The Pioneer Group

The Pioneer Housing and Community Group Limited

Annual Report and Financial Statements

Year end: 31 March 2024

Annual report and financial statements for the year ended 31 March 2024

Contents

1. The word "Association" throughout this report refers specifically to The Pioneer Housing and Community Group Limited legal entity.
2. The word "Group" throughout this report refers to the consolidated results of The Pioneer Housing and Community Group Limited and its subsidiaries.

Pioneer Group Board

Francis Burrows (Chair from 25 May 2023)
Ian Campbell
Jason Clarke (from 1 November 2023)
James Emblow (from 1 November 2023)
Rose Klemperer
Andrew Olawale
Hiten Patel (from 1 November 2023)
Stuart Roberts
Fern Watson
Carole Wildman (Chair until 24 May 2023)

Kate Algate (from 6 September 2023 until 7 May 2024)
Latisha Clark-Dhir (until 27 March 2024)
Jonathan Driffill (until 6 September 2023)
Cliff Horrocks (until 27 September 2023)

Executive Leadership Team

Simon Wilson	Chief Executive
Lauren Beech	Technology & Insight Director (from 7 May 2024)
Jo Fieldhouse	Community Regeneration Director (from 30 May 2023 to 4 February 2024) Housing & Community Director (from 5 February 2024)
Martyn Hencher	Finance Director
David Livesey	Asset Management & Development Director
Kate Foley	Housing & Customer Services Director (until 29 March 2024)

Company Secretary

Kayleigh Hall	Company Secretary (from 22 May 2024)
Martyn Hencher	Company Secretary (until 22 May 2024)

Advisors

Statutory Auditor
Beever & Struthers
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Principal Bankers
Barclays Bank
6th Floor
One Snowhill
Birmingham
B4 6GB

Registered Office

11 High Street
Castle Vale
Birmingham
B35 7PR

Legal Status

Co-operative and Community Benefit Societies number: 28414R
Regulator of Social Housing registration number: L4118
HMRC charity reference number: ZD10516
Member of the National Housing Federation

Introduction

The Board of the Pioneer Group is pleased to present its report and audited financial statements for the year ended 31 March 2024.

The Pioneer Housing and Community Group Limited (the Pioneer Group) is a charitable registered society, registered in England and Wales under the Co-operative and Community Benefit Societies Act 2014 (28414R), and is a registered provider of social housing regulated by the Regulator of Social Housing (L4418).

Vision and mission

The Pioneer Group's vision is:

- **Making lives and communities better**

The Pioneer Group's mission is:

- **As an anchor organisation, use our Group strength to provide great homes and help build resilient communities where people can thrive.**

Principal activities

The principal activity of the Pioneer Group is providing social housing in north and east Birmingham, with the vast majority of the stock in Castle Vale, Birmingham. Social housing represents 85% of the Group's turnover (2023: 83%).

To achieve its wider mission to build resilient communities where people can thrive, the Pioneer Group also provides a range of other people, community and housing-focussed services including:

- Community regeneration, including health, family support, young people services and community facilities
- Market rented homes
- CCTV
- A small number of commercial properties on Castle Vale High Street
- Sports and leisure facilities at Castle Vale Stadium

The Pioneer Group owns and manages 2,541 social and market rent homes, of which 2,389 (94%) are in Castle Vale. Other homes are in neighbouring areas of north and east Birmingham, primarily Stechford (68 homes), Stockland Green (51 homes) and Sutton Coldfield (27 homes).

Pioneer Group structure

The Pioneer Group is the group parent. It is a charitable Registered Provider, holding all the Group's housing assets and all its borrowing.

The Pioneer Group provides central services including finance, treasury, human resources, information technology and governance to the wider group.

The Pioneer Group has two subsidiaries:

- **Compass Support Services Limited**
  A charity registered with the Charity Commission, delivering a range of people-centred services including health and wellbeing, youth and employment services.

- **The Merlin Venture Limited**
  A company limited by guarantee, which ceased trading on 30 July 2021 and is dormant.

This structure allows for other brands or organisations to join the Group in the future. There are no financial cross guarantees between the group members, which protects the social housing assets.

The Pioneer Group heritage

The government-sponsored Housing Action Trust programme ran in Castle Vale, Birmingham, from 1993 to 2005, refurbishing existing homes, building new homes, and investing in the wider environment of the estate.

Castle Vale was transformed into a modern, low rise estate, with only two high rise buildings remaining from the original 34. The two commercial centres on the estate were demolished and rebuilt with a range of modern retail and community facilities, and a new central park was created.

The Housing Action Trust was designed to be a temporary body and a priority was to plan for succession, once the Trust's work ended in 2005.

The Pioneer Group was founded in 1996 to be the long term anchor organisation of Castle Vale, and by 2005 had taken ownership of 2,400 homes built or refurbished as part of the regeneration programme.

Compass Support Services Limited and the Merlin Venture Limited were also founded during the same period and have subsequently joined the Pioneer Group.

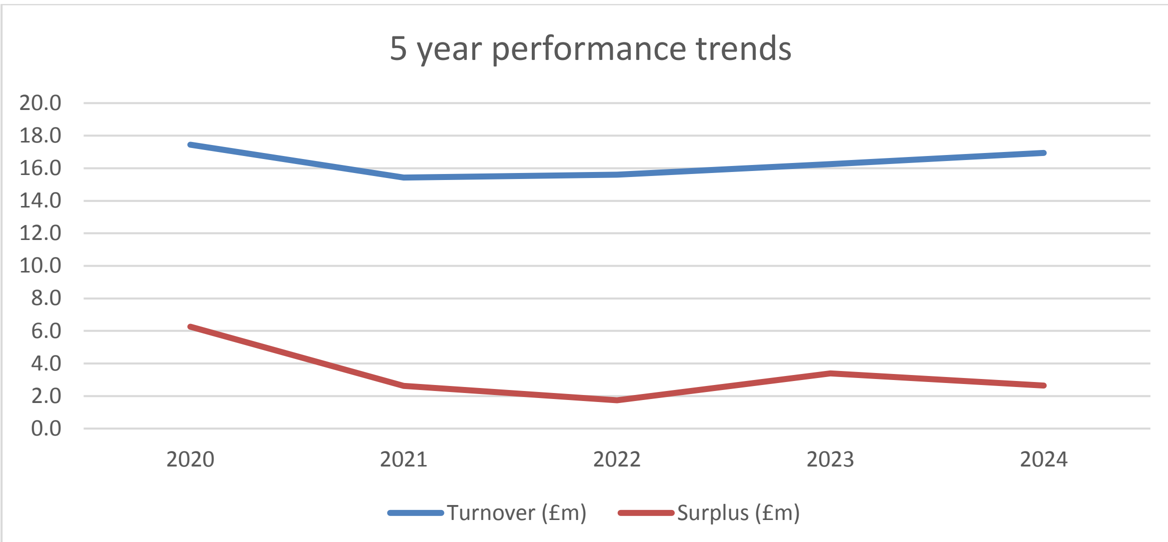
This heritage makes the Pioneer Group different to other stock transfer housing associations. The Group has inherited a concentrated stock of high quality homes and retains a firm commitment to sustaining the successful regeneration of Castle Vale through wider people and community-focussed activities.

The Group invests significant resources in non-social housing activities in order to ensure that this successful regeneration is maintained.

Two decades later, Castle Vale continues to be a good place to live. The quality of the housing stock is high, the environment is clean and pleasant, and there is a substantial waiting list for people wanting to live in the area.

Five year performance trends

Social housing letting remains by far the most significant individual income source for the Group at 85% of total turnover (2023: 82%). The next most significant contributors to turnover are community regeneration (7% of total) and market rent (6% of total). Other sources of income are not significant, making up 2% of total turnover (2023: 3%).



Operating margin from social housing lettings averaged 32% across the period.

The Group's development programme ensured that overall property numbers rose by 3% over the period, despite ongoing sales of the Group's homes under the Right to Buy.

	2020	2021	2022	2023	2024
Turnover	£17.4m	£15.4m	£15.6m	£16.3m	£16.9m
Operating surplus	£8.0m	£4.4m	£3.2m	£4.7m	£3.1m
Surplus	£6.3m	£2.6m	£1.7m	£3.4m	£2.6m
Operating margin	46%	28%	21%	29%	18%
Operating margin – social housing lettings	41%	35%	29%	33%	26%
Homes provided – social and market rent	2,467	2,464	2,487	2,517	2,541

Corporate Plan 2020-25

The Corporate Plan organises the Group's activity around three strategic themes, with clear measures of success to be achieved by 31 March 2025.

The themes seek to build on the successful platform built over the previous five years, retaining existing strengths but with a clear focus on improving core services to deliver greater customer satisfaction.

Great, safe homes

- **Great landlord** – be in the best 25% of landlords for tenants' overall satisfaction with services
- **Great homes** – 1,500 new bathrooms, 500 kitchens and 700 properties to receive new windows
- **More homes** – build 250 new homes
- **Warmer homes** – increase average SAP rating of homes by 2 points to 73
- **Safe homes** – full legal compliance and no actions outstanding

Strong, vibrant communities

- **Clean and green** – 85% satisfied with the overall appearance of their neighbourhood
- **Support people** – 90% aggregate positive outcomes for service users
- **Community pledge** – invest a minimum of £2.5 million in Castle Vale, maximising social value
- **Partnership** – 95% of community plan activities successfully undertaken
- **Community voice** – 75% satisfied that their views are listened to and acted on

Business excellence

- **People** – 90% staff satisfaction
- **Money** – achieve financial plan and regulatory metrics
- **Governance** – robust governance that enables retention of G1 rating
- **Process** – great processes and better enabled technology to deliver great services
- **Sector leadership** – ensure a high profile for the work of the Pioneer Group across the sector, city, region and country

Some highlights of our work in 2023/24

Significant projects for the fourth year of the Corporate Plan were:

- **Great, safe homes**

Responding to customer feedback and the ongoing cost of living crisis, we intend to accelerate our **window replacement** programme and complete the programme by 2025, instead of by 2030 under our previous plans. This accelerated programme is made possible by new, more flexible funding agreed in 2022/23 and means customers will benefit from more fuel efficient homes. The windows replacement contract was awarded to Nationwide Windows with the programme going live in March 2024.

The **safety of our tenants** remains a high priority. We have developed a flood risk response plan for the Castle Vale estate to safeguard property and life in the event of a flood. We have researched the implications and complexities of sustainable flood mitigation remediation works, such as SUDs (Sustainable Urban Drainage Systems), to inform the creation of flood risk mitigation plans.

During the year, we delivered **27 new homes** at a former Ministry of Defence site in Rectory Road, Sutton Coldfield – providing a mix of 16 affordable rent and 11 shared ownership homes. Work has also progressed on a further 15 new homes on the same site, which will handover in 2024/25. The refurbishment of the former Police Station in Castle Vale also progressed well during the year and 9 new homes were handed over shortly after the reporting date.

- **Strong, vibrant communities**

The **Castle Vale Stadium** is an important local resource. To support its financial viability and maximise social value, we installed a second 3G pitch, training pitch and infrastructure improvements during the year. This will bring in additional income, reducing the subsidy required for the stadium, whilst providing an improved facility to Castle Vale residents and the wider city of Birmingham.

- **Business excellence**

Data Quality has remained a key priority and is the focus of all our activity in this area.

Work on the **MRI Asset** project has continued, including implementation of new servicing contracts in the system.

Key data-related and core service-area **processes** have been documented to reduce incorrect data being held on our information management systems. All planned **GDPR** activities were completed.

Our commitments in 2024/25

Our annual planning process has identified six major projects for delivery this year:

- **Great, safe homes**

The **window replacement** will result in £9.5 million of expenditure, the majority of which will be spent in the next financial year. This major programme of window and door replacements will improve over 2,000 homes.

- **Business excellence**

Data Quality is the major challenge facing the housing association sector and will be a major focus for the year. Projects to **know our properties** and **know our customers** will ensure we collect and maintain accurate and useful data on our homes and customers. Work will continue on **MRI Asset** and **GDPR**.

We will also procure a replacement for our **MRI system**, ensuring we have a robust IT solution, for delivery of efficient services and robust data management across the Group, that meets our current and future needs and provides value for money.

Principal risks and uncertainties

The Pioneer Group has a comprehensive and well-established risk management process. Strategic risks are assessed and reported quarterly through the Corporate Risk Register. The risk framework is accompanied by clear risk appetites and golden rules set by the Board.

The Pioneer Group Board focuses on those risks with the highest residual scores. The Audit & Assurance Committee carries out detailed scrutiny of the whole risk register and seeks assurance regarding the effectiveness of key controls against any risk in the risk register.

The principal strategic risks facing the Pioneer Group, which have the highest residual scoring in the Corporate Risk Register, are:

Risk	Description	Assurance/mitigation/action
Rent settlement	Long term rental income is constrained by government policy or regulation	The government has extended the existing CPI+1% settlement by a further year to 2025/26. The long term policy position remains unknown. The Group's financial plan is based on income rising in line with CPI.
Development pipeline	The Group does not deliver the number of new homes required to meet the Corporate Plan and deliver on its grant contract with Homes England	An experienced Development team is in place with additional resources focusing on forward pipeline. The Group's Development Committee regularly scrutinises the forward pipeline.
Net zero carbon	Cost of achieving SAP C by 2030 and Net Zero Carbon by 2050	The Board has approved an Environmental Strategy outlining manageable steps to achieve SAP C by 2030. The average SAP rating for the Group's stock is currently 72 (Band C). Government grant of £0.8 million has been awarded to support work to improve 77 of the lowest rated homes.

Financial performance

The overall financial performance of the Pioneer Group is a surplus after tax of £2.6 million (2023: £3.4 million).

Turnover continued to grow, rising by 4% to £16.9 million (2023: £16.3 million). Turnover in the Group's core income stream, social housing, rose by 7% to £14.3 million.

There was a 5% decline in turnover from activities other than social housing. Income from community regeneration fell by 17% to £1.2 million, reflecting increasing competition for funding in that sector. Income from market rented housing rose by 11% to £1.0 million, due to market conditions and acquisition of additional properties during the year.

The core activity of the Group is social housing. Social housing accounts for 85% of the Group's turnover (2023: 83%).

Operating costs across the Group rose 14% to £14.4 million (2023: £12.6 million), mainly attributable to social housing. The most significant element of the increase was maintenance (£0.6 million), reflecting the wider inflationary environment and the continued importance of investing in the Group's assets. The impairment charge of £0.5 million is a consequence of the Group's decision to invest in improved windows and doors for 2,000 homes, ahead of their previous planned lifecycle.

The Group has benefited from £1.5 million of interest receivable, as it placed its high cash balances on short term deposit to benefit from high market interest rates.

The Pioneer Group's operating model is to generate surpluses from the social housing assets and use these to support wider community and people focussed services, in accordance with its charitable mission.

This year the Group invested a net £1.1 million (2023: £0.8 million) in activities other than social housing, primarily in community regeneration. Community regeneration includes a range of services to support people and communities, including families, young people, health and wellbeing, restorative justice, partnership activity and community hubs.

The Pioneer Group regards these as essential parts of its charitable mission in their own right, but they also benefit core landlord services by helping to sustain tenancies and ensuring that Castle Vale remains a desirable place to live with strong demand for homes. This contributes to the Pioneer Group's unusually low void loss for its demographic area.

Some elements of non-social housing activity are carried out as investments with the intention of generating funds to subsidise the Group's charitable aims. The most significant of these is the market rent portfolio, which represents 6% of the Group's turnover and 4% of its properties (2023: 5% of turnover, 4% of properties).

Net expenditure on non-social housing increased by £0.3 million in 2024, largely because of reduced income for community regeneration.

Total comprehensive income for the year was £2.2 million (2023: £3.1 million). This was a £0.4 million decrease from the surplus for the year, due to actuarial losses on the defined benefit pension scheme.

The Group's balance sheet shows a 5% increase in fixed assets to £108 million (2023: £103 million), primarily due to investment in new homes. Retained revenue reserves have risen by 6% to £40 million (2023: £38 million).

The Group's cash balance at year end was £28 million (2023: £34 million), and this is accompanied by a £15 million undrawn revolving credit facility. The high cash balances are due to the scheduled drawdown of £35 million from Scottish Widows in 2022. This funding was arranged in 2020 at an extremely favourable fixed rate and with a two year deferral period.

This strong cash position will help the Pioneer Group to face any further economic challenges caused by the cost of living crisis and high inflation. Longer term, this liquidity will support investment in new and existing homes.

Loan balances have fallen from £63 million to £61 million following scheduled loan repayments . The Group remains in a strong treasury position; 100% of current loans are fixed and 87% are fixed in excess of 5 years (2023: 100% fixed and 95% fixed in excess of 5 years). The average cost of drawn debt is 2.9%.

All loan covenants have been met during the year.

It is the Pioneer Group Board's intention to retain sufficient levels of reserves to protect the long-term interest of tenants, allowing for the ongoing provision of accommodation at affordable rents and adequate levels of funding for future major repair and development programmes.

Value for Money – performance against regulatory metrics

The table below outlines performance against the nine metrics set out by the Regulator of Social Housing.

The trend columns are colour coded to show whether the metric is constant or improving (green) or deteriorating (red) compared to the previous year. The 2024 target column is colour coded to show whether the target was achieved (green) or not achieved (red). Peer and sector comparisons are colour coded in a four quartile system to show the Group's 2024 results relative to peer and sector benchmarks.

The peer comparison shows the median result for a group of 20 comparable-sized (1,000-2,500 social homes) organisations operating in England, excluding London. The national comparison shows the median result for all registered providers, from the Regulator's analysis of the global accounts for the sector. Both of these are comparisons with 2023 data, which is the most recent data available.

The Board considers that it is important to demonstrate good value for money against both immediate peers, who offer the closest like for like comparison, and the whole sector, to demonstrate that remaining a smaller independent provider delivers positive value for money outcomes compared to the larger providers.

Regulatory metric	Trends					Performance		
	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Target	2024 target	Sector median	Peers median
Reinvestment	4.6%	3.4%	7.3%	7.1%	13.5%	15.0%	6.7%	3.6%
New supply delivered (social housing units)	0.0%	1.3%	1.6%	**1.1%**	0.8%	1.8%	1.3%	0.9%
New supply delivered (non-social housing units)	0.0%	0.0%	0.0%	**0.0%**	0.0%	0.0%	0.0%	0.0%
Gearing	35.3%	33.1%	32.9%	**36.1%**	43.8%	43.3%	45.3%	33.8%
EBITDA MRI interest cover	224%	216%	265%	**181%**	(116%)	(40%)	128%	184%
Headline social housing cost per unit	£3,323	£3,329	£3,520	**£4,397**	£7,370	£5,996	£4,586	£4,176
Operating margin (social housing lettings)	35.5%	28.9%	32.6%	**25.7%**	28.5%	28.9%	19.8%	21.6%
Operating Margin (overall)	25.3%	18.3%	22.6%	**15.3%**	19.7%	21.1%	18.2%	21.5%
Return on capital employed	4.1%	3.1%	3.1%	**2.3%**	3.1%	2.6%	2.8%	2.4%

* Sector and peer medians: 2022/23 Global Accounts benchmarking data

	= Upper Quartile
	= Better than median
	= Lower than median
	= Lower Quartile

The 2024 results of the regulatory metrics show the following headlines:

- Outperforming the sector in six of the nine indicators (2023: eight);
- Outperforming peers in four of the nine indicators (2023: eight);
- Achieving targets in four out of nine indicators (2023: seven);
- Improving performance in none of the nine indicators (2023: eight);
- Upper quartile performance compared to the sector in two indicators (2023: three).

The Group's efforts to grow its development programme continue to have a positive impact, with 27 new homes completed during the year. This has resulted in new supply figures which are slightly below the sector but outperforming peers. This has also resulted in reinvestment performance which exceeds sector and peer averages.

As planned, the Group's high cash balances have begun to be spent on new and existing homes. This has increased gearing, although the metric still sits well below sector norms. Similarly, EBITDA MRI interest cover is beginning to fall due to increased expenditure on capital maintenance, but remains well above the sector average. The Group expects this metric to temporarily become negative next year due to the temporary peak in capital investment through the windows and doors programme.

Headline social housing cost has increased by 25% but remains below sector averages. The increase is due to the increase in capital maintenance activity as well as general inflationary increases across all operating costs.

Improved windows and doors have been highlighted by tenants as a priority, will support the Group's environmental strategy and will help tenants with the cost of living. The Group intends to accelerate this programme next year, taking advantage of the strategic flexibility provided by its new loan covenants. This will directly support a number of major strategic goals including the aim to achieve upper quartile customer satisfaction by 2025.

As a result of this investment, EBITDA MRI interest cover will fall below zero next year and headline social housing cost per unit will rise substantially. We expect that these results will be outliers for the sector. These are temporary impacts on the metrics but will have a long lasting impact on the quality of tenants' homes. For the same reasons, reinvestment will rise (becoming upper quartile) and gearing will also rise towards the sector median. This is a deliberate strategic decision by the Board to invest in existing homes and is made possible by the substantial covenant headroom the Group has secured.

Value for Money – performance against the Pioneer Group's metrics

Alongside the regulatory metrics, the Pioneer Group had identified four further value for money targets for the year. These cover qualitative satisfaction metrics alongside metrics covering income collection and voids.

The trend and performance columns are colour coded in the same format as the regulatory metrics.

Pioneer Group Metric	Trends					Performance		
	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Target	2024 target	Sector median	Peers median
Overall satisfaction with landlord's services	92%	85%	83%	**80%**	Info only	Info only	72%	78%
Satisfaction with most recent responsive repair	82%	88%	84%	**83%**	85%	85%	-	-
Rent arrears (current tenants)	3.00%	3.56%	3.15%	**2.91%**	3.00%	3.00%	3.08%	3.15%
Rent loss due to voids	0.73%	0.44%	0.33%	**0.62%**	0.30%	0.30%	1.26%	0.98%

The Group is currently achieving its Corporate Plan target to be in the top 25% of landlords for overall customer satisfaction. This is a very high strategic priority for the Group.

This year has seen a further 3% decrease in overall satisfaction. This is in the context of more pronounced falls across the sector, with the latest Housemark benchmarking data shows a 7% decline in overall satisfaction across the sector. With a result of 80%, the Group's performance is consistent with where it was in 2020. The result in 2021 was an outlier, associated with 'covid goodwill' due to the level of additional community support the Group provided during the pandemic.

Regression analysis on overall satisfaction highlights the relative importance of providing a robust repairs service, homes that are safe, and treating customers fairly and with respect. This is supported by qualitative analysis, which shows that 43% of negative comments relate to repairs to the home, and 26% to communication, staff and customer service. The analysis further shows that a significant proportion of dissatisfaction relates to the time taken to complete repairs, with desired window and door replacements being a key complaint. The Board has chosen to accelerate the window and door replacement programme, targeting to deliver the programme over the next 15 months, in order to increase customer satisfaction. Next year we can begin to assess the effectiveness of this strategic value for money decision through the impact on overall customer satisfaction.

Satisfaction with the most recent responsive repair has not met target at year end. This is largely due to the key operational responsive repairs metrics (repairs completed same day, and repairs completed first visit) significantly declining. The key drivers of this decline are a contract supervisor vacancy which our repairs contractor carried during the first half of the year, as well as a higher number of window, door and roof repairs compared to previous years. As the vacancy has now been filled, and with delivery of the window and door replacement programme, we anticipate improvement in these metrics, which will lead to further improvements in repairs and overall satisfaction.

Overall pressure on arrears and rent collection remains due to the challenging economic climate. However, against the backdrop of a cost of living squeeze and a 7% rent increase, current tenant arrears (social) is lower than target and also lower than the previous year. This has been primarily driven by additional staff resources that have allowed officers to effectively target customers as payment difficulties arise, proactively support tenants and put payment plans in place.

Demand for our homes remains very high. Void loss has been impacted by a number of void properties requiring major work. Average relet times have increased and it is a priority for the Group to reverse this. Nonetheless, voids performance has continued to outperform peers and the wider sector by a considerable margin.

Statement of the responsibilities of the Pioneer Group Board for the financial statements

Housing association legislation requires the Pioneer Group Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Association at the end of the financial year and of the surplus of the Group and Association for the year ended on that date.

In preparing those financial statements the Pioneer Group Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed and give details of any departures;
- prepare the financial statements on a going concern basis unless it is inappropriate;
- ensure there is no relevant audit information of which the auditors are unaware.

The Pioneer Group Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Association and to enable them to ensure that the accounts comply with the Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008.

It is also responsible for safeguarding the assets of the Group and Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Group and Association's accounting records, cash holdings and all of its receipts and remittances.

The Board members are responsible for the maintenance and integrity of the Group and Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

The Board members have taken reasonable care to make themselves aware of any relevant audit information and ensure that the auditors are aware of all relevant audit information.

Going concern

The Group's activities, together with the factors likely to affect its future development, its financial position and its exposure to risk, are described above.

The Group has considerable financial resources and, as a consequence, the Pioneer Group Board believes that the Group is well placed to manage its business risks successfully despite current uncertainties in the social housing sector and wider UK economy.

Following completion of the new revolving credit facility with Santander in October 2022, the Group now has a more flexible financial covenant suite based on EBITDA interest cover rather than EBITDA MRI interest cover. This has substantially increased the covenant headroom available in the long term financial plan, with headroom of over 200% in all years. As a result, the long term financial plan is highly resilient to covenant risk despite the impact of high inflation and a government cap on social housing rents in 2023. The Board conducted stress testing of its financial business plan in June 2024 and concluded that the financial plan is resilient to a wide range of potential risks. This includes risks which may arise from the current high inflation environment, including increases in voids and rent arrears, significant one off costs and sustained cost increases.

The organisation has significant access to liquidity, with £28 million of cash and a £15 million undrawn revolving credit facility available until 2027. This liquidity is substantially greater than the overall budgeted turnover for next year.

The Pioneer Group Board therefore has a reasonable expectation that the Association and the Group have adequate resources to continue in operational existence for the foreseeable future and, accordingly, continues to adopt the going concern basis in preparing the financial statements.

Governance code

The Pioneer Group Board has adopted the National Housing Federation Code of Governance 2020. The Board confirms its compliance with the code.

Governance structure

The Pioneer Group Board is ultimately responsible for the Group and Association's strategy and policy framework.

- The Board currently comprises ten members, including two co-optees. The Rules of the Association allow for up to 12 members including co-optees;
- The majority of members are recruited directly; two members are nominated from Castle Vale Community Housing and Compass Support;
- Three of the Pioneer Group Board members should have a community connection from one of the Pioneer Group communities;
- Each member is appointed for a term of three years and may be re-appointed at the expiration of that period, subject to a maximum term of nine years;
- Meets formally not less than six times per year for regular business.
- A rolling programme of training for Pioneer Group Board members is in place.

Board Members are selected to bring a diverse range of skills and expertise in the Group's activities. The Board is committed to continued Board development. Individual board members are subject to annual appraisals, and the Board reviews its collective effectiveness on an annual basis. Board effectiveness is independently reviewed every three years.

To support it in achieving the Group's aims, the Pioneer Group Board has delegated some responsibility to specialist committees and a community committee covering the Group's communities.

Executive Leadership Team

The Board delegates the day to day management and implementation of the control framework to the Chief Executive and other senior leaders named on page three. The Executive Leadership Team meets weekly and officers attend Pioneer Group Board meetings.

Specialist sub-committees

- **Audit & Assurance Committee**

  The committee supports the Group Board by ensuring that an effective control and assurance framework is in place across the Group. This includes overseeing the relationship with the Group's internal and external auditors. At least four members must be from the Pioneer Group Board. The committee meets formally at least four times per year.

- **Development Committee**

  The committee supports the Group Board by overseeing development of new homes for the Group. At least three members must be from the Pioneer Group Board. The committee meets formally at least four times per year.

- **Remuneration Committee**

  The committee supports the Group Board by reviewing the performance of the Chief Executive and making recommendations to the Group Board on remuneration for all staff. The Committee meets formally at least twice per year.

Community sub-committees

Operational delivery is supported by a local, community-focussed committee, with clear reporting and assurance back to Group Board:

- **Castle Vale Community Housing**

  The committee supports the Group Board by monitoring operational services, including monitoring customer service performance and influencing the Group's planned initiatives. A majority of members must be tenants or residents, elected by tenants. The committee meets formally at least four times per year.

Subsidiary boards

Subsidiaries have their own boards, with clear reporting and assurance back to the Group Board.

- **Compass Support Services Board**

  The board is responsible for provision of people based services covering youth, family, employment, and health, and operates community facilities in Castle Vale and Falcon Lodge, Birmingham. The board meets formally at least four times per year.

- **The Merlin Venture Board**

  The board is responsible for the dormant legal entity, following the decision to cease trading during 2022. The board currently meets on an ad hoc basis.

Regulatory framework for social housing

The Board considers it a priority to demonstrate high standards of governance and transparency, to comply with the regulatory framework for social housing, and to achieve strong regulatory ratings under the Governance and Financial Viability Standard.

The Pioneer Group is assessed by the Regulator of Social Housing on an annual basis. In November 2023, was graded as G1 for governance and V2 for financial viability. The compliant V2 rating reflects the Group's significant investment in existing homes to approve affordable warmth, which will weaken the Group's financial performance in the short term.

Additionally, the Board has undertaken a detailed self-assessment exercise against the regulatory framework and continues to proactively engage with the regulator and wider regulatory framework on an ongoing basis.

Actions have been put in place to continue to strengthen internal control and ensure continued compliance. The Board has also targeted specific resources at areas which it believed could pose a significant risk to compliance.

The Group has tendered its responsive repairs contract during the year in line with the Public Contract Regulations 2015 and the regulatory requirement to adhere to all relevant law. However, due to the wide range of prices received, the Board has taken the decision to re-run the tender with further clarification of the specification and contract requirements. In the interim, the existing contract has been extended for six months. The Board believes this is the best means of ensuring value for money and sustainability of an important service to tenants.

With this exception, the Board confirms its compliance with the regulatory framework, during the year and up to the signing of these accounts.

Internal control assurance

The Pioneer Group Board is responsible for the overall system of internal control throughout the Group and for reviewing its effectiveness.

In discharging its internal control responsibility, the Pioneer Group Board has evolved processes adopted by management to gain assurance that:

- Assets are protected and the Group is safeguarded from losses;
- Financial information is accurate and reliable;
- The Group works within applicable laws and regulations;
- Effectiveness and efficiency of operations is ensured.

The Pioneer Group Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Group and Association's assets and interests.

In meeting its responsibilities, the Pioneer Group Board has adopted a risk-based approach to internal controls which is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Group and Association are exposed.

The process adopted by the Pioneer Group Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- **Appropriately qualified staff**

Experienced and suitably qualified staff are allocated responsibility for important business functions. Job descriptions are appropriate and specific and annual appraisal procedures are well established ensuring standards of performance are maintained.

- **Identification and evaluation of key risks**

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of the Group and Association's activities. The management team regularly considers and receives reports on significant risks facing the Group and Association and the Chief Executive is responsible for reporting to the Pioneer Group Board any significant changes affecting key risks. Reports to Boards and Committees include an assessment of relevant risk and, where necessary, detail on how risk is being mitigated.

- **Control environment and control procedures**

The Pioneer Group Board retains responsibility for a defined range of strategies, policies and procedures covering operational and financial compliance issues including treasury strategy and new investment projects. Policies and procedures cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention, detection and reporting.

A fraud prevention policy, including a fraud response plan, is in place and subject to periodic review by the Pioneer Group Board. A fraud register exists and is reviewed annually by the Audit & Assurance Committee.

- **Information and financial reporting system**

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Pioneer Group Board. The Pioneer Group Board also reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

- **Monitoring and corrective action**

A process of regular management reporting on control issues provides assurance by senior management to the Pioneer Group Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services.

- **Internal audit**

The Pioneer Group contracts specialist internal auditors TIAA to provide independent assurance on key elements of the internal control framework.

Internal audit reviews were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Group's objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided.

Areas reviewed during the year were corporate health and safety; development contract management; leaseholders; Compass Support; payment including fraud; Human Resources; stock condition survey data and data quality; responsive repairs; cyber security; and property sales.

The overall internal audit opinion for the year is that, for the areas reviewed during the year, the Pioneer Group has reasonable and effective risk management, control and governance processes in place.

- **Financial planning and stress testing**

The Pioneer Group Board has continued to operate a range of stress testing, recognising its responsibility for the identification of potential risk scenarios and appropriate mitigations. Significant resource is devoted to financial planning, which is carried out using industry standard financial planning software (Brixx). An asset and liability register is also in place and is subject to regular review and further development.

There were no identified weaknesses in internal financial control that required disclosure in the financial statements or in the auditor's report on the financial statements.

Legal Status

The Association is a registered society under the Co-operative and Community Benefit Societies Act 2014 (28414R) and is also registered with the Regulator of Social Housing (L4118) as a Registered Provider.

Pioneer Group Board Members' & Chief Executive's Liability Insurance

The Association maintains insurance against the liabilities of all members of the Pioneer Group Board and the Chief Executive in relation to their duties for the Group and Association.

Post Balance Sheet Events

There were no post balance sheet events.

Auditor

A resolution to re-appoint Beever & Struthers as external auditor will be proposed at the forthcoming Annual General Meeting. Beever & Struthers have expressed their willingness to continue in office.

By Order of the Pioneer Group Board

Signed by:
Francis Burrows
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Francis Burrows
Chair

Kayleigh Hall
Company Secretary

10 July 2024

Opinion

We have audited the financial statements of The Pioneer Housing and Community Group Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2024 which comprise the Group and Association Statement of Comprehensive Income, Group and Association Statement of Financial Position, Group Statement of Changes in Reserves, Association Statement of Changes in Reserves, Group Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 16, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.

- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias

Use of our report

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

Statutory Auditor: **Beever and Struthers** DocuSigned by: Lee Cartwright 9B661240F813482... **Date** 10/9/2024

Address: The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT

Statement of Comprehensive Income
for the year ended 31 March 2024

	Note	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Turnover	3	16,938	16,258	16,028	15,435
Cost of sale	3	-	-	-	-
Operating expenditure	3	(14,351)	(12,576)	(13,391)	(11,688)
Surplus on disposal of property, plant and equipment	7	471	451	471	451
Surplus on closure of defined benefit pension scheme	12	-	602	-	602
Operating surplus		**3,058**	**4,735**	**3,108**	**4,800**
Interest receivable	8	1,483	543	1,454	532
Interest and financing costs	9	(2,000)	(1,826)	(2,000)	(1,826)
Surplus/(deficit) on revaluation of investment properties	15	95	(58)	95	(58)
Surplus before tax		**2,636**	**3,394**	**2,657**	**3,448**
Taxation	6	7	-	7	-
Surplus for the year	**5**	**2,643**	**3,394**	**2,664**	**3,448**
Actuarial (losses)/gains in respect of defined benefit pension schemes	12	(445)	(287)	(445)	(287)
Total comprehensive income for the year		**2,198**	**3,107**	**2,219**	**3,161**

All results relate to continuing activities.

Statement of Financial Position
as at 31 March 2024

		Group		Association	
	Note	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Intangible assets	13	122	141	122	141
Housing properties	14	90,294	86,473	90,294	86,473
Investment properties	15	14,790	13,688	14,790	13,688
Homebuy loans receivable	16	106	106	106	106
Other property, plant and equipment	17	2,952	2,528	2,948	2,528
		108,264	102,936	108,260	102,936
Current assets					
Inventory	18	872	257	872	257
Trade and other debtors	19	1,897	1,595	1,857	1,375
Cash and cash equivalents	20	28,258	33,798	28,248	33,787
		31,027	35,650	30,977	35,419
Creditors: amounts falling due within one year	21	(3,926)	(3,859)	(4,445)	(4,222)
Net current assets		27,101	31,791	26,532	31,197
Total assets less current liabilities		**135,365**	**134,727**	**134,792**	**134,133**
Creditors: amounts falling due after more than one year					
Other creditors	22	94,131	95,828	94,131	95,828
Pension liability	12	926	789	926	789
		95,057	96,617	95,057	96,617
Capital and reserves					
Share capital	24	-	-	-	-
Revenue reserves		40,308	38,110	39,735	37,516
Total capital, reserves and long term creditors		**135,365**	**134,727**	**134,792**	**134,133**

The financial statements on pages 26 to 64 were approved by the Pioneer Group Board on 10 July 2024 and were signed on its behalf by:

Signed by:
Francis Burrows
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Francis Burrows
Chair

Signed by:
ian Campbell
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Ian Campbell
Board Member

DocuSigned by:
DD2A7AA078A94E7...
Kayleigh Hall
Company Secretary

Statement of Changes in Reserves as at 31 March 2024

	Group	Group	Association	Association
	2024	2023	2024	2023
	Income & Expenditure reserve	Income & Expenditure reserve	Income & Expenditure reserve	Income & Expenditure reserve
	£'000	£'000	£'000	£'000
At 1 April	38,110	35,003	37,516	34,355
Surplus for the year	2,643	3,394	2,664	3,448
Actuarial (loss)/gain in respect of pension schemes	(445)	(287)	(445)	(287)
At 31 March	**40,308**	**38,110**	**39,735**	**37,516**

Consolidated Statement of Cash Flows for the year ended 31 March 2024

	Note	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Net cash generated from operating activities	25		**4,788**		**5,149**
Cash flows from investing activities					
Purchase of property, plant and equipment		(933)		(382)	
Purchase and refurbishment of housing and investment properties		(7,733)		(6,717)	
Proceeds from sale of property, plant and equipment		638		623	
Interest received		1,066		260	
Net cash flows from investing activities			**(6,962)**		**(6,216)**
Cash flows from financing activities					
Interest paid		(1,878)		(1,629)	
Repayments of borrowings		(1,488)		(6,407)	
New borrowing		-		35,000	
Grants		-		939	
Net cash flows from financing activities			**(3,366)**		**27,903**
Net (decrease)/increase in cash and cash equivalents			**(5,540)**		**26,836**
Cash and cash equivalents at the beginning of year			33,798		6,962
Cash and cash equivalents at 31 March	25		**28,258**		**33,798**

1 Legal status

The Pioneer Housing and Community Group Limited (Association) is a registered society under the Co-operative and Community Benefit Societies Act 2014 (28414R) and is a registered provider of social housing (L4118). Its registered office is 11 High Street, Castle Vale, Birmingham, B35 7PR.

The Association has two subsidiaries:

- Compass Support Services Limited is a company limited by guarantee (3506460) and a registered charity (1068324), regulated by the Charity Commission. Its registered office is 11 High Street, Castle Vale, Birmingham, B35 7PR;
- The Merlin Venture Limited is a company limited by guarantee (03615422). Its registered office is 11 High Street, Castle Vale, Birmingham, B35 7PR. This subsidiary is dormant.

2 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with January 2022 Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for registered social housing providers 2018 (SORP), the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2022.

The Pioneer Housing and Community Group is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed “PBE” in FRS 102.

Statement of cash flows

The Pioneer Housing and Community Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. Exemptions have been taken in relation to the following:

- A statement of Cash Flows has not been presented for the parent company.

Basis of consolidation

The group financial statements consolidate the financial statements of the Association and its subsidiary undertakings drawn up to 31 March each year.

The accounts of the Pioneer Housing and Community Group Limited and Compass Support Services Limited have been prepared on a going concern basis.

Acquisitions

Business combinations which are considered to be acquisitions are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Turnover

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Turnover represents rent and service charges receivable (net of rent and service charge losses from voids), management fees, revenue grants and other income. Service charge income is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and the revenue recognition criteria met.

Service charge sinking funds and service costs

Unutilised contributions to service charge sinking funds and over-recovery of service costs which are repayable to tenants or leaseholders or are intended to be reflected in reductions to future service charge contributions are recognised as a liability in the Statement of Financial Position. The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund. Where there has been an under-recovery of leaseholders' or tenants' variable service charges and recovery of the outstanding balance is virtually certain, the balance is recognised in the Statement of Financial Position as a trade receivable. Debit and credit balances on individual schemes are not aggregated as there is no right of set-off.

Value Added Tax

A large proportion of the Group's income is exempt from Value Added Tax (VAT), giving rise to a partial exemption calculation. This significantly restricts recovery of VAT incurred on expenditure, which is, therefore, shown VAT inclusive.

Intra-group transactions

The Group parent is the employer of all staff. Staff working wholly and directly on Compass services are recharged at cost to Compass. Compass bears the risk and reward of the staff, including operational performance and liability for absence. This cost is accounted for directly in the subsidiary rather than being shown as cost and income in the Group parent.

Similarly, the Group parent operates one purchase ledger on behalf of all subsidiaries and recharges the transactions to them at cost. The subsidiaries bear the financial risk and reward of the underlying transactions. This cost is accounted for directly in the subsidiaries rather than being shown as cost and income in the Group parent.

Any outstanding balances are disclosed in note 30.

Where there is a transfer of financial risk and reward between Group members, this is accounted for as an intercompany transaction, with income accounted for in the entity bearing the risk and a corresponding cost in the party procuring the service. Such transactions are disclosed in note 30.

Property, plant and equipment – housing properties

Housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the cost of acquiring land and buildings plus directly attributable development costs. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Depreciation is charged to write down the net book value of housing properties to their estimated residual value, on a straight line basis, over their useful economic lives. Depreciation is not charged in the year of acquisition, and is charged in the year of disposal. Freehold land is not depreciated.

Major components

Major components of housing properties, which have significantly different patterns of consumption of economic benefits, are treated as separate assets and depreciated over their expected useful economic lives or the lives of the properties to which they relate, if shorter, at the following annual rates:

Remaining structure – houses	150 years
Remaining structure – flats	150 years
Roofs	60 years
Windows and doors	30 years
Electrics	30 years
Bathrooms	30 years
Bathroom component replacements	20 years
Kitchens	15 years
Boilers	15 years
Remaining central heating system	30 years
Lifts	30 years
Garages	30 years

Improvements

Where there are improvements to housing properties that are expected to provide incremental future benefits, these are capitalised and added to the carrying amount of the property. Any works to housing properties which do not replace a component or result in an incremental future benefit are charged as expenditure in the Statement of Comprehensive Income.

Leaseholders

Where the rights and obligations for improving a housing property reside with the leaseholder or tenant, any works to improve such properties incurred by the Association are recharged to the leaseholder and recognised in surplus or deficit in the Statement of Comprehensive Income along with the corresponding income from the leaseholder or tenant.

Impairment of social housing properties

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Comprehensive Income.

The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in the Statement of Comprehensive Income.

Impairment of inventory

Assets held as inventory are assessed for impairment at each reporting date. The carrying value of the asset is compared to the expected selling price, less costs to complete the asset and cost to sell.

If an item of inventory or group of similar items is impaired, the value of the asset is immediately reduced and an impairment loss is recognised in the Statement of Comprehensive Income.

Investment properties

The classification of properties as investment property or property plant and equipment is based upon the intended use of the property. Properties held to earn commercial rentals or for capital appreciation or both are classified as investment properties. Properties that are used for administrative purposes or that are held for the provision of social housing are treated as property plant and equipment. Mixed use property is separated between investment property and property, plant and equipment.

Land is accounted for based on its intended use. Where land is acquired speculatively with the intention of generating a capital gain and/or a commercial rental return it is accounted for as investment property. Where land is acquired for use in the provision of social housing or for a social benefit it is accounted for as property, plant and equipment.

Investment properties are measured at fair value annually with any change recognised in surplus or deficit in the Statement of Comprehensive Income.

Homebuy loans

Homebuy loans were equity loans of 25% of the property value, secured by a charge against the property. These meet the definition of public benefit entity concessionary loans under FRS102. No interest is charged and there is no fixed repayment date.

On sale of the property, 25% of the value of the property is due to the Association. Homebuy loans are recorded as non-current assets on the Statement of Financial Position at the value of the original loan. When the loans are redeemed, any surplus is credited to the Statement of Comprehensive Income as other income from social housing.

Non-housing property, plant and equipment

Non-housing property, plant and equipment is stated at historic cost less accumulated depreciation and any provision for impairment. Depreciation is provided on all non-housing property, plant and equipment, other than investment properties and freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Office minor furniture, fixtures and fittings	4 years
Office refurbishment – fixture and fittings	25 years
Scheme fixtures and fittings	10 years
Office plant & machinery	4 years
Motor vehicle	4 years
Computer equipment	4 years
Freehold offices	50 years
CCTV infrastructure	4 years

Intangible assets

Intangible assets are stated at historic cost or valuation, less accumulated amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life, as follows:

Computer software	4 years
Computer software – core systems	8 years

Social housing grant and other government grants

Where grants are received from government agencies, such as Homes England, local authorities, devolved government agencies, health authorities and the European Commission, which meet the definition of government grants they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Where the relevant asset is disposed of before the end of its useful life, social housing grant is recycled through a Recycled Capital Grant Fund where this is required by the Recovery of Capital Grants and Recycled Capital Grant Fund General Determination 2017.

The majority of the Group's government grant was provided by Castle Vale Housing Action Trust under section 71 of the Housing Act 1988. The Recovery of Capital Grants and Recycled Capital Grant Fund General Determination 2017 does not apply to this grant and, where the relevant property is disposed of before the end of its useful life, the grant is released to the Statement of Comprehensive Income as part of the surplus on disposal.

Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

Non-government grants

Grants received from non-government sources are recognised as revenue using the performance model. Grants that do not impose specific future performance related conditions are recognised as revenue when received or receivable. Grants that impose specific future performance related conditions are recognised as revenue only when the performance related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Restricted reserves

Where reserves are subject to an external restriction they are separately recognised within reserves as a restricted reserve. Revenue and expenditure is included in surplus or deficit in the Statement of Comprehensive Income and a transfer is made from the general reserve to the restricted reserve.

Leased assets

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Payments under operating leases are charged to surplus or deficit in the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Interest payable

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are calculated using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined on the basis of the carrying amount of the financial liability at initial recognition. Under the effective interest method, the amortised cost of a financial liability is the present value of future cash payments discounted at the effective interest rate and the interest expense in a period equals the carrying amount of the financial liability at the beginning of a period multiplied by the effective interest rate for the period.

Pensions

The Association participates in defined benefit and defined contribution pension schemes.

Multi-employer defined benefit pension schemes

The Group participates in the Social Housing Pension Scheme, a multi-employer scheme where it is possible for individual employers as admitted bodies to identify their share of the scheme's assets and liabilities.

For this scheme, amounts charged to operating surplus are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to revenue and included within interest and financing costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each Statement of Financial Position date.

Defined contribution pension schemes

The Group participates in defined contribution schemes where the amount charged to surplus or deficit in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Closed pension schemes

The Group terminated its membership of the Local Government Pension Scheme on 31 January 2023 and settled all outstanding liabilities during the year. Employer contributions towards the scheme up until closure were charged to the Statement of Comprehensive Income and were included as part of staff costs. The accounting surplus arising from the closure of the scheme were separately reported on the face of the Statement of Comprehensive Income and a detailed explanation is given in note 12.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

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

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

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

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

Financial liabilities carried at amortised cost

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

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. It includes cash that has been paid by customers through Allpay and is temporarily held on trust by Allpay and any cash investments maturing in less than 12 months.

Business combinations

Combinations carried out at nil consideration are accounted for so that any excess of fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain within the Statement of Comprehensive Income.

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the Group that have the most significant effect on the amounts recognised in the financial statements.

Impairment of social housing properties: the Group has to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP.

Impairment of inventory: the Group has to make an assessment as to the likely selling price of the asset, less further costs to complete and sell. In making the judgement, management considered the evidence of sales which had taken place immediately before and after the year end date.

Government grant: the accounting policy for government grant relies on management's interpretation of legal and contractual provisions relating to those grants.

Capitalisation of property development costs: the Group capitalises development expenditure in accordance with the accounting policies on housing properties and investment properties. Capitalisation requires a range of judgements, such as establishing which associated development costs should be capitalised and which costs should be written off and the likelihood that projects will continue.

Bad debts: management seeks to provide an appropriate bad debt provision for any arrears outstanding at the reporting date. This provision is derived from a combination of specific knowledge on individual cases and a formula which reflects the age and difficulty of collection for types of debt.

Estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Investment property – fair value measurement: management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the property. Management base the assumptions on current open market prices as far as possible. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

Defined benefit pension scheme: the Group has obligations to pay pension benefits to certain current and former employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors, using information provided by scheme actuaries.

Components of housing properties and useful lives: major components of housing properties have significantly different patterns of consumption of economic benefits and estimates are made to allocate the initial cost of the property to its major components and to depreciate each component separately over its useful economic life. The Group considers whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.

3. i) Turnover, operating costs and operating surplus – group

	2024 Turnover £'000	2024 Cost of sale £'000	2024 Operating costs £'000	2024 Operating surplus £'000	2023 Turnover £'000	2023 Cost of sale £'000	2023 Operating costs £'000	2023 Operating surplus £'000
Income and expenditure from social housing lettings	14,319	-	**(10,635)**	**3,684**	**13,382**	**-**	**(9,019)**	**4,363**
Other social housing activities								
Shared ownership first tranche sales	-	-	-	**-**	-	-	-	**-**
Homebuy loans	-	-	-	**-**	106	-	-	**106**
Total social housing	**14,319**	**0**	**(10,635)**	**3,684**	**13,488**	**0**	**(9,019)**	**4,469**
Activities other than social housing								
Leasehold management	61	-	(94)	**(33)**	30	-	(83)	**(53)**
Community regeneration	1,239	-	(2,286)	**(1,047)**	1,489	-	(2,349)	**(860)**
Commercial leases	56	-	(61)	**(5)**	135	-	(48)	**87**
Home ownership	-	-	(25)	**(25)**	-	-	(25)	**(25)**
CCTV	-	-	(119)	**(119)**	-	-	(108)	**(108)**
Castle Vale Stadium	297	-	(372)	**(75)**	244	-	(299)	**(55)**
Nursery	-	-	-	**-**	-	-	-	**-**
Market rent	966	-	(394)	**572**	872	-	(301)	**571**
Development	-	-	(365)	**(365)**	-	-	(344)	**(344)**
Total activities other than social housing	**2,619**	**-**	**(3,716)**	**(1,097)**	**2,770**	**-**	**(3,557)**	**(787)**
Surplus on disposal of property plant and equipment	-	-	-	**471**	-	-	-	**451**
Surplus on closure of defined benefit pension scheme	-	-	-	**-**	-	-	-	**602**
Total operating surplus	**16,938**	**-**	**(14,351)**	**3,058**	**16,258**	**-**	**(12,576)**	**4,735**

3. ii) Turnover, operating costs and operating surplus – association

	2024 Turnover £'000	2024 Cost of sale £'000	2024 Operating costs £'000	2024 Operating surplus £'000	2023 Turnover £'000	2023 Cost of sale £'000	2023 Operating costs £'000	2023 Operating surplus £'000
Social housing lettings	14,319	-	(10,635)	**3,684**	**13,382**	**-**	**(9,019)**	**4,363**
Other social housing activities								
Shared ownership first tranche sales	-	-	-	**-**	-	-	-	**-**
Homebuy loans	-	-	-	**-**	106	-	-	**106**
Total social housing	14,319	-	(10,635)	**3,684**	**13,488**	**-**	**(9,019)**	**4,469**
Activities other than social housing								
Leasehold management	61	-	(94)	**(33)**	30	-	(83)	**(53)**
Community regeneration	329	-	(1,327)	**(998)**	540	-	(1,462)	**(922)**
Commercial leases	56	-	(61)	**(5)**	135	-	(48)	**87**
Home ownership	-	-	(25)	**(25)**	-	-	(25)	**(25)**
CCTV	-	-	(119)	**(119)**	-	-	(108)	**(108)**
Castle Vale Stadium	297	-	(372)	**(75)**	244	-	(299)	**(55)**
Merlin Venture	-	-	-	**-**	126	-	-	**126**
Market rent	966	-	(394)	**572**	872	-	(301)	**571**
Development	-	-	(364)	**(364)**	-	-	(343)	**(343)**
Total other activities other than social housing	1,709	**-**	(2,756)	**(1,047)**	**1,947**	**-**	**(2,669)**	**(722)**
Surplus on disposal of property plant and equipment	-	-	-	**471**	-	-	-	**451**
Surplus on closure of defined benefit pension scheme	-	-	-	**-**	-	-	-	**602**
Total operating surplus	**16,028**	**-**	**(13,391)**	**3,108**	**15,435**	**-**	**(11,688)**	**4,800**

3. iii) Income and expenditure from social housing lettings – group and association

	2024 General needs (social rent) £'000	2024 General needs (affordable rent) £'000	2024 Housing for older people (social rent) £'000	2024 Intermediate rent (mortgage rescue) £'000	2024 Intermediate rent (rent to buy) £'000	2024 Shared ownership £'000	2024 Total £'000	2023 Total £'000
Income from lettings								
Rent receivable	12,149	98	575	17	275	94	13,208	12,270
Service charges receivable	582	-	261	-	-	12	855	855
Amortised government grant	239	2	-	1	8	6	256	257
Net rents receivable	**12,970**	**100**	**836**	**18**	**283**	**112**	**14,319**	**13,382**
Other income	-	-	-	-	-	-	-	-
Turnover social housing lettings	**12,970**	**100**	**836**	**18**	**283**	**112**	**14,319**	**13,382**
Operating expenditure								
Management	(2,101)	(19)	(130)	(2)	(52)	(55)	(2,359)	(2,066)
Services	(1,053)	-	(362)	-	(6)	(1)	(1,422)	(1,301)
Routine maintenance	(2,375)	(12)	(97)	(1)	(22)	-	(2,507)	(2,287)
Planned maintenance	(1,537)	(8)	(101)	(1)	(17)	-	(1,664)	(1,295)
Major repairs expenditure	(377)	-	-	-	-	-	(377)	(340)
Rent losses from bad debts	(1)	(2)	-	(1)	(2)	(2)	(8)	14
Depreciation of housing properties	(1,702)	(11)	(48)	(3)	(57)	(22)	(1,843)	(1,744)
Impairment of housing properties	(455)	-	-	-	-	-	(455)	-
Total operating expenditure	**(9,601)**	**(52)**	**(738)**	**(8)**	**(156)**	**(80)**	**(10,635)**	**(9,019)**
Operating surplus on social housing lettings	**3,369**	**48**	**98**	**10**	**127**	**32**	**3,684**	**4,363**
Void losses	66	6	18	-	8	10	**108**	**71**

4. Units in management – group and association

Owned and managed	2023 units	Additions units	Transfers units	Disposals units	2024 units
General needs (social rent)	2,211	-	(1)	(5)	2,205
General needs (affordable rent)	7	16	-	-	23
Housing for older people (social rent)	128	-	-	-	128
Intermediate rent (mortgage rescue)	2	-	-	-	2
Intermediate rent (rent to buy)	39	-	-	-	39
Shared ownership	30	11	-	(1)	40
Total social housing	**2,417**	**27**	**(1)**	**(6)**	**2,437**
Market rent	100	4	-	-	104
Total homes for rent	**2,517**	**31**	**(1)**	**(6)**	**2,541**
Retained freeholds	215	-	1	-	216
Commercial properties	4	-	-	-	4
Total	**2,736**	**31**	**-**	**(6)**	**2,761**

Additions to social housing and shared ownership are new homes developed by the Association. Transfers include sales of leasehold flats which are therefore no longer social housing, but the Association retains the freehold. Further detail on these and other disposals is given in note 7.

5. Surplus for the year

Surplus for the year is stated after charging/(crediting):	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bad debts	(11)	33	(10)	33
Depreciation of property, plant and equipment	2,191	2,095	2,191	2,095
Impairment	455	-	455	-
Government grants				
- Amortised government grants	(256)	(257)	(256)	(257)
Auditor's remuneration excluding VAT				
- in their capacity as auditors	32	31	30	29
- in respect of other services	-	-	-	-

6. Tax on surplus on ordinary activities – group and association

	2024 £'000	2023 £'000
The tax charge comprises:		
Current tax on surplus on ordinary activities		
UK corporation tax	-	-
Adjustments in respect of prior years	(7)	-
Total current tax	(7)	-
Deferred tax		
Provision at start of period	-	-
Deferred tax charged for the period	-	-
Total deferred tax	-	-
Total tax on surplus on ordinary activities	**(7)**	**-**

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax for the association is as follows:

	2024 £'000	2023 £'000
Surplus on ordinary activities before tax	2,657	3,448
Tax on surplus on ordinary activities at standard UK corporation tax rate of 25% (2023: 19%)	665	655
Effects of:		
- Expenses not deductible for tax purposes	3,744	2,485
- Income not taxable in determining taxable surplus	(4,418)	(3,151)
- Losses eliminated		
- Adjustment in respect of prior year	9	11
	(7)	-
Total tax charge for period	**(7)**	**-**

The note relates to association only. The charitable subsidiary Compass Support is excluded, as the activities it undertakes are not liable for Corporation Tax.

7. Surplus on disposal of property, plant and equipment – group and association

	2024 Proceeds £'000	2024 Cost of Sale £'000	2024 Surplus £'000	2023 Proceeds £'000	2023 Surplus £'000
Right to buy	349	(68)	281	340	273
Right to acquire	170	(18)	152	129	117
Shared owner staircasing	113	(89)	24	116	23
Minor transactions	19	(5)	14	38	38
Total disposals	**651**	**(180)**	**471**	**623**	**451**

8. Interest receivable

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Interest receivable on bank deposits	1,483	543	1,454	532

9. Interest and financing costs

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
On building society and bank loans	(1,970)	(1,809)	(1,970)	(1,809)
Net interest on defined benefit liability (note 12)	(30)	(17)	(30)	(17)
	(2,000)	**(1,826)**	**(2,000)**	**(1,826)**

10. Staff costs

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
FTE	117	117	91	88
Wages and salaries	4,232	4,004	3,641	3,177
Social security costs	411	391	362	320
Pension (service cost – note 12)	300	311	273	284
Redundancy	12	21	12	21
Total staff costs	**4,955**	**4,727**	**4,288**	**3,802**

11. Directors' remuneration – group and association

The directors are defined as the members of the Pioneer Group Board, the Chief Executive and the Executive Leadership Team named on page three of this report.

None of the members of the Board received any remuneration (2023: none).

The aggregate amounts paid to the Executive Leadership Team were:

	2024 £'000	2023 £'000
Aggregate emoluments payable to directors (including benefits in kind)	412	405
Pension contribution	145	147
Total directors' emoluments	**557**	**552**
Total expenses reimbursed to the directors not chargeable to United Kingdom income tax	3	2
Emoluments payable to the highest paid director (excluding pension contributions but including benefits in kind)	113	102

The aggregate amount of compensation payable to directors or past directors for loss of office was zero (2023: zero)

The Chief Executive is an ordinary member of the SHPS defined benefit pension scheme, on terms identical to those of all other members. There are no enhanced or special terms.

The full-time equivalent number of staff whose remuneration, including pensions and termination benefits, payable in relation to the period of account fell within each band of £10,000 from £60,000 upwards was:

	2024	2023
£60,000 - £70,000	3	5
£70,000 - £80,000	1	-
£80,000 - £90,000	-	-
£90,000 - £100,000	-	-
£100,000 - £110,000	-	1
£110,000 - £120,000	1	2
£120,000 - £130,000	1	-
£130,000 - £140,000	1	-
£140,000 - £150,000	-	1
£150,000 - £160,000	-	-
£160,000 - £170,000	1	-

12. Retirement benefit schemes – group and association

The Group participates in two pension schemes through the Social Housing Pension Scheme (SHPS).

The Group offers:

- one open defined contribution scheme
- one open defined benefit scheme

The Group previously participated in the Local Government Pension Scheme (LGPS). The scheme was closed in the year ended 31 March 2023 and all outstanding liabilities were settled.

The combined impact of all pension schemes on the Group's Statement of Comprehensive Income and Statement of Financial Position is shown below.

Combined sums charged / (credited) to Statement of Comprehensive Income

	2024 SHPS £'000	2024 LGPS £'000	2024 TOTAL £'000	2023 TOTAL £'000
Service cost	119	-	**119**	172
Scheme administrative expenses	6	-	**6**	6
Net interest expense	30	-	**30**	17
Other comprehensive income – actuarial losses	445	-	**445**	287
(Gain) on closure of LGPS	-	-	**-**	(602)
Total cost/(gain) for defined benefit schemes	**600**	**-**	**600**	**(120)**
Service cost – defined contribution (association)			154	112
TOTAL cost (association)			**754**	**(8)**
Service cost – defined contribution (subsidiaries)			27	27
TOTAL cost/(gain) (group)			**781**	**19**

Combined pension liability

	2024 £'000	2023 £'000
Social Housing Pension Scheme	926	789
Local Government Pension Scheme	-	-
Total defined benefit pension liability	**926**	**789**

Pension deficit payments for the year were £205,000 for SHPS and £0 for LGPS (2023: £194,000 for SHPS and £0 for LGPS).

Defined contribution schemes

The Group operates a defined contribution retirement benefit scheme for qualifying employees. The total expense charged to the Statement of Comprehensive Income in the period ended 31 March 2024 was £180,000 for the Group (2022: £139,000), of which £154,000 was for the Association (2022: £112,000).

Defined benefit schemes

Social Housing Pension Scheme (SHPS)

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

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1.6 billion. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028. As a result, the Group will pay £1.3 million deficit contributions from 1 April 2022 until 31 March 2028. The payment in 2022/23 was £194,000, rising by 5.5% a year thereafter.

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

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

The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward to 31 March 2024.

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

Amounts recognised in the Statement of Comprehensive Income in respect of this scheme:

	2024 £'000	2023 £'000
Service cost	119	153
Scheme administrative expenses	6	6
Net interest expense	30	17
Recognised loss in other comprehensive income	445	287
Total cost/(gain) relating to this defined benefit scheme	**600**	**463**

Amounts included in the Statement of Financial Position arising from the Group's obligations in respect of this defined benefit scheme:

	2024 £'000	2023 £'000
Present value of defined benefit obligations	(4,759)	(4,579)
Fair value of scheme assets	3,833	3,790
Deficit	**(926)**	**(789)**

Movements in the present value of defined benefit obligations:

	2024 £'000	2023 £'000
At 1 April	4,579	6,913
Service cost	119	153
Interest cost	223	193
Administrative expenses	6	6
Actuarial (gains)/losses – change in financial assumptions	(109)	(2,545)
Actuarial (gains)/losses – change in demographic assumptions	(45)	(9)
Actuarial (gains)/losses – due to scheme experience	48	(63)
Benefits paid and expenses	(76)	(103)
Member contributions	14	34
At 31 March	**4,759**	**4,579**

Movements in the fair value of scheme assets:

	2024 £'000	2023 £'000
At 1 April	3,790	6,164
Interest on assets	193	176
Return on assets	(551)	(2,904)
Employer contributions	463	423
Member contributions	14	34
Benefits paid and expenses	(76)	(103)
At 31 March	**3,833**	**3,790**

Breakdown of the scheme assets:

	2024 £'000	2023 £'000
Global equity	382	71
Absolute return	150	41
Distressed opportunities	135	115
Credit relative value	125	143
Alternative risk premia	122	7
Emerging markets debt	50	20
Risk sharing	224	279
Insurance-linked securities	20	96
Property	154	163
Infrastructure	387	433
Private equity	3	-
Private debt	151	169
Opportunistic illiquid credit	150	162
High yield	1	13
Opportunistic credit	-	-
Cash	76	27
Corporate bond fund	-	-
Liquid credit	-	-
Long lease property	25	114
Secured income	114	174
Liability driven investment	1,559	1,746
Currency hedging	(2)	7
Net current assets	7	10
Total scheme assets at 31 March	**3,833**	**3,790**

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

Key assumptions used:

	2024	2023
Salary increases	3.79%	3.81%
Inflation (RPI)	3.08%	3.16%
Inflation (CPI)	2.79%	2.81%
Discount rate	4.93%	4.83%

Assumed life expectancies on retirement at age 65:

	2024 years	2023 years
Retiring today		
Males	20.5	21.0
Females	23.0	23.4
Retiring in 20 years		
Males	21.8	22.2
Females	24.4	24.9

Local Government Pension Scheme (LGPS)

This scheme was closed on 31 January 2023 and all outstanding liabilities have been settled.

The scheme was a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013. The administering authority for the Fund was the London Pensions Fund Authority.

Following closure of the scheme, the scheme actuary calculated the value of the assets and liabilities within the Fund attributable to the Group on the cessation date. The actuarial valuation was carried out as required under Regulation 64 of the Local Government Pension Scheme Regulations 2013.

The actuarial valuation showed a surplus of £354,000, which was paid to the Group as an exit credit. The difference between the actuarial valuation as at 31 January 2023 and the accounting deficit as at 31 March 2022 was £602,000, which was credited to the Statement of Comprehensive Income.

The Fund had a legal charge over nine of the Group's properties, which has now been released.

Amounts recognised in the Statement of Comprehensive Income in respect of this scheme:

	2024 £'000	2023 £'000
Service cost	-	19
Scheme administrative expenses	-	-
Net interest expense	-	-
Recognised gain in other comprehensive income	-	-
Gain on closure of pension scheme	-	(602)
Total (income)/expenditure relating to this scheme	**-**	**(583)**

SHPS Sensitivity analysis

The assumptions used are based on data from the scheme actuaries.

The sensitivity analysis below shows the approximate increase in the Group's liabilities as at 31 March 2024 under the following circumstances:

Sensitivity	Liability £'000	Change in liability £'000	Change in liability %
Base assumptions	926	-	-
0.1% decrease in real discount rate	1010	84	9%
0.1% increase in the salary increase rate	926	-	-
0.1% increase in CPI and RPI	988	62	7%
0.1 year increase in life expectancy	935	9	1%

13. Intangible assets – group and association

	Computer Software £'000
Cost	
At 1 April 2023	854
Additions	27
Disposals	(183)
At 31 March 2024	**698**
Amortisation	
At 1 April 2023	(713)
Charge for the year	(46)
Disposals	183
At 31 March 2024	**(576)**
Net book value at 31 March 2024	**122**
Net book value at 31 March 2023	**141**

14. Tangible fixed assets – housing properties – group and association

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Completed shared ownership £'000	Shared ownership under construction £'000	Total social housing properties £'000
Cost					
At 1 April 2023	101,333	3,694	2,321	380	107,728
Component replacement	2,387	-	-	-	2,387
Additions	-	3,076	-	925	4,001
Disposals	(384)	-	(87)	-	(471)
Completed properties	2,297	(2,297)	2	(2)	-
At 31 March 2024	**105,633**	**4,473**	**2,236**	**1,303**	**113,645**
Depreciation					
At 1 April 2023	(21,211)	-	(44)	-	(21,255)
Charge for year	(1,793)	-	(16)	-	(1,809)
Disposals	166	-	2	-	168
Impairment	(455)	-	-	-	(455)
At 31 March 2024	**(23,293)**	**-**	**(58)**	**-**	**(23,351)**
Net book value at 31 March 2024	**82,340**	**4,473**	**2,178**	**1,303**	**90,294**
Net book value at 31 March 2023	**80,122**	**3,694**	**2,277**	**380**	**86,473**

Housing properties comprise:

	2024 £'000	2023 £'000
Freehold	90,294	86,473

15. Investment properties – group and association

Cost	Market Rent £'000	Commercial £'000	Stadium £'000	Total £'000
At 1 April 2023	12,048	348	1,181	13,577
Additions	1,007	-	-	1,007
Reclassification	-	-	(1,181)	(1,181)
As at 31 March 2024	**13,055**	**348**	**-**	**13,403**
Revaluation				
As at 1 April 2023	1,357	(65)	(1,181)	111
Revaluation surplus for year	61	34	-	95
Reclassification	-	-	1,181	1,181
As at 31 March 2024	**1,418**	**(31)**	**-**	**1,387**
Net book value at 31 March 2024	**14,473**	**317**	**-**	**14,790**
Net book value at 31 March 2023	**13,405**	**283**	**-**	**13,688**

The historic cost of market rent investment properties, which is used for calculating the gearing covenant for the Santander loans, is £13,055,000 (2023: £12,048,000).

The cumulative revaluation surplus included in the balance at 31 March 2024 is £1,387,000 (2023: £111,000). The increase is primarily due to the reclassification of the Stadium.

The Stadium now meets the criteria of a property, plant and equipment asset. It has been reclassified and is now shown in note 17.

16. Homebuy loans – group and association

	2024 £'000	2023 £'000
Homebuy loans	106	106

17.i) Other property, plant and equipment – group

	Fixtures and fittings £'000	Plant and machinery £'000	Motor vehicles £'000	Computers £'000	Freehold premises £'000	Stadium £'000	Total £'000
Cost							
At 1 April 2023	1,417	451	89	1,146	2,346	-	5,449
Additions	144	8	-	234	-	625	1,011
Disposals	(215)	(28)	-	(846)	(171)	-	(1,260)
At 31 March 2024	**1,346**	**431**	**89**	**534**	**2,175**	**625**	**5,200**
Depreciation							
At 1 April 2023	(1,060)	(303)	(64)	(919)	(575)	-	(2,921)
Charge for the year	(98)	(56)	(11)	(94)	(37)	(40)	(336)
Disposals	211	29	-	758	11	-	1,009
At 31 March 2024	**(947)**	**(330)**	**(75)**	**(255)**	**(601)**	**(40)**	**(2,248)**
Net book value at 31 March 2024	**399**	**101**	**14**	**279**	**1,574**	**585**	**2,952**
Net book value at 31 March 2023	**357**	**148**	**25**	**227**	**1,771**	**-**	**2,528**

17. ii) Other property, plant and equipment – association

	Fixtures and fittings £'000	Plant and machinery £'000	Motor vehicles £'000	Computers £'000	Freehold premises £'000	Stadium £'000	Total £'000
Cost							
At 1 April 2023	1,366	451	89	1,144	2,328	-	5,378
Additions	140	8	-	234	-	625	1,007
Disposal	(215)	(28)	-	(846)	(171)	-	(1,260)
At 31 March 2024	**1,291**	**431**	**89**	**532**	**2,157**	**625**	**5,125**
Depreciation							
At 1 April 2023	(1,008)	(302)	(64)	(917)	(559)	-	(2,850)
Charge for the year	(98)	(56)	(11)	(94)	(37)	(40)	(336)
Disposal	211	29	-	758	11	-	1,009
At 31 March 2024	**(895)**	**(329)**	**(75)**	**(253)**	**(585)**	**(40)**	**(2,177)**
Net book value at 31 March 2024	**396**	**102**	**14**	**279**	**1,572**	**585**	**2,948**
Net book value at 31 March 2023	**358**	**149**	**25**	**227**	**1,769**	**-**	**2,528**

The stadium has been reclassified this year from investment properties at the B/fwd NBV of nil.

18. Inventory – group and association

	2024 £'000	2023 £'000
Inventory – properties held for shared ownership sale	870	254
Inventory – Stadium bar	2	3
Total inventory	**872**	**257**

Inventory – properties held for shared ownership sale – group and association

	2024 £'000	2023 £'000
At 1 April	254	-
Additions	616	254
Sales	-	-
At 31 March	**870**	**254**

19. Debtors – amounts falling due within one year

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Gross rental debtors – current tenants	483	446	483	446
Gross rental debtors – former tenants	175	186	175	186
Provision for doubtful debts	(507)	(521)	(507)	(521)
Net rental debtors	**151**	**111**	**151**	**111**
Gross other debtors	293	488	260	362
Provision for doubtful debts	(40)	(68)	(40)	(67)
Net other debtors	**253**	**420**	**220**	**295**
Prepayments and accrued income	1,493	1,064	1,486	969
Intercompany debtors	-	-	-	-
Total debtors due within one year	**1,897**	**1,595**	**1,857**	**1,375**

The present value adjustment of rental debtors where a repayment schedule is in place is not shown as it is not material.

20. Cash and cash equivalents

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Cash in bank or maturing within 3 months	14,756	18,798	14,746	18,787
Cash investments maturing within 3-12 months	13,502	15,000	13,502	15,000
Total cash and cash equivalents	**28,258**	**33,798**	**28,248**	**33,787**

21. Creditors - amounts falling due within one year

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	154	120	154	120
Rent & service in advance	388	446	388	446
Group intercompany	-	-	668	573
Accruals and deferred income	1,151	1,136	1,084	1,032
Obligations under finance leases (note 22)	11	11	11	11
Other creditors and accruals	385	395	303	289
Corporation Tax	-	-	-	-
Loans	1,574	1,488	1,574	1,488
Government grants	263	263	263	263
Total creditors due within one year	**3,926**	**3,859**	**4,445**	**4,222**

22. Creditors - amounts due after more than one year – group and association

	2024 £'000	2023 £'000
Housing loans	59,762	61,336
Deferred loan arrangement fees	(525)	(574)
Leaseholder sinking fund	777	709
Stadium sinking fund	150	125
Obligations under finance leases	4	15
Government grants	33,900	34,189
Recycled Capital Grant Fund	63	28
Total creditors due after more than one year	**94,131**	**95,828**

Housing loans – group and association

Repayment schedule	2024 £'000	2023 £'000
Between one and two years	1,667	1,575
Between two and five years	6,085	5,306
Between five and ten years	15,092	14,063
In ten years or more	36,918	40,392
Housing loans falling due after more than one year	**59,762**	**61,336**
Within one year	1,574	1,488
Total housing loans	**61,336**	**62,824**

Loans are fixed at rates of between 0.7% and 5.4%, or are variable at margins of 0.4% above SONIA plus a credit adjustment spread intended to represent the difference between SONIA and LIBOR. The average cost of borrowing as at 31 March 2024 was 2.9%.

The loans are secured against the Group's housing and investment properties.

Finance leases – group and association

Repayment schedule	2024 £'000	2023 £'000
Between one and two years	4	15
Between two and five years	-	-
In five years or more	-	-
Finance leases falling due after more than one year	**4**	**15**
Within one year	11	11
Total finance leases	**15**	**26**

Government grants – group and association

The total accumulated amount of capital grant received or receivable at the balance sheet date is £39,882,000 (2023: £39,915,000)

Deferred income – government grants	2024 £'000	2023 £'000
Social housing grant		
At 1 April	39,915	39,787
Grants receivable	-	156
Disposals	(33)	(28)
At 31 March	**39,882**	**39,915**
Amortisation		
At 1 April	5,463	5,206
Amortisation to Statement of Comprehensive Income	256	257
Disposals	-	-
At 31 March	**5,719**	**5,463**
Net deferred income – government grants		
Due within one year	263	263
Due after one year	33,900	34,189
At 31 March	**34,163**	**34,452**
Of which:		
Housing Action Trust grant	29,477	29,477
Other social housing grant	4,686	4,975
Total government grant	**34,163**	**34,452**

Recycled Capital Grant Fund – group and association

	2024 £'000	2023 £'000
As at 1 April	28	33
Grants to be recycled from shared owner staircasing	33	28
Interest accrued	2	1
Recycling of grant	-	(34)
As at 31 March	**63**	**28**

23. Financial instruments

The carrying values of the Group and Association's financial assets and liabilities are summarised by category below:

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Financial assets				
Measured at undiscounted amount receivable				
• Rent arrears and other debtors	404	531	371	406
• Cash	28,247	33,798	28,247	33,787
Total	**28,651**	**34,329**	**28,618**	**34,193**
Financial liabilities				
Measured at amortised cost				
• Loans payable (see note 21, 22)	60,811	62,250	60,811	62,250
Measured at undiscounted amount payable				
• Trade and other creditors	2,020	1,905	1,870	1,705
• Amounts owed to related undertakings (see note 21)	-	-	668	573
Total	**62,831**	**64,155**	**63,349**	**64,528**

The income, expense, gains and losses in respect of financial instruments are summarised below:

	Group 2024 £'000	Group 2023 £'000	Association 2024 £'000	Association 2023 £'000
Interest income and expense				
Total interest income for financial assets at amortised cost	-	-	-	-
Total interest expense for financial liabilities at amortised cost	2,000	1,826	2,000	1,826
Total	**2,000**	**1,826**	**2,000**	**1,826**

24. Share capital - association

Ordinary shares of £1 each:		2024 Number	2023 Number
Allotted, issued and fully paid at 1 April		15	15
Shares issued during year for cash at par		5	2
Cancelled during the year		(11)	(2)
At 31 March		**9**	**15**
Comprising:	Tenant shareholders	-	4
	Community shareholders	-	3
	Ordinary shareholders	9	8
		9	**15**

The share capital is raised by the issue of shares with a nominal value of £1 each. The Association's Co-operative and Community Benefit Societies Act status means that the maximum shareholding permitted per member is one share. The Pioneer Group now has a closed shareholding membership where only Members of the Pioneer Group Board can become shareholders. The shares carry no right to interest, dividend or bonus. Shares are not capable of being withdrawn and cannot be held jointly. Shareholders have the right to attend or to vote at any general, special general or extraordinary meeting of the Association.

25. Statement of cash flows - group

	2024 £'000	2023 £'000
Cash flow from operating activities		
Total comprehensive income	2,198	3,107
Adjustment for non-cash items:		
Depreciation/impairment of property, plant and equipment	2,646	1,883
(Increase)/decrease in stock	(615)	(255)
(Increase)/decrease in debtors	(279)	761
Increase/(decrease) in creditors	1,049	(740)
Pension costs less contributions payable	107	(225)
(Increase)/decrease in fair value of investment property	(95)	58
Finance lease obligations	(12)	(15)
Adjustments for investing or financing activities:		
Surplus on sale of property, plant & equipment	(471)	(451)
Government grants utilised in the year	(257)	(257)
Interest payable	2,000	1,826
Interest receivable	(1,483)	(543)
	4,788	**5,149**
Cash and cash equivalents		
Cash at bank and in hand	28,258	33,798
Total	**28,258**	**33,798**

Analysis of net debt

	2023 £'000	Cashflows £'000	2024 £'000
Cash and cash equivalents			
Cash at bank and in hand	33,798	(5,540)	28,258
	33,798	(5,540)	28,258
Borrowings			
Debt due within one year	(1,488)	(86)	(1,574)
Debt due after one year	(61,336)	1,574	(59,762)
	(62,824)	1,488	(61,336)
Net debt	**(29,026)**	**(4,052)**	**(33,078)**

26. Financial commitments – group and association

Capital commitments are:	2024 £'000	2023 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	12,578	7,704
Capital expenditure authorised by the Board but not yet contracted for	-	-

Capital commitments will be funded by existing cash balances and secured borrowing.

Total future minimum lease payments under non-cancellable operating leases are:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Payments due:				
Within one year	5	5	-	-
Between one and five years	19	19	-	-
After five years	437	442	-	-
Total	**461**	**466**	**-**	**-**

27. Contingent assets and liabilities

There are no contingent assets or liabilities at the 31 March other than those reported within the financial statements relating to pension fund valuations.

The Group has been notified by the Trustee of the Social Housing Pension 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 some uncertainty surrounding these changes. The Trustee has been advised to seek clarification from the Court on these items. The process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer, with any accuracy. No adjustment has been made in these financial statements.

28. Relationship between parents and subsidiaries

The Pioneer Housing and Community Group Limited is the group parent. It is controlled by its Board, as disclosed on page three.

The ultimate controlling party of Compass Support Services Limited is the Pioneer Housing and Community Group Limited. Compass Support Services Limited is not registered with the Regulator of Social Housing.

The ultimate controlling party of The Merlin Venture Limited is the Pioneer Housing and Community Group Limited. The Merlin Venture Limited is not registered with the Regulator of Social Housing.

29. Related parties

During the year one Pioneer Group Board member was a tenant of the Association (2023: One Board member). They received services on exactly the same basis as any other tenant of the Association.

Rent and service charges charged for the year were £5,306 (2023: £4,984) and arrears at 31 March 2024 were nil (2023: nil).

30. Intra-group transactions

Intra-group transactions and outstanding balances at year end are given below.
All outstanding balances are expected to be paid in full.

Intra-group transactions were:

	2024 Pioneer £'000	2024 Compass £'000	2024 Merlin £'000	2024 Group £'000
Delivery of community regeneration activity	-	-	-	-
Corporate overheads	55	(55)	-	-
Facilities management	26	(26)	-	-
Business transfer agreement	-	-	-	-
Total intra-group	**81**	**(81)**	**(-)**	**-**

Total intra-group turnover	81	-	-	81
Total intra-group expenditure	-	(81)	-	(81)
Total intra-group eliminated on consolidation	**81**	**(81)**	**-**	**-**

	2023 Pioneer £'000	2023 Compass £'000	2023 Merlin £'000	2023 Group £'000
Delivery of community regeneration activity	(334)	334	-	-
Corporate overheads	69	(69)	-	-
Facilities management	36	(36)	-	-
Business transfer agreement	126	-	126	-
Total intra-group	**(103)**	**229**	**(126)**	**-**
Total intra-group turnover	231	334	-	565
Total intra-group expenditure	(334)	(105)	(126)	(565)
Total intra-group eliminated on consolidation	**(103)**	**229**	**(126)**	**-**

Intra-group balance sheet items were:

	2024 Pioneer £'000	2024 Compass £'000	2024 Merlin £'000	2024 Group £'000
Debtor/(creditor) balance	-	-	-	-
Debtor/(creditor) balance	(668)	668	-	-
Total intra-group	**(668)**	**668**	**-**	**-**
Total intra-group debtors	-	668	-	668
Total intra-group creditors	(668)	-	-	(668)
Total intra-group eliminated on consolidation	**(668)**	**668**	**-**	**-**

	2023 Pioneer £'000	2023 Compass £'000	2023 Merlin £'000	2023 Group £'000
Debtor/(creditor) balance	-	-	-	-
Debtor/(creditor) balance	(573)	573	-	-
Total intra-group	**(573)**	**573**	**-**	**-**
Total intra-group debtors	-	573	-	573
Total intra-group creditors	(573)	-	-	(573)
Total intra-group eliminated on consolidation	**(573)**	**573**	**-**	**-**