



Manningham Housing Association Ltd

Report and Financial Statements

31 March 2022

**Registered Co-operative & Community Benefits Society no. 25548R**

# Manningham Housing Association Ltd

## Report and Financial Statements

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## **Manningham Housing Association Ltd Company Information**

The Directors set out below have held office during the whole of the period from 1 April 2021 to the date of this report unless otherwise stated.

### **Directors**

Barrington Billings (Chair Board)  
Abdul Ravat (Vice Chair Board)  
Haroon Rashid (resigned 26 January 2022)  
Julia Histon  
Khalida H Ashrafi (resigned 19 September 2021)  
Cath Bacon  
Majid Khan  
Mushtaq Khan  
Vicky Szulist (resigned 18 May 2022)  
Munir Ahmed (appointed 10 January 2022)  
Simon Ellis (appointed 10 January 2022)  
Shazia Khan (appointed 10 January 2022)

### **Executive Directors (not on the Group Board)**

Lee Bloomfield (Chief Executive)  
Ulfat Hussain (Deputy CEO & Director of Operations)  
John Kent (Director of Finance & Resources) (appointed 27 April 2021)  
Shendi Keshet (Director of Finance & Resources) (resigned 26 April 2021)

### **Secretary**

Shendi Keshet (resigned 26 April 2021)  
Emma Noble (appointed 17 May 2021)

<b>External Auditors</b> BDO LLP 3 Hardman Street Manchester M3 3AT	<b>Bankers</b> National Westminster PO Box 51 7 Hustlergate Bradford BD1 1PP
<b>Internal Auditors</b> Mazars LLP 1 St Peter's Square Manchester M2 3DE	<b>Solicitors</b> Bevan Brittan Toronto Street Leeds LS1 2HJ

### **Registered office**

Bank House  
30 Manor Row  
Bradford  
BD1 4QE

### **Registered number**

Registered as a non-charitable social landlord under the Co-operative and Community Benefit Societies Act 2014. Registered with the Regulator of Social Housing No. L3736.



## **Manningham Housing Association Ltd Chair's Statement**

Welcome to our 2021/22 Annual Report.

I am now in my fifth year of my six-year term as Board Chair and I am elated at the progress Manningham Housing Association ("Manningham"; "MHA") has made during my tenure.

MHA is a community and values driven organisation and due to our commitment to growth and providing new homes we purchased twenty two new family homes during the year, nineteen of which were previously managed by us on behalf of Great Places. Of the three additional properties taken into management during the year, two have been let at social rent and one at affordable rent. Our Growth Strategy has been refreshed and our commitment to provide over 100 new homes over the next few years remains the same. The Covid-19 crisis has shown that now, more than ever, people need a safe and secure home and reports show that people from BAME communities have been more adversely affected by Covid-19 due to overcrowding and types of employment. Bradford has seen some of the highest rates of Covid cases nationally where lockdowns have been the longest and most severe.

Our tenants are seeing their household incomes squeezed and are faced with the cost-of-living crisis with energy, fuel and food prices rising to unprecedented levels not seen in decades with people facing tough decisions on how to balance their income. I am looking forward to helping our tenants with these challenges and in challenges there are opportunities. Through our Community Investment and Partnership Team and our Income Management Team we have been able to support our tenants and communities in a range of ways including welfare advice and support, income management, employment advice and support as well as health and well-being.

As we move on from the worst of the Covid-19 pandemic, we find ourselves looking to the future and the long-term challenges faced by the housing sector. The introduction of Consumer Regulation is welcome, and we look forward to delivering new standards to be introduced by the Regulator. The whole sector faces challenges on becoming enablers of sustainable development, leading on energy efficient housing and carbon reducing technologies.

On behalf of the whole Board, I would like to thank the entire team at MHA for their commitment and fantastic response to the challenges over the last year and ensuring that our tenants and communities remain supported. I would also like to thank our involved tenants, especially the work of the Customer Panel, chaired by Cath Bacon, as they provide the challenge and scrutiny on the services we provide to our tenants and ensure we constantly improve our performance.

I would like to take this opportunity to thank all Board and Committee members for their steadfast commitment, dedication, and unwavering support in overseeing this transformational achievement. I would also like to thank some valued Board members who have stepped down in 2021/22. My thanks go to Haroon Rashid who stepped down in January 2022 and has diligently chaired our Audit & Risk Committee. My thanks also to Khalida Ashrafi who stepped down in September 2021 and served on our Remuneration & HR Committee.



## **Manningham Housing Association Ltd Chair's Statement**

Our Governance remains strong and through the committed work of our Board, Committees, Executive and Customer Panel we have maintained the highest regulatory rating from the Regulator of Social Housing by remaining a G1, V1 business.

Manningham remains as committed as ever to serving the needs primarily of the South Asian communities in Bradford. This remains at the heart of the organisation's purpose, and it remains Manningham's longer-term intention to continue to develop and provide diverse housing solutions for the people of Bradford. I look forward to the forthcoming year and the opportunities it will bring and remain confident that Manningham in partnership with our external stakeholders, residents, staff and board members, will continue to successfully provide insight, oversight and foresight to thrive, grow and deliver excellent services to our customers and local communities now and in the future.

Barrington Billings  
Chair of the Board

27 July 2022

## Manningham Housing Association Ltd Strategic Report

The Strategic Report of the Board provides a strategic overview of the Group's activities and performance for the year.

### Mission, Vision, Strategy and Objectives

We came into being because of a lack of choice and quality housing available for large Bangladeshi and Pakistani families; whilst our reach has expanded beyond this, these core issues remain and therefore we feel our mission and purpose remains relevant. The Index of Multiple Deprivation (IMD) 2019 places Bradford as the 13th most deprived local authority in England (where 1 is the most deprived and 317 is the least deprived). Bradford's position, relative to other English districts has worsened by six places since IMD 2015. There are similar indices regarding the levels of deprivation relating to our customers' health, employment, income and skills. Whilst the position makes grim reading, it highlights the right strategic direction set by our Board.

Our Board are keen to tackle the issues identified in the above indices; to ensure that we are not just a provider of homes but are a place shaper landlord in the neighbourhoods where we operate. We want to invest in neighbourhoods and meet the needs of our customers particularly South Asian families, to make a real difference towards addressing the housing needs and deprivation which exist for BAME communities.

We aim to be excellent, inclusive, and innovative. We will do this through our values driven corporate culture. We put customers first, are passionate about our work, embrace diversity and hold ourselves accountable.

Our Corporate Strategy for 2020-2023 sets out the next stage of our journey to deliver our vision and mission. Our priority themes for the three years are:

<b>Providing more homes to meet the needs of BAME communities in Bradford and beyond:</b>
1. 100 new homes
<b>Community Investment and partnerships</b>
1. Social value focus 2. Apprenticeships & volunteer programme 3. Linking to educational institutions to enhance skills & training for all in the communities we serve
<b>Looking after our existing homes</b>
1. £75m investment over 30 years
<b>Looking after our existing homes</b>
1. National advocacy role - influencing government policy and being a voice for BAME housing issues 2. Being a place shaper 3. Play a key role in shaping the Integrated Communities Strategy in Yorkshire

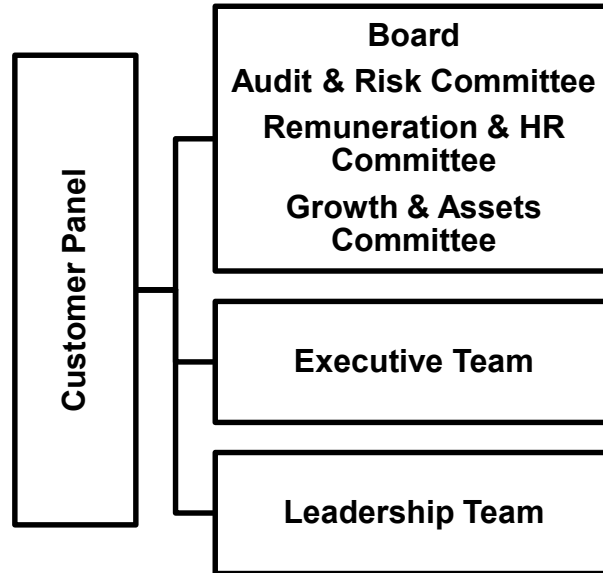
### How we operate and whom we serve

We have been operating for over 30 years and now have circa 1,400 homes and deliver services to more than 6,000 customers in Bradford and Keighley.

## Manningham Housing Association Ltd Strategic Report

### *How we operate*

Our key governance and scrutiny structures comprises the following:



### **Customer Panel**

The Customer Panel is a forum for finding out customers' views about our company and the services we offer. The panel exists to help assess KPIs, services and procedures to ensure that they are delivered to the highest customer satisfaction standards. The Panel normally meets six times a year and is open to a maximum of twenty members.

As well as a Customer Panel, we have also established a Complaints Learning Forum which consists of service managers and the members of the Customer Panel. The Complaints Learning Forum meet several times a year to review how complaints have been dealt with and to ensure that the learning from complaints has been used to improve service delivery.

### **Board & Committees**

The Board comprises nine members, all of whom also serve on either of the three Committees. The Board has oversight for the delivery of the business' strategies, objectives, risk management and performance, and remains committed to embedding the positive changes made and continue to develop a robust culture of excellent governance. The Board delegates certain governance responsibilities to committees, each with approved Terms of Reference.

The Audit & Risk Committee has oversight of internal and external audit activity, scrutiny of the effectiveness of internal controls and risk management, reviewing the financial statements and accounting policies and oversight of compliance with legal and regulatory requirements.

The Remuneration and HR Committee has oversight of key HR policies and performance, decision regarding remuneration of staff, Executive and Board, embedding of Equality & Diversity across the organisation and oversight of compliance with employment and HR-related legislation.

## Manningham Housing Association Ltd Strategic Report

The Growth and Assets Committee was formed to oversee our new growth strategy and has oversight of our acquisition of additional homes.

We adopted the new 2020 NHF Code of Governance and the Board reviewed compliance against the code in July 2021. We fully comply with the code. In January 2020 the Regulator's confidence in us was reflected in our upgrading to V1 and G1 status. Our regulatory ratings of G1, V1 were reconfirmed in November 2021.

The global Covid-19 pandemic was unprecedented. We feel we have steered our organisation well through the global crisis. During the pandemic we have supported our communities by delivering a suite of community investment work. Our KPI's have remained top quartile, our income collection remains strong, and our voids and bad debts remain low.

Board members	Audit & Risk Committee	Growth & Assets Committee	Remuneration & HR Committee	Board attendance to 31st March 2022
Barrington Billings (Chair)		✓	✓	100%
Abdul Ravat (Vice Chair)	✓	✓		100%
Khalida Ashrafi (resigned Sept 2021)			✓	50%
Cath Bacon			✓	80%
Julia Histon			Chair	100%
Haroon Rashid (resigned Jan 2022)	Chair	✓		100%
Majid Khan	Interim Chair	✓		100%
Mushtaq Khan	✓			60%
Munir Khan (appointed Jan 2022)	✓			100%
Simon Ellis (appointed Jan 2022)	✓			100%
Shazia Khan (appointed 2022)			✓	100%
Vicky Szulist (resigned May 2022)	✓	Chair		80%

### Executive Team

The Executive Team is the primary executive decision-making body of our company. The three directors develop the vision, strategy, and financial plans for Board approval. Individually and collectively, they demonstrate our values and are responsible for embedding a culture that is in accordance with those values and support and appropriately challenge each other to ensure excellence is achieved in every aspect of the business.

### Leadership Team

The Leadership Team comprises members of the Executive Team and senior managers from each section of the business. This group forms the bridge between strategic and operational leadership.



## Manningham Housing Association Ltd Strategic Report

**Our Group comprises two legal entities:**

### **Manningham Housing Association Limited**

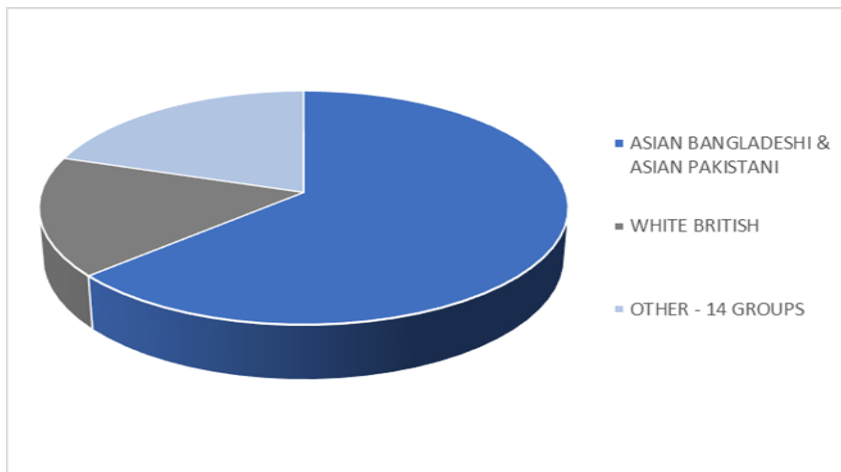
Continues to be a charitable, co-operative and community benefit society, owning all housing assets of the Group. Our primary activities are the provision of affordable, quality housing in the Bradford district to those in greatest need, with particular focus on serving the specific needs of the ethnic communities in Bradford.

### **Firebird Homes Limited**

A company limited by shares and wholly owned by Manningham Housing Association Limited (the parent). The company's primary activities were the provision of development and construction services to the parent. Firebird Homes Limited become dormant from 1st April 2019.

### ***Whom we serve***

63% of our customers are Asian Pakistani or Asian Bangla. 17% are White British and 20% other ethnic groups represent the balance of our customer base.



## **Manningham Housing Association Ltd Strategic Report**

### **Overview of the Year**

#### **Financial Review**

2021/22 has been another year of solid performance. During the year MHA delivered an operating surplus of £3.1m (2020/21: £3.2m) which represents an excellent operating margin of 33.41 % (2020/21: 37.42% ) as per Value for Money metrics on page 14.

The refinancing exercise that was concluded in 2020/21 was designed to provide funding to support the development programme and repay a comparatively high interest loan together with the associated loan breakage cost in 2021/22.

The repayment of the comparatively high interest loan was completed during 2021/22. The loan breakage costs of £5.97m (2020/21: £2.07m) are included in the Statement of Comprehensive Income and are the principal reason for the net deficit on ordinary activities of £4.5m (2020/21: (£1.1m) ).

An actuarial gain of £0.2m (2020/21: loss £0.7m) for the SHPS pension obligation reduced the net deficit on ordinary activities, resulting in a total comprehensive loss for the year of £4.3m (2020/21: loss £1.8m).

The key financial KPIs for the Group are included in the Value for Money statement on pages 14 to 16.

#### **Governance & Risk Management**

This has been a turbulent year for the UK with the economic landscape being impacted by the Covid-19 pandemic and latterly with the economic effects of recovery from the pandemic and the conflict between Russia and Ukraine. Given the high level of uncertainty, we are managing our finances and approach to risks more prudently.

We have refreshed our approach to governance and assessed ourselves against the new "NHF's Code of Governance 2020". This has been formally adopted by the Board and any outstanding actions for compliance were completed by the end of March 2020. As part of our succession planning we recruited three new Board members to overlap with current members who are coming to the end of their 6-year tenure. Our regulatory ratings of G1, V1 were reconfirmed in November 2021 by the Regulator of Social Housing.

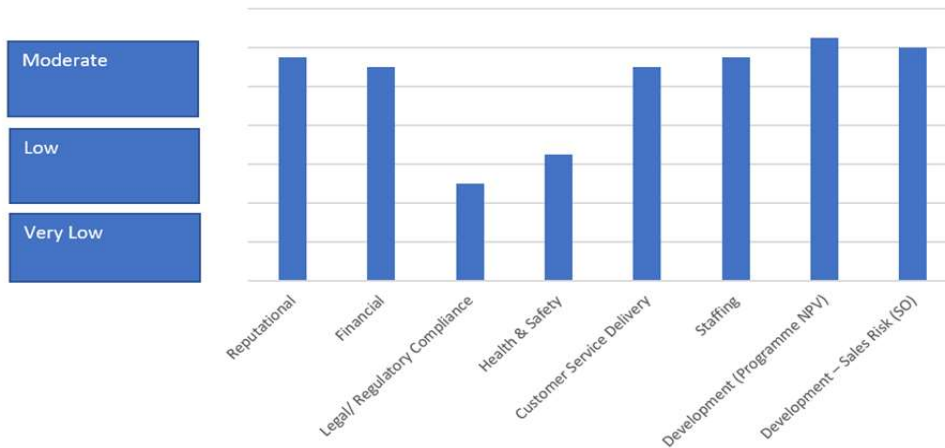
## Manningham Housing Association Ltd Strategic Report

### Governance & Risk Management (continued)

We have strengthened our risk management framework and updated our stress testing to include modelling the potential impact of Covid-19 on not just our financial capacity but to consider that of our customers, suppliers and other stakeholders. The strategic risk register is updated and reviewed by our Board quarterly.

Following Board workshop held in May 2022 the Board updated their Risk Appetite Statement. We have zero tolerance in respect of loss of life or serious injury, significant regulatory or legal breaches or significant departure from our values. Every effort is taken to reduce these risks as far as is possible and reasonably practicable. In pursuit of business objectives and innovation, our attitude to risk depends on the nature, magnitude and impact of the risk, the assessed level of positive and negative outcomes, our confidence in managing the rate of change and the assessment of our ability to manage the risk.

Our overarching approach is to take appropriate risk but in a controlled way. The diagram below represents the Risk Appetite as defined by our Board:



Our appetite for risks which may threaten our financial viability is moderated through 'Golden Rules', which require a level of additional compliance buffers to funder covenants. The golden rules relate to interest cover, gearing and asset cover.

## Manningham Housing Association Ltd Strategic Report

### Governance & Risk Management (continued)

Strategic Risks	How the Board gains assurance that the key controls/mitigations are effective
Failure to raise sufficient finance at planned costs to maintain liquidity and meet business plan requirements	<p>The treasury strategy action plan and 30-year financial plan are updated and reviewed by both the Audit &amp; Risk Committee and the Board.</p> <p>External treasury advisors support the Board</p>
Rental income receivable less than planned	The income management policy aligns to 30-year financial plan assumptions, which are updated quarterly to reflect actual in-year performance.
Failure to manage and maintain housing assets appropriately and within agreed resources	The Asset Management Strategy's action plan is reviewed quarterly. Externally validated and stock condition surveys are reflected within the 30-year financial plan
Failure to prevent or recover quickly from disasters affecting the housing stock and / or ICT infrastructure and data	<p>There are three key strategies, with related action plans which provide overarching guidance; business continuity, ICT and Insurance.</p> <p>The plans in place have operated seamlessly during the Covid-19 lockdown.</p>
Failure of the Board and management team to define the role of the association and set an appropriate strategic direction	Annual review of the corporate plan, financial regulations, community engagement strategy and the Value For Money ('VFM') strategy. Oversight is further strengthened through the Customer Service Panel
Shortages of and inflationary impact on supplies, materials and labour.	Inflation impact on the business is managed through including increase in inflation in the Business Planning process together with stress testing. Shortages of supplies, materials and labour are being managed with suppliers and forward planning.

The risk register is owned by Board and is a standing item at every Board meeting. It is routinely scrutinised by the Audit & Risk Committee and the Executive.

## **Manningham Housing Association Ltd Strategic Report**

### **Customer satisfaction**

Our focus is on developing and improving services to customers. Demand for our homes and services remains strong and we are committed to continuously reviewing and improving our offer to customers and seeking improvements in efficiency and effectiveness.

Each month an independent survey company contacts 50 customers, selected at random, to gain 'in-the-moment' feedback. During 2021/22, we surveyed almost half our customers and 88% (2020/21: 93%) of them stated they were satisfied or very satisfied with our services. At March 2022, our Net Promoter Score was a pleasing 34 (2020/21: 40) which demonstrates a high level of customer satisfaction and customer loyalty.

In March 2022 the Customer Service Excellence accreditation was up for renewal and we are pleased to report that after a rigorous independent inspection we were successful in retaining the Customer Service Excellence accreditation for a further 3 years, achieving the highest possible Compliance Plus rating in 11 individual areas and fully compliant in all other areas. In 2021 we were reassessed against the Diversity and Inclusion accreditation and pleasingly retained the accreditation. The assessor was very impressed with the further improvements made by MHA which we achieved in the recent accreditation and demonstrates the commitment of MHA to provide a fantastic customer experience to its tenants.

The Assessor stated:

"Manningham Housing Association has been a beacon of hope to many during the pandemic and is now emerging as a stronger, more dynamic, and adaptable organisation. Being a truly community based BAME housing association MHA has created a range of additional services ensuring that the diverse and varied needs of communities are met".

To further enhance our customer service offer in March 2022 we went live with MyMHA our Customer Portal and MHABOT (Chatbot). The Customer Portal, which is a website, designed for current customers to access services and information they need through real time integration. The portal provides tenants with a 360 view of their tenancy including, access to their rent statement, repairs management and reporting, complaint and ASB reporting etc. The Chatbot is a computer program that simulates and processes human conversation allowing people to interact with digital devices as if they were communicating with a real person. The Chatbot has an automated Q&A feature available 24/7 and in 160 languages, as well as an option to talk to a live agent if preferred.

### **Providing new homes & sales of existing homes**

Our fully funded growth strategy, approved by Board in late 2019, is expected to deliver 100 new homes over the next five years from 2019. Growth is underpinned by new financing agreed in August 2020.

## Manningham Housing Association Ltd Strategic Report

### Looking after our existing homes

For the year 2021/22, we carried out a total of 6330 repairs to our property stock. Of these jobs we managed to achieve a 97% repair completion within target date. This has met our overall target of 97% of all repair jobs being completed within the given timescale and reflects upper quartile performance within the sector.

Repairs	Total for 2021/22	Average for 2021/22	Average for 2020/21
Total repairs <u>due</u> for completion and carried out	6,330	-	-
Total repairs <u>completed</u> on time	6,109	97%	97%
Emergency completed on time	1,141	100%	100%
Urgent Repairs completed on time	2,736	96%	97%
Non-emergency Repairs completed on time	2,199	95%	94%

In addition, we have also continued to carry out investment work to our current property stock through our annual component replacement program.

For the year ending 2021/22 we have carried out the following improvement works:

Reinvestment in our homes	No.
Kitchens	24
Boilers	21
Bathroom & Shower rooms	25
Windows	2
External Doors	2
	<b>74</b>

### Community Investment & Partnerships

During 2021/22, the Community Partnerships team and its dedicated volunteers have successfully delivered and evaluated a number of externally commissioned projects. Projects such as Building Bridges Bradford and Fighting Fit aimed to support Manningham's customers and wider local community groups that were experiencing complex issues as a result of the Covid pandemic.

Over 2,500 users (16 years & over) have benefited from various community led initiatives and services to tackle poor mental health, lack of community cohesion, provide employment support and address physical health related issues as result of direct impact of covid-19 pandemic.

Co-designed online sessions such as yoga-cise, boxer-cise, walks and talks, employment/CV support, counselling sessions and wheelchair exercises have been delivered to support people experiencing disadvantage and complex needs.

## **Manningham Housing Association Ltd Strategic Report**

### **Community Investment & Partnerships (continued)**

More so, these activities have been delivered in multi-agency partnership for greater impact. Our direct partners included Hollings Youth Association, Meridian Centre, Sangat Centre, Bangladeshi Youth Organisation, West Yorkshire Police and Bradford Local Authority, Connecting Roma, Inspire Community, Youth Services, Khidmat Centre, West Yorkshire Combined Authority and faith sector.

Towards the end of 2021 and early 2022, we were successful in securing two tenders to continue to support local community groups living in poverty and deprivation; the Retrofitting project and the JUMP project.

The Retrofitting project, secured in partnership with West Yorkshire Combined Authority, enables Manningham to support over 100 households in the Toller and Manningham areas with whole house surveys linked to the retrofitting and decarbonisation agenda.

As well providing free advice on energy efficiency support, this project also promotes training and qualification within the green skills agenda to support residents to move into paid employment or closer to the labour market. Up to 40 Bradford residents are being offered free training in key construction skills in June 2022.

The JUMP tender awarded by Active Bradford, aims to tackle health and wellbeing inequalities experienced by South Asian communities of Manningham. This project focuses on young children (5 years and over) and their families.

In delivering this project, we have teamed up with trusted local groups such as Hollings Youth Association and the Meridian Centre to deliver the project in a partnership setting. This project has launched in April 2022 and will run until April 2024.

In addition to this, from investment and funding prospectus, we have been able to draw in circa £188k of external funding to help us deliver the third year of our Community Investment Strategy.

Finally, over the last 12 months, the Partnerships team has established great working relationships with regional and national funders, government departments such as Department of Culture Media and Sports, Department for Levelling up, Housing and Communities and West Yorkshire Combined Authority.

### **Keeping Safe**

Throughout the year we measure how well we are keeping our customers and employees safe. A set of key strategic health and safety performance indicators help us to focus on regulatory compliance and to minimise accidents. We are pleased to report 100% compliance with all health & safety targets set throughout the year.

We have also embarked on our first fire door survey and any subsequent actions are currently being dealt with. Our internal auditors have carried out audits on data integrity and landlord health and safety. No management actions were found and 'substantial assurance' received. We have also implemented quality control methods by way of additional specialist auditing. These measures, along with letters of assurance from safety specialists provide additional confidence that we are meeting our H&S requirements.

## Manningham Housing Association Ltd Strategic Report

### Financial capacity

Our current funding facility of £62.1m (2020/21: £76.5m) (excluding fees and premiums) is provided through two funders, RBS and THFC. Since inception we have utilised funding to invest in and increase the value and size of our asset portfolio.

We commission Savills to undertake periodic valuations of our housing asset portfolio (in line with funders' requirements) to ensure we remain compliant with our Asset Cover Covenants of 130% (RBS) and 150% (THFC) (based on market value subject to tenancy (MVST) valuation basis). The portfolio currently provides sufficient security assigned against all facilities.

Manningham has sufficient financing in place to meet its current liquidity requirements. Current cash & short-term investment balances total £3m (2020/21: £4.5m). The healthy cash balance is more than sufficient for meeting day-to-day working capital requirements and funding reinvestment in existing properties. In August 2020 refinancing our existing portfolio was completed, enabling the business to resume its growth agenda.

### Delivering Value for Money (VfM)

In line with the principles of the Regulator's VfM Standard, annually, we report our performance and benchmark against the following metrics:

Sector Scorecard VfM Metric	Benchm'rk 20/21 (most recent data)	MHA Actual 2020/21	MHA Actual 2021/22	MHA 2022/23 Budget & Plan
Reinvestment	5.60%	0.48%	2.62%	5.10%
New supply: social	1.40%	0.00%	1.58%	1.88%
New supply: non-social	0%	0%	0%	0%
Gearing	38%	39%	43%	45%
EBITDA MRI	296%	165%	200%	224%
Social Housing cost per unit	£3,410	£2,798	£3,164	£3,507
Operating Margin: social	23.30%	37.46%	33.46%	30.95%
Operating margin: overall	24.10%	37.42%	33.41%	29.53%
Return on capital employed	3.20%	2.82%	2.75%	2.45%



## Manningham Housing Association Ltd Strategic Report

### Delivering Value for Money (continued) VFM Performance

- Reinvestment % and New Supply; social % rose to 2.62% and 1.58% respectively as a result of the Association acquiring 22 additional properties in the year; The Association will also be resuming its development programme in 2022/23 hence the further increases expected in these KPIs for 2022/23;
- The Gearing % rose to 43% as a result of the £6m loan breakage costs incurred in 2021/22 due to the restructure of the Association's debt profile, the increase expected for 2022/23 of 2% is due to the resumption of the development programme;
- EBITDA MRI has risen to 200% as a result of the debt restructuring programme with interest payable falling by £566k;
- Social Housing cost per unit and the Operating margin KPIs have all been adversely affected by an increase in maintenance spend due to increased repair numbers following the lower volume of repairs in 2020/21 as a result of Covid-19 in the year and an inflationary increase in raw material costs.

In addition to measuring the metrics set out in the VfM Standard, we also continue to adopt the full Sector Scorecard, which has now been formally implemented and is co-ordinated through the National Housing Federation. There is some duplication across the Scorecard and the VfM Standard; the table below therefore profiles performance information against those metrics which do not feature above:

Measure	MHA Actual 2019/20	MHA Actual 2020/21	MHA Actual 2021/22
<b>A: Business Health</b>			
Net Debt £000	43,642	43,465	51,017
Equity £000	15,477	13,680	9,357
<i>Increase in Net Debt and fall in Equity both attributable to the one off loan breakage costs incurred in the year.</i>			

## Manningham Housing Association Ltd Strategic Report

### Delivering Value for Money (continued)

Measure	MHA Actual 2019/20	MHA Actual 2020/21	MHA Actual 2021/22
<b>B: Outcomes Delivered</b>			
Satisfaction with the service provided by MHA?		93.00%	87.50%
Satisfaction that the Association provides a safe and secure home		100.00%	97.50%
Satisfaction with the quality of the home provided by the Association		87.00%	82.83%
Satisfaction with how easy it is to engage with the Association, eg make complaints		83.00%	83.00%
Satisfaction with the repairs service offered by the Association		81.50%	85.44%
<i>There was a small decline in overall satisfaction due to a fall in satisfaction with the quality of homes provided, work is ongoing to address these issues.</i>			
<b>C: Effective Asset Management</b>			
Occupancy	99.90%	99.90%	99.80%
Ratio of responsive maintenance to planned maintenance spend	73.90%	74.50%	82.91%
<i>Occupancy rates remain very high , reflecting low void costs. The ratio of responsive to planned maintenance reflects the increase in responsive repair numbers post covid.</i>			
<b>D: Operating Efficiencies</b>			
Management Cost per Unit	£1,334	£1,426	£1,524
Service Charge Cost per Unit	£196	£181	£190
Maintenance (excl. Major Repairs) Cost per Unit	£835	£777	£1,010
Maintenance CPU – Responsive Only	£531	£503	£633
Maintenance CPU – Planned Only	£304	£273	£377
Major Repairs Cost per Unit	£415	£412	£387
Rent Collected	100.30%	100.70%	99.78%
<i>Operating cost per unit KPIs reflect issues already highlighted around increase in maintenance costs due increase in job numbers and raw material costs.</i>			

## **Manningham Housing Association Ltd Strategic Report**

### **Non financial performance**

It is recognised that Value for Money (“VfM”) cannot be measured through financial metrics alone; the previous sections provide information around our performance in respect of delivering excellent customer services.

During 2021/22 the Association consolidated the Value for Money reviews instigated during 2020/21 focused on delivery of HR and Development services.

Further activities carried out during 2021/22 included:

- service charge costs, ensuring they remain value for money for leaseholders and tenants whilst ensuring the Association continues to recover all the costs that it is entitled to recharge;
- the Association’s Customer Digital Strategy has developed self service for tenants, improving customer service and delivering efficiency savings for the Association;
- a thorough update of stock investment needs, including assessment of meeting EPC Band C by 2030 and net zero carbon by 2050;
- letting 3 star fixed price gas contract, ensuring Manningham Housing Association achieves full gas safety compliance and
- new vehicles to replace ageing and increasingly costly existing vehicles.

As part of the ongoing VFM strategy the following areas have been identified for review in 2022/23:

- continued development of agile working enabling more productive and efficient delivery of services and
- further update to the Association's Digital Strategy, ensuring that the Association continues to exploit digital technology.

This report was approved by the board on 27 July 2022 and signed on its behalf.

Emma Noble  
Secretary

## **Manningham Housing Association Ltd Report by the Board**

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

### **Board Members' responsibilities**

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

Co-operative and Community Benefit Society law and social housing legislation require the board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the board members are required to:

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

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the group and association's transactions and disclose with reasonable accuracy at any time the financial position of the group and association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group and the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

### **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.

## **Manningham Housing Association Ltd Report by the Board**

### **Internal controls**

The Board has ultimate responsibility for the company's system of internal control and for reviewing its effectiveness. The Audit & Risk Committee is responsible to the Board for monitoring this system and reporting on its effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the company's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The processes in place also assist the Board in identifying whether the company has any significant failings or weaknesses in its internal control system.

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk, and therefore provide reasonable, but not absolute, assurance that assets are safeguarded against unauthorised use or material loss and that transactions are properly authorised and recorded.

We are regulated by the Regulator of Social Housing. In meeting our responsibilities, the Board, through the Audit & Risk Committee, has adopted a risk-based approach to internal controls which is embedded within the management and governance of the company. The approved Risk Policy includes a regular review of the nature and extent of significant risk to which the company is exposed.

The process by which the Audit & Risk Committee, on behalf of the Board, reviews the effectiveness of the system of internal control, together with the robustness of the risk management and control framework, includes:

### **Identification and Evaluation of Key Risks**

There is a formal risk management framework in place which incorporates identification and evaluation of risk, and the identification and implementation of related controls and mitigating actions. Risk issues and risk management processes are scrutinised and monitored by the Audit & Risk Committee and the Board on a quarterly basis, and the Board undertake an annual assessment of overall appropriateness and adequacy. There have been risk management processes in place throughout the financial year and up to the date of approval of the Annual Report and Financial Statements.

The key business risks identified within the Strategic Risk Register are used by Internal Audit in developing their annual work programme to verify the effectiveness of controls in place over key risks.

### **Control Environment and Control Procedures**

Formal Standing Orders and Financial Regulations define responsibilities of the Board, Committees and Management. These have been continuously reviewed and updated as necessary during the year to strengthen governance arrangements. The Board retains responsibility for a defined range of strategic issues covering strategic, operational, financial and compliance issues. The Board has delegated authority to its Committees under approved Terms of Reference.

## **Manningham Housing Association Ltd Report by the Board**

### **Control Environment and Control Procedures (continued)**

There are formal policies, procedures and Terms of Reference in place that cover issues such as delegated authority, accounting, treasury management, Health & Safety, data and asset protection and fraud prevention, detection and reporting. All key policies are subject to approval by the Board.

There are policies and procedures covering recruitment, appraisal and staff management, and a performance monitoring framework is in place to assist in maintaining standards of performance and delivering corporate objectives.

### **Information and Financial Reporting Systems**

Financial management and reporting procedures include the production of a 30-year Financial Plan and detailed 5-year budgets and financial forecasts, which are intrinsically linked and subject to review and approval by the Board. Regular management accounts and supplementary financial performance reports are prepared to provide financial and other information to management and the Board.

The 30-year Financial Plan has been subject to extensive single and scenario modelling linked to the Strategic Risk Register and was updated to reflect the Covid-19 pandemic crisis. A suite of key financial indicators linked to this testing and a comprehensive financial mitigation strategy have been approved by the Board.

The Board regularly reviews performance against the set budget, historic results and a suite of performance indicators, including a Health & Safety dashboard, to assess progress towards the achievement of key business objectives, Board priorities and target outcomes. External benchmarking information is provided where available to enhance performance knowledge and drive continuous improvement.

## **Manningham Housing Association Ltd Report by the Board**

### **Monitoring & Corrective Action**

The internal control framework is subject to regular review by our Internal Auditors, who advise the senior management team and report to the Audit & Risk Committee. A formal reporting cycle is in place and the Audit & Risk Committee have considered risk and internal control at each of its meetings throughout the year. Meetings with senior management and Internal and External Auditors are held to review specific reporting and internal control matters, in order to satisfy themselves that internal control frameworks are operating effectively. The Audit & Risk Committee hold an in-camera meeting with both Internal and External Auditors at least annually.

At the end of the year, the Internal Auditors produced their annual summary report on the internal controls framework in place and concluded that:

*"On the basis of our audit work, our opinion on the framework of governance, risk management, and control is Substantial in its overall adequacy and effectiveness.*

*The framework of governance, risk management and control are adequate and effective.*

*Certain weaknesses and exceptions were highlighted by our audit work that resulted in two adequate recommendations. These matters have been discussed with management, to whom we have made several recommendations. All of these have been, or are in the process of being addressed, as detailed in our individual reports. Manningham's implementation rate of recommendations has continued to be 100%.*

*In respect of Covid-19, our annual internal audit opinion reflects the internal audit plan agreed and is not limited in scope, to the extent that the assurance provided by internal audit can only ever be reasonable, not absolute."*

The Executive Team regularly reviews the risk management and internal control framework and takes appropriate action to develop and implement best practice improvements to the system of internal control to ensure its continued effectiveness. Management ensure that operational procedures and controls are subject to ongoing review to ensure they remain robust.

The Board is committed to investigating all suspected incidents of fraud, and, where a fraudulent act has taken place, taking the strongest action available against those individuals and/or organisations involved. A Prevention of Corruption, Fraud and Bribery Policy and Fraud Response Plan is in place for reporting and managing suspected and actual fraudulent activity. There were no instances of corruption, fraud or bribery in this fiscal year.

## **Manningham Housing Association Ltd Report by the Board**

### **Going concern**

The impact of the recent economic turbulence, corresponding inflation, interest rate increases, and uncertainty for the supply chain has meant that the Executive Team and Board are reviewing revised financial plans more frequently reflecting updated economic information to ensure Manningham can remain a going concern. After giving due consideration the Board has a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

A refinancing exercise was completed in August 2020 with the agreement of a £26.05m term loan and £10m revolving credit facility. Consequently there are sufficient funding facilities in place for the foreseeable future and, whilst the 30-year Financial Plan includes an element of refinancing risk, the Board are of the view this is at an appropriate level. The 30-year financial plan indicates continued covenant compliance and has been subject to robust stress testing and potential mitigating actions identified should circumstances change.

As at the 31st March 2022 the Association had £2.5m (2021: £3.3m) in cash holdings plus undrawn facilities of £10.0m (2021: £27.6m) giving total cash and undrawn loan facilities of £12.5m (2021: £30.9m) to meet all short term future cash requirements.

Based on the above, the Board are satisfied that the group is a viable going concern for at least the next 12 months from the date of approval of these financial statements, which have thus been prepared on a going concern basis.

### **Statement of compliance**

The Board certifies that Manningham Housing Association Limited complies with the Regulator of Social Housing's Governance and Financial Viability Standard 2015, during the course of the year and up to the signing of the financial statements.

This strategic report review has been prepared in line with the Statement of Recommended Practice for registered Social Housing Providers 2018 and complies with the Regulator's Governance and Financial Viability Standard. The statement has also been prepared in accordance with The Accounting Direction for Private Registered Providers of Social Housing 2019. All accounting policies have been prepared with reference to UK Generally Accepted Accounting Principles (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Registered Social Landlords 2018 (update).

The principal accounting policies of the organisation are set out on pages 32 to 38 of the Financial Statements.

The Report of the Board has been prepared in accordance with Reporting Statement: 'Operating and Financial Review' (RS1).





## **Manningham Housing Association Ltd Report by the Board**

### **Disclosure of Information to Auditor**

In the case of each of the persons who are Directors of the Group at the date when this report was approved:

- so far as each of the Directors is aware, there is no relevant audit information of which the Group's auditor is unaware and
- each of the Directors has taken all the steps they ought to have taken as a Director to make them aware of any relevant information (as defined) to establish that the Group's auditor is aware of that information.

### **Auditor**

BDO LLP were reappointed in November 2021 following a competitive tender process and continue in office in accordance with the Co-operative and Community Benefit Societies Act 2014.

This Strategic Report and Operating and Financial Review was approved by the board on 27 July 2022 and signed by its order.

Emma Noble  
Secretary

**Manningham Housing Association Ltd**  
**Independent auditor's report**  
**to the members of Manningham Housing Association Ltd**

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the Association's affairs as at 31 March 2022 and of the Group and Association's deficit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 2022.

We have audited the financial statements of Manningham Housing Association Limited ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2022 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 statement of cash flows 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 the Parent Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Board's assessment of the Group and the Parent Association's ability to continue to adopt the going concern basis of accounting included:

- obtaining management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern;
- considering the appropriateness of management's forecasts by testing their mechanical accuracy, assessing historical forecasting accuracy and understanding management's consideration of downside sensitivity analysis;
- obtaining an understanding of the financing facilities from the finance agreements, including the nature of the facilities, covenants and attached conditions;
- assessing the facility and covenant headroom calculations, and re-performing sensitivities on management's base case and stressed case scenarios; and
- reviewing the wording of the going concern disclosures, and assessed its consistency with management's forecasts.

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 and the Parent 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.

**Manningham Housing Association Ltd**  
**Independent auditor's report**  
**to the members of Manningham Housing Association Ltd**

**Conclusions relating to going concern (continued)**

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, Operating & Financial Review and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Strategic and Board Report 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 Association;
- a satisfactory system of control has not been maintained over transactions;
- the 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.

**Manningham Housing Association Ltd**  
**Independent auditor's report**  
**to the members of Manningham Housing Association Ltd**

**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 Group 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. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.

We have made an assessment of the susceptibility of the Group's financial statements to material misstatement, including how fraud may occur. In addressing the risk of fraud through management override of controls we have tested the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management, privileged users or with unusual account combinations.

Audit procedures capable of detecting irregularities including fraud 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 meetings of those charged with governance, internal audit reports, reviewing correspondence with HMRC and the other regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- reviewing items included in the fraud register for any potential weaknesses in internal control which could result in fraud susceptibility;
- 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 and properties held for sale;
  - appropriate allocation of costs between tenure types and between first and subsequent shared ownership tranches;
  - useful economic lives of housing property components;
  - assumptions used in calculating pension liabilities;
  - cut off on non-social housing income such as property sales.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

**Manningham Housing Association Ltd**  
**Independent auditor's report**  
**to the members of Manningham Housing Association Ltd**

**Extent to which the audit was capable of detecting irregularities, including fraud (cont'd)**

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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 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.

**Sakib Isa** (Senior Statutory Auditor)

for and on behalf of

BDO LLP

Statutory Auditor

27 July 2022

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

**Manningham Housing Association Ltd**  
**Consolidated and Association Statement of Comprehensive Income**  
**for the year ended 31 March 2022**

	Notes	2022 £000	2021 £000
<b>Turnover</b>	3	8,312	8,357
Operating costs	3	(5,535)	(5,250)
Gain on disposal of housing properties	9	346	102
Movement in fair value of investment properties		-	20
<b>Operating surplus</b>	6	3,123	3,229
Interest receivable		2	8
Interest payable	10	(1,713)	(2,279)
Loan breakage costs	11	(5,972)	(2,066)
<b>Deficit on ordinary activities before taxation</b>		(4,560)	(1,108)
Actuarial gain/(actuarial loss) in respect of the SHPS pension scheme	30	237	(689)
<b>Total comprehensive loss for the financial year</b>		(4,323)	(1,797)

The accompanying accounting policies and notes form part of these financial statements

**Manningham Housing Association Ltd**  
**Consolidated and Association Statement of Changes in Reserves**  
**for the year ended 31 March 2022**

	<b>Group Profit and loss account £000</b>	<b>Association Profit and loss account £000</b>
<b>At 1 April 2020</b>	14,179	15,477
Loss for the financial year	(1,108)	(1,108)
<b>Other comprehensive income / (loss) for the financial year</b>	<b>-</b>	<b>-</b>
Actuarial loss in respect of the SHPS pension scheme	(689)	(689)
Total comprehensive loss for the financial year	(1,797)	(1,797)
<b>At 31 March 2021</b>	<b>12,382</b>	<b>13,680</b>
<b>At 1 April 2021</b>	12,382	13,680
Loss for the financial year	(4,560)	(4,560)
<b>Other comprehensive income / (loss) for the financial year</b>	<b>-</b>	<b>-</b>
Actuarial gain in respect of the SHPS pension scheme	237	237
Total comprehensive loss for the financial year	(4,323)	(4,323)
<b>At 31 March 2022</b>	<b>8,059</b>	<b>9,357</b>

The accompanying accounting policies and notes form part of these financial statements.

**Manningham Housing Association Ltd**  
**Consolidated Statement of Financial Position**  
**as at 31 March 2022**

	Notes	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	12	110,845	110,784
Other tangible fixed assets	13	778	844
Investment property	14	500	500
Homebuy loans	15	234	234
		<u>112,357</u>	<u>112,362</u>
<b>Current assets</b>			
Debtors	17	375	288
Cash at bank and in hand	18	2,495	3,253
Cash held as security	19	511	1,204
		<u>3,381</u>	<u>4,745</u>
<b>Creditors: amounts falling due within one year</b>	20	(3,270)	(4,092)
<b>Net current assets</b>		<u>111</u>	<u>653</u>
<b>Total assets less current liabilities</b>		<u>112,468</u>	<u>113,015</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(103,748)	(99,621)
<b>Provisions for liabilities</b>			
Net pension liability	30	(661)	(1,012)
<b>Net assets</b>		<u>8,059</u>	<u>12,382</u>
<b>Capital and reserves</b>			
Income and Expenditure reserve	26	8,059	12,382
<b>Total equity</b>		<u>8,059</u>	<u>12,382</u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were issued and approved by the Board on 27 July 2022

Barrington Billings  
Director

Majid Khan  
Director

Emma Noble  
Company Secretary



**Manningham Housing Association Ltd**  
**Association Statement of Financial Position**  
**as at 31 March 2022**

	Notes	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	12	112,143	112,082
Other tangible fixed assets	13	778	844
Investment property	14	500	500
Homebuy loans	15	234	234
		<u>113,655</u>	<u>113,660</u>
<b>Current assets</b>			
Debtors	17	375	288
Cash at bank and in hand	18	2,495	3,253
Cash held as security	19	511	1,204
		<u>3,381</u>	<u>4,745</u>
<b>Creditors: amounts falling due within one year</b>	20	(3,270)	(4,092)
<b>Net current assets</b>		<u>111</u>	<u>653</u>
<b>Total assets less current liabilities</b>		<u>113,766</u>	<u>114,313</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(103,748)	(99,621)
<b>Provisions for liabilities</b>			
Net pension liability	30	(661)	(1,012)
<b>Net assets</b>		<u>9,357</u>	<u>13,680</u>
<b>Capital and reserves</b>			
Income and Expenditure reserve	26	9,357	13,680
<b>Total equity</b>		<u>9,357</u>	<u>13,680</u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were issued and approved by the Board on 27 July 2022

Barrington Billings  
Director

Majid Khan  
Director

Emma Noble  
Company Secretary

**Manningham Housing Association Ltd**  
**Consolidated and Association Statement of Cash Flows**  
**for the year ended 31 March 2022**

	Notes	2022 £000	2021 £000
<b>Cash generated by operating activities</b>	31	3,588	4,545
<b>Cash flow from Investing activities</b>			
<b>Inflows</b>			
Proceeds from sale of housing properties		1,728	999
Interest received		2	8
Funds held as security, released		693	-
		<u>2,423</u>	<u>1,007</u>
<b>Outflows</b>			
Payments to acquire housing properties		(1,937)	-
Payments for component replacements		(494)	(538)
Payments for other fixed assets		(25)	(100)
Funds held as security		-	(498)
		<u>(2,456)</u>	<u>(1,136)</u>
Cash used in investing activities		<u>(33)</u>	<u>(129)</u>
<b>Financing activities</b>			
Interest & refinancing costs paid		(1,869)	(2,516)
Loan breakage costs		(5,523)	(2,674)
Repayment of borrowings		(14,471)	(9,495)
New borrowings		17,550	8,500
		<u>(4,313)</u>	<u>(6,185)</u>
Cash used in financing activities		<u>(4,313)</u>	<u>(6,185)</u>
<b>Net cash used</b>		<u>(758)</u>	<u>(1,769)</u>
Cash and cash equivalents at beginning of the year		<u>3,253</u>	<u>5,022</u>
Cash and cash equivalents at end of the year		<u>2,495</u>	<u>3,253</u>



## **Manningham Housing Association Ltd**

### **Notes to the Accounts**

### **for the year ended 31 March 2022**

#### **1 Legal status**

The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a registered provider of social housing. Manningham Housing Association is a Co-operative and Community Benefit Society and was incorporated in England and Wales.

The company and its subsidiary are referred to as the Group. The principal activity of the Group is the provision of social housing and housing management.

#### **2 Accounting policies**

##### ***Basis of Accounting***

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

Manningham Housing Association is a public benefit entity in accordance with FRS 102.

The financial statements are presented in sterling to the nearest thousand (£000s) except where specifically stated otherwise.

##### ***Basis of consolidation***

The consolidated financial statements incorporate those of the Association and its subsidiary undertaking, Firebird Homes Limited. The subsidiary is consolidated using the acquisition method, with results being incorporated from the date that control passes. As Firebird Homes Limited became dormant on 1 April 2019, both the Consolidated and Association figures will be identical for this fiscal year, except for the underlying transfer price mark up of £1,299k, within housing property costs which is removed upon consolidation.

##### ***Going concern***

The impact of the recent economic turbulence, corresponding inflation, interest rate increases, and uncertainty for the supply chain has meant that the Executive Team and Board are reviewing revised financial plans more frequently reflecting updated economic information to ensure Manningham can remain a going concern. After giving due consideration the Board has a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

A refinancing exercise was completed in August 2020 with the agreement of a £26.05m term loan and £10m revolving credit facility. Consequently there are sufficient funding facilities in place for the foreseeable future and, whilst the 30-year Financial Plan includes an element of refinancing risk, the Board are of the view this is at an appropriate level. The 30-year financial plan indicates continued covenant compliance and has been subject to robust stress testing and potential mitigating actions identified should circumstances change.

As at the 31st March 2022 the Association had £3.0m (2021: £3.3m) in cash holdings plus undrawn facilities of £10.0m (2021: £27.6m) giving total cash and undrawn loan facilities of £13.0m (2021: £30.9m) to meet all short term future cash requirements.

Based on the above, the Board are satisfied that the group is a viable going concern for at least the next 12 months from the date of approval of these financial statements, which have thus been prepared on a going concern basis.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

***Significant judgements and management estimates***

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

Significant management judgements

a) Impairment

For the four years from 1 April 2016 to 31 March 2020, the Association reduced social housing rents by one per cent per annum in accordance with the Welfare, Reform and Work Act 2016. With effect from 1 April 2020, social housing rents can now be increased each year by CPI plus 1 per cent for the next five years. We have carried out an impairment review of our housing property portfolio and the judgement of management is that no impairment to the portfolio's carrying value is required.

b) Classification of loans

FRS 102 requires loans and other financial instruments to be classified as 'basic', and accounted for at amortised cost, or 'other', and accounted for on the basis of their fair value. The Association has carefully reviewed the terms of its loan agreements and has concluded that all loans should be classified as 'basic' and accounted for at amortised cost.

**Estimation uncertainty**

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

c) Useful lives of depreciable assets

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

d) Pension scheme-defined benefit obligation past service deficit provision

The estimate of the past service deficit provision is based on a number of critical underlying assumptions such as: standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Assumptions are defined by a professionally qualified actuary, appointed by SHPS; management undertake an assessment of the reasonableness of these assumptions. Variation in these assumptions may significantly impact the amount provided and the annual defined benefit charge (as analysed in Note 30).

e) Bad Debts

Where tenants fall into arrears there is the possibility that part or all of the arrear will be unrecoverable, the older the arrear the greater the likelihood of non recovery. In the financial statements we have provided for this likelihood as follows:

0 – 11.9 weeks (3 months) - 25%  
12 – 24.9 weeks (3 – 6 months) - 50%  
25 + weeks (>6 months) - 100%

Former tenant arrears are provided at 100%

f) 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 at fair value as at the year end, with changes in fair value recognised in income and expenditure.

***Investment in subsidiary***

The consolidated financial statements incorporate the financial statements of the Association and entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

***Taxation***

The Association is exempt from corporation tax by virtue of its charitable status.

Firebird Homes Limited is now dormant. There are no corporation tax implications for the dormant company.

***Value Added Tax***

The Group deregistered from VAT from 31 March 2019.

***Turnover***

Turnover comprises rental income and service charges receivable net of voids, plus revenue grants receivable in the year.

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

***Interest payable and loan breakage costs***

Interest payable (including loan fees), less any amounts capitalised on development, are recognised in the Statement of Comprehensive Income on the basis of the effective interest method.

Loan breakage costs are recognised at their transaction price as they become due. During the year, the Group has refinanced to a new facility with different terms. This has resulted in a charge of £5.9m being recognised in the Consolidated and Association Statement of Comprehensive Income.

***Homebuy***

Homebuy loans are treated as concessionary loans and are recognised at the amount paid to the purchaser. No interest is accrued and any impairment loss is recognised in the Statement of Comprehensive Income. The associated Homebuy grant is recognised as deferred loan until the loan is redeemed.

***Financial instruments***

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

***Financial assets carried at amortised cost***

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at transaction value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If the arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

***Financial liabilities carried at amortised cost***

These financial liabilities include trade and other payables and interest-bearing loans and borrowings.

Non-current debt instruments, which meet the necessary conditions in FRS 102, are initially recognised at transaction value adjusted for any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A finance liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Note 32 gives a detailed analysis of the financial instruments.

***Debtors***

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

Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at a market rate.

***Creditors***

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

***Holiday Accrual***

Unused annual leave accrued by employees at 31 March 2022 and carried forward to future periods is recognised as a liability, measured at undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

***Pension costs***

The Association participates in the Social Housing Pension Scheme (SHPS) for some employees.

The Association's share of SHPS scheme assets are measured at fair value, with scheme liabilities measured on an actuarial basis using projected unit credit method and are discounted at appropriate high quality corporate bond rate. Detailed analysis is provided at Note 29 to the financial statements.

As at 31 March 2022 the net defined benefit pension liability was £661k, which has been included within the Net Pension Liability in the financial statements, based on the present value of the Association's deficit funding agreement.

In the year ended 31 March 2022 the current service costs and costs from settlements and curtailments are charged against Operating Surplus. Past service costs are recognised in the current reporting period within the Statement of Comprehensive Income. Remeasurements are reported in Other Comprehensive Income. Further detail is provided at Note 29.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

***Housing properties***

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

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

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

***Donated land***

Land donated by local authorities and others is added to the cost of properties at the fair value of the land at the time of the donation. Where the land is not related to a specific development and is donated by a public body an amount equivalent to the increase in value between fair value and consideration paid is treated as a non-monetary Government grant and recognised on the Statement of Financial Position as deferred income within liabilities. Where the donation is from a non-public source, the value of the donation is included as income.

***Investment properties***

Investment properties consist of commercial properties and other properties not held for the social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in income and expenditure.

***Capitalisation of interest***

Interest on the financing of a development is capitalised up to the date of practical completion of the scheme. Where schemes are not financed by specific facilities an appropriate proportion of the interest charged on the Group's overall borrowing is allocated to the cost of the scheme up to the date of practical completion.

***Government grants***

Government grants include grants from Homes England, Local Authorities and other government organisations.

Government grants received for housing properties are recognised in income over the useful life of the housing property structure, where applicable, or matched to the useful lives of individual components (excluding land) under the accruals model.

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

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

***Homes England Grants***

Homes England grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England.

Homes England grants released on the sale of a property through the Right to Acquire scheme are credited to a Recycled Capital Grant Fund and included in the Statement of Financial Position in creditors and classified as current or long-term liabilities.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

**Local Authority Grants**

Local Authority grants released on the sale of a property through the Right to Acquire scheme are credited to the Local Authority Capital Grant Fund and are included in the Statement of Financial Position in creditors and are classified as long term liabilities. Normally, these grants are not repayable to the Local Authority unless specified and may be utilised for other social housing schemes, with permission by the Local Authority.

Local Authority grants and/or other governmental grants relating to subsequent sales by former tenants and thus subject to clawbacks, are reported as other income.

**Homes England - Recycling of capital grant (RCGF)**

Where grant is recycled, as described above, the grant is credited to the Recycled Capital Grant Fund (RCGF), which is included within Creditors. The grant may have to be repaid if certain conditions are not met or if re-investment is not committed within three years following the year of disposal.

**Other grants**

Other grants which are receivable from non-Government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the Association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Grants in respect of revenue expenditure are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate.

**Depreciation of housing properties**

The cost of housing properties, determined to be the lower of historical cost or existing use value (EUUV), is split and depreciated, on a straight-line basis, over the useful lives of specific components.

Where components are replaced prior to being fully depreciated, the remaining undepreciated amount is charged to the statement of comprehensive income and included in the depreciation charge for the period. The estimated useful economic lives are based on the organisation's current knowledge of component replacement. The Group will continue to monitor and review the useful economic lives of all components and make amendments where material changes arise.

The major components of housing properties are depreciated over their estimated useful lives as follows:

<b>Component</b>	<b>Useful Lives (Years)</b>
Structure	125
Bathrooms	30
Rewiring	30
Heat Distribution	30
Heat Source	15
Kitchens	20
Lifts	30
Roof Structures	100
Roof Coverings	64
Windows	30

Freehold land is not depreciated & Leasehold properties are amortised over the life of the lease.

**Impairment**

Housing properties are assessed annually for impairment. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.



**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**2 Accounting policies (continued)**

***Depreciation of other tangible fixed assets***

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided evenly on the cost of other tangible fixed assets to write down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The assets are depreciated on a straight-line basis over their useful lives:

Asset	Useful Lives (Years)
Freehold office	50
Computers, fixtures and fittings	5

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

***Property for sale***

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

***Leases***

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

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

***Provision for liabilities***

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

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

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

***Liquid resources***

Liquid resources are readily disposable current asset investments. They include some money market deposits, held for more than 24 hours that can only be withdrawn without penalty on maturity or by giving notice of more than one working day.

Monies held as substitute security by funders are also deemed to be liquid resources, insofar as there are unencumbered properties held of equivalent value that could be utilised to release cash security if required.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**3 Particulars of turnover, cost of sales, operating costs and operating surplus**

	Turnover £000	Operating costs £000	2022 Operating Surplus £000	2021 Operating Surplus £000
<b>Social housing lettings</b>	8,208	(5,462)	<b>2,746</b>	<b>3,034</b>
<b>Other social housing lettings</b>				
Community Development initiatives	49	(73)	(24)	19
Fair value gain on investment properties			-	20
Other income - social housing	6	-	6	5
Surplus on the sale of Housing Properties			<b>346</b>	102
<b>Non social housing activities</b>				
Commercial rents	49	-	<b>49</b>	49
	<b>8,312</b>	<b>(5,535)</b>	<b>3,123</b>	<b>3,229</b>

**4 Particulars of income and expenditure from lettings**

	General needs & Leaseholders £000	Shared Ownership £000	2022 Total £000	2021 Total £000
<b>Income- Lettings</b>				
Rents receivable net of voids	7,258	169	7,427	7,356
Service charge income	279	7	286	231
<b>Net rental income</b>	<b>7,537</b>	<b>176</b>	<b>7,713</b>	<b>7,587</b>
SHG amortised	493		493	500
Management fees	2		2	13
<b>Turnover: Social Housing Lettings</b>	<b>8,032</b>	<b>176</b>	<b>8,208</b>	<b>8,100</b>
<b>Expenditure - Lettings</b>				
Management	2,055	69	2,124	2,006
Services	263	2	265	255
Routine maintenance	883		883	707
Planned maintenance	525		525	384
Major repairs	46		46	41
Bad debts	13		13	14
Accelerated depreciation on component disposals	65		65	65
Depreciation of housing properties	1,517	24	1,541	1,594
<b>Operating costs: Social Housing Lettings</b>	<b>5,367</b>	<b>95</b>	<b>5,462</b>	<b>5,066</b>
<b>Operating Surplus: Social Housing Lettings</b>	<b>2,665</b>	<b>81</b>	<b>2,746</b>	<b>3,034</b>
<b>Void Losses</b>	<b>(11)</b>		<b>(11)</b>	<b>(16)</b>

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**5 Accommodation managed**

	<b>Owned &amp; managed</b>	<b>Owned but managed on our behalf</b>	<b>Owned by others but managed by us</b>	<b>Total</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
<b><u>General needs</u></b>				
<b>At 1 April 2021</b>	1,063	14	20	1,097
Disposals	(13)	-	(1)	(14)
Acquisitions	2	-	-	2
Movements	(6)	6	(19)	(19)
<b>At 31 March 2022</b>	<b>1,046</b>	<b>20</b>	<b>-</b>	<b>1,066</b>
<b><u>Affordable</u></b>				
<b>At 1 April 2021</b>	260	2	-	262
Acquisitions	21	(1)	-	20
<b>At 31 March 2022</b>	<b>281</b>	<b>1</b>	<b>-</b>	<b>282</b>
<b><u>Shared ownership</u></b>				
<b>At 1 April 2021</b>	46	-	-	46
<b>At 31 March 2022</b>	<b>46</b>	<b>-</b>	<b>-</b>	<b>46</b>
<b>At 31 March 2022</b>	<b>1,373</b>	<b>21</b>	<b>-</b>	<b>1,394</b>
<b>At 31 March 2021</b>	<b>1,369</b>	<b>16</b>	<b>20</b>	<b>1,405</b>

**6 Operating surplus**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
This is stated after charging:		
Depreciation of owned fixed assets:		
Housing properties	1,541	1,543
Other fixed assets	85	56
Accelerated depreciation on component disposals	65	67
Impairment of Housing Properties	-	60
Bad debts	13	14
Auditors' remuneration for audit services	25	21

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**7 Employees**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Administration	15	12
Development	-	-
Housing	23	24
Maintenance	3	3
	<b>41</b>	<b>39</b>
Staff costs for the above:	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	1,253	1,263
Social security costs	124	120
Other pension costs	85	80
	<b>1,462</b>	<b>1,463</b>

The full time equivalent number of staff who received remuneration greater than £60,000 (including executive directors) were:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£90,001 - £100,000	1	2
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<b>2</b>	<b>3</b>

**8 Board members & Executive Directors**

<b>Executive Directors</b>	<b>Salaries</b>	<b>Benefits</b>	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>2022</b>	<b>2021</b>
			<b>£000</b>	<b>£000</b>
Lee Bloomfield (Chief Executive)	103	9	112	110
Ulfat Hussain (Deputy CEO & Director of Operations)	88	9	97	91
John Kent (Director of Finance & Resources)	39	4	43	-
Shendi Keshet (Director of Finance & Resources)	32	3	35	94
	<b>262</b>	<b>25</b>	<b>287</b>	<b>295</b>

Highest paid director: Emoluments (excluding pension contributions)	<b>103</b>	<b>101</b>
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**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**8 Board members & Executive Directors (continued)**

Board members	Committees	Remuneration	Total
		2022 £000	2021 £000
Barrington Billings (Chair Board)	Growth, & Assets, HR	6.0	5.0
Abdul Ravat (Vice Chair Board)	Audit & Risk, Growth & Assets	4.0	3.5
Haroon Rashid	Audit & Risk, Growth & Assets	3.0	3.5
Julia Histon	HR	3.5	2.0
Khalida H Ashrafi	HR	1.0	2.0
Cath Bacon	HR	2.0	2.0
Majid Khan	Audit & Risk, Growth & Assets	2.5	2.0
Mushtaq Khan	Audit & Risk	2.0	2.0
Vicky Szulist	Audit & Risk, Growth & Assets	3.5	2.0
Munir Ahmed	Audit & Risk	0.5	-
Simon Ellis	Audit & Risk	0.5	-
Shazia Khan	HR	0.5	-
		<u>29.0</u>	<u>24.0</u>
		<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Emoluments and gains (excluding pension contributions)		<u>29</u>	<u>24</u>
Expenses paid during the year		<u>0.25</u>	<u>0.25</u>

**9 Surplus on sale of fixed assets- housing properties**

	Group & Association	
	2022 £000	2021 £000
Proceeds	1,728	999
Net book value of fixed assets	(1,274)	(833)
Cost of sales	(5)	(4)
	<u>449</u>	<u>162</u>
Capital grant net of amortisation	(103)	(60)
	<u>346</u>	<u>102</u>

**10 Interest payable and financing costs**

	Group & Association	
	2022 £000	2021 £000
Bank loans and overdrafts	1,713	2,279
	<u>1,713</u>	<u>2,279</u>

**11 Loan breakage costs**

	Group & Association	
	2022 £000	2021 £000
Loan breakage costs	5,972	2,066
	<u>5,972</u>	<u>2,066</u>

During the year the Association incurred the following breakage costs in connection with the early repayment of £12.5m (2020/21: £8.0m) loans from the The Housing Finance Corporation. The breakage costs were incurred as part of a restructuring of the Group's loan debt to repay relatively higher interest rate bearing loans.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**12 Tangible fixed assets**

<b>Group</b>	<b>Social housing properties held for letting £000</b>	<b>Housing properties under construction £000</b>	<b>Completed shared ownership housing properties £000</b>	<b>Total housing properties £000</b>
<b>Cost</b>				
At 1 April 2021	127,782	-	4,029	131,811
Additions	2,438	10	-	2,448
Works to existing properties	494	-	-	494
Disposals - components	(216)	-	-	(216)
Disposals - properties	(1,462)	-	(30)	(1,492)
At 31 March 2022	<u>129,036</u>	<u>10</u>	<u>3,999</u>	<u>133,045</u>
<b>Depreciation</b>				
At 1 April 2021	20,653	-	374	21,027
Depreciation charged in the year	1,517	-	24	1,541
Disposals - components	(151)	-	-	(151)
Disposals - properties	(214)	-	(3)	(217)
At 31 March 2022	<u>21,805</u>	<u>-</u>	<u>395</u>	<u>22,200</u>
<b>Net Book Value</b>				
At 31 March 2022	<u>107,231</u>	<u>10</u>	<u>3,604</u>	<u>110,845</u>
At 31 March 2021	<u>107,129</u>	<u>-</u>	<u>3,655</u>	<u>110,784</u>

**Tangible fixed assets**

<b>Association</b>	<b>Social housing properties held for letting At cost £000</b>	<b>Housing properties under construction At cost £000</b>	<b>Completed shared ownership housing properties At cost £000</b>	<b>Total housing properties £000</b>
<b>Cost</b>				
At 1 April 2021	129,038	-	4,071	133,109
Additions	2,438	10	-	2,448
Works to existing properties	494	-	-	494
Disposals - components	(216)	-	-	(216)
Disposals - properties	(1,462)	-	(30)	(1,492)
At 31 March 2022	<u>130,292</u>	<u>10</u>	<u>4,041</u>	<u>134,343</u>
<b>Depreciation</b>				
At 1 April 2021	20,653	-	374	21,027
Depreciation charged in the year	1,517	-	24	1,541
Disposals - components	(151)	-	-	(151)
Disposals - properties	(214)	-	(3)	(217)
At 31 March 2022	<u>21,805</u>	<u>-</u>	<u>395</u>	<u>22,200</u>
<b>Net Book Value</b>				
At 31 March 2022	<u>108,487</u>	<u>10</u>	<u>3,646</u>	<u>112,143</u>
At 31 March 2021	<u>108,385</u>	<u>-</u>	<u>3,697</u>	<u>112,082</u>

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**12 Tangible fixed assets (continued)**

Housing properties book value, net of depreciation – compared:

	Group		Association	
	2022 £000	2021 £000	2022 £000	2021 £000
Freehold land and buildings	104,941	104,805	106,147	106,020
Leasehold land and buildings	2,299	2,324	2,340	2,365
Assets under construction	-	-	10	-
Shared Ownership	3,604	3,655	3,646	3,697
<b>Total</b>	<b>110,844</b>	<b>110,784</b>	<b>112,143</b>	<b>112,082</b>

Firebird Homes Limited became dormant on 1 April 2019. The intercompany profits of £1,299k on prior period property transactions have been eliminated for Group reporting.

**Impairment**

The Group considers individual schemes to be separate Income Generating Units (IGUs) when assessing for impairment, in accordance with the requirements of Financial Reporting Standard 102.

**13 Other fixed assets**

Group & Association	Freehold offices	Computers & Office equipment	Furniture, fittings & equipment	Total
	<i>At cost</i> £000	<i>At cost</i> £000	<i>At cost</i> £000	£000
<b>Cost</b>				
At 1 April 2021	1,315	447	506	2,268
Additions	6	18	1	25
Disposals	-	(13)	-	(13)
At 31 March 2022	<u>1,321</u>	<u>452</u>	<u>507</u>	<u>2,280</u>
<b>Depreciation</b>				
At 1 April 2021	625	298	501	1,424
Charge for the year	26	58	1	85
On disposals	-	(7)	-	(7)
At 31 March 2022	<u>651</u>	<u>349</u>	<u>502</u>	<u>1,502</u>
<b>Net Book value</b>				
At 31 March 2022	<u>670</u>	<u>103</u>	<u>5</u>	<u>778</u>
At 31 March 2021	<u>690</u>	<u>149</u>	<u>5</u>	<u>844</u>

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**14 Investment property**

**Group & Association**  
**2022**  
**£000**

**Valuation**

At 1 April 2021

500

At 31 March 2022

500

In the opinion of the Directors the carrying value of the Investment Property remains unchanged on the basis that the current tenants have confirmed that they would like to extend the current lease agreement, which ends in September 2022, for a further 12 months.

**15 HomeBuy loans**

**Group & Association**

**2022**

**2021**

**£000**

**£000**

**Valuation**

At 1 April 2021

234

234

At 31 March 2022

234

234

**16 Investments**

**Subsidiary Undertakings**

As required by FRS 102 and the Housing SORP, the financial statements consolidate the results of Manningham Housing Association and Firebird Homes Limited, which is a wholly owned subsidiary of the Association at the end of the year. The Association has the right to appoint members to the board of Firebird Homes Limited and thereby exercises control over it.

Firebird Homes Limited is a non-regulated registered company under the Companies Act 2006. The registered office as Manningham Housing Association Limited.

**Investment in subsidiaries**

**2022**

**2021**

**Cost**

**£**

**£**

At 1 April 2021

1

1

At 31 March 2022

1

1

**Guarantees of subsidiary undertakings (contingent liability)**

The results of Firebird Homes Limited have been consolidated into these accounts.

Firebird Homes Limited has claimed exemption from audit under section 479A of the Companies Act 2006 (the Act).

Manningham Housing Association Limited has given guarantees for Firebird Homes Limited in accordance with the Act.



**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**17 Debtors**

**Group & Association**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Rent arrears	267	239
Less provision for bad and doubtful debts	(110)	(109)
	<hr/> 157	<hr/> 130
Other debtors	53	20
Prepayments and accrued income	165	138
	<hr/> <b>375</b>	<hr/> <b>288</b>

**18 Cash**

**Group & Association**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	2,495	3,253
	<hr/> <b>2,495</b>	<hr/> <b>3,253</b>

**19 Cash held as security**

**Group & Association**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Cash held as security	511	1,204
	<hr/> <b>511</b>	<hr/> <b>1,204</b>

Cash held as security comprise £511k (2020/21: £1,204k) of monies held by THFC as sinking funds and substitute security associated with funding facilities.

Cash held as security is not included in cash and cash equivalents at year end.

**20 Creditors: amounts falling due within one year**

**Group & Association**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Debt (note 22)	1,290	1,871
Deferred income:		
Government social housing grant	498	497
Loan premiums	13	13
Recycled capital grant fund	668	498
Other creditors	135	132
Rents and service charges received in advance	86	90
Trade creditors	40	172
Accruals and deferred income	507	785
Other taxes and social security costs	33	34
	<hr/> <b>3,270</b>	<hr/> <b>4,092</b>

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**21 Creditors: amounts falling due after one year**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Debt (note 22)	50,238	46,051
Recycled capital grant fund	1,280	980
Deferred income:		
Government social housing grant	51,695	52,041
Homebuy loans	234	234
Loan premiums	269	281
Listed office grant	32	33
Other creditors	-	1
	<u>103,748</u>	<u>99,621</u>

**22 Debt analysis**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Analysis of maturity of debt:		
Within one year or on demand	1,290	1,871
Between one and two years	1,290	1,263
Between two and five years	3,874	3,788
After five years	45,074	41,000
	<u>51,528</u>	<u>47,922</u>

**Security**

Bank loans totalling £38.05m (2020/21: £21.9m) are held with the Royal Bank of Scotland (RBS) and secured by fixed charges on individual properties. The amount is reduced by loan issue costs of £562k which gives a net balance of £37.49m. The issue costs are amortised over the life of the loan.

The Housing Finance Corporation (THFC) facilities totalling £14.04m (2020/21: £27.1m) are secured by fixed charges on individual properties. There are no loan issue costs relating to these loans.

**Terms of repayment and interest rates**

The facilities from THFC are, where applicable, repaid in half-yearly instalments at fixed rates ranging from 1.71% to 6.00%. The majority of the THFC loans are interest only with bullet repayments.

The £48.05 million facility from RBS is a combination of amortising loan and bullet repayments:

- Tranche A comprises £2m at a fixed rate of 4.45% with a margin of 0.90 % .
- Tranche B comprises £10m at a variable rate of 0.90 % over SONIA.
- Tranche C is a £10m revolving credit facility at a variable rate of 1.15% over SONIA.
- Tranche D comprises £26.1m of which £8.5m is a fixed rate of 0.50% with margin of 1.3% with the remainder is fixed at 0.90% with a margin of 1.3%.

As at 31 March 2022 the group had undrawn loan facilities of £10m (2020/21: £27.5m)

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**23 Deferred grant**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
At 1 April	52,772	53,697
Grant received in the year	501	-
Grant released to income in the year	(493)	(499)
Grant recycled from the recycled capital grant fund	327	-
Grant recycled to the recycled capital grant fund on property disposals	(800)	(484)
Grant attributed to the sale of assets	120	58
	<hr/>	<hr/>
At 31 March	52,427	52,772
	<hr/>	<hr/>
Amounts to be released within one year	498	497
Amounts to be released after one year	51,929	52,275
	<hr/>	<hr/>
	52,427	52,772
	<hr/>	<hr/>

**24 Recycled Capital Grant fund**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
At 1 April	1,478	994
Grant transferred to the recycled capital grant fund	792	484
Interest accrued	5	-
	<hr/>	<hr/>
Grant recycled from the recycled capital grant fund	(327)	-
	<hr/>	<hr/>
At 31 March	1,948	1,478
	<hr/>	<hr/>
Amounts to be utilised within one year	668	498
Amounts to be utilised between one and two years	485	496
Amounts to be utilised between two and three years	795	484
	<hr/>	<hr/>
	1,948	1,478
	<hr/>	<hr/>

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**25 Share capital**

The association is limited by guarantee and therefore has no share capital. The shares provide the members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on winding up. The shareholders comprise the current members of the Manningham Board of Directors.

<b>Number of members</b>	<b>2022 Number</b>	<b>2021 Number</b>
At 1 April	9	9
Joining during the year	3	-
Leaving during the year	(2)	-
At 31 March	<u>10</u>	<u>9</u>

<b>26 Income and revenue reserves</b>	<b>Group £000</b>	<b>Association £000</b>
At 1 April	12,382	13,680
Loss for the financial year	(4,560)	(4,560)
Actuarial loss in respect of the SHPS pension scheme	237	237
At 31 March	<u>8,059</u>	<u>9,357</u>

<b>27 Capital commitments</b>	<b>Group &amp; Association</b>	
	<b>2022 £000</b>	<b>2021 £000</b>
Amounts contracted for but not provided in the accounts	<u>44</u>	<u>-</u>

As at 31 March 2022 the Association was contracted to acquire the 25% equity stake held under a shared ownership lease agreement at 6A Wilson Road. The sale completed in April 2022.

**28 Contingent liabilities**

The Group and Association had no contingent assets or liabilities as at 31 March 2022 (31 March 2021: £nil).

The Group receives capital grants from Homes England which is used to fund the acquisition and development of housing properties and their components. In certain circumstances upon disposal of grant funded properties the Group is required to recycle this grant by crediting the Recycled Capital Grant Fund.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**29 Related party transactions**

**Subsidiaries**

Manningham Housing Association Limited (MHA) owns 100% of the share capital of Firebird Homes Limited, which is a private company. This Company become dormant from 1 April 2019. As at 31 March 2022, MHA had a £nil balance (2021: £nil) owing to Firebird Homes Limited.

**Tenant Board members**

One Board member, Cath Bacon, is a tenant of Manningham Housing Association (MHA) and has a tenancy agreement which is on the Association's normal terms and therefore cannot use the position to her advantage. MHA started to remunerate Board Members from 1 September 2017. Cath Bacon received £2k during the year ended 31 March 2022 (2020/21: £2k); her rent and service charge payable during the year was £5.6k (2020/21: £5.5k). The balance on the account at 31 March 2022 was a credit of £72.28 (2020/21: credit £68.11).

**Housing Diversity Network**

Lee Bloomfield the Chief Executive of Manningham Housing Association is the Vice Chair of Housing Diversity Network (HDN). Mushtaq Khan, who is a Board member at Manningham Housing Association, is employed as the Chief Executive Officer of HDN. HDN have entered into an open-ended rental agreement with Manningham Housing Association to rent office space with an annual rent of £4.2k per year (2020/21: £4.2k).

During the year the Association paid £330 (2020/21 £Nil) for diversity training provided by HDN.

**30 Pensions commitments**

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 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The 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 direct 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.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2021. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2022 to 28 February 2023 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.

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**30 Pensions commitments (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Net pension liability	(661)	(1,012)
<b>Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Fair value of plan assets	4,482	4,284
Present value of defined benefit obligation	(5,143)	(5,296)
Deficit on plan	(661)	(1,012)
Defined (liability) to be recognised	(661)	(1,012)
<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Defined benefit obligation at start of period	5,297	4,538
Interest expense	114	102
Actuarial gain due to scheme experience	324	19
(Actuarial loss)/actuarial gain due to changes in demographic assumptions	(79)	18
(Actuarial loss)/actuarial gain due to changes in financial assumptions	(423)	1,131
Benefits paid and expenses	(90)	(512)
Defined benefit obligation at end of period	5,143	5,296
<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Fair value of plan assets at start of period	4,284	4,092
Interest income	94	93
Experience on plan assets (excluding amounts included in interest income) - gain	59	479
Contributions by the employer	135	132
Benefits paid and expenses	(90)	(512)
Fair value of plan assets at end of period	4,482	4,284

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2021 to 31 March 2022 was £153,000.

<b>Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Net interest expense	20	9
Defined benefit costs recognised in other comprehensive income	20	9

**Manningham Housing Association Ltd**  
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**for the year ended 31 March 2022**

**30 Pensions commitments (continued)**

<b>Defined benefit costs recognised in other comprehensive income</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Experience on plan assets (excluding amounts included in net interest cost) gain	59	479
Experience gains and losses arising on the plan liabilities - (loss)	(324)	(19)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain / (loss)	79	(18)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain / (loss)	423	(1,131)
Total amount recognised in other comprehensive income -gain/(loss)	<u>237</u>	<u>(689)</u>

<b>Assets</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Global equity	860	683
Absolute return	180	237
Distressed opportunities	160	124
Credit relative value	149	135
Alternative risk premia	148	161
Emerging markets debt	130	173
Risk sharing	148	156
Insurance-linked securities	105	103
Property	121	89
Infrastructure	319	286
Private debt	115	102
Opportunistic Illiquid Credit	151	109
High Yield	39	128
Opportunistic credit	16	117
Cash	15	-
Corporate bond fund	299	253
Liquid credit	-	51
Long lease property	115	84
Secured income	167	178
Liability driven investment	1,251	1,089
Currency Hedging	(18)	-
Net current assets	12	26
Total assets	<u>4,482</u>	<u>4,284</u>

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

<b>Key assumptions</b>	<b>2022</b>	<b>2021</b>
Discount Rate	2.79%	2.18%
Inflation (RPI)	3.54%	3.27%
Inflation (CPI)	3.17%	2.87%
Salary growth	4.17%	3.87%
Allowance for commutation of pension for cash at retirement (% of maximum allowance)	75.00%	75.00%

**Manningham Housing Association Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**30 Pensions commitments (continued)**

	<b>2022</b>	<b>2021</b>
	<b>Life expectancy at age 65 (Years)</b>	<b>Life expectancy at age 65 (Years)</b>
<b>The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:</b>		
Male retiring in 2022 : 2021	21.1	21.6
Female retiring in 2022 : 2021	23.7	23.5
Male retiring in 2042 : 2041	22.4	22.9
Female retiring in 2042 : 2041	25.2	25.1

**31 Reconciliation of operating surplus to net cash inflow from operating activities**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Operating Surplus for the financial year	3,123	3,229
<b>SoCI Adjustments</b>		
<b>Add back:</b>		
Losses on disposals	65	-
Depreciation charges – housing properties	1,541	1,670
Depreciation charges – other fixed assets	85	57
	<u>1,691</u>	<u>1,727</u>
<b>Deduct:</b>		
Gains on disposal	(346)	(102)
Fair value gains on investment	-	(20)
Amortisation of grant balances	(491)	(499)
Amortisation of deferred income on office building	(2)	(2)
	<u>(839)</u>	<u>(623)</u>
<b>SoFP Adjustments</b>		
Decrease / (Increase) in debtors	(80)	78
Increase / (Decrease) in creditors	(307)	134
	<u>(387)</u>	<u>212</u>
Cash generated by operating activities	<u>3,588</u>	<u>4,545</u>

**32 Reconciliation of net cash flow to movement in debt**

	<b>Group &amp; Association</b>	
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Decrease in cash in year	(758)	(1,769)
Loans repaid	14,471	9,495
New loans	(17,550)	(8,500)
Amortisation of loan issue costs	527	452
<b>Change in net debt</b>	<u>(3,310)</u>	<u>(322)</u>
Net debt at beginning of year	<u>(44,670)</u>	<u>(44,348)</u>
	<u>(47,980)</u>	<u>(44,670)</u>



**Manningham Housing Association Ltd**  
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**33 Net debt**

	At 31 March		Non Cash	At 31 March
	2021	Cashflow	Movements	2022
	£000	£000	£000	£000
Cash at bank and in hand (note 18,19)	3,253	(758)	-	2,495
Debt due within one year	(1,872)	609	28	(1,235)
Debt due after more than one year	(46,051)	(3,688)	499	(49,240)
	<u>(44,670)</u>	<u>(3,837)</u>	<u>527</u>	<u>(47,980)</u>

**34 Financial instruments**

	Group & Association	
	2022	2021
	£000	£000
<b>Financial Assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>721</u>	<u>1,354</u>
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	<u>52,329</u>	<u>49,135</u>

All loans have been reviewed in line with FRS 102 treatment and they meet the conditions to be considered basic.

**Financial liabilities excluding trade creditors – interest rate risk profile**

The Group's financial liabilities are sterling denominated. The interest rate profile of the Group's financial liabilities at 31 March was:

	2022	2021
	£000	£000
Fixed rate	<u>41,528</u>	<u>46,601</u>

The financial liabilities have a weighted average interest rate of 2.68% (2020/21: 3.80%) and the weighted average period of funding is 10.79 years for 2021/22 (2020/21: 11.95 years). This represents the remaining years of the loans.

The debt maturity profile is shown in note 22

**Borrowing facilities**

The Group has undrawn committed borrowing facilities as at 31 March 2022 £10.0m (2021: £13.0m).