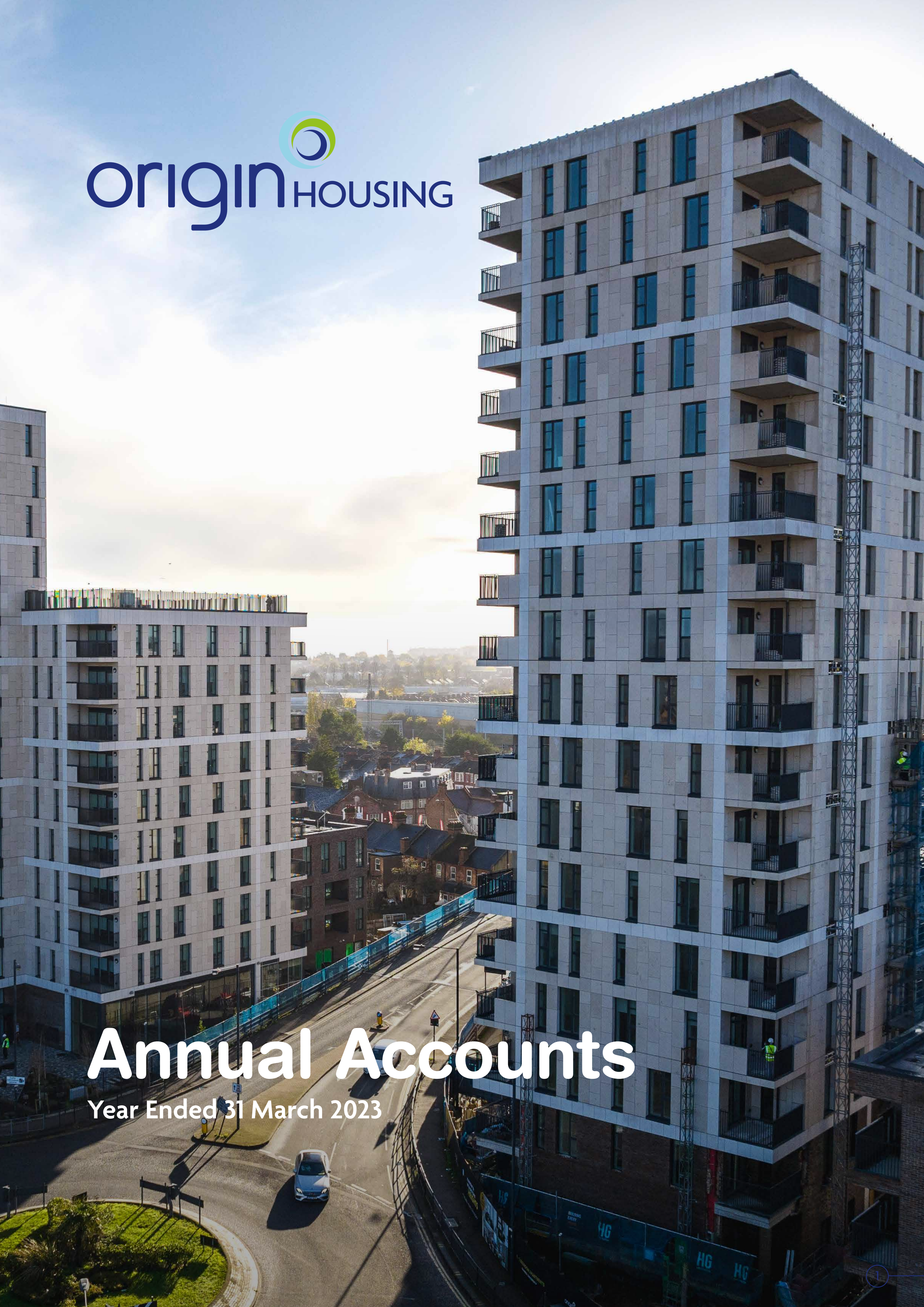
origin HOUSING

Annual Accounts

Year Ended 31 March 2023



Contents

Board members, executive directors, advisers, and bankers

As at 31 March 2023

The Board of Origin Housing Limited

Chair	Neil McCall	
Vice Chair	Bryan Ingleby	
Other Members	Meena Anand	
	Tony Bacon	(Appointed 07 September 2022)
	Vicky Bonner	
	Caron Bradshaw	
	Carol Carter	(Chief Executive)
	Robert Green	
	Abi Jacobs	
	Argiri Papathos	
	Julia Porter	(Resigned 30 April 2022)
	John Rogers	(Appointed 07 September 2022)
	Jane Ryland	

Committees

Audit and Risk Committee	Bryan Ingleby - Chair	
Customer Services Committee	Vicky Bonner - Chair	(from 01 May 2022)
	Julia Porter - Chair	(until 30 April 2022)
Investment Committee	Robert Green - Chair	
Health & Safety Oversight Group	Neil McCall – Chair	
Refinancing Committee (time-limited)	Neil McCall – Chair	
Remuneration and Nominations Committee	Meena Anand - Chair	

Executive Directors

Chief Executive	Carol Carter	
Director of Finance	Mark Farrar	(appointed 03 July 2023)
Director of Finance (Interim)	Laura Awosile	(resigned 30 June 2023)
Deputy CEO and Director of Finance	Gloria Yang	(resigned 31 March 2023)
Director of Development	Gareth Jones	
Director of Asset and Compliance (Interim)	Jeremy Kape	(appointed 12 June 2023)
Director of Asset and Compliance	Lisa Blamire	(resigned 23 June 2023)
Director of Resident Services	Pam Bhamra	

Company Secretary	Daniel Sabel
Registered office and head office	St Richard's House 110 Eversholt Street London NW1 1BS
Registrations	Registered Society Number: 10008R Regulator of Social Housing Number: L0871
Auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL
Principal Solicitors	Trowers & Hamlins 3 Bunhill Row London EC1Y 8YZ
Banker	Royal Bank of Scotland 189-191 Camden High Street London NW1 7BP

Chair's Statement

2022/23 proved to be a challenging year as economic conditions worsened with inflation increasing rapidly, significant interest rate rises and a cost of living crisis combined with acute skill shortages and an uncertain political environment. At the same time new standards on fire and building safety came into force further increasing the costs to maintain and build homes. We, and our residents, felt the impact in many ways, and not simply in direct financial terms, but also in intensifying social pressures around mental health, street homelessness and crime, with reduced public services often unable to respond meaningfully to acute circumstances. It is in this context that I am proud of the way we adapted to continue delivering on our social purpose to provide safe, decent affordable homes and services that make people's lives easier.

During the year we invested £7m into maintaining our existing homes, built 117 new affordable homes and started on site with 230 more, all of which offer quality design and finishes, high energy efficiency and meet best practice fire safety standards. These were funded through securing access to grants from the Greater London Authority via our Connected partnership and from progressing our funding strategy with additional borrowing from the finance markets. We also acquired 152 social rent homes from another provider with private finance.

We reaffirmed our focus on being more visible and connected to our residents, stepping up regular estate walkabouts and inspections with residents and developing improvement plans to tackle issues of concern such as anti-social behaviour. We also worked with residents to scrutinise services and make improvements.

Recognising increased levels of vulnerability and individuals in crisis, we launched a new support hub, bringing in specialist mental health skills and widening and streamlining access to a range of existing support services. 457 people benefited from one-to-one support services, aids and adaptations and advice on maximising income and budgeting and 81 people got help from our hardship fund, community fund and our access to charitable funds. We were successful in securing contract renewals to our valued Westminster Floating Support service and our well regarded Camden Young People's Pathway service.

A new long-term repairs contract was procured with input from residents and features important service improvement and towards the end of the year we started a project to update our housing stock condition information to ensure we continue to invest in the right properties at the right time. We also introduced a more proactive approach to tackling damp and mould, checking back with residents that measures taken had worked.

Our digital innovation was recognised with awards for our chatbot, providing 24/7 access to services and a new safeguarding system, which helps protect vulnerable people.

We continue to invest in our people to create an engaged, skilled, productive, diverse workforce who live our values every day in working with our residents and many stakeholders, and became a top 10 best housing association to work for. I am grateful to those who have worked hard to deliver our vision, values and purpose including our board members, residents who have given their time to feedback and engage with us and partners – contractors, developers, lenders and local authorities - who have brought their energy, expertise and commitment to help provide effective services and quality homes to local communities.

Our ambitions for the future, as we head towards our 100th anniversary in 2024, remain firmly anchored in the priorities of our residents and local communities, underpinned by robust finances and the commitment of our people and partners.

I hope you find this report useful.

Best wishes

Neil McCall
Chair

Strategic Report

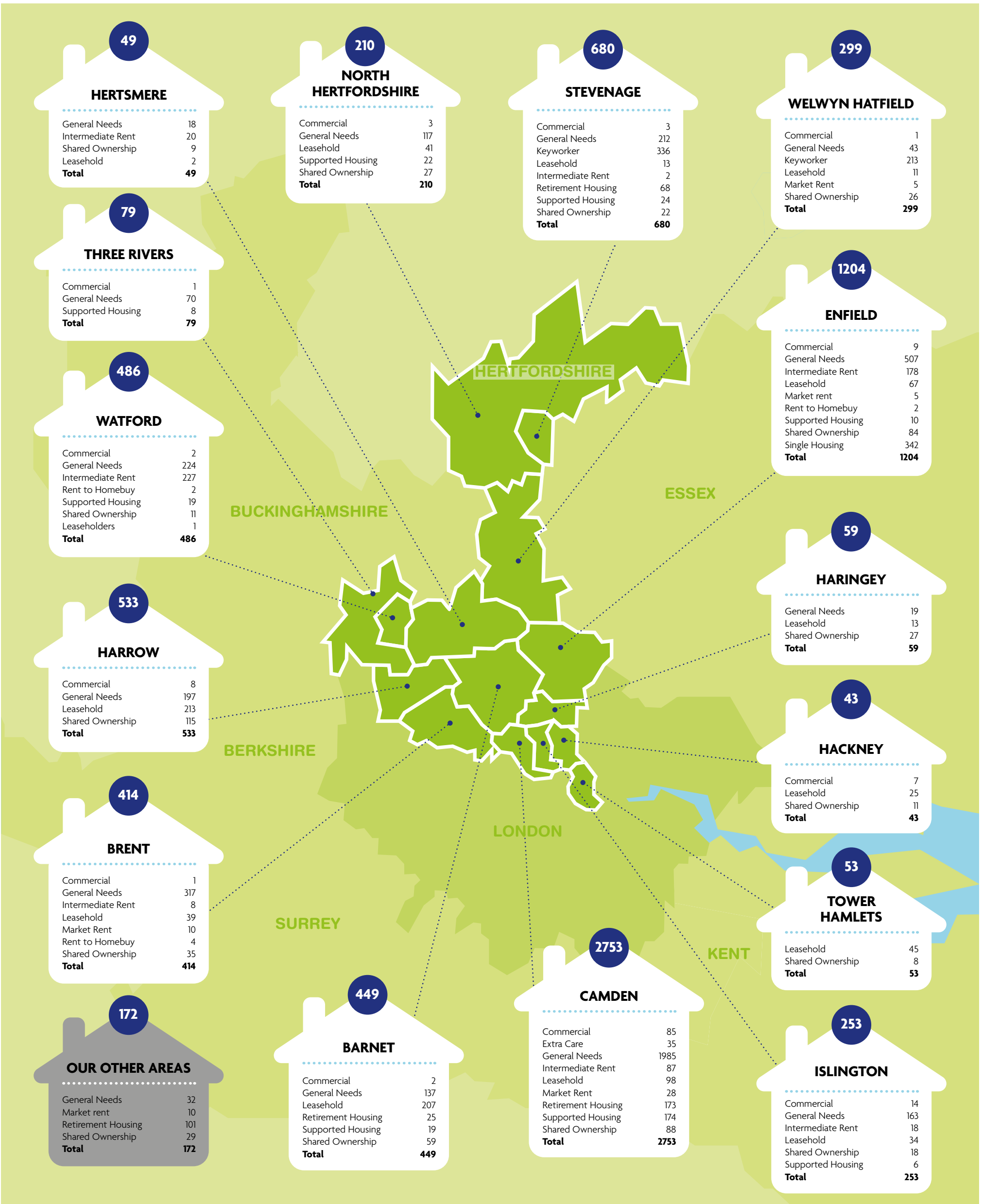
About Origin

Origin Housing Limited ("Origin") is a dynamic and diverse organisation that owns and manages over 7,736 homes across London and Hertfordshire. Our homes include social rented housing, affordable rent, intermediate and market rent, and shared ownership as well as outright sales. We develop an average of 200 new affordable homes every year.

We have a strong care and support offering including retirement housing for older people and specialist services such as learning disability and young people leaving care, as well as short term support for those in our general needs housing when they need it.

Our homes in our main local authority areas

Overall number of homes = 7736



49 HERTSMERE

General Needs	18
Intermediate Rent	20
Shared Ownership	9
Leasehold	2
Total	**49**

210 NORTH HERTFORDSHIRE

Commercial	3
General Needs	117
Leasehold	41
Supported Housing	22
Shared Ownership	27
Total	**210**

680 STEVENAGE

Commercial	3
General Needs	212
Keyworker	336
Leasehold	13
Intermediate Rent	2
Retirement Housing	68
Supported Housing	24
Shared Ownership	22
Total	**680**

299 WELWYN HATFIELD

Commercial	1
General Needs	43
Keyworker	213
Leasehold	11
Market Rent	5
Shared Ownership	26
Total	**299**

79 THREE RIVERS

Commercial	1
General Needs	70
Supported Housing	8
Total	**79**

1204 ENFIELD

Commercial	9
General Needs	507
Intermediate Rent	178
Leasehold	67
Market rent	5
Rent to Homebuy	2
Supported Housing	10
Shared Ownership	84
Single Housing	342
Total	**1204**

486 WATFORD

Commercial	2
General Needs	224
Intermediate Rent	227
Rent to Homebuy	2
Supported Housing	19
Shared Ownership	11
Leaseholders	1
Total	**486**

59 HARINGEY

General Needs	19
Leasehold	13
Shared Ownership	27
Total	**59**

533 HARROW

Commercial	8
General Needs	197
Leasehold	213
Shared Ownership	115
Total	**533**

43 HACKNEY

Commercial	7
Leasehold	25
Shared Ownership	11
Total	**43**

414 BRENT

Commercial	1
General Needs	317
Intermediate Rent	8
Leasehold	39
Market Rent	10
Rent to Homebuy	4
Shared Ownership	35
Total	**414**

53 TOWER HAMLETS

Leasehold	45
Shared Ownership	8
Total	**53**

2753 CAMDEN

Commercial	85
Extra Care	35
General Needs	1985
Intermediate Rent	87
Leasehold	98
Market Rent	28
Retirement Housing	173
Supported Housing	174
Shared Ownership	88
Total	**2753**

172 OUR OTHER AREAS

General Needs	32
Market rent	10
Retirement Housing	101
Shared Ownership	29
Total	**172**

449 BARNET

Commercial	2
General Needs	137
Leasehold	207
Retirement Housing	25
Supported Housing	19
Shared Ownership	59
Total	**449**

253 ISLINGTON

Commercial	14
General Needs	163
Intermediate Rent	18
Leasehold	34
Shared Ownership	18
Supported Housing	6
Total	**253**

Vision, objectives and strategy

We remain driven by our core social purpose and residents are at the heart of what we do. By 2024 when we reach our 100th anniversary, we will have made good progress towards the ambitions set out in our corporate plan in the context of the impact of economic headwinds and rising demands.

Our vision of 'great homes; positive people; strong communities' underpins this strong commitment and continues to shape the way we deliver our services.

Our corporate plan sets out our corporate ambitions for:

Services that make People's lives easier:

- A partnership approach with residents – their priorities genuinely shaping services and an organisational culture, standards, organisational design and processes which are customer centric.
- Personalised and face to face support for vulnerable individuals/those in crisis to access services, sustain tenancies and improve their quality of life.
- An efficient, fast evolving, digitally based service offer.

Our People:

- An engaged, motivated, skilled and productive workforce living the values every day.
- A great place to work with a positive culture, embracing diversity and tackling inequality, offering opportunity and flexible working options.
- Access to a broad talent pool and creation of an alumni network.

Communities: places people are proud to be part of:

- Work in partnership with our communities and with commercial, statutory, voluntary agencies and groups to lever in resources to develop opportunities for individuals to reach their potential and communities to become more cohesive.

Homes people are proud to live in:

- Invest to meet and maintain best practice building safety standards.
- Engage in active asset management with comprehensive good quality useable data informing decisions about investment.
- Invest in communal areas and public realm to create safe, attractive shared spaces.
- Invest to maintain modern standards in our homes
- Develop and deliver strategy for re-modelling/purposing housing stock with low demand
- Plan to enhance environmental standards e.g., reduce carbon footprint towards 2030/50 global climate goals.

Social impact:

- Demonstrate the full extent of social impact of our core business and ensure adding social value drives our business strategy, priorities and activities.

New homes: meeting future needs:

- Maximise new build of affordable homes focused on meeting emerging and future needs as the needs of younger, older and working people are changing.
- Find new ways to maximise capacity for new homes at the same time as meeting the investment needs of existing homes and services.

Great Homes

Our fundamental purpose is to use our assets and experience to provide housing for those who could not otherwise afford a home without our help. Our business model is structured to facilitate our ability to undertake development of new homes and provide landlord services to support our social purpose. The profits we generate from market sales and market rent as well as any surplus created from our social stock is reinvested in the development of affordable homes in line with our social objectives.

During 2022/23, we completed 117 new rented and shared ownership homes and 230 new affordable homes were started on site. We also acquired 152 homes via a stock transfer from London & Quadrant Housing Trust.
We successfully sold 41 new build shared ownership homes. This means that we had no unsold homes at the end of the fiscal year. We also presold 40% of the 81 shared ownership homes at Harrow & Wealdstone Heights, not due to be handed over until 2023/24.

We developed these new homes with the support of grant funding from the Greater London Authority (GLA) and Homes England together with raising funds through the financial markets. We retained our status as a Strategic Partner with the GLA under the new 2021-26 funding programme, which will help our ambition to deliver zero carbon homes.
Our new development strategy will deliver 1,112 homes by 2028. Of this, we plan that 66% will be for social rent, 29% shared ownership, and 5% market sales. We aim to deliver 292 completions next year, with 72% rented and the remainder shared ownership.

Building and fire safety remain our top priorities. We completed 216 in depth fire risk assessments and four intrusive surveys. We worked on three building safety cases of which one was completed in advance of legislative requirements and submitted to the HSE for feedback in preparation for the new Building Safety Act. We had some of our examples of resident engagement strategy for our tall buildings used as best practice in the HSE guidance. We completed five Fire Risk Appraisal External Wall (FRAEW) assessments last year with very little remediation required. Where we have needed to remediate buildings we have been successful in securing recourse from developers, warranties, insurance and government funding.

We achieve high standards for completed new homes through a focus on design reviews and on-site quality inspections. Design reviews focus on common problem areas such as heating design, fire strategies and mechanical & electrical installations. Specialists are employed to oversee

installation and commissioning of heating, lifts and other mechanical fittings. Safety and fire stopping receives specific attention and sign off is conducted by our in-house specialist fire safety team. This is in addition to sign off by building control and warrantor inspections, such as NHBC. Delivering the highest level of fire compliance from our new build programme is the priority. We also have our first Net Zero Carbon scheme in development and aim to deliver many more.

We have continued development of our new asset management system, with the first phase to go live in 2023. The new asset data structure will improve the ease of compliance monitoring and investment planning. These investments in technology will assist active asset management.

During 2022/23, we also:

- Continued to invest in professional training for our technical teams and had one of the team shortlisted for professional of the year in the women in housing awards from Inside Housing

> “Great homes; positive people; strong communities

- Improved on our ability to report trends in resident and staff safety
- Made substantial progress to meeting the new Fire Safety Act and Building Safety Act requirements
- Developed a Health and Safety strategy
- Initiated an accelerated stock condition survey to achieve fully up to date information during 2023/24
- Prepared for delivery of several major works projects in 2023/24.
- Progressed delivery of a new asset management system including a new data hierarchy to support landlord safety compliance activity
- Launched a new Data and Insight strategy which addresses how Origin uses data to create actionable insights. It sits alongside the Data Governance Strategy.

In 2023/24, we will

- Complete the comprehensive stock condition survey that will give us accurate stock data on all our managed housing assets. This data will be used to inform our 30-year investment requirements, sustainability strategy and five-yearly investment programme. The stock condition survey will be supported by a rolling survey programme of 20% of our assets each year. This ensures our stock data is never more than five years old.
- Aim to secure energy efficiency data for 85% of our managed portfolio. This data will be validated and where necessary, revised through energy performance assessments as part of our comprehensive stock condition survey project.
- Continue to deliver on Building Safety Act requirements, including
    - Completing three building safety cases on high-rise buildings
    - Completing five external wall assessments on medium-rise buildings.
- Continue to support our residents to ensure their safety through regular communications with a focus on care and support services where there is a higher proportion of incidents.
- Continue to deliver the Health & Safety strategy and embed a consistent safety culture across the organisation.
- Works towards a refreshed five-year delivery programme from 24/25, borne out of our updated stock condition survey through procuring long-term contracts focused on the delivery of a quality service and demonstrable value for money.
- Develop a new Asset Management strategy and begin to craft a deliverable Environmental strategy, engaging residents in that process

- Develop and implement a Data and Insight action plan to deliver on the aims of the strategy and to make us a more data-driven organisation. As part of this plan we aim to:
    - Use data more effectively to understand our residents and tailor our services to them, ensuring we take into account the diversity of our residents to work in an inclusive way
    - Move towards a more proactive data-based approach to block management, allowing us to find and act on issues more quickly
    - Introduce new processes to improve the assurance we have around our asset and component data.

Positive People

Origin is committed to both excellent customer service and investing in its people to deliver this. We will work in an agile way to innovate and try out new ways of working which deliver business efficiency, staff engagement and service improvement.

We will use robust data intelligently to make decisions which help us achieve our goals more effectively.

We have a keen focus on equality, diversity and inclusion, reflecting on the local communities we serve in. Our Equality, Diversity and Inclusion (EDI) strategy and its action plan are reviewed by the Board annually.

During 2022/23, we:

- Continued to train all staff on the new Origin Oath to our customers: 'We are on your side; we will keep you informed; we will follow it through'. It has been further embedded into the organisation through focused conversations across the business including at key staff and management meetings and it is now integrated into the quality assurance framework.
- Ensured recruitment remained a priority and we have strengthened our talent acquisition by looking at different ways to tell our story and by improving how we share our employee value proposition.
- Designed and introduced a new leadership framework to support performance, development and succession planning.
- Launched a programme to nurture those demonstrating high potential.

- Further embedded our modular leadership programme for managers.
- Training compliance reached over 90% in both statutory and mandatory training for all staff, and role specific health and safety training.
- Benchmarked pay and benefits against the sector to ensure we remain in line with the market.
- Developed and launched a new Wellbeing Strategy with five core commitments which will be used as a framework to ensure the health and wellbeing of our staff remains a priority.
- Measured engagement through the Best Companies pulse survey increasing our overall score. We are now placed in the top ten in Q1 2023 for 'Best Housing Association' to work for in the UK.
- Further progressed with Equality, Diversity and Inclusion (EDI) including an EDI audit, perception survey and setting up a working group to drive progress.
- Achieved improved staff retention – with staff turnover the lowest on record over the past five years (with the exception of the main year of the pandemic in 20/21). This latest result also compares favourably to the wider housing sector. Equally, there is a similar trend with sickness absence with average number of sickness days lost per FTE improving compared to previous years (except for 2020/21).
- Continued to embed the reward and recognition programme, which rewards staff and teams for excellent performance, with over 200 nominations received since its inception.

During 2023/24, we:

- Continue to deliver our Equality Diversity and Inclusion Strategy including establishing a disability and neurodiversity network and start expanding our collection of resident profile data.
- Continue to build employer brand, enhance targeting of recruitment for key roles, increase outreach work in the communities we serve and improve the recruitment process through the introduction of an applicant tracking system.
- Continue to invest in leadership quality including the introduction of a senior leadership development programme.
- Review qualification requirements expected via the new Social Housing Bill and ensure an appropriate plan is in place to meet the statutory standard.
- Ensure the HR information system is fit for purpose and meets the needs of the organisation.
- Review use of the main office and look to increase collaborative workspaces and multi-purpose facilities.
- Engage with key stakeholders to help shape a new People strategy for 2024-27.

5

commitments under our new Wellbeing Strategy

Strong Communities

Our community investment strategy provides for steady annual investment into supporting our residents and communities within which we operate, with measurable social benefits.

Resident Engagement

Our resident engagement and involvement strategy, known as the Together Strategy, was refreshed in 2022 and builds upon the work of the previous strategy to reinforce our commitment to ensure that the resident voice is heard, shapes service delivery and influences our priorities. We aim to ensure that we embrace the lived experiences of our residents and engage with a diverse range of voices.

The four main themes of the strategy are:

- Building a culture of respect and listening to resident views
- Stronger partnerships with residents
- Accountability and influence
- Connected communities

During 2022/23, we made the following progress:

- Engaged with 377 residents and had 870 responses to consultations and involvement opportunities including providing feedback on our new monthly customer newsletter, policies such as the Allocations & Lettings Policy, Repairs Policy and our self assessment against the consumer standards.
- Worked with our Resident Spotlight Committee and Scrutiny Group to review how Service Charge statement information is presented and communicated, as well as refreshing our approach to scrutiny.
- Delivered four 'Neighbourhood Explorer' sessions across London and Hertfordshire where we take listening to the doorstep with a focus on hearing and seeing local estate concerns and put plans in place to address issues raised.
- Held seven in person engagement events and activities including a summer and winter resident event and round the table discussions between residents and Origin staff to strengthen relationships and hear from residents directly about their lived experiences.
- Involved residents in the procurement of our new repairs contractor, they were involved in shaping the new service specification and evaluating tenders for the new repairs contract and have continued involvement in the mobilisation of the new contract.
- Refreshed the Terms of Reference for Spotlight and have recruited new members as we continue to strengthen our commitment to hearing from a diverse range of voices.
- Strengthened the relationship between Spotlight and the Board through a series of ongoing meetings to ensure that the resident voice is heard across the organisation.
- Introduced 'Neighbourhood Walkabouts' from September 2022 – where residents are invited to join their Neighbourhood Manager for an estate walkabout once per quarter helping us to be more visible and connected in the community.
- Strengthened our approach to 'Neighbourhood Action Plans' to ensure the resident voice better informs the priorities of each plan and for stronger involvement of residents through informal estate steering groups to track delivery of the plans.

Resident accountability/involvement

- Residents' views and implications for residents are embedded in our reporting to Board and our Committees so that the resident voice influences and shapes strategic decisions. Over 2022/23 we strengthened the links between Board, Customer Services Committee and our Resident Spotlight Committee with new feedback loops established. Spotlight also meet with the Chair of the Board twice a year to discuss priorities, concerns and to provide the resident perspective. Board members have opportunities to talk directly with residents and staff by joining in our Neighbourhood Explorer days, estate repair days and community events. Estate and scheme tours also help to bring the concerns of residents to life.
- We have one resident Board member who was appointed in the same way as all other members, is subject to the same tenure rules, receives the same remuneration, and is required to abide by the same codes of conduct including declaring any conflicts of interest. As a resident member of the Board in addition to their skills and knowledge, they bring a unique lived experience perspective to strategic decisions and decision making.
- Throughout 2022/23, we have been working closely with residents to enable them to have their say and influence the services we provide. This work will continue into 2023/24 in line with the actions set out in the Customer Experience and Together Strategies.

Community Investment

During 2022/23, we delivered a range of activities:

- 163 people attended activities and sessions.
- We Are Ageing Better activities had positive impact of the physical and mental wellbeing of older people in Camden.
- We delivered Christmas vouchers to over 90 families to ensure that families had food and gifts to enjoy over the Christmas period.
- We supported 16 applications through the community fund, with 10 of these being resident led projects to support improvement and cohesion in the local community.
- Our employment service supported 104 residents, with 65 being supported into work, education, training and voluntary work. 376 sessions were attended in total.
- Through our Financial Support officers, we have supported 51 residents and secured £29k for residents in back-dated benefits, Discretionary Housing Payment awards and other benefits.
- We supported 42 households through the Cost-of-Living fund, issuing £2,330 of supermarket vouchers and providing debt and benefit support.

In 2023/24, we will:

- Develop and launch the Resident Involvement Toolkit which will embed the key themes of the strategy across the organisation and ensure that residents are involved in how services are delivered to them locally.
- Get more residents involved in policy reviews and in the procurement of our new gas and compliance contractors.
- Carry out at least two scrutiny reviews on topics decided by residents.
- Review the performance information we have on our website so that residents can better understand how we are performing against the service commitments we make.
- Identify partner agencies to provide access to a range of community investment initiatives that reflect the needs and diversity of the communities we serve.

Financial performance highlights

The financial results for Origin are set out on pages 34 to 74. The following tables and supporting commentary highlight key features of our financial performance for the year to 31 March 2023.

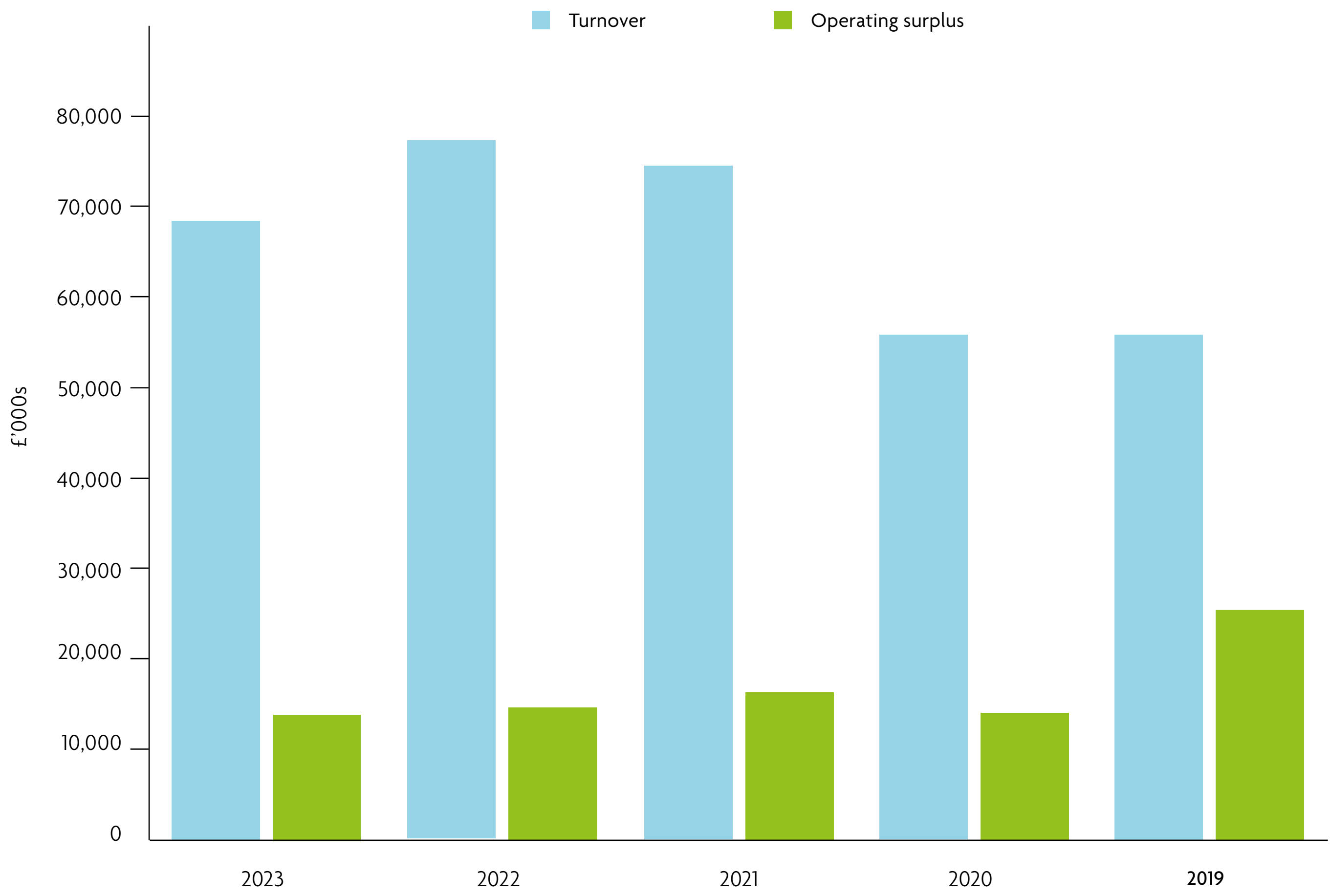


Table 1: Summary of the Group's Statement of Comprehensive Income	2023	2022	2021	2020	2019
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Turnover	68,410	76,332	72,848	55,922	56,114
Cost of sales	(5,383)	(16,718)	(17,407)	(3,173)	(3,536)
Operating expenditure	(51,869)	(51,714)	(41,256)	(39,850)	(36,923)
Gain on disposal of fixed assets	1,312	1,319	975	1,961	3,076
Movement in fair value of investment properties	394	(657)	-	-	-
Share of surplus from Joint Ventures	1,041	4,538	118	(803)	7,215
Operating surplus	**13,905**	**13,100**	**15,278**	**14,057**	**25,946**
Net interest payment	(15,242)	(11,141)	(12,162)	(12,874)	(13,678)
Exceptional cost – refinancing	-	(23,586)			
Taxation	(228)	330	(782)	-	-
Surplus for the year	**(1,565)**	**(21,297)**	**2,334**	**1,183**	**12,268**
Actuarial gains/(losses) on pension liability	(761)	1,237	(4,017)	4,725	(4,915)
Total comprehensive income for the year	**(2,326)**	**(20,060)**	**(1,683)**	**5,908**	**7,353**

Turnover at £68.4m (2022: £76.3m) is lower than the previous year which included £6.8m of outright sales and a larger shared ownership sales programme. Turnover from market sales and first tranche sales of £7.1m (2022: £19m) accounts for over 10% of total turnover. We operate in high-demand London boroughs, where both volume and price remain high. There are no market sales homes either under development or completed for sale in the financial year. In line with our Development strategy the income from first tranche shared ownership homes will reduce in the coming financial years as there are fewer of these homes in development.

Operating surplus at £13.9m (2022: £13.1m) was higher than last year largely due to the revaluation gain movement from the annual fair value of investment properties. The gain from disposal of fixed assets is generated from staircasing, with the transaction volume (14) similar to previous financial years.

Our investment properties portfolio has seen an increase in value of £0.4m, largely driven from our commercial unit portfolio. Together with our market rent units, our holding is now £68.7m at the end of March 2023 (2022: £67.8m). During the year, we converted four market rent units to affordable tenures.

Table 2: Summary of the Group's Statement of Financial Position	**2023**	**2022**	**2021**	**2020**	**2019**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Fixed assets	955,154	885,281	825,956	790,532	733,444
Investments	71,411	70,385	83,738	95,099	99,261
Net current assets / (liabilities)	(104,889)	(18,981)	27,944	(9,325)	12,502
Loans after more than one year	(413,951)	(424,080)	(395,684)	(335,765)	(329,479)
Grant and other provisions	(174,597)	(177,212)	(185,862)	(182,765)	(163,861)
Net assets	**333,129**	**335,393**	**356,092**	**357,776**	**351,867**
Capital and reserves	**333,129**	**336,393**	**356,092**	**357,775**	**351,867**

The Group's financial position is strong with a high asset base and liquidity. During 2022/23, the Group invested £74m (2022: £48.6m) in developing new properties and a stock acquisition transfer. We invested £7m (2022: £16.1m) in existing stock, including £3.2m (2022: £8.8m) for fire safety related expenditure.

At 31 March 2023, the Group had total loan facilities of £575m (2022: £553m), with £505m drawn (2022: £442m). Approximately 53% (2022: 73%) of the drawn balance is subject to fixed rate interest arrangements. This reflects the drawing down of variable facilities to support development and acquisition. Origin recognises the current uncertain economic climate and is reviewing its interest rate exposure. In June 2023 we secured an additional £40m facility with an existing lender. The undrawn debt facility of £70m coupled with cash held at year end of £5.9m and the additional £40m facility provides strong liquidity for the coming 12 months in meeting the Group's requirements.

The Group carries out regular reviews of cash flow risk as part of its risk management procedures. Since the pandemic, the frequency of reviews of liquidity and cash planning have increased. The key elements of cash flow risk are the availability of loan finance, development cash flow forecast and property sales receipts. The Board is confident that these risks are appropriately monitored and controlled. Treasury management for Origin is performed by an in-house treasury function whose primary responsibility is administration of liquidity and risk management, with the oversight provided by the Board. Origin uses the services of professional treasury (Chathams), legal and tax advisors to provide independent advice and support when required.

Surplus cash is invested with approved banks and counterparties with the priority on the preservation of capital rather than maximising returns.

Origin's loan covenants are based primarily on interest cover and gearing ratios. Golden rules are in place to provide additional headroom over covenant performance, which are reported monthly and at each Board meeting. Quarterly performance information is provided to our lenders and investors, and we hold regular meetings with bondholders and our credit rating agency, and provide covenant certification as part of the annual audit process.

Looking Forward

We expect 2023-24 to be an even more challenging year, anticipating more policy intervention, and preparations for the new consumer regulations. We continue to invest in improving data capability – focused on residents and homes, to support informed decision-making around investment into new and existing stock, whilst ramping up the efforts to support our residents and staff. We remain focused on investing in quality leadership to face these challenges whilst delivering new homes and improving quality of services.

Value for Money (VFM)

Introduction

We work hard to ensure the best use of resources in delivering our business goals. We have a robust focus across all of our activities to ensure maximum value is derived for the residents and communities we serve. Rising costs, access to skills, the cost of living crisis, stretched public services, the new building and fire safety regime and the drive to achieve zero carbon emissions remain our biggest challenges. Maintaining our focus on VFM is therefore all the more important.

Our strategy has been to build a framework by which we can assess and review the VFM implications of our collective strategic intent, from asset management through to resident engagement and across all areas of our operations; as well as providing an opportunity to examine long term strategic options and choices such as the balance of further investment in new homes versus existing services.

During 2022/23, we have:

- Continued to ensure VFM is considered as part of the budgeting process and financial plan
- VFM indicators in the monthly management accounts and reported to each Board meeting
- Continued with mitigation planning that takes into account VFM in order to prioritise resource allocation
- Continued investment in People, Technology, Customer Service and Asset (primarily building safety) Strategies.

Specific examples are:

Sales and Marketing

- We significantly reduced our Sales and Marketing cost of sales by using our Origin Sales CRM (Client Relationship Management), linked to our corporate CRM. This allowed the sales team to market all 41 new build shared ownership homes, 25 resales, and completion of 17 staircasing transactions, plus one Right to Acquire sale, using our digital marketing strategy via the CRM. This created savings of over 80% compared to previous years. We continued to maintain our 100% customer satisfaction rating from buyers who purchased a home through Origin Housing

Repairs Contract

- Residents were involved in shaping the new service specification and evaluating tenders for the new repairs contract - they are now also assisting with the mobilisation and will be involved in monitoring performance throughout the term of the contract. This is a new 10-year contract on an improved Price Per Property format. A stronger specification shaped on the areas that residents said matter most to them, more on site supervision of operatives and focus on quality will deliver better outcomes for residents.

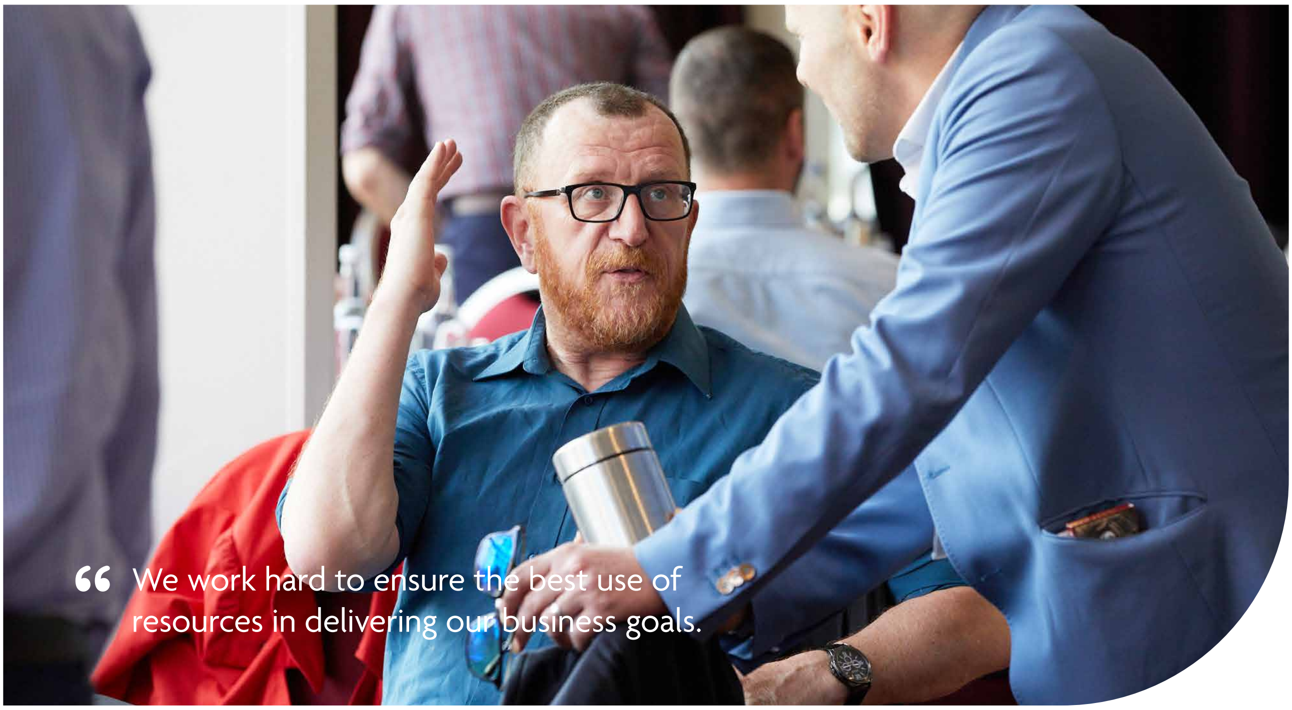
The new contract which goes live in June 2023 improves the customer journey with technological enhancements through moving the service onto a Microsoft Dynamics (MD) platform. Through this our contractor, Gilmartins will be able to interact better with residents when arranging works, with residents being able to communicate with Gilmartins, confirm and re-arrange appointments and by using an app on their mobile phone, they'll be able to see where the operative is ' in real time', in the lead up to the repair being carried out. With other IT improvements also planned as the contract matures, we will see further efficiencies in how we work as well are further improvements to the customer experience.

In 2023/24, we will:

- Further embed VFM & ESG principles into Origin's strategic decision-making process and operational business streams.
- Begin to report on a range of ESG KPIs through the Sustainability Reporting Standard for Social Housing (SRS) framework.
- Include benchmarking information where relevant in our reporting to ensure we continue to deliver value and understand the reasons where we are not.

Our VFM benefits have been delivered by a cohesive portfolio of complementary strategies, notably:

- **Customer Experience Strategy**. The vision is to deliver a consistent, pro-active, reliable and friendly service to customers which meet their expectations, responds to their priorities and concerns and builds a relationship of trust, transparency and openness. Much of our focus in 2022/23 has been on improving the way we manage and learn from complaints, whilst improving the quality of customer service across all teams so that there is less need to complain. In 2023/24, we will continue to enhance our digital offer and use feedback and insight to drive service improvements.
- **Asset Management Strategy**. The Asset Management Strategy focuses on ensuring we have good quality information on our housing stock that is then used to inform investment decisions and sets the framework for managing our homes effectively over the next 3-5 years. It will guide our future strategic property decisions to make sure we manage our properties sustainably and efficiently so that we can adapt to remain fit for the future and support frontline delivery.
- **Funding Strategy**. This approach ensures we access the financial markets at the best time and in the best way to secure the funds required for investment in new homes and making existing homes more energy efficient at the best price we can achieve.
- **Income Strategy**. The strategy strikes the balance between tenancy sustainment and collection, enhances our digital solutions to streamline processes, achieve better value from our income portfolio, maximise income from all sources and improve the service through active intervention and support for residents.
- **People Strategy**. The strategy focuses on engagement, wellbeing, diversity, learning, leadership and skills, ensuring that we recruit and retain, invest in, reward, support and motivate the people we need to achieve our business goals.
- **Technology Strategy**. Our technology strategy and change programme focuses on delivering improvement through technology to provide services that 'make people's lives easier'. It includes improving reporting capabilities and data insights, building on existing system functionality, developing skills, improving our capability to collaborate and communicate, further strengthening cyber security and improving processes.
- **Development Strategy**. Our strategy ensures that we deliver the maximum number of new affordable homes through making best use of our resources and working in partnership.
- We continue to deliver highly efficient homes to reduce utility costs to our residents with a focus on delivering 100% net zero carbon homes in our GLA 2021-26 new build programme.
- The new GLA programme prioritises delivery of social rented homes with higher levels of grant being made available to deliver truly affordable housing where it is needed most. The Connected Partnership secured a £34.66 million grant allocation.
- We continue to procure from our Connected Contractor and Consultant Framework to deliver value for money across our new build programme, with partners selected on their ability to deliver regulatory compliance.



- **Procurement Strategy**. Our procurement strategy, policies and procedures ensure we continue to achieve best value in the market and contractual arrangements that work well for our business, including benchmarking within the sector and we use Contractor and Consultant OJEU Framework agreements to deliver value for money across our programme.
- **Care and Support Strategy**. This strategy was refreshed with three key priorities. To explore options to support vulnerable and 'at risk' residents across the housing stock. To review and redesign our retirement offers and to review supported housing and shared housing long-term offer. A new Support Hub was launched which provides a single point of access to a range of support for those who are vulnerable or in crisis.
- **Resident Engagement Strategy**. Our 'Together' strategy ensures that we have a range of routes for residents to get involved, be heard and support service improvements. We will continue to embed this in the coming year and continue to involve our residents to ensure that residents can influence services, have their voices heard across the organisation and have increased choice and control over what happens in their neighbourhood and home.

Our approach to VFM is to enable robust decision-making and planning:

- The Board holds overall responsibility for delivering VFM, including setting the five-year business plan and the financial model, which supports it. It undertakes an annual Board strategic review, which includes consideration of VFM targets.
- The Investment Committee is responsible for decisions to invest in our existing and new homes.
- The Audit and Risk Committee's work includes reviewing internal audit reports on organisational performance.
- The Customer Service Committee is responsible for monitoring performance of services to customers, overseeing major service transformation and responding to stakeholder feedback.
- The Investment Appraisal Panel assesses investment options, takes decisions and makes recommendations to the Investment Committee.
- Our Business plan defines our key priorities and is refreshed regularly and approved by the Board annually.
- The Executive team reviews business performance, risks and delivery monthly.
- Senior management has overall responsibility for the day-to-day work driving value for money, including the management of procurement and the control and effective use of our assets.
- Change Board reviews the initiatives, risk and delivery of the portfolio programme monthly.
- We use the Regulator of Social Housing - RSH - (London data set), Housemark (London and South East benchmark peer group) and other benchmarking as appropriate to compare our costs, quality and performance to identify where we can improve VFM.

Our Performance

Table 3 below sets out a range of indices comparing Origin's performance against a number of sector ratings adopted by the Regulator of Social Housing and benchmarked against their London median.

Table 3. RSH Value for Money Metric

	23/24 Budget	**22/23 Actual**	RSH 2021/22 Sector Global Accounts By London Region Median	21/22 Actual
Reinvestment	4.5%	7.6%	5.3%	6.6%
New social housing supply delivered	3.2%	3.8%	1.0%	1.7%
New non- social housing supply delivered	-	0.09%	-	-
Gearing	48.5%	48.0%	43.1%	49.0%
EBITDA-MRI	55%	78.8%	92%	83%
Cost per unit	£7,431	£7,121	£6,760	£7,598
Operating margin (social housing lettings)	22.9%	10.6%	20.3%	9%
Operating margin	22.2%	17.83%	15%	15.4%
ROCE	2.2%	1.5%	2.2%	1.5%

Our key strategic priorities drive these results.
Under our asset management strategy and development strategy, reinvestment into existing and new stock compares very favourably with London median results. During 22/23, we accelerated the planned programme, including fire safety works for our existing stock. Our contribution to new affordable housing supply remains high and well above the median. We have the skills, resources and pipeline to continue to deliver new housing supply, but will flex output to take account of market conditions and ensure this growth continues to support our financial viability.

Our gearing is high compared to the benchmark in order to attain our target of 1,100 new affordable homes across our five-year programme in key London boroughs where land and development values are high, but at 54% remains well under covenant requirement. We report to the Board monthly on our gearing and interest cover ratio golden rules to ensure continued compliance. We envisage gearing will reduce during 2023/24, with 292 new homes to be completed.

EBITDA-MRI without fire and building safety remedial works carve out will remain low, as we continue to respond to the evolving legislation, six years on from the Grenfell tragedy. We have renegotiated all relevant loan covenants to ensure that such exceptional, one-off investment plans do not reduce our capacity in business-as-usual activities. We have planned for a 10-year remedial programme in the long-term financial plan based on the most prudent estimate, which was further stress tested to ensure adequate headroom and capacity at all times to deliver to the programme, alongside the development pipeline.

Our cost per unit has been rising due to economic pressures, but if fire safety costs are excluded we are close to the London median. In 23/24 we will continue to provide support services, invest in achieving high standards of safety and maintaining the quality of our residents' homes as well as investing in our people and technology.

Operating margin improved in 22/23 and is better than the benchmark. The margin reflects the impact on Origin and its residents of the current inflationary environment and also Origin's commitment to address challenges within the sector such as: fire safety spend, a tight labour market. Our core and overall operating margin improved in 22/23 with the overall result better than the benchmark.

Return on Capital Expenditure (ROCE) at 1.5% is lower than the London benchmark as 40% of our stock is located in Camden, central London, where social rent level is considerably lower as a proportion when compared to the asset value. We remain committed to developing more social housing in central London, with support from the GLA as a Strategic Partner, maintaining current performance.

Governance

We are committed to providing the best possible services to our residents while continually striving to achieve value for money. All surplus achieved through our core and non-core activities is reinvested back into our social purpose, and this provides great impetus to achieve the best value in everything we do. Our skilled Board members provide strong oversight and scrutiny of our performance to facilitate the delivery of our business plan with a comprehensive training and succession programme to retain high quality governance to enable the effective delivery to our ambitions.

Strong business health coupled with our rigorously stress tested financial plan, and Fitch "A" credit rating continues to demonstrate that we are financially viable in spite of the sustained economic uncertainty, with rising inflation, interest rates and the ongoing Russia-Ukraine war.

In addition to the RSH balance score card metrics reported above, a range of other Key Performance Indicators (KPIs) are monitored and reported to the management team and Board as part of monthly KPIs reporting, budget monitoring and long term financial plan process. Annual targets are set in the context of RSH and Housemark benchmarks where available. The KPIs reported below are customer and staff focused indicators showing performance against our strategic objectives.

Table 4. Other key measures

		23/24 Target	**22/23 Actual**	Housemark 2021/22 London Top Quartile	21/22 Actual
Services that make people's lives easier	% satisfaction that your landlord is easy to deal with	69%	60.3%	69%	67%
	% overall tenant satisfaction (Low cost rented accommodation)	68%	63.1%	73.72%	68%
Adding social value in all we do	% satisfaction that landlord makes a positive contribution to your neighbourhood	75%	64.7%	-	-
Homes that people are proud to live in	% satisfied with last repair	90%	89.9%	85%	90%
Communities that people are proud to be part of	number of new homes completed	164	117	-	122
Financial viability & efficiency	Current arrears - social rent	4.77%	5.30%	3.27%	5.16%
An engaged, productive, diverse workforce living the values everyday	Average no. of sickness in days	7.7	8.31	7.7	5.5

Our resident satisfaction is being impacted by the wider economic climate/cost of living pressures, media focus on social housing and campaigns on damp and mould. These factors will continue to influence views and the wider perceptions of our overall service in the coming year. Housemark, who we benchmark our data with across the social housing sector, have reported a worsening trend in satisfaction results over the last 12 months with rates typically falling between 8-10%.

When we compare our performance with other similar sized housing associations in London, the last overall satisfaction comparative we have is from December 2022. The average (median) satisfaction was 62.8% - our year-end performance is slightly better than this. Whilst we would have preferred to see improving satisfaction, our position against this context is stable and the day-to-day work that every team does across Origin shapes and influences what our residents think.

Origin commissions specialist independent consultants to test and review Origin's governance processes and effectiveness. This ensures the appropriateness and strengthening of governance at all levels.

Over the coming year, we will continue to focus on delivering the basics reliably by doing what we say we will, personalisation, demonstrating customer empathy and making it as easy as possible for our residents to work with us. These are the foundations within our values, the Origin Oath, Customer Experience Strategy and Together Strategy.

Arrears across all tenures remain high. With the current cost of living crisis, we do not envisage a rapid improvement in 2023/24. In Q1 2023 we will be introducing technology that uses transaction analysis to identify payment behaviours to distinguish between genuine, technical, managed, and unmanaged arrears. This will mean we have access to accurate caseloads and that the right tenants can be supported at the right time, consistently and equitably. Financial Inclusion work remains our focus. We increased our support package in 2022/23 by introducing a Hardship Fund to provide immediate and temporary support to residents through issuing supermarket vouchers. This will continue throughout 23/24. We remain people centric, will strike the balance between tenancy sustainment and proactive financial support offer. There were 1,678 tenants on Universal Credit as at the end of March 2023, a 20% increase from the previous year end, with further increases expected throughout 2023/24. In 2022/23 our Financial Support Team provided support to over 200 residents completing benefit assessments to help them maximise their income and sustain their tenancy.

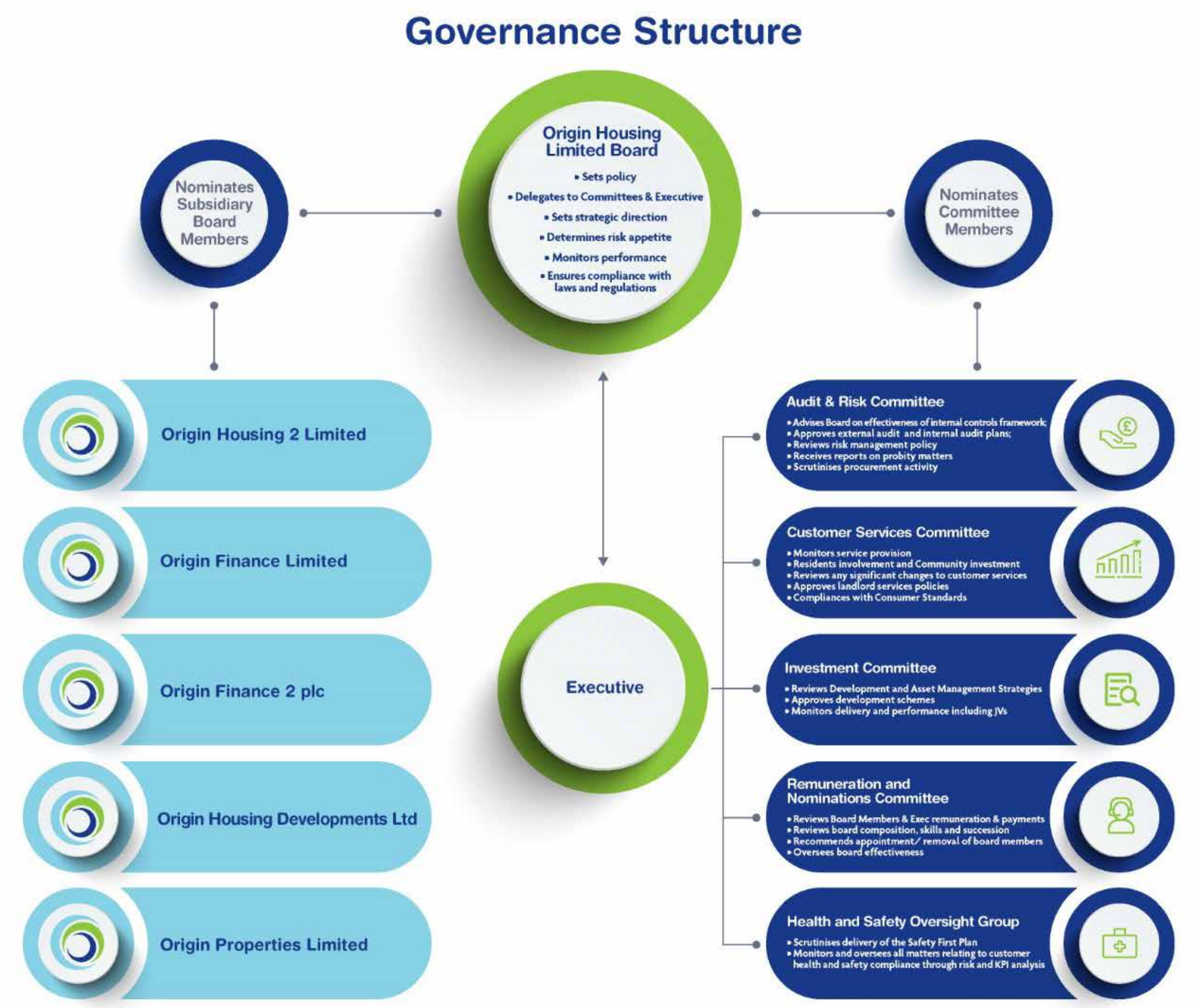
Average number of days lost to sickness remains above target at 8.31 days for 22/23. We continue to develop our employment offer, from tailored training programmes to new ways of working. Our well-being, diversity networks are employee-led. We have maintained our Best Company Ones to Watch status and continue to work on our offering to ensure we are an employer of choice. Sickness level, turnover and a set of comparable questions through the Best Company survey are the key performance indicators we monitor.

New homes completed at 117 was below target primarily as a result of the delayed completion of a large scheme which was scheduled to deliver 99 homes.

Group Structure

Origin Housing Limited is registered under the Cooperative and Community Benefit Societies Act 2014 and is a registered provider

The charitable objectives of the association and the protection of social housing assets are delivered through this structure.



Subsidiaries mirror the delegations of OHL to committees by adopting the Group Operating Regulations.
Board members of subsidiaries do not have to be members of the Origin Housing Limited board but at present that is the case.
Committees report back to OHL Board.
Temporary Working / Oversight Groups are set up by the OHL Board from time to time.

Origin has a number of subsidiaries, listed in the governance section of the report.

At 31 March 2023 a meeting with the Chairs of Committees was held to consider the degree to which the Health and Safety Oversight Group (HSOG) may have shifted the focus of responsibility for tenant safety away from the Board. It was agreed that the HSOG should remain in place as it provided additional capacity for scrutiny and risk management. This was particularly important given that FRA actions were a key area of focus. This decision would be kept under review.

We also maintain a time-limited Refinancing Committee to oversee Origin's strategy for sourcing new finance.

Board Membership

At 31 March 2023, the Board comprised eleven non-executive members and one executive member, the Chief Executive. All Board members have the same legal status and share responsibility equally for decisions taken. Board members are appointed through an open and transparent recruitment process based on the Board's considered view of the skills and attributes required to discharge its function effectively.

Each NED makes an annual fit and proper persons declaration and annual declaration of interest. Conflicts of interest are noted at the start of each board meeting and board members abstain from discussions or decision making where an actual or perceived conflict may exist. All colleagues are also required to make an annual declaration of interest.

There were no occasions during the financial year where the board considered that the chair or a NED's external commitments interfered with or impeded their ability to exercise their duties and responsibilities on behalf of Origin. Our Board members are recruited for their individual skills and experience and more information about each of our Board members' backgrounds can be found on our website. The principle of boardroom diversity is strongly supported by the Board and diversity is a key consideration in the recruitment process.

An open and competitive recruitment process was undertaken for one non-executive director during 2022/23. Diversity and inclusion continue to be an area of focus for the Board. The Board is committed to having a diverse and inclusive leadership team which provides a range of perspectives, insights and the challenge needed to support good decision making.

As at 31 March 2023:

- Origin had five female non-executive directors (45%)
- Non-executive board members from a minority ethnic group make up 30% of the Board
- Half of the committees of the Board are chaired by women.

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

Board and Committee Focus

The Board is responsible for the governance of Origin's affairs. Its role is to lead, direct, control, scrutinise and evaluate the organisation's work. During the year key issues considered by the Board included:

Leadership

- Making sure our Executive Team is working effectively

Strategy development and implementation

- Continued to deliver the 2021-2024 Corporate Strategy; On Your Side; Working Together
- Approved a refreshed Resident Engagement Strategy, called 'Together'
- Approved a new Data Quality and Insight Strategy, which addresses how Origin uses data to create actionable insights
- Reviewed the progress of our suite of strategies underpinning the delivery of the Corporate Plan, including the Technology Strategy, People Strategy, Procurement Strategy, Equality, Diversity, and Inclusion Strategy, Care and Support Strategy, Customer Experience and Digital Strategy, and Income Management Strategy.

Finance

- Approved the 30-year business plan, with stress testing, mitigation, financial golden rules and VFM metrics
- Approved the annual Treasury Strategy and Treasury Management Policy
- Approved the Investment Policy
- Approved and monitored delivery of the annual budget and impact on covenants.

Risk Management and Compliance

- Continued to monitor and manage risk including reviewing risk appetite
- Considered significant and emerging risks and sector risk profile
- Considered and approved the annual Health & Safety Policy.

Governance

- Appointed two news NEDs - Tony Bacon and John Rogers from 7 September 2022. At the end of the 2023 AGM, the tenure of Bryan Ingleby will come to an end after serving six years as a Noon-Executive Director. In accordance with the NHF's Code of Governance, it is proposed to re-appoint Bryan for a period of 1 year to the 2024 AGM.

The Board has delegated specific responsibilities to the five Board Committees. Each of these committees has clear terms of reference and delegated authority. The Committees report back to the Board after each meeting, where the recommendations are considered and approved where appropriate.

Committee	2022/23 Focus
Audit and Risk Committee	• Oversaw the work of the internal and external audit functions as well as the risk management framework and internal control framework for Origin • Reviewed the audited financial statements for Origin and recommended them to the boards for approval • Through the reports it receives, the committee gained assurance that Origin has appropriate systems of internal control and complies with the regulator's expectations in this area
Customer Services Committee	• Oversaw and assessed the impact of the delivery and implementation of the refreshed resident engagement strategy – the Together Strategy • Re-procured the responsive repair contract which allowed Origin and residents to re-shape the responsive repairs service • Undertook regular reviews of customer service KPIs and customer insight • Reviewed customer related service standards • Ensured compliance with the consumer standards by reviewing the Group's compliance statements and customer Annual Report; • Received reports from the resident scrutiny panel and monitored delivery of the recommendations • Reviewed and approved new and existing operational policies
Investment Committee	• Contributed to the objective of building new homes for those who need them by scrutinising investment opportunities that will provide new homes • Approved schemes for development in line with the Development Strategy and recommended schemes to the Board for approval where they were in excess of the Committee's delegated authority • Monitored the group's exposure to committed development project expenditure, liquidity and financial performance • Monitored the development and delivery of the asset management strategy
Remuneration and Nominations Committee	• Led the process of appointing a new non-executive member • Ensured that all new non-executive members undertook an appropriate induction programme to ensure that they are fully informed about strategic and commercial issues affecting the Association • Approved the outcomes of the staff pay, reward and benefits review • Considered reports on the SHPS defined benefit pension scheme liabilities, potential exit strategy and an alternative defined contributions scheme • Received regular updates on delivery of the People strategy
Health and Safety Oversight Group	• Scrutinised, monitored and oversaw all matters relating to staff and customer safety
Refinancing Committee	• Received regular reports on the progress and oversaw the delivery of the strategy • Reviewed and approved new funding facilities and / or extension to funding facilities

If any board members are unable to attend a meeting, they are encouraged to communicate their opinions and comments on the matters to be considered via the Chair or the relevant committee.

Resident accountability/involvement

Residents are actively encouraged to become involved in decision-making by Origin, which promotes mechanisms through which they can influence operations. At 31 March 2023, we had one resident Board member.

There are clear reporting arrangements between resident groups and the Board.

Throughout 2022/23, we have been working closely with residents to enable them to have their say and influence the services we provide.

Board Effectiveness

The Board recognises that it continually needs to monitor and improve its performance. This is achieved through annual performance evaluation, induction of new Board members and ongoing Board development activities.

The NHF Code of Governance 2020 sets the expectation of an external periodic review of the Board's effectiveness and a formal appraisal process to be carried out at least every three years. The 2022/23 review was externally assisted.

The overall findings of the evaluation were presented to the Remuneration and Nominations Committee. The Chair received feedback on individual Board Members, which was discussed with them in one-to-one meetings. Bryan Ingleby, as the Vice Chair, received a report on the evaluation of the Chair which he discussed with the Remuneration and Nominations Committee and, subsequently, with the Chair.

Induction, training and professional development

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

Modern Slavery Approach

The Board is committed to upholding the provisions of the Modern Slavery Act 2015. Origin published its annual statement in September 2023.

Code of Governance

In April 2021, Origin adopted the new National Housing Federation's Code of Governance 2020. As part of the code, Origin has adopted new policies and procedures around:

- Dealing with complaints against Board and Committee members
- Good Governance Principles

Following a detailed assessment against the provisions of the Code on 21 June 2023, the Board has confirmed its compliance.

Risk and Internal Controls

The Board has overall responsibility for establishing and monitoring the system of internal controls, reviewing its effectiveness and taking necessary action to remedy any significant failings or weaknesses identified in its review.

The Board recognises that the system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Appetite

We have risk appetite statements across nine key risk areas that establish our capacity for taking and absorbing risk, and provide guiding principles for decision-making. This is reviewed annually by Board and Audit and Risk Committee. The 9 risks are:

- Health and Safety
- Legal and regulatory Compliance
- Treasury and Liquidity
- Technology and Data
- Reputation
- Development/Commercial asset Management
- Landlord
- Mergers & Acquisitions
- People

Business Assurance Framework

Origin's systems are designed to provide the Board with assurance that problems are identified on a timely basis and dealt with appropriately, that assets are safeguarded against unauthorised use or disposition, that proper accounting records are maintained, and that the financial information used within the business or for publication is reliable.

Origin has a multi-tiered internal control framework which sets out how actions and decisions should be taken, and which ensures that compliance is effectively assessed. Our Governance Structure sets out the operating boundaries and defines the activities of the Board, committees, subsidiary organisations and the executive team. Our Scheme of Delegation sets out who has authority to do what at an operational level and those authorities are embedded in our key financial and management systems.
Origin has an embedded risk management structure which involves an ongoing process to identify, evaluate and manage operational and strategic risks faced by the Group. The process provides assurance to successive levels of management that risks and controls are being properly identified, and material risks can be escalated up to Board level for consideration as required.

Our Group Strategic Risk Register has continued to be developed and monitored on a rolling basis during the course of the year with input from the Executive Team, and was reviewed quarterly by the Audit and Risk Committee as well as being approved by the Board at particular intervals within the year. The Board's primary objective was that our current suite of Group Risks remains fit for purpose given the rapidly changing external environment and that risks are managed proactively and adequately. The quality, condition and safety of the homes we provide has remained a significant focus throughout the year. We continue to mitigate the risks to resident health, safety and wellbeing by ensuring sufficient investment is available to meet both evolving safety legislation and expected quality standards. Where challenges have been experienced, we have implemented a swift response and taken effective action to address issues, while taking appropriate steps to strengthen processes going forward.

The risks at the operational level were reviewed as part of the 2022/23 business planning process. Operational risks are presented in one register. The risks identified now provide a golden thread up to strategic risks that will strengthen risk management.

There are specific quantitative boundaries (relating mainly to development, financial and investment) and qualitative boundaries (relating to the degree of risk taking and innovation tolerated by the Board in relation to our key business objectives).

The Group uses enhanced risk scenarios to stress test the business to determine where financial, operational and reputational weaknesses might occur in extreme adverse operating conditions. The outcome from this testing enhances our internal processes in mitigating these risks.

Key risks and mitigation strategies

Key risks are determined by the board, and appetite and tolerances set. The risks and indicators are monitored on a quarterly basis by the board. Business risks are monitored for emerging threats and operational trends, with escalation through the Executive Team, Audit and Risk Committee and then to Board.

At the date of this report, the Board has identified the following key strategic risks to the delivery of Origin's plans:

Risk	Key Controls
Impact of economic and political change significantly affects operating environment and delivery of strategic objectives	• 30-year Financial Plan, including stress-testing and mitigation plan approved by the Board in June 2023, reflecting core assumptions update regarding inflation and interest rate • Budget and financial plan assumptions remain prudent • PESTLE analysis has informed the 2021/24 Corporate Plan • Monthly reforecast and mitigation plan update • Contract register in place and updated monthly • Supply chain resilience monitored • Understanding of tenants at risk, income recovery and financial inclusion team in place • Monthly horizon scanning by Exec and quarterly at Board
A breach of (non-H&S) legal and/or regulatory requirements adversely affects Origin	• Risk Registers • Independent review of Regulatory Returns • Quarterly update on complaints including ombudsman cases to the Customer Services Committee • Early adoption of Tenant Satisfaction Measures to provide benchmarks and prepare for the new consumer regulation regime • Review of all leaks, damp and mould cases completed and action plan in place • Safeguarding Panel and Annual Workplan • GDPR process, training and monitoring • Seek independent legal and professional advice where appropriate
Insufficient operational control of budget management limiting operational choices, and capacity to grow and invest if covenant breaches	• Business plan, Treasury Strategy and Treasury Management Policy, stress testing, golden rules and mitigations all in place, reviewed and approved annually by the Board • Sufficient unencumbered stock • Weekly cashflow monitoring and forecasting, monthly budgetary meeting with budget holder, quarterly forecast which are reported to the Board • Executive led one-off projects to determine and review deliverables during the year • Budgetary management is mandatory training for new managers • Implemented new power BI tools to aid live data analysis. Data insight function has been strengthened so to be able to pinpoint areas of exceptional operational demand. • Increased frequency of forecast and stress testing throughout the year
Failure to deliver VFM and ESG in delivery of strategic objectives	• VFM Strategy reviewed annually and position against indicators reviewed in Management Accounts and 2023/24 budget • KPIs • Benchmarking through VFM sector scorecard

Fail to deliver landlord services that are shaped by customer priorities and make their lives easier	• Customer Experience Strategy and Action Plan • Origin Oath • Established KPIs in place and monitored • Customer insight & complaints reported to the Executive Team and the Customer Services Committee • Refreshed Resident Engagement Strategy – approved by the Customer Services Committee in December 2022. • Corporate Plan 'On your Side – Working together' puts resident priorities at the heart of our ambitions • Roll out of Neighborhood Management Estate Action Plans • Keeping regulatory interventions under review
Inadequate data governance, including its integrity and how it is managed adversely affects strategic decision making	• Assets and Liabilities register maintained and updated • Data Governance Framework agreed • Data Governance Strategy in place and annual update to the Audit and Risk Committee • New asset data hierarchy agreed and implementation underway. • New Data and Digital Strategy approved by the Board in December 2022
IT security breach adversely impacts the organisation	• Cyber essentials accreditation • Security Posture implemented and monitored • Multi factor authentication and penetration testing • DaaS and BaaS in place, which enables automatic recovery services • Business applications hosted in data centres with full geographical redundancy and replication of data design • Dedicated Security Engineer in post • Laptop, phone, server upgrade programme refreshed frequently to facilitate secure access to application and data • Hardware retrieval procedure for leavers strengthened
Sales income from new homes and rental income is less than planned or is delayed	• Financial modelling • Golden Rules • Reduced sales exposure, no committed market sales units as at June 2023 • Prudent assumptions in budget and financial plan • Reported monthly as part of the management accounts, with any variances explained • 30-Year Financial Plan includes stress-testing on reduced sales income to determine impact
Failure to comply with health and safety law and regulations resulting in serious incident involving death or injury leading to criminal and/or civil proceedings	• Health and safety policies and system in place, supported by strong assurance system (PETA, Regular data reconciliations and internal audits on business-critical controls) • Compliance checks in place. Focus on data quality. KPIs and Board (HSOG) oversight • Building a Safer Future project on track. Overall preparations for BSF requirements remain ahead of sector peers • Prioritisation of Fire Risk Assessments. Close monitoring of the delivery of the programme by Exec and reporting to HSOG • Monthly Executive led fire safety meetings • Executive Team oversight of the fire safety programme and spend • Close budgetary management to ensure maximum resource available for health and safety whilst maintaining financial golden rules. • Additional Assurance provided by third party technical contractors on top 6 compliance areas

Fail to recruit and retain the skills required and to achieve an engaged, motivated productive workforce living the values every day	• People Strategy with regular reporting to Board • Performance management tool (weekly 10) • Pay and benefits review completed in 2023 • Reward and Recognition policy developed and implemented • Internal moves and promotions being monitored • Wellbeing Strategy and team • Regular Executive level meetings with staff council
Origin's assets are not managed effectively to support the organisations financial viability and meet our ambition of homes that people are proud to live in	• Asset Management Strategy • Assets and Liabilities register in place and reviewed annually • Asset matrix identifies poor performing assets • Implementation of the 5 tier asset data hierarchy completed • 2023/24 budget and Financial Plan seeks to balance asset management requirements vs fire safety • Prioritised available resources to the highest risk stock investment work. • Plan to divert additional resources to stock investment if not required for fire safety

Emerging risks

In addition to the principal risks monitored by the board, the business monitor operational risks which are reported through the governance channels to highlight new and growing threats.

At their April 2022 meeting, the Audit and Risk Committee recommended that the Executive should discuss the economic risks in more detail, including the broad-based ongoing impact of Brexit and the emerging cost of living crisis. In keeping with Origin's risk management strategy and reflecting upon the linkages between key risks managed by the organisation, the Executive reviewed all risks in the context of high and rising inflation, rising interest rates, slower economic growth and a tight labour market as well as the volatile political context which existed in the second half of the year, and in particular considered the associated potential impacts on financial viability, capacity to ensure regulatory compliance and service delivery. Having reviewed the position, the Executive concluded that controls and mitigating actions underway are ensuring that the risks are effectively managed.

Risk and Internal Controls

Internal controls performance and effectiveness

Origin's internal auditor (Beever and Struthers) assessed the effectiveness of internal controls in mitigating Origin's exposure to risk.

Their reports assess and rate the design and operating effectiveness of management systems and controls. The ratings for operating effectiveness are consistently 'reasonable' or 'substantial'.

Taking account of the issues identified, the Board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective. This is the independent opinion provided by Beever and Struthers.

The internal control framework is designed to identify, evaluate and manage significant risks to Origin. The Board has received the Chief Executive's annual report on internal control assurance, reviewed the main policies designed to provide effective internal control, reviewed the fraud register which indicates whether the Regulator of Social Housing has been notified of any frauds identified, and reflected the information contained within it in its review.

The Board confirms that during the year there were no identified weaknesses in internal controls which resulted in material losses, contingencies or uncertainties that require disclosure in the financial statements or in the report of the auditor.

Fraud and Anti-Corruption

Origin is committed to maintaining the highest possible ethical standards in all of its business activities.

An Anti-Fraud Policy is in place covering the prevention, detection, investigation and reporting of fraud and any remedial action to prevent a recurrence. Awareness of risks around corporate and customer fraud is promoted through this policy and procedural framework, All cases of fraud and attempted fraud are reported to the Executive Team and to the Audit and Risk Committee.

The fraud register is reviewed by the Executive Team and the Audit and Risk Committee. During 2022/23, there was a small amount of tenancy fraud reported but no non-tenancy fraud. This was included on the 2022/23 annual fraud return to the Regulator of Social Housing.

Origin's internal auditors provided an advisory report on fraud controls. The report concluded that Origin has appropriate controls in place around the management of risks relating to fraud.

Origin's Anti-Bribery Policy makes clear that we have zero tolerance of any form of bribery. The Policy sets out Origin's rules and expectations regarding the acceptance of gifts and hospitality.

Origin operates a Whistleblowing Policy that enables employees and others to express any serious concerns regarding suspected misconduct or malpractice going on within the organisation.

Origin is aware of its responsibilities with regard to detecting and reporting money laundering and that the Audit and Risk Committee is provided with regular assurance in these areas.

Regulation and Compliance

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

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

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

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

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

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

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Compliance with the Governance and Financial Viability Standard
The Board is required to formally certify compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and supporting Code of Practice on an annual basis.

A detailed, evidence-based assessment against each element of the Standard and Code was carried out in preparation for making a statement of compliance to the Board. The Board approved the statement and formally certified its compliance with the Standard and Code at its meeting on 21 June 2023.

Going Concern
After making enquiries, the Board has a reasonable expectation that the overall group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed.

In particular, the Board has considered the material risks arising from the need to undertake material cladding replacement and other fire safety related works in an evolving regulatory environment, the impact of these operational risks and how they can be mitigated. Origin tailored stress testing and mitigating actions to address these risks. Scenarios that brought in multiple challenges to cash flows and covenants were considered. The Group is able to withstand these stresses whilst remaining fully compliant with its loan covenants

For this reason, it continues to adopt the going concern basis in the financial statements.

Independent Auditor and Annual General Meeting

The Annual General Meeting will be held on 6 September 2023. A resolution to reappoint KPMG LLP as auditors will be put to shareholders at the AGM.

At the date of this report, each Board member confirms the following:

- So far as each Board member is aware, there is no relevant information needed by Origin's auditors in connection with preparing their report of which Origin's auditors are unaware.
- Each Board member has taken all the steps that they ought to have taken as a Board member in order to make themselves aware of any relevant information needed by the auditors in connection with preparing their report and to establish that the auditors are aware of that information.

In preparing the strategic report, the Board has followed the principles set out in the Statement of Recommended Practice for Registered Social Housing Providers (SORP: 2018).

By order of the Board

Neil McCall

Chair

Independent auditor's report to Origin Housing Limited

Opinion

We have audited the financial statements of Origin Housing Limited ("the Association") for the year ended 31 March 2023 which comprise the Group and Association's Statement of Comprehensive Income, the Group and Association's Statement of Financial Position, the Group Cash Flow Statement, the Group and Association's Statement of Changes in Reserves, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of the Group and Association's affairs as at 31 March 2023 and of the income and expenditure of the Group and Association for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements which indicates that the group's and association's ability to continue as a going concern is dependent on the successful completion of a current refinancing exercise by November 2023. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that if not met have the potential to cast significant doubt on the group's and the association's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Going concern basis of preparation

The directors have prepared the financial statements on the going concern basis. As stated above, they have concluded that a material uncertainty related to going concern exists.

Our conclusion based on our financial statements audit work: we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

Our risk assessment procedures included:

- enquiring of the Board, the Audit and Risk committee and
- internal audit as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board and Audit and Risk committee meeting minutes; and
- using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of control in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the non- complex nature of material revenue streams and the limited opportunity for management to manipulate revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations and other unusual journal characteristics; assessing significant accounting estimates for bias.

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

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

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

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

Firstly the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related co-operative & community benefit society legislation) and taxation legislation, pensions legislation and specific disclosures required by housing legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the 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: health and safety and data protection laws, recognising the regulated nature of the Group's activities.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non- detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations.

Other information

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Board's responsibilities

As explained more fully in their statement set out on page 30 the Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group and Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

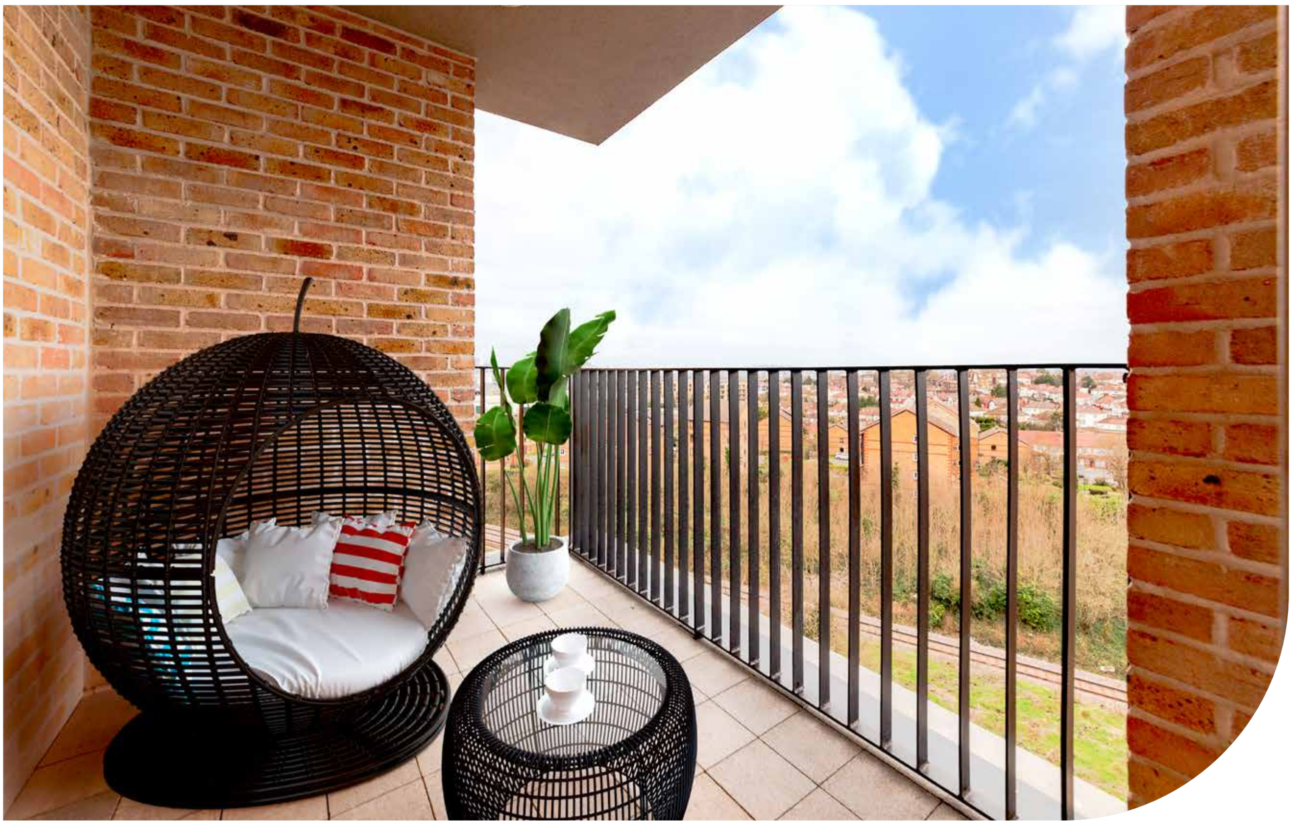
Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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

Jessica Hargreaves (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor Chartered Accountants
15 Canada Square, London, E14 5GL
29 September 2023



Financial Statements

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Turnover	**2**	**68,410**	**76,332**
Cost of sales	2	(5,383)	(16,718)
Operating expenditure	2	(51,869)	(51,714)
Gain on disposal of tangible fixed assets	5	1,312	1,319
Movement in fair value of investment properties	12	394	(657)
Share of surplus from Joint Ventures	14	1,041	4,538
Operating surplus	**2**	**13,905**	**13,100**
Interest receivable	6	97	17
Interest payable & similar charges	7	(15,339)	(11,158)
Loan breakage costs		-	(23,586)
Deficit on ordinary activities before taxation		**(1,337)**	**(21,627)**
Tax credit / (charge)	10	(228)	330
Deficit on ordinary activities after taxation		**(1,565)**	**(21,297)**
Actuarial gains/(losses) on pension liability	22	(761)	1,237
Total comprehensive loss for the year		**(2,326)**	**(20,060)**

The notes on pages 41 to 74 form part of these financial statements

Association Statement of Comprehensive Income

for the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Turnover	**2**	**63,827**	**65,022**
Cost of sales	2	(5,383)	(10,664)
Operating expenditure	2	(50,478)	(49,751)
Gain on disposal of housing properties	5	1,312	1,277
Movement in fair value of investment properties	12	(741)	(534)
Gift aid received	–	407	4,064
Dividend income		84	-
Operating surplus	**2**	**9,028**	**9,414**
Interest receivable	6	102	17
Interest payable and similar charges	7	(13,502)	(9,394)
Loan breakage costs	–	-	(23,202)
Deficit on ordinary activities before taxation		**(4,372)**	**(23,165)**
Tax credit / (charge)	10	–	–
Deficit on ordinary activities after taxation	–	(4,372)	(23,165)
Actuarial gains/(losses) on pension liability	22	(761)	1,237
Total comprehensive loss for the year		**(5,133)**	**(21,928)**

The notes on pages 41 to 74 form part of these financial statements

Consolidated Statement of Financial Position

For the year ended 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
Fixed Assets			
Tangible fixed assets - Housing properties	11	946,784	876,863
Tangible fixed assets - Other	13	8,370	8,418
		955,154	**885,281**
Commercial properties	12	46,234	43,915
Market rent properties	12	22,464	23,875
Investment in sector lending vehicle		30	30
Investment in Joint Ventures/subsidiaries	14	175	-
Homebuy loans		2,508	2,565
Current assets			
Properties held for sale	15	6,420	11,045
Debtors	16	10,675	7,184
Cash at bank and in hand	28	5,873	12,546
		22,968	**30,775**
Creditors: amounts falling due within one year	17	(127,856)	(49,756)
Net current liabilities		**(104,888)**	**(18,981)**
Creditors: amounts falling due after one year	18	(588,548)	(601,292)
Net assets		**333,129**	**335,393**
Capital and reserves		-	-
Share capital	23	–	–
Revaluation reserve		111,633	111,633
Revenue reserve		221,496	223,760
		333,129	**335,393**

The notes on pages 41 to 74 form part of these financial statements

Company Registration Number: 31985R

The Financial Statements were approved and authorised for issue by the Board of Directors on 27th September 2023 and signed on its behalf by:

Chair

Board member

Secretary

Association Statement of Financial Position

For the year ended 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
Fixed Assets			
Tangible fixed assets - Housing properties	11	880,184	809,773
Tangible fixed assets - Other	12	8,370	8,418
Investment properties	13	56,796	58,139
Investment in companies	14	338	80
Homebuy loans		2,508	2,565
		948,196	**878,975**
Current assets			
Properties held for sale	15	8,383	9,946
Debtors	16	8,579	8,669
Cash at bank and in hand	28	4,976	10,953
Creditors: amounts falling due within one year	17	**(132,386)**	**(60,896)**
Net current liabilities		**(110,448)**	**(31,328)**
Total assets less current liabilities		837,748	847,648
Creditors: amounts falling due after one year	18	(553,095)	(557,877)
Net assets		**284,653**	**289,770**
Capital and reserves			
Share capital		-	-
Revaluation reserve		78,676	78,676
Revenue reserve		205,977	211,094
		284,653	**289,770**

The notes on pages 41 to 74 form part of these financial statements

Company Registration Number: 31985R

The Financial Statements were approved and authorised for issue by the Board of Directors on 27th September 2023 and signed on its behalf by:

C Carter
Director

Consolidated Cash Flow Statement

for the year ended 31 March 2023

	2023	2022
	£'000	£'000
Cashflow from operating activities		
Operating surplus for the year	13,905	13,100
Depreciation	9,715	8,546
Impairment	336	
Amortisation	(1,876)	(1,936)
Share of surplus from joint ventures	(1,041)	(4,538)
Gain on disposal of tangible fixed assets	(1,312)	(1,319)
Fair value adjustment for investment properties	(394)	657
Decrease/(increase) in current assets properties for sale	4,625	10,487
(Increase)/Decrease in trade and other debtors	(3,490)	(407)
(Decrease)/increase in trade and other creditors	5,572	3,498
Decrease in provisions	(952)	(889)
Net cash generated from operating activities	**25,088**	**27,199**
Cash flow from investing activities		
Proceeds from sale of housing properties	3,022	3,078
Payments to acquire and develop housing properties	(78,497)	(55,564)
Payments to acquire other fixed assets	(1,565)	(1,187)
Payments to acquire and develop investment properties	(712)	(641)
Capital grants received	(209)	4,648
Net cash (outflow) from investing activities	**(77,961)**	**(49,664)**
Cash flow from financing activities		
Interest received	82	18
Interest paid	(16,492)	(12,878)
Other financing cash flows	-	(23,202)
Loans received	81,000	179,500
Loans repaid	(18,538)	(134,572)
Distributions from Joint Ventures	150	7,750
Net cash inflow from financing activities	**46,202**	**16,616**
(Decrease) in cash	(6,671)	(5,849)
Cash and cash equivalents at the beginning of the year	12,544	18,395
Cash and cash equivalents at the end of the year	**5,873**	**12,546**

Consolidated Statement of Changes in Reserves

for the year ended 31 March 2023	Revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
At 1 April 2022	111,633	223,760	335,393
Surplus/(Deficit) for the financial year	–	(1,565)	(1,565)
Actuarial gains / (losses) on pension liability	–	(761)	(761)
Other movements	-	62	62
At 31 March 2023	**111,633**	**221,496**	**331,129**

For the year ended 31 March 2022	Revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
At 1 April 2021	111,567	243,886	355,453
Surplus/(Deficit) for the financial year	–	(21,297)	(21,297)
Actuarial gains / (losses) on pension liability	–	1,237	1,237
Transfer from revaluation reserve to revenue reserve	66	(66)	-
Balance at 31 March 2022	**111,633**	**223,760**	**335,393**

Association Statement of Changes in Reserves

for the year ended 31 March 2023

	Revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
At 1 April 2022	78,676	211,094	289,770
Surplus/(Deficit) for the financial year	–	(4,372)	(4,372)
Actuarial gains / (losses) on pension liability	–	(761)	(761)
Other movements	–	16	16
At 31 March 2023	**78,676**	**205,977**	**284,653**

For the year ended 31 March 2022	Revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
At 1 April 2021	78,581	233,117	311,698
Surplus/(Deficit) for the financial year	–	(23,165)	(23,165)
Actuarial gains / (losses) on pension liability	–	1,237	1,237
Transfer from revaluation reserve to revenue reserve	95	(95)	–
At 31 March 2022	**78,676**	**211,094**	**289,770**

Notes to the Financial Statements

1. Accounting policies

Legal status
Origin Housing Limited is incorporated as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014, No. 10008R.

Basis of accounting
The financial statements of the Group and the Association have been prepared in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice - UK GAAP), which for Origin Housing Limited includes Cooperative and Community Benefit Societies Act 2014 (and related Group accounts regulations) includes: FRS 102 "The Financial Reporting Standards applicable in the UK and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by Registered Social Housing Providers" 2014 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Association has elected to adopt the amendments to FRS 102 published by the Financial Reporting Council in December 2017.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

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

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

Going concern
The Board, after reviewing the group and association budgets for 2023/24 and the Group's medium term financial position as detailed in the 30-year business plan, including the current fast rising inflation and interest rate environment, is of the opinion that, taking account of severe but plausible downsides, the Group and Association have adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In order to reach this conclusion, the Board has considered the following factors:

- Higher inflation – rent increases for social housing properties are regulated by the Rent Standard 2020 and are linked to relevant CPI & RPI. Without government intervention, the rent increase from April 2023 could be over 10%. A number of rent increase rate options and a capped rent increase scenario were prepared;
- The property market – budget and business plan scenarios have taken account of delays in handovers, lower numbers of property sales, reductions in sales values;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- Rent and service charge receivable – arrears and bad debt provisions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios to take account of potential future reductions in rents;
- Liquidity – current available cash and unutilised loan facilities of £124m which gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period;
- The group's ability to withstand other adverse scenarios such as higher interest rates and increases in the number of void properties.

The Board believe the Group and Association have sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios. Consequently, the Directors are confident that the Group and Association will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Turnover and revenue

Turnover comprises rental income receivable in the year, income from sales of first tranche shared ownership sales and outright sales (whenever applicable), other services included at the invoiced value (excluding Value Added Tax) of goods and services supplied in the year and 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, income from first tranche sales and sales of properties built for sale are recognised at the point of legal completion of sale.

Current and deferred taxation

The tax expense for the period comprises of current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of UK tax rates and laws that have been enacted by the reporting date.

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

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

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

Value added tax

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

Interest payable

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development if it represents either:
a) interest on borrowings specifically financing the development programme after deduction of interest on Social Housing Grant received in advance; or

b) interest on borrowings of the Group as a whole after deduction of interest on Social Housing Grant received in advance to the extent that they can be deemed to be financing the development programme.
Other interest payable is charged to the statement of comprehensive income in the year.

Joint Ventures

Joint ventures are contractual arrangements where two or more parties enter into an economic activity that they jointly control. The Group's interest in joint ventures is accounted for using the equity method of accounting. The investments are initially recognised at cost, with share of surplus received credited to revenue in the period they are received.

Derivatives
The Group uses interest rate swaps to reduce its exposure to future increases in the interest rates on floating rate loans. The notional principal is not reflected in the Group's balance sheet. Payments made under swaps are accrued over the payment period on a straight-line basis and adjusted against interest payable on the loans.

Pensions
The Group operates defined benefit and defined contribution pension schemes.

Defined benefit pension scheme
The Group contributes to the Social Housing Pension Scheme (SHPS) a defined benefit final salary pension for staff that were in post before 1 April 2007, and to a career average earnings scheme for other new staff who were in post and elected to join the scheme by 30 September 2010. From these dates the schemes were closed to new members.

SHPS is a multi-employer scheme which provides benefits to non- associated employers. The scheme is classified as a defined benefit scheme with separately identifiable assets and liabilities, and is accounted for adopting a full FRS 102 valuation at 31 March 2023.

Defined contribution pension scheme
Staff who were not members of either scheme at 30 September 2010 could elect to join a defined contribution scheme to which the Group contributes. From 1 February 2014, all qualifying staff not already a member of the defined contribution scheme, and new starters are automatically enrolled into the scheme as set out by legislation. The costs arising on the Group's defined contribution schemes are recognised in the statement of comprehensive income in the year in which they become payable. The Group has no legal or constructive obligation to pay further contributions in the event that these plans do not hold sufficient assets to provide retirement benefits.

Contributions to the Group's pension schemes in respect of pension entitlements earned in the current year for the defined benefits scheme and all contributions to the defined contributions scheme are charged to the statement of comprehensive income in the year in which they become payable.

Employee benefits
A liability is recognised for all employee benefits to which employees have become entitled as a result of their service during the reporting period. This includes any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods, measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Housing properties
Housing properties are principally properties rented to provide social housing and are not held to earn commercial rentals or for capital appreciation.

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

The cost of housing properties includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Major components of properties are treated as separate assets and components additions are described as works to existing properties.

Mixed developments are held within properties, plant and equipment (PPE) and accounted for at cost less depreciation. Commercial elements of mixed developments are held as investment properties.

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

The sale of housing properties is part of the normal operating activities of the business and consequently the profits and losses on these transactions are included in the operating surplus of the Association and Group.

Shared ownership and staircasing
Under shared ownership arrangements, the Group disposes of a long lease of shared ownership housing units to persons who occupy them, at a premium equal to between 25% and 75% of the open market value (the 'first tranche'). The occupier has the right to purchase further proportions at the current valuation at that time up to 100% ('staircasing'). A shared ownership property comprises two assets: that to be disposed of in the first tranche sale, which is recorded as a current asset; and that retained by Group, which is recorded as a fixed asset in the same manner as for general needs housing properties.

Proceeds of sale of first tranches are accounted for as turnover in the income and expenditure account, with the apportioned cost being shown within operating results as the cost of sale. Subsequent tranches sold ('staircasing sales') are disclosed in the income and expenditure account as a surplus or deficit on sale of fixed assets. Such staircasing sales may result in capital grant being deferred or abated and this is credited in the sales account arriving at the surplus or deficit.

Properties under rent to homebuy arrangements (where the occupier has the right to purchase within 5 years) are also disclosed under shared ownership, with 100% recorded as a fixed asset.

Depreciation of housing properties

Freehold land is not depreciated. Buildings are depreciated over their estimated useful economic life of 100 years. Major components of buildings are treated as separable assets and depreciated over their estimated useful economic lives at the following rates:

Roof, doors and windows	40 years
Kitchens and bathrooms	25 years
Boilers and heating equipment, electrical, lifts	20 years

Properties held on leases are amortised over the shorter of life of the lease or their estimated useful economic lives.

Depreciation of other tangible fixed assets

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

Computers and office equipment	4-10 years
Office buildings	40 years
Computer software	4-10 years

Impairment

Housing properties are assessed for indicators of impairment at each balances sheet date. Where indicators are identified, then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which the impairment is indicated to their recoverable amounts.

The impairment loss must be charge to the Statement of Comprehensive Income as expenditure and disclosed as a separate line in operating expenditure where it is considered to be material.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Leased assets

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Investment properties

Investment properties are held to earn commercial rent and/ or for capital appreciation. Such properties include properties held for residential market rent and commercial properties. Investment properties are measured at cost on initial recognition and subsequently at fair value at the balance sheet date, with changes in fair value recognised in the income and expenditure.

Fair value is determined annually by appropriately qualified external valuers and is derived from current market rents and investment property yields for comparable properties, adjusted if necessary for any differences in the nature, location or condition of the specific asset.

Commercial properties are stated at market value. The rolling valuation method has been adopted for valuations. Market value is defined as the estimated amount for which the property should exchange on the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted 'knowledgeably, prudently and without compulsion'.

The sale of investment properties are part of the normal operating activities of the business and consequently the profits and losses on these transactions are included in the operating surplus of the Association and Group.

Social Housing Grant

Social Housing Grant ('SHG') is receivable from Homes England, formerly known as Homes and Communities Agency ('HCA'), and the Greater London Authority ('GLA').

Grants received in relation to assets that are presented at deemed cost at the date of transition have been accounted for using the performance model as required by Housing SORP 2014. In applying this model, such grant has been presented as if it were originally recognised as income within the Statement of Comprehensive Income in the year it was receivable and is therefore included within reserves.

Grant received since the transition date in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life (UEL) of the housing property structure has been selected (average UEL has been estimated as 88 years, which also took into account the components in coming up with this figure as permitted by the SORP).

Where social housing grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the income and expenditure account.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

Recycled Capital Grant Fund

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

Homebuy loans and grants

Under these arrangements the Association receives Social Housing Grant representing a maximum of 30% of the open market purchase price of a property in order to advance interest free loans of the same amount to a homebuyer.

The buyer meets the balance of the purchase price from a combination of personal mortgage and savings.

Grants received by the Group under these arrangements are recognised as a liability in full until the loan is redeemed and the grant is transferred to the recycled capital grant fund.

In the event that the property is sold on, the Group recovers the equivalent loaned percentage value of the property at the time of the sale. The grant becomes recyclable when the loans are repaid up to the amount of the original grant and to the extent the proceeds permit. The Group is able to retain any surplus proceeds less sale costs attributable to the equivalent loan percentage share of the value of the property. If there is a fall in the value of the property the shortfall of the proceeds is offset against the recycled grant. There are no circumstances in which the Group will suffer any capital loss.

Other grant

Other grants are receivable from local authorities and other organisations. Such grants are recognised using the performance model in accordance with Section 34 of FRS 102.

- where the grant does not impose specific future performance- related conditions, it is recognised as revenue when the grant proceeds are received or receivable.
- Where the grant does impose specific future performance- related conditions. It is recognised only when the performance- related condition are met.
- Where the grant is received before the revenue recognition criteria are satisfied, it is recognised as a liability.

Properties for sale

Properties for outright sale and shared ownership first tranche developments are valued at the lower of cost and net realisable value, regardless of whether they are completed or still under construction. Cost comprises materials, direct labour, direct development overheads and attributable interest on borrowings. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Current asset investments

Current asset investments are readily disposable liquid resources stated at market value. 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.

Reserves

The Group establishes restricted reserves for specific purposes where their use is subject to external restrictions and designated reserves where reserves are earmarked for a particular purpose.

Revaluation reserve

The difference between the EUV of housing properties and the historical cost carrying value is credited to the revaluation reserve.

Deferred financing costs

Costs of financing are capitalised and amortised over the life of the loan.

Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

All loans, investments and short term deposits held, are classified as basic financial instruments in accordance with FRS 102. As such these are recorded at historical cost.

Financial liabilities and equity

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

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- the anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, the association then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the association's best estimate of sales value based on economic conditions within the area of development.
- the appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership between current and fixed assets.
- the categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.
- what constitutes a cash generating unit when indicators of impairment require there to be an impairment review.
- the discount, inflation, salary growth and mortality rates for obligations under the defined benefit pension scheme.

Other key sources of estimation and uncertainty

- Tangible fixed assets (see note 11 and 12)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as wear and tear, decay, and casualty (e.g., fire, flood) are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

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

	Group			
	Turnover 2023	Cost of sales 2023	Operating costs 2023	Operating surplus 2023
	£'000	£'000	£'000	£'000
Social housing lettings	**52,411**	**–**	**(46,857)**	**5,554**
Other social housing activities				
Shared ownership first tranche sales	7,067	(5,383)	-	1,684
Community development	88	-	(292)	(204)
Charges for support services	3,858	-	(2,640)	1,218
	11,013	**(5,383)**	**(2,932)**	**2,698**
Non-social housing activities				
Investment property lettings	3,599	-	(774)	2,825
Leasehold	1,070	-	(809)	261
Home improvement agency	317	-	(497)	(180)
	4,986	**-**	**(2,080)**	**2,906**
Gain on disposal of housing properties	-	-	-	1,312
Movement in fair value of investment properties	-	-	-	394
Share of surplus from Joint Ventures	-	-	-	1,041
Operating surplus	**68,410**	**(5,383)**	**(51,869)**	**13,905**

	Group			
	Turnover 2022	Cost of sales 2022	Operating costs 2022	Operating surplus 2022
	£'000	£'000	£'000	£'000
Social housing lettings	**50,414**	**-**	**(45,888)**	**4,526**
Other social housing activities				
Shared ownership first tranche sales	12,322	(10,664)	-	1,658
Community development	93	-	(281)	(188)
Charges for support services	1,208	-	(1,367)	(159)
Development activities	145	-	(667)	(522)
	13,768	**(10,664)**	**(2,315)**	**789**
Non-social housing activities				
Properties for outright sale	6,745	(6,054)	-	691
Investment property lettings	3,693	-	(1,899)	1,794
Leasehold	1,365	-	(1,320)	45
Home improvement agency	137	-	(186)	(49)
Other (non-housing)	210	-	(106)	104
	12,150	**(6,054)**	**(3,511)**	**2,585**
Gain on disposal of housing properties	-	-	-	1,319
Movement in fair value of investment properties	-	-	-	(657)
Share of surplus from Joint Ventures	-	-	-	4,538
Operating surplus	**76,332**	**(16,718)**	**(51,714)**	**13,100**

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

	Association			
	Turnover 2023	Cost of sales 2023	Operating costs 2023	Operating surplus 2023
	£'000	£'000	£'000	£'000
Social housing lettings	**48,813**	**-**	**(45,671)**	**3,142**
Other social housing activities				
Shared ownership first tranche sales	7,067	(5,383)	-	1,684
Community development	88	-	(292)	(204)
Charges for support services	3,688	-	(2,605)	1,083
	10,843	**(5,383)**	**(2,897)**	**2,563**
Non-social housing activities				
Properties for outright sale	-	-	-	-
Investment property lettings	2,784	-	(617)	2,167
Leasehold	1,070	-	(798)	272
Home improvement agency	317	-	(495)	(178)
	4,171	–	**(1,910)**	**2,261**
Gain on disposal of housing properties	-	-	-	1,312
Movement in fair value of investment properties	-	-	-	(741)
Gift aid received	-	-	-	491
Operating surplus	**63,827**	**(5,383)**	**(50,478)**	**9,028**

	Association			
	Turnover 2022	Cost of sales 2022	Operating costs 2022	Operating surplus 2022
	£'000	£'000	£'000	2022
Social housing lettings	**46,249**	-	**(44,342)**	**1,907**
Other social housing activities				
Shared ownership first trance sales	12,322	(10,664)	-	1,658
Community development	93	-	(281)	(188)
Charges for support services	1,196	-	(1,363)	(167)
Development activities	90	-	(348)	(258)
	13,701	**(10,664)**	**(1,992)**	**1,045**
Non-social housing activities				
Investment property lettings	3,221	-	(1,770)	1,451
Leasehold	1,365	-	(1,325)	40
Home improvement agency	137	-	(187)	(50)
Other (non-housing)	349	-	(135)	214
	5,072	**-**	**(3,417)**	**1,655**
Gain on disposal of housing properties	-	-	-	1,277
Movement in fair value of investment properties	-	-	-	(534)
Gift aid received	-	-	-	4,064
	65,022	**(10,664)**	**(49,751)**	**9,414**

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

Particulars of income and expenditure from social housing lettings

	Group					
	General needs 2023	**Supported housing and housing for older people 2023**	**Key worker and intermediate housing 2023**	**Shared ownership 2023**	**Total 2023**	**Total 2022**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Income						
Rent	29,881	1,737	6,281	3,448	41,347	39,802
Service charges	3,474	961	140	653	5,228	6,121
Other	1,200	467	2,257	36	3,960	2,555
Grant amortisation	1,434	60	254	128	1,876	1,936
	35,989	**3,225**	**8,932**	**4,265**	**52,411**	**50,414**
Expenditure						
Management	(9,995)	(35)	(42)	(168)	(10,240)	(6,407)
Service charge	(5,686)	(1,104)	(1,322)	(340)	(8,452)	(6,891)
Other costs	(7,717)	(114)	(828)	(105)	(8,764)	(10,728)
Maintenance						
- Routine	(6,199)	(291)	(592)	(17)	(7,099)	(7,869)
- Planned	(3,544)	(83)	(269)	(58)	(3,954)	(5,196)
Bad debts	(112)	(7)	41	-	(78)	-
Depreciation	(6,212)	(313)	(1,409)	-	(7,934)	(8,797)
Impairment	(336)	-	-	-	(336)	-
	(39,801)	**(1,947)**	**(4,421)**	**(688)**	**(46,857)**	**(45,888)**
Surplus / (deficit)	**(3,812)**	**1,278**	**4,511**	**3,577**	**5,554**	**4,526**
Void losses	(445)	(71)	(229)	-	(745)	(1,507)

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

Particulars of income and expenditure from social housing lettings

	Association					
	General needs 2023	Supported housing and housing for older people	Key worker and intermediate housing 2023	Shared ownership 2023	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Rent	26,014	1,737	6,281	3,392	37,424	35,798
Service charge income	3,225	961	140	642	4,968	4,820
Other	1,828	467	2,257	36	4,588	3,748
Grant amortisation	1,393	60	254	126	1,833	1,883
	32,460	**3,225**	**8,932**	**4,196**	**48,813**	**46,249**
Expenditure						
Management	(9,995)	(35)	(42)	(168)	(10,240)	(5,984)
Service charge	(5,571)	(1,100)	(1,322)	(339)	(8,332)	(6,721)
Other costs	(7,539)	(112)	(831)	(105)	(8,587)	(11,436)
Maintenance						
- Routine	(5,946)	(291)	(592)	(17)	(6,846)	(6,732)
- Planned	(3,506)	(83)	(269)	(58)	(3,916)	(5,021)
Bad debts	(103)	(7)	41	-	(69)	-
Depreciation	(5,623)	(313)	(1,409)	-	(7,345)	(8,448)
Impairment	(336)	-	-	-	(336)	-
	(38,619)	**(1,941)**	**(4,424)**	**(687)**	**(45,671)**	**(44,342)**
Surplus / (deficit)	**(6,159)**	**1,284**	**4,508**	**3,509**	**3,142**	**1,907**
Void losses	(424)	(71)	(229)	-	(724)	(1,412)

3. Accommodation in management

At the end of the financial year accommodation in management for each class of accommodation was as follows:

	Group		Association	
Social housing	**2023**	**2022**	**2023**	**2022**
General needs housing				
Social	3,661	3,513	3,196	3,048
Affordable	722	616	648	542
Supported housing and housing for older people	653	649	638	634
Keyworker housing	1,085	1,085	1,085	1,085
Shared ownership	569	563	558	552
Rent to homebuy	8	9	8	9
Residential care homes	35	35	35	35
Total managed	**6,733**	**6,470**	**6,168**	**5,905**
Non-social housing				
Commercial/Right to buy/Leasehold/Market rented	1,003	996	984	976
Total owned and managed	**7,736**	**7,466**	**7,152**	**6,881**

The Group owns 47 supported housing units (2022: 47) that are managed on its behalf, under management agreements, by other bodies who contract with Supporting People Administering Authorities and carry the financial risk relating to the supported housing units. Included in the numbers are 152 homes acquired via a stock transfer from London & Quadrant Housing Trust.

4. Operating Surplus

This is arrived at after charging:

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Depreciation of housing properties	8,175	7,387	7,549	6,608
Depreciation of other tangible fixed assets	1,540	1,307	1,540	1,307
Impairment	336	-	336	-
Operating lease rentals for office equipment and computers	6	19	6	19
Auditors' remuneration exclusive of VAT				
- for audit services	120	89	80	64
- for non-audit services	24	19	19	15

5. Gain on disposal of tangible fixed assets

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Proceeds	3,020	3,078	3,020	2,921
Costs of disposal	(100)	-	(100)	-
Carrying value of fixed assets disposed	(1,608)	(1,759)	(1,608)	(1,644)
	1,312	**1,319**	**1,312**	**1,277**

6. Interest receivable

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Bank	77	1	76	1
Other	20	16	26	16
	97	**17**	**102**	**17**

7. Interest payable and similar charges

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Loans and bank overdrafts	17,071	12,731	10,551	6,339
On amounts owed to Group companies	-	-	4,616	4,503
Amortisation of financing costs	225	135	191	99
Pension	113	130	113	130
	17,409	**12,996**	**15,471**	**11,071**
Interest capitalised on housing properties	(2,070)	(1,838)	(1,970)	(1,677)
	15,339	**11,158**	**13,501**	**9,394**
Rate used to determine finance costs capitalised	**3.83%**	**4.02%**	**3.36%**	**4.09%**

8. Employees

Average monthly number of employees expressed in full time equivalents:

	Group and Association	
	2023 No.	**2022 No.**
Administration	75	68
Development	21	20
Housing, support and care	183	187
	279	**275**

Full time equivalents are calculated based on a standard working week of 37 hours.

Employee costs	Group and Association	
	2023	**2022**
Wages and salaries	11,555	10,511
Social security costs	1,265	1,072
Other pension costs	1,137	729
Employee benefits accrued	4	(88)
	13,961	**12,224**

The Group operates a salary sacrifice scheme by which employees forego remuneration equivalent to the value of the pension contributions attributable to the employee. The group then pays these contributions on behalf of the employee. Thus, the charge for the year ended 31 March 2023 under FRS 17 represents the total contributions payable.

The Association participates in the Social Housing Pension Scheme (SHPS). The Scheme is a multi-employer scheme which provides benefits for 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 Scheme Trustee commissions an actuarial valuation of the Scheme every three years.

9. Board members, independent committee members, executive directors and senior staff emoluments

	Basic salary 2023	Benefits in kind 2023	Pension contr'ns 2023	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Aggregate emoluments	**601**	**–**	**143**	**744**	**635**

Non-executive Board Members received emoluments of £65,3345 cumulatively, including £12,847 (2022: £12,975) received by the Chair. This excludes the Chief Executive aggregate emoluments as the highest paid director, which is detailed below. Expenses paid during the year to Board members amount to £947(2022: £958).

Aggregate emoluments of Board Members (excluding the Chief Executive)	Basic salary 2023	Pension contr'ns 2023	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Jane Amobi	5,089	-	5,089	4,129
Anthony Bacon *	4,091	-	4,091	3,000
Christopher Bond	-	-	-	2,856
Victoria Bonner	5,875	-	5,875	5,000
Robert Green	6,500	-	6,500	5,847
Bryan Ingelby	6,500	-	6,500	6,500
John Thomas Rogers	2,841	-	2,841	-
Meena Anand	6,500	-	6,500	5,847
Neil McCall	12,353	494	12,847	12,975
Stephen Mutton	-	-	-	2,197
Argiri Papathos	5,044	-	5,044	5,000
Julia Porter	542	-	542	6,500
Gordon Wright	-	-	-	2,856
Caron Louise Bradshaw	5,000	-	5,000	2,822
Abi Jacobs	5,000	-	5,000	2,045
	65,335	**494**	**65,829**	**67,574**

*Independent Member of the Investment Committee
Origin's policy on board member remuneration is to pay at the median rate for housing associations of our size in the not-for-profit sector.

In setting the median rates for Board Members and the Chair of the Board, benchmarking data comes from the National Housing Federation's annual survey of board member pay. Board Member and Chair remuneration rates are formally reviewed against the market every three years.

The emoluments of the highest paid director, the Chief Executive, excluding pension contributions, were £167,204 (2022: £144,776). The Chief Executive is a member of the Social Housing Pension Scheme. She is an ordinary member of the pension scheme, and no enhanced or special terms apply. The Association does not make any further contribution to an individual pension arrangement for the Chief Executive.

9. Board members, independent committee members, executive directors and senior staff emoluments (continued)

	Group and Association			
	Basic salary	Pension contr'ns	2023 Total	2022 Total
	£'000	£'000	£'000	£'000
Aggregate emoluments of highest paid director	**167**	**30**	**197**	**172**

The full time equivalent number of staff whose remuneration, including pension contributions, was greater than £60,000 in bands of £10,000 is below:

	Group and Association	
	2023	2022
£60,000 to £69,999	**19**	**15**
£70,000 to £79,999	**13**	**18**
£80,000 to £89,999	**3**	**3**
£100,000 to £119,999	**3**	**1**
£130,000 to £139,999	**1**	**1**
£140,000 to £149,999	**1**	**1**
£170,000 to £179,999	**-**	**1**
	40	**40**

Key management personnel include all board members, the executive directors and a number of senior managers across the group who together, and to various degrees, have the authority and responsibility for planning, directing and controlling the activities of the group. The total compensation for loss of office paid to key management personal was £17k (2022: £19k). The total fee paid to off payroll key management personnel for services provided to the group was £216k (2022: nil).

10. Tax on surplus on ordinary activities

Origin Housing 2 Limited has charitable objects and is exempt from corporation tax on its charitable activities. No charge to Corporation Tax arises on the results for the period.

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
United Kingdom Corporation Tax				
Adjustments in respect of prior periods	-	(782)	-	-
Current tax (credit)/charge for the period	**228**	**(782)**		
Origination and reversal of timing differences	-	(330)	-	-
	228	**(330)**	**-**	**-**

Deficit on ordinary activities before tax	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Surplus /(deficit) on ordinary activities before tax	**(885)**	**(17,312)**	**(4,372)**	**(22,835)**
Corporation tax at 19 % (2021: 19%)	(161)	(3,289)	(831)	(4,339)
Effects of:				
Income not taxable for tax purposes	(199)	(1,376)	-	(3)
Expense not deductible for tax purposes	-	4,342	-	4,342
Group relief surrendered/(claimed)	-	1	-	-
Remeasurement of deferred tax for changes in tax rates	55	(946)	-	-
Qualifying donations distributions	-	344	-	-
Deferred tax not recognised	4	226	-	-
Other movements	529	1,028	831	-
Tax charge for the year	**(228)**	**330**	**-**	**-**

11. Property, plant and equipment – housing properties

	Group				
	Social housing held for letting completed	**Social housing held for letting under construction**	**Shared ownership completed**	**Shared ownership under construction**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Cost					
At 1 April 2022	809,504	39,464	94,600	18,203	961,771
Additions - new properties / construction	31,569	34,715	231	6,322	72,837
Additions - works to existing properties	6,912	-	(485)	-	6,427
Transfers from investment properties	1,313	-	-	-	1,313
Transfers to stock	-	-	(699)	-	(699)
Impairment	(431)	-	-	-	(431)
Disposals - properties	-	-	(1,469)	-	(1,469)
Disposals - components	(3)	-		-	(3)
At 31 March 2023	**848,864**	**74,179**	**92,178**	**24,525**	**1,039,746**
Depreciation					
At 1 April 2022	83,792	-	1,116	-	84,908
Depreciation charge	8,175	-	-	-	8,175
Impairment	(96)	-	-	-	(96)
Disposals - properties	-	-	(24)	-	(24)
Disposals - components	(3)	-	2	-	(1)
At 31 March 2023	**91,868**	**-**	**1,094**	**-**	**92,962**
Net book value					
At 1 April 2022	725,712	39,464	93,484	18,203	876,863
At 31 March 2023	**756,996**	**74,179**	**91,084**	**24,525**	**946,784**

11. Property, plant and equipment – housing properties (continued)

	Association				
	Social housing held for letting completed	Social housing held for letting under construction	Shared ownership completed	Shared ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2022	739,241	39,252	92,395	18,167	889,055
Additions - new properties / construction	31,505	34,639	230	6,322	72,696
Additions - works to existing properties	6,912	-	(485)	-	6,427
Transfer from Investment properties	1,313	-	-	-	1,313
Transfer to stock	-	-	(699)	-	(699)
Impairment	(431)	-	-	-	(431)
Disposals – properties	-	-	(1,469)	-	(1,469)
At 31 March 2023	**778,540**	**73,891**	**89,972**	**24,489**	**966,892**
Depreciation					
At 1 April 2022	78,109	-	1,170	-	79,279
Depreciation charge	7,558	-	(9)	-	7,549
Impairment	(96)	-	-	-	(96)
Disposals – properties	-	-	(24)	-	(24)
At 31 March 2023	**85,571**	**-**	**1,137**	**-**	**86,708**
Net book value					
At 1 April 2022	661,132	39,252	91,225	18,167	809,776
At 31 March 2023	**692,969**	**73,891**	**88,835**	**24,489**	**880,184**

11. Property, plant and equipment – housing properties (continued)

The remaining information included in Note 11 relates to the Group. The net book value of housing properties may be further analysed as:

	Group	
	2023	**2022**
	£'000	**£'000**
Freehold	487,260	487,260
Long leasehold	459,347	389,448
	946,607	**876,708**

If housing properties had been accounted for under the historical cost accounting rules, the properties would have been measured as follows:

	2023	**2022**
	£'000	**£'000**
Historic cost	905,821	827,830
Accumulated depreciation	(53,768)	(45,522)
	852,053	**782,308**

Interest capitalisation by the Group on properties under construction

	2023	**2022**
	£'000	**£'000**
Interest capitalised in the year	2,070	1,838
Cumulative interest capitalised	12,331	10,493
	14,401	**12,331**

Expenditure on works to existing properties:

	2023	**2022**
	£'000	**£'000**
Amounts capitalised	6,439	9,754
Amounts charged to the Statement of Comprehensive Income for the year	7,099	6,354
	13,538	**16,108**

Valuation

On transition to FRS 102 Origin Housing took the option of carrying a one-off valuation on a number of its housing properties and using that amount as deemed costs.

To determine the deemed cost at 1st April 2014, the Group engaged external valuers Jones Lang LaSalle Ltd to value housing properties on an Existing Use Value for Social Housing (EUV-SH) basis. Housing properties will subsequently be measured at cost.

The valuation was carried out as a desktop exercise on an EUV-SH basis using discounted cashflows. The property portfolio was Grouped by a number of key parameters to determine the valuation including:

- Location
- Spread
- Usage categories
- Age
- Construction
- Property Type
- Tenure Type
- Rental streams less key deductions for expected maintenance and management costs

The valuation apportioned rates between 84% (Outer London) and 87.5% (Inner London) as a land apportionment of the EUV-SH asset value.

The carrying value at 31 March 2023 of letting properties under the cost model would be £852,053k compared with £946,607k shown in the Statement of Financial Position and notes above

Impairment

Under FRS 102, the SORP (Statement of Recommended Practice) considers that properties held for their social benefit are not held solely for the cash inflows they generate but for their service potential. Hence, an impairment provision will not be triggered on initial recognition of the value being below costs under FRS 102. One impairment trigger has been identified for the year (2023 - £96K, 2022 - £ nil)

	Group	
Fire Related Income and Expenditure	**2023**	**2022**
	£'000	**£'000**
Fire related revenue expenditure	972	3,574
Waking watch	308	728
Total fire related revenue expenditure	**1,280**	**4,302**
Fire related capital expenditure	3,100	5,083
Total fire related expenditure	4,380	9,385
Net expenditure after grant income	**4,380**	**9,385**

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

12. Fixed assets – investment properties

	Group		
	Commercial	**Market Rented**	**Total**
Valuation	**£'000**	**£'000**	**£'000**
At 1 April 2022	43,915	23,875	67,790
Transfer to housing properties	-	(1,313)	(1,313)
Additions - completed	712	-	712
Additions – work in progress	1,115	-	1,115
Revaluation	492	(98)	394
At 31 March 2023	**46,234**	**22,464**	**68,698**

	Association		
	Commercial	**Market Rented**	**Total**
Valuation	**£'000**	**£'000**	**£'000**
At 1 April 2022	35,323	22,816	58,139
Transfer to housing properties	-	(1,313)	(1,313)
Additions	712	-	712
Revaluation	(487)	(254)	(741)
At 31 March 2023	**35,548**	**21,249**	**56,797**

Valuation

The Group's and Association's investment properties are valued annually on 31 March at fair value, determined by independent professionally qualified values, Jones Lang LaSalle Limited. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual.

The increase/(decrease) in the value of investment properties of £394k and (£741k) (for the Group and the Association respectively) has been charged to the Statement of Comprehensive Income for the year. The historic cost of market rent properties is £21,582k for the Group and £20,952k for the Association (2022: £21,516k Group and £20,886k Association).

13. Property, plant and equipment– other tangible fixed assets

	Group and Association		
	Office buildings	Computers & office equipment & software	Total
	£'000	£'000	£'000
Cost			
At 1 April 2022	5,110	6,331	11,441
Additions	250	288	538
Staff capitalisation		1,027	1,027
Disposals	-	(87)	(87)
At 31 March 2022	**5,360**	**7,559**	**12,919**
Accumulated depreciation At 1 April 2022	767	2,256	3,023
Depreciation charge	128	1,412	1,540
Disposals	-	(14)	(14)
At 31 March 2023	**895**	**3,654**	**4,549**
Net book value			
At 1 April 2022	4,343	4,075	8,418
At 31 March 2023	**4,465**	**3,905**	**8,370**

14. Investments and long term-loans

	Group		Association	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Investments in Joint Ventures				
South Harrow LLP	92	-	-	-
Central Harrow LLP	83	-	-	-
	175	**-**	**-**	**-**
Investments in companies				
Subsidiaries	-	-	50	50
Sector lending vehicle	30	30	30	30
	30	**30**	**80**	**80**
Long term loans				
Origin Properties Limited	**-**	**-**	**258**	**-**
	205	**30**	**338**	**80**
Investments in Joint Ventures				
As at 1 April	**-**	**2,496**		
Share of Joint Venture's surplus	**1,041**	**4,538**		
Transfer of balances from creditors	**(716)**	**716**		
Distributions received	**(150)**	**(7,750)**		
As at 31 March	**175**	**-**		

Origin Housing Developments Limited holds a 50% interest in both South Harrow LLP and Central Harrow LLP, both of whom have developed properties for market sale in Harrow, London.

14. Investments and long term-loans (continued)

Investments in companies

The Association owns the following shares:

Company	Number of Shares
Origin Finance Limited	1
Origin Properties Limited	4
Origin Housing Developments Limited	4
Origin Housing 2 Limited	6
Origin Finance 2 PLC	50,000

Origin Housing limited owns 100% of the issued share capital for all of the above five companies. The country of incorporation for all of these companies was England.

The Group financial statements consolidate the results of the above five companies, all of whom were members of the Group for the whole of the year. The Association has the right to appoint members to the Boards of the Group members and thereby exercises control over them. Origin Housing limited is the ultimate parent undertaking.

During the year the Association provided management services to all members of the Group.

15. Properties held for sale

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Properties under construction	6,206	9,118	8,170	6,056
Completed properties	214	1,928	213	3,891
	6,420	**11,046**	**8,383**	**9,947**

16. Debtors

	Group		Association	
	2023	**2021**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Rent and service charges receivable	2,135	1,983	1,933	1,760
Provision for bad and doubtful debts	(444)	(164)	(432)	(161)
	1,691	**1,819**	**1,501**	**1,599**
Commercial rent and service charge arrears	660	668	677	617
Amounts due from Group companies	-	-	916	1,049
Amounts due from Joint Ventures	(317)	(412)	(317)	303
Prepayments and accrued income	5,420	1,411	2,575	1,411
Other debtors	3,221	3,698	3,227	3,690
	10,675	**7,184**	**8,579**	**8,669**

17. Creditors: amounts falling due within one year

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Debt (note 19)	90,745	18,541	82,744	18,541
Deferred financing costs (note 19)	(201)	(212)	(136)	(143)
	90,544	**18,328**	**82,608**	**18,398**
Trade creditors	2,264	2,538	2,252	1,666
Strategic partnership grant	11,090	-	11,090	-
Amounts owed to Group companies	-	-	16,314	13,428
Recycled capital grant fund (note 21)	1,292	1,631	1,292	1,603
Grants received in advance	-	11,105	-	11,105
Corporation tax	680	452	-	-
Other taxation and social security	352	269	353	317
Leaseholder sinking funds	1,640	1,383	1,640	1,383
Accrued interest	5,707	3,302	3,110	2,715
Capital accrual	6,222	2,181	5,872	1,955
Deferred income	215	417	215	322
Other creditors and accruals	7,850	8,150	7,640	8,004
	127,856	**49,756**	**132,386**	**60,896**

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

		Group		Association
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Debt (note 19)	413,662	423,407	221,662	383,406
Deferred financing costs (note 19)	289	673	817	1,264
	413,951	**424,080**	**222,479**	**384,670**
Amounts owed to Group companies	-	-	160,000	-
Pension fund liability (note 22)	4,543	4,564	4,543	4,564
Deferred government grant (note 20)	167,881	171,045	163,960	167,073
Recycled capital grant fund (note 21)	2,173	1,603	2,113	1,570
	588,548	**601,292**	**553,095**	**557,877**

19. Debt

	Group		Association	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Due within one year				
Bank loans	90,745	18,541	82,744	18,541
Loans from subsidiaries	-	-	1,600	-
Deferred financing costs	(201)	(212)	(136)	(143)
	90,544	**18,329**	**84,208**	**18,398**
Due after more than one year				
Bank loans	221,643	223,388	221,643	223,387
Other loans	19	19	19	19
Bonds	192,000	200,000	-	-
Loans from subsidiaries	-	-	160,000	160,000
	413,662	**423,407**	**381,662**	**383,406**
Deferred financing costs	289	673	817	1,264
	413,951	**424,080**	**382,479**	**384,670**
Total				
Bank loans	312,388	241,929	304,387	241,928
Other loans	19	19	19	19
Bonds	192,000	200,000	-	-
Loans from subsidiaries	-	-	161,600	160,000
	504,407	**441,948**	**466,006**	**401,947**
Deferred financing costs	88	461	681	1,121
	504,495	442,409	466,687	403,068

The Group's and Association's revolving credit facilities fall due within 12 months of the financial year end.

During the year the Group identified a compliance issue with one of its loan covenants with its Bank. The Group obtained a conditional variation to the facility agreement which means that it is compliant at the 31st March 2023 and on approving the financial statements. The facility variation was received on 22 September 2023 from its Bank.

The Group's and Association's financial liabilities are all sterling denominated and secured by fixed charges on individual properties. The interest rates payable thereon are a mixture of fixed and variable, and range from 3.83% to 12.46% (2022: 1.71% to 12.46%). The interest rate of 12.46% relates to a loan for £1,5m repayable in March 2039. The floating rate financial liabilities comprise bank loans and overdrafts that bear interest at rates based on three month SONIA. The fixed rate financial liabilities have a weighted average interest rate of 3.57% (2022: 3.58%), and the average period for which they are fixed is 16 years (2022: 19 years).

19. Debt (continued)

Interest rate risk profile	**Group**		**Association**	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Floating rate	207,950	127,950	207,950	127,950
Fixed rate	296,457	313,997	258,057	273,997
	504,407	**441,947**	**466,007**	**401,947**

Maturity profile	**Group**		**Association**	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Less than one year	90,745	18,541	84,345	18,541
Between one and two years	4,025	41,495	4,006	35,095
Between two and five years	87,815	40,791	74,215	40,791
More than five years	321,822	340,940	303,441	307,520
	504,407	**441,947**	**466,007**	**401,947**

20. Deferred government grant

	Group		**Association**	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
At 1 April	171,044	179,307	167,073	175,269
Grant received in the year	(837)	4,992	(837)	4,993
Transfer to short term creditors	-	(11,090)	-	(11,090)
Homebuy redemption	(55)	(66)	(55)	(66)
Disposals	(243)	(164)	(242)	(149)
Amortisation	(2,028)	(1,934)	(1,979)	(1,884)
At 31 March	**167,881**	**171,045**	**163,960**	**167,073**

21. Recycled Capital Grant Fund

	Group		**Association**	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
At 1 April	3,234	3,907	3,173	3,862
Grants recycled / net sale proceeds recycled	405	265	405	249
Homebuy redemption	-	-	-	-
Grants repaid	(210)	(942)	(209)	(942)
Interest accrued	36	4	36	4
At 31 March	**3,465**	**3,234**	**3,405**	**3,173**
Analysed as:				
Amounts: falling due within one year (note 17)	1,292	1,631	1,292	1,603
Amounts: falling due after one year (note 18)	2,173	1,603	2,113	1,570
	3,465	**3,234**	**3,405**	**3,173**

No amount is due for repayment to neither Homes England nor Greater London Authority.

22. Pension fund liability

	Group and Association	
	2023	2022
	£'000	£'000
Social Housing Pension Scheme defined benefit obligation	4,525	4,535
Growth Plan funding liability	18	29
	4,543	**4,564**

Social Housing Pension Scheme defined benefit obligation

The Association participates in the Social Housing Pension Scheme (SHPS), a defined benefit scheme in the UK. For the year ending 31 March 2023, the Association has recognised the present value of its defined benefit obligation and the fair value of its share of the plan assets.

	Group and Association	
	2023	2022
	£'000	£'000
Fair value of plan assets	19,781	28,911
Present value of defined benefit obligation	(24,306)	(33,446)
Net defined benefit liability recognised	**(4,525)**	**(4,535)**

SHPS reconciliation between opening and closing balances

Fair value of plan assets	£'000
At 1 April 2022	28,911
Interest income	807
Experience on plan assets (excluding amounts included in interest income - gain	(9,988)
Employer contributions	966
Benefits paid and expenses	(915)
At 31 March 2023	**19,781**

Defined benefit obligation	£'000
At 1 April 2022	33,446
Current service cost	-
Expenses	19
Interest Expense	920
Actuarial loss	461
Actuarial losses (gains) due to changes in demographic assumptions	(55)
Actuarial losses (gains) due to changes in financial assumptions	(9,570)
Benefits paid and expenses	-
Defined benefit obligation at end of period	(915)
	24,306

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2022 to 31 March 2023 was (£9,181,000).

Defined benefit costs recognised in Statement of Comprehensive Income

Statement of Comprehensive Income	£'000	Other Comprehensive income	£'000
Expenses	19	experience on plan assets (excluding amounts included in net interest costs - gain	(9,988)
Net interest expense	113		
		Experience gains arising on the plan liabilities - loss	(461)
		Effects of changes in the demographic assumptions underlying in the present value of the defined benefit obligation -gain	55
		Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation -gain	9,570
		Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain	(824)
		Effect of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	**132**	**Total amount recognised in Other Comprehensive Income - gain (loss)**	**(1,648)**

Assets	2023 £ '000	2022 £ '000
Global Equity	369	5,548
Absolute Return	214	1,160
Distressed Opportunities	599	1,035
Credit Relative Value	747	961
Alternative Risk Premia	37	953
Emerging Markets Debt	106	841
Risk Sharing	1,456	952
Insurance-Linked Securities	499	674
Property	852	781
Infrastructure	2,259	2,060
Private Debt	880	741
Opportunistic Illiquid Credit	846	971
High Yield	69	249
Opportunistic Credit	1	103
Cash	143	98
Corporate Bond Fund	-	1,929
Long Lease Property	597	744
Secured Income	908	1,077
Liability Driven Investment	9,111	8,067
Currency Hedging	38	(113)
Net Current Assets	50	80
Total assets	**19,781**	**28,911**

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.

Key Assumptions	31 March 2023	31 March 2022
	% per annum	% per annum
Discount Rate	4.87%	2.79%
Inflation (RPI)	3.19%	3.59%
Inflation (CPI)	2.75%	3.20%
Salary Growth	3.75%	4.20%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

	Life expectancy at age 65
	Years
Male retiring in 2023	21.0
Female retiring in 2023	23.4
Male retiring in 2043	22.2
Female retiring in 2043	24.9

TPT Retirement Solutions Growth Plan pension obligation

The Association participates in the scheme, a multi-employer scheme. The scheme is a defined benefit scheme in the UK but as it is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, it accounts for the scheme as a defined contribution scheme. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

	Group and Association	
	2023	2022
	£'000	£'000
Present value of pension liability provision	(18)	(29)
Present value of pension liability provision	(18)	(29)

Social Housing Pension Scheme - Scheme benefit review update for March 2023

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2024 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

23. Non-equity share capital

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

	2023	2022
	£	£
Allotted, issued and fully paid	27	27
Ordinary share of £1		

24. Financial commitments

Capital expenditure commitments were as follows:

	Group		Association	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Expenditure contracted for but not provided in the accounts	62,568	58,296	36,989	42,419
Expenditure authorised by the Board, but not contracted	34,474	62,340	34,474	62,340
	97,042	**120,636**	**71,463**	**104,759**

The commitments are to June 2024, and there are no performance related conditions in relation to these.

	Group		Association	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Operating lease payments receivable:				
Within one year	857	380	378	334
One to five years	2,686	808	1,012	699
More than five years	5,356	1,399	1,515	1,399
	8,899	**2,587**	**2,905**	**2,432**
Operating lease payments due				
Within one year	22	29	22	29
One to five years	1	16	1	16
More than five years	-	-	-	-
	23	**45**	**23**	**45**

25. Financial Instruments

Financial assets	**2023**	**2022**
	£'000	**£'000**
Financial assets measured at historical cost		
Trade receivables	11,512	7,184
Cash and cash equivalents	5,873	12,546
Total financial assets	**17,385**	**19,730**
Financial liabilities		
Financial liabilities measured at historical cost		
- Trade creditors	35,689	30,522
Financial liabilities measured at amortised cost		
- Loans payable	504,495	442,408
Total financial liabilities	**540,184**	**472,930**

26. Contingent liabilities

The Association had no contingent liabilities as at 31 March 2023 (2022: £nil)

27. Financial liabilities

	Group		**Association**	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Floating rate	207,950	127,950	207,950	127,950
Fixed rate	296,457	313,997	258,057	273,997
Total	**504,407**	**441,947**	**466,007**	**401,947**

The fixed rate financial liabilities have a weighted average interest of 3.57% (2022: 3.58%) and the average period for which it is fixed is 16 years (2022: 19 years)

The floating rate financial liabilities comprise bank loans that bears interest at rates based on three-month SONIA

The debt maturity profile is shown in note 19.

Borrowing facilities

The Group has undrawn committed borrowing facilities. The undrawn facilities available at 31 March in respect of which all conditions precedent had been met were as follows:

		Association
	2023	**2022**
	£'000	**£'000**
Expiring between two to five years	20,000	66,000

28. Analysis of net debt

		Group				Association			
		2022	Cashflow	Non-Cashflow Items	2023	2022	Cashflow	Non-Cashflow Items	2023
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Loans	Note 19	(441,947)	(62,460)	–	(504,407)	(401,947)	(62,459)		(464,406)
Deferred financing costs		(462)		374	(88)	(1,121)		439	(682)
Debt		**(442,409)**	**(62,460)**	**374**	**(504,495)**	**(403,068)**	**(62,459)**	**439**	**(465,088)**
Cash and cash equivalents	Note 25	12,546	(6,673)		5,873	10,953	(5,977)		4,976
Net debt		**(429,863)**	**(69,133)**	**374**	**(498,622)**	**(392,115)**	**(68,436)**	**439**	**(460,112)**

29. Related parties

The Board included one leasehold member who holds a lease on normal commercial terms and cannot use their position to their advantage, who resigned from the Board in early September 2021. During this period, service charge costs charged to the leasehold Board member were £425 (2021 full year: £1,049) and the balance outstanding at year end amounted to £nil (2021: £nil). The Board has a new tenant member who holds a tenancy on standard terms and cannot use their position to their advantage, who joined from September 2021.

The Association is a member of the Social Housing Pension Scheme (SHPS), see note 22 for details of significant transactions. Origin Housing Developments Limited and Origin Properties Limited provide development services to the Association.
In addition Origin Properties Limited leases properties from the Association.

The Association provides management services to all other group members as well as long term lending to Origin Properties Limited.

Origin Finance Limited and Origin Finance 2 Plc provide long term lending to the Association with the latter also providing long term lending to Origin Housing 2 Limited. Both Origin Housing 2 Limited and Origin Properties Limited provide long term lending to Origin Housing Developments Limited.

During the year the following significant transactions took place between related parties.

Debtors	Creditors	2023	Movement	2022
		£'000	£'000	£'000
Origin Housing 2 Ltd	Origin Housing Ltd	14,043		
Origin Housing Ltd	Origin Finance 2 Ltd	1,017		
Origin Housing 2 Ltd	Origin Properties Ltd	1,956		
Origin Housing Ltd	Origin Housing Development Ltd	2,135		
Origin Housing Ltd	Origin Properties Ltd	102		
Origin Properties Ltd	Origin Housing Development Ltd	951		
Origin Housing 2 Ltd	Origin Finance 2 Ltd	408		
Origin Housing Ltd	Origin Properties Ltd	258		
Origin Housing 2 Ltd	Origin Properties Ltd	1,220	(6,136)	7,356
Origin Housing 2 Ltd	Origin Housing Development Ltd	-	(6,280)	6,280
Origin Housing 2 Ltd	Origin Housing 2 Ltd	40,000	-	40,000
Origin Housing 2 Ltd	Origin Housing Ltd	160,000	-	160,000
		201,220	**(12,416)**	**213,636**

Services	Management charges		Interest charges	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Receivable by Origin Housing Limited from:				
Origin Properties Limited	266	325	7	368
Origin Housing Developments Limited	15	15	-	-
Origin Finance Limited	-	2	-	-
Origin Finance 2 plc	-	2	-	-
Origin Housing 2 Limited	1,432	846	-	-
	1,713	**1,190**	**7**	**368**
Payable by Origin Housing 2 Limited to:				
Origin Finance Limited	-	2	-	913
Origin Finance 2 plc	-	2	4,648	3,590
	-	**4**	**4,648**	**4,503**

30. Post balance sheet events

There are no post balance sheet events to report.

31. Legislative provisions

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is a Registered Provider of Social Housing, registered with the Homes and Communities Agency under the Housing and Regeneration Act 2008.