	**(3,858)**	**(3,857)**
Non-social housing						
One Housing Foundation	-	(752)	**(752)**	-	-	-
CHA Ventures Limited	802	-	**802**	-	-	-
Citystyle (Site A Nunhead Lane) Living Limited	614	-	**614**	-	-	-
Citystyle Living (Acton Town Hall) Limited	1,256	(1,009)	**247**	-	-	-
Citystyle Living (Bangor Wharf) Ltd	-	(6,663)	**(6,663)**	-	-	-
Citystyle Living (Belmont) Limited	-	(6,340)	**(6,340)**	-	-	-
Citystyle Living (Close) Limited	-	(115)	**(115)**	-	-	-
Citystyle Living (Goldhawk Road) Limited	1,715	(689)	**1,026**	-	-	-
Citystyle Living (High Road Haringey 624 THA) Limited	-	(1,318)	**(1,318)**	-	-	-
Citystyle Living (Kidwells THA) Limited	-	(51)	**(51)**	-	-	-
CSL (Polo) Limited	-	(701)	**(701)**	-	-	-
Citystyle Living (North End Farm) Limited	-	(307)	**(307)**	-	-	-
Citystyle Living (St Ann's) Limited	-	(1,917)	**(1,917)**	-	-	-
CityStyle Living (Sutton Court Road) Limited	1,523	-	**1,523**	-	-	-
Citystyle Living (Thurlow Park) Limited	73	(72)	**1**	-	-	-
Citystyle Living (Victoria Quarter) Limited	18	(59,002)	**(58,984)**	-	-	-
Citystyle Living (Wenlock Road) Limited	492	(123)	**369**	-	-	-
Citystyle Living (White Horse Field) Limited	-	(4,228)	**(4,228)**			
Citystyle Living (Shakespeare Orchard) Limited	-	(1,797)	**(1,797)**			
Citystyle Living Limited	93,539	-	**93,539**	-	-	-
East End Lettings (2) Limited	610	(20,797)	**(20,187)**	-	-	-
Non-social housing total	**100,642**	**(105,881)**	**(5,239)**	**-**	**-**	**-**
Grand total	**104,500**	**(105,882)**	**(1,382)**	**1**	**(3,858)**	**(3,857)**

39. Capital and reserves

The statement of comprehensive income reserve for the Group includes £68.3m (2020: £102.5m) in respect of investment properties that have been revalued and were previously disclosed separately in a revaluation reserves.

The Association's statement of comprehensive income reserve includes £57.7m (2020: £2.9m) in respect of investment properties.

40. Post year end events

After year end, OHGL has entered into formal discussions with The Riverside Group, aimed at bringing the two organisations together. The aim will be for OHGL to become a subsidiary of The Riverside Group.

Our staff have worked hard to keep customers and colleagues safe from Covid as they complete repairs

Board members, executive directors, advisors and bankers

Chair:	Caroline Corby	(appointed as Chair 1 August 2020)
	Steve Douglas	(resigned 31 July 2020)
Ordinary Members:		
	Yvonne Arrowsmith	(co-opted 1 February 2021; appointed 26 April 2021)
	Kevin Brush	
	Caroline Corby	Chair Treasury & Finance Committee
	Stewart Davenport	Chair Development and Investment Committee
	Lee Gibson	(appointed 1 May 2020)
	Paul Gray	Chief Financial Officer (appointed 2 April 2020)
	Richard Hill	Chief Executive
	Alexandra Jones	
	Rommel Pereira	Chair Audit & Risk Committee
	Julie Price	Chair Remuneration and Nominations Committee (which succeeded People Committee)
	Sandra Skeete	Chair Customer Services Committee
	Wendy Wallace	Chair Care & Support Committee
		(resigned 12 April 2021)
Executive Team:		
	Chief Executive	Richard Hill
	Chief Financial Officer	Paul Gray (appointed 2 April 2020)
	Chief Operating Officer	Chyrel Brown
	Group Director Development	Mike Johnson
	Group Director of Governance & Compliance	Hilary Milne
	Group Director Care & Support	Martin D'Mello
	Group Director People and Change	Ria Bailes (resigned 31 January 2021)
	Chief Information Officer	Tony Blows
Company Secretary:	Hilary Milne	
Registered office:	Atelier House	
	64 Pratt Street	
	London NW1 0DL	
Principal bankers:	Barclays Bank PLC	
	1 Churchill Place	
	London E14 5HP	
Auditors:	BDO LLP	
	2 City Place	
	Beehive Ring Road	
	Gatwick, West Sussex RH6 0PA	
Principal Solicitors	Trowers & Hamlins LLP	Devonshires Solicitors	Penningtons Manches LLP
	3 Bunhill Row	Salisbury House	125 Wood Street
	London EC1Y 8YZ	London Wall	London
		London EC2M 5QY	EC2V 7AW


PRATT STREET NW1
CAMDEN STREET NW1
20
Controlled ZONE
20 ZONE

One Housing