

ELDON HOUSING

ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2025



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MANAGEMENT AND ADVISERS

BOARD

- H Premlal MBA, CIHCM (Chair)
- A Chapman, BA (Hons), CIHCM (Deputy Chair)
- M Chinn, FCCA, CPFA
- D Gower-Smith, Cmfr FCMI (Retired 23rd September 2024)
- K Harvey (Resigned 24th April 2024)
- K Melgaard (Resigned 16th January 2025)
- N Sakyi BA (Hons), MA
- B Dowling
- J Jarvis
- M Turpin
- K Boyle (Appointed 28th November 2024)
- A Patel (Appointed 28th November 2024))

SENIOR MANAGEMENT TEAM

- S Faridi – Chief Executive
- D Nixon – Director of Asset and Facilities Management (Resigned 18 July 2024)
- Linda Strong – Head of Housing, Care & Support
- Dawn Knee – Head of People and Resources

REGISTERED OFFICE

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The Office, 21 Bardsley Court
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Birmingham B1 2HB

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Croydon CR9 2UU

Co-Operative & Community
Benefit Society Registration
Number: **23431R**

Regulator of Social Housing
Registration Number: **L3262**

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2025

PRINCIPAL ACTIVITY

The principal activity of the Association is to meet the needs of older people within the London Borough of Croydon and in West Sussex by providing supported housing and facilities management services, together with welfare and care services tailored to individual needs to promote independent living.

LAUNCH OF THE STRATEGIC PLAN 2025 TO 2030

We are pleased to announce the launch of the Association's new Strategic Plan for the period 2025 to 2030. The development of the strategy involved meaningful engagement with staff, tenants, and Board members. The Board reviewed and shaped the plan through discussions held during regular meetings and the 2024 Board Away Days, ensuring a clear and unified direction for the Association over the next five years.

Following formal approval, detailed timelines and delivery plans have been developed to support implementation. Progress against these plans will be regularly reported to the Board to ensure transparency and effective oversight.

STRATEGIC PRIORITIES AND AIMS

Property

To protect and enhance the quality of our homes, ensuring they remain safe, well-maintained, and fit for the future.

Services to Tenants

To deliver an outstanding customer experience that enhances quality of life and supports independence. By actively involving our tenants and tailoring our services to meet their needs, we aim to provide high-value services that genuinely enrich their lives.

Growth

To expand our services and reach through strategic partnerships, innovation, and development. Our focus is on meeting the evolving needs of older people while maintaining financial resilience and sustainability.

People, Governance, Infrastructure, and Resourcing

To strengthen our workforce, governance arrangements, infrastructure, and resourcing to ensure the organisation is fully equipped to deliver on its strategic objectives. By fostering a positive organisational culture, maintaining strong governance, and optimising the use of resources, we will support high-quality service delivery and long-term growth.

This Strategic Plan reaffirms our commitment to providing high-quality homes, delivering excellent services to our residents, pursuing thoughtful and sustainable growth, and upholding robust governance and resource management across all areas of the organisation.

GENERAL GOVERNANCE

The Association is governed by a Board of Management, which also sets out the strategic direction of the organisation. Board Members meet formally at least four times a year. The Board of Management is listed on page 3.

The Board was serviced by the Audit & Risk Committee and Quality Assurance Committee, which meet formally at least four times a year.

The Association continues to comply with the principles of the NHF Code of Governance.

The Board confirms compliance with the RSH Governance and Financial Viability Standard. In doing so, the Board confirms that it has an appropriate, robust, and prudent business planning, risk, and control framework in place.

GOVERNANCE REVIEWS

Governance Compliance and Board Effectiveness Reviews took place in 2024.

The Governance Effectiveness Review identified several key strengths that reflect the Association's continued progress and commitment to excellence. The Board was recognised as strong and well-composed, with a renewed focus on strategic priorities and a clear understanding of the challenges facing both the organisation and the wider sector. Notably, it was highlighted that the Association had made significant strides in strengthening its approach to risk management, financial control, and compliance, underpinned by the adoption of a new risk management framework and comprehensive Board training.

The Governance Compliance confirmed that we are compliant with the National Housing Federation's Code of Governance, with only a few minor recommendations for improvement in some areas. The Association's compliance status was noted as strong and commendable.

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2025

ADOPTION OF NHF 2015 MODEL RULES

The Association previously operated under a set of Rules adopted in April 2013, which were based on the National Housing Federation's (NHF) Model Rules 2011. In late 2024, the Association formally adopted the NHF's updated 2015 Model Rules, with a number of specific amendments tailored to suit the Association's governance requirements.

The 2015 Model Rules introduce several improvements designed to reflect evolving regulatory expectations and current best practices in governance. They demonstrate the NHF's commitment to enhancing operational effectiveness, modernising governance arrangements, strengthening tenant engagement and promoting long-term sustainability.

As part of the adoption process, the Association approved a number of key amendments. Most notably, the requirement to hold an Annual General Meeting (AGM) has been removed, as there is no longer a legal obligation for housing associations to hold one. As a result, associated provisions relating to the AGM, such as the appointment of Board members, have also been amended.

The updated Rules establish a self-appointing Board structure, meaning Board members are now appointed directly by the Board itself rather than being elected by shareholders. In addition, the Board will set the retirement date for each member at the time of appointment, in accordance with any Board membership policies or appointment procedures adopted from time to time.

Adopting the 2015 Model Rules ensures that the Association continues to operate in line with recognised best practice and regulatory standards, reinforcing our commitment to strong governance and effective service delivery for the communities we serve.

BOARD APPOINTMENTS

At the Board of Management meeting held on 28 November 2024, two new members were formally appointed to the Board following the conclusion of a comprehensive and successful recruitment process. Their appointments reflect a strategic alignment with the organisation's long-term objectives and the evolving needs of our organisation.

Both individuals bring a wealth of expertise and distinguished professional backgrounds that will significantly enhance the Board's collective capability. Their diverse perspectives are expected to contribute meaningfully to the Board's governance, strategic oversight, and innovation agenda.

The Board is confident that their contributions will be instrumental in advancing the organisation's mission and supporting its continued growth and success.

CONSUMER STANDARDS – REGULATORY REQUIREMENTS

During the year, the Association evaluated its performance against the Consumer Standards and created an action plan to ensure compliance. Where we do not yet meet the standards, we have identified areas for improvement and developed a corresponding improvement plan. We will collaborate with the Tenant's Panel to ensure we maintain the required standards, demonstrating our commitment to continuous improvement. The Quality Assurance Committee will oversee actions and compliance, providing assurance to the Board.

RISK MANAGEMENT

From 1 April 2024, the organisation implemented a new Risk Management Framework, underpinned by a suite of Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs). This enhanced approach provides a more rigorous basis for risk scrutiny, ensuring risk management remains a central focus of Board and committee deliberations.

As part of this framework, the Board reviewed and reaffirmed its risk appetite, recognising the importance of aligning this with the evolving regulatory landscape and the organisation's internal operational challenges. This process will remain dynamic, with further reviews planned in response to external pressures and strategic developments.

Risk drivers are now assessed regularly against established KRIs and KPIs across defined areas of the organisation's risk universe. This enables timely identification of emerging risks and more effective mitigation planning.

The organisation's principal risks are categorised as follows:

- PR1:** Regulatory Non-Compliance
- PR2:** Availability & Reliability of Personal Data
- PR3:** Customer Service and Quality Disruption
- PR4:** People, Culture & Execution Capability
- PR5:** Health & Safety
- PR6:** Security & Data
- PR7:** Cumulative Government Policy
- PR8:** Financial Shock
- PR9:** Continuous Improvement
- PR10:** Asset Management – risks related to the condition, performance, and investment in physical assets.

This structured and forward-looking approach ensures that risk is embedded into strategic decision-making and operational delivery, supporting the organisation's resilience and long-term success.

REVIEW OF THE YEAR

KEY CHALLENGES

Rent Compliance and Service Charge Review

In May 2024, the Association commissioned Campbell Tickell to undertake a comprehensive review of rent compliance and service charge practices. This review identified areas of non-compliance with the standard.

Following this, Campbell Tickell was further engaged to support the Association in accurately determining rent levels for the 2025/26 rent year and to assess any potential historic overcharges.

In response to the findings, the Association is working collaboratively with the Regulator of Social Housing, Campbell Tickell, and Alwyns LLP to address the identified issues. This includes ensuring that any necessary tenant refunds are accurately calculated and processed, including refunds to local authorities in respect of Housing Benefit and to the Department for Work and Pensions for Universal Credit.

Given the complexity of the matter and the scope of the corrective actions required, a detailed action plan has been developed. This plan sets out the steps to ensure that all rents are correctly set and that all relevant refunds are issued appropriately.

The Audit and Risk Committee and the Board continue to exercise clear oversight, with regular assurance reporting in place to monitor progress and compliance.

The Board has assessed and quantified the Association's exposure, concluding that the implications can be managed without compromising financial sustainability.

Fire Safety Compliance

Fire safety remained a key priority throughout the year for C4C, the entity that the Association is a minority shareholder in and which is also the entity with which the Association contracts to provide facilities management and housing management services in connection with a PFI contract that C4C has in place with Croydon Council, and which runs until 2038. Annual Fire Risk Assessments (FRAs) were completed across all of C4C's sites, and all P2 and P3 remedial actions identified from these assessments were fully addressed, maintaining compliance with regulatory requirements.

Additionally, comprehensive surveys were conducted to assess the condition and compliance of fire doors and compartmentation throughout C4C's sites. These surveys identified several areas of non-compliance that required further investigation and remedial work.

As a result of these findings, a new set of FRAs was commissioned ahead of schedule, not because they were due, but to reflect the implications of the survey results and to assess what further actions and measures were required to achieve full compliance and ensure resident safety. This proactive approach allowed the Association to identify any additional safety measures that may be necessary to provide greater assurance around governance and regulatory compliance.

A comprehensive rectification programme for fire doors and compartmentation has now been planned to run from April to December 2025, targeting all remaining actions. As part of this work, all fire doors at Addington Heights, one of the C4C sites, were successfully completed during the reporting year.

The Board has established a Working Group to provide oversight and assurance in relation to the Association's on-going obligations under the PFI contract and, in particular, to monitor the delivery of any remedial works required at C4C's sites and to assess (and monitor) the financial risks to the Association arising from its obligations in connection with the PFI contract. As part of the Association's risk mitigation measures, the Association made a payment of £200,000 to compromise a potential claim against the Association as a consequence of any of the C4C sites being deemed to fail to meet the required output specification under the PFI Contract.

The Association continues to work closely with Croydon Council, C4C and its fire safety partners to manage risks, maintain high compliance standards, and safeguard the well-being of all residents of C4C sites and the Association's properties and staff.

OPERATIONAL OVERVIEW

Staff

The Association places great emphasis on the valuable contribution of its staff. The Board would like to formally express its sincere gratitude and appreciation for their continued dedication and hard work throughout the year.

One of the ways in which the Association recognises the commitment of its employees is through the Employee Excellence Awards programme. This initiative was established to acknowledge staff members who consistently go above and beyond in the course of their daily duties, whether by offering exceptional support to tenants or colleagues, or by introducing innovative ideas that enhance the lives of our tenants or improve working practices for the wider team. Nominations can be made by anyone visiting, living in, or working at any of our properties, as well as Croydon Council's Residential Care Homes and Day Centres.

In 2024/25, we received 135 nominations, from which 14 staff members were selected to receive an Employee Excellence Award. Each recipient was presented with a certificate by our Chief Executive Officer, Susan Faridi, along with a gift card in recognition of their outstanding contribution. Winners' photographs were featured throughout the year in our Tenant Link magazine.

The overall winner of the Employee Excellence Awards receives the prestigious Gerald Ellis Award. This honour is presented annually in memory of Gerald Ellis, the Association's late Honorary President, who sadly passed away in July 2018. The award will be formally presented at the Members' Update Event in October 2025.

The Association's First Apprenticeship

In the summer of 2024, the Association proudly welcomed its first Housing Apprentice. The apprentice has been working closely with the Senior Housing Officer and the Head of Housing, Care and Support, gaining valuable hands-on experience in housing operations. To broaden their understanding of the organisation, the apprentice has also spent time with the Asset and Facilities Management Team, further enhancing their knowledge of the Association's wider functions.

REVIEW OF THE YEAR

Staff Remuneration Review

In 2024, Ema Consultancy Ltd (ema) was appointed to conduct an independent review of market pay and benefits for all roles within the Association. EMA provided comprehensive benchmarking data for each individual position, enabling a detailed comparison of current remuneration levels against market standards. The objective of the review was to equip the Association with robust, evidence-based insights to support informed decision-making regarding pay structures and terms and conditions for all post holders.

Following the completion of the review, the Board approved the 2025/2026 Pay Award, which aligns salaries with the housing sector median, supplemented by a 2% cost of living increase. This adjustment took effect from 1 April 2025.

Leadership, People and Organisational Development

Throughout 2024/25, the Association continued to strengthen its Senior Leadership Team to ensure the effective and efficient operation of the organisation. Following a structural review of the Asset and Facilities Management function, a new Head of Asset and Facilities Management will join the Senior Leadership Team in 2025/26, supported by enhanced resources to strengthen service delivery and strategic oversight.

Following the successful outsourcing of the finance function to Alwyns LLP in October 2023, the Association continued to refine its leadership structure to ensure it remains well-resourced for future growth and resilience.

A central organisational priority this year has been the development and support of staff, with a strong focus on improving internal communications and enhancing employee engagement. The Association has prioritised the promotion of equity, diversity, inclusion, and belonging (EDIB), embedding these principles throughout its leadership, staff initiatives, and governance structures. Staff satisfaction remains high at 92%, based on the March 2024 staff survey and feedback received through the remuneration review process. The next staff survey is planned for early 2026 to support ongoing improvement and monitoring.

Several key initiatives have been implemented, including the introduction of a regular, informative staff newsletter and the launch of a new Staff Forum in July 2024. This forum will serve as a platform for staff voice and participation and will play a central role in co-producing the Association's People Strategy and Staff Charter. A renewed focus has also been placed on supporting and upskilling line managers, recognising their essential role in maintaining staff engagement and delivering high-quality services.

Tenant Engagement and Satisfaction

Tenant engagement and satisfaction remain a core focus of the Association's work. In Quarter 3 of 2024/25, the Association carried out a comprehensive survey of the Regulator of Social Housing's Tenant Satisfaction Measures (TSMs), alongside three additional questions developed in consultation with the Tenant Panel. The overall satisfaction rating was an exceptional 96%, significantly exceeding the Association's 85% target.

All but one of the measures showed year-on-year improvement, with particularly strong results in

Key service areas:

- Listening and Acting on Tenant Views: 88% (Target: 71%)
- Maintenance: 94% (Target: 85.5%)
- Repairs: 92% (Target: 85.5%)
- Keeping Tenants Informed: 84% (Target: 79.4%)
- Complaints Handling: 100% (Target: 54.8%)

A notable highlight is the 100% satisfaction rating for complaints handling, which represents a significant improvement from 52% in the previous year. This reflects the successful review and relaunch of the Association's Complaints Policy and Procedure, ensuring full alignment with the Housing Ombudsman's Code of Practice.

For the one measure that did not reach the internal 90% satisfaction threshold, the Association has developed a targeted action plan to address areas requiring improvement, informed by tenant feedback and service data.

Although the Association initially planned to conduct the TSM survey biannually, the decision was made to continue with annual surveys to ensure continuous monitoring and responsiveness. To reduce survey fatigue in alternating years, the approach is streamlined, focusing on core TSM questions and a small number of Tenant Panel-selected questions. This methodology will be adopted again in Autumn 2025, with the additional questions designed to enable consistent tracking and service improvement based on tenant priorities.

Regular tenant meetings and Tenant Panel sessions will continue to complement the survey activity, ensuring meaningful engagement, transparency, and co-production in service development.

Tenant Panel

During 2024/25, the Tenant Panel underwent significant development in both its structure and purpose, strengthening its role in shaping the tenant voice across the organisation. Through a series of dedicated workshops held in July, September, and December 2024, the Panel co-produced and formally adopted a new Terms of Reference, Code of Conduct, and the Tenant Engagement, Involvement and Influence Policy. As part of their refreshed identity, the Panel chose to rename themselves The Voice of Eldon's Tenants, reflecting their growing visibility and influence.

Leadership changes took place during the year following the resignation of the Chair. The Vice Chair was elected to assume the role of Chair, with a new Vice Chair appointed shortly afterwards. Both bring valuable lived experience and a strong commitment to enhancing the Panel's role and effectiveness.

Although membership declined temporarily due to health and personal circumstances, a successful recruitment campaign led by existing members resulted in four new tenants joining. At the end of the reporting period, the Panel comprised nine members representing five of the Association's housing sites.

REVIEW OF THE YEAR

A key achievement from the workshops was the Panel's decision to identify specific areas of the Association's operations in which they wish to be actively engaged. At regular bi-monthly meetings, the Panel established their preferred levels of involvement ranging from being informed and consulted to co-production, scrutiny, and shared responsibility. The Association is committed to supporting the implementation of these engagement strategies throughout 2025/26.

One area where this involvement is already well established is in recruitment. Panel members developed their own interview questions and facilitated tenant-led interview panels, directly contributing to the successful appointments of both an Activities & Engagement Officer and an Interim Housing & Care Manager.

Looking ahead, the Panel's leadership is scheduled to participate in the Quality Assurance Committee for the first time in July 2025, marking a further step forward in embedding meaningful tenant leadership within the Association's governance and assurance structures.

The development and success of the Panel this year have been supported by dedicated staff who continue to work alongside tenants to build capacity, confidence, and long-term impact.

Tenant Engagement and Wellbeing

The recruitment of the Activities & Engagement Officer in December 2024 has led to the creation of a comprehensive programme of activities across eight sites, utilising a co-creative model where tenants shape and influence the activities. 88 activity sessions were provided across January to March 2025. The Activities & Engagement Officer's aim is to create a sustainable, evolving programme that embeds social connection and wellbeing into the everyday fabric of supported housing life that the Association offers.

The Welfare and Support Officer has continued to have a significant impact on the support provided to the Association's tenants, enabling them to maintain their tenancies, feel safe and happy in their homes, and engage with the Association. The Officer has provided 1,512 interventions during 2024/25, averaging 29 per week, with the central theme being achieving economic well-being. This includes support with accessing benefits, paying bills, and settling rent and charges. Additionally, the Officer assists tenants in accessing mental health, medical, and social care support. The Officer also leads on facilitating regular tenant meetings on each site and supports the Head of Housing, Care and Support in facilitating the bi-monthly cross-organisation Tenant Panel.

Complaints Handling

In April 2024, the Association implemented a refreshed Complaints Policy and Procedure. This was supported by comprehensive staff training, widespread promotion of the revised policy to tenants, and consultation with the Tenant Panel. A key focus was to ensure that complaints are welcomed, appropriately recognised, and consistently recorded.

We are pleased to report that the results of the most recent tenant survey, conducted in 2024, showed that 100% of tenants who had made a complaint were satisfied with how it was handled. This represents a significant improvement from the 52% satisfaction rate recorded in the 2023 survey, reflecting the positive impact of the revised approach, which is aligned with the Housing Ombudsman's Complaint Handling Code.

To further strengthen our commitment to high standards in complaint handling, we have appointed a Complaints Champion, a Board member who also sits on the Quality Assurance Committee. This individual serves as the Member Responsible for Complaints (MRC), ensuring effective oversight and organisational compliance with the Housing Ombudsman Code. Additionally, a Complaints Coordinator has been appointed to oversee the day-to-day management of complaints and support staff in ensuring consistency and best practices in their handling.

Our overall performance in complaint management has improved considerably, particularly in relation to timeliness and responsiveness. We are proud of our tenant-focused approach, as evidenced by our high uphold rate and proactive resolution measures. We also continue to promote a culture of transparency and accountability through our robust Complaints Policy and Procedure.

Customer Services Charter

We are pleased to confirm that the Association has maintained its commitment to Customer Service Excellence and has successfully retained the nationally recognised Customer Service Excellence Award. This quality mark is designed to acknowledge organisations that are genuinely customer-focused on all aspects of their work, while also encouraging continuous improvement in customer-centred service delivery.

Certification to the Customer Service Excellence Standard involves a rigorous assessment process, which includes a comprehensive review of documentation demonstrating compliance with each element of the Standard.

A full reassessment of our certification was undertaken in March and April 2025 by the Centre for Customer Excellence. As part of the process, the Assessor reviewed key documents produced over the previous 12 months, visited several of our schemes to observe service delivery, and conducted a series of interviews with both staff and tenants.

The final assessment report highlighted several key strengths. Notably, the Assessor commended the Chief Executive and Senior Leadership Team for providing a clear sense of direction and for fostering a people-centred culture. This approach includes not only tenants and staff but also the wider network of stakeholders with whom the Association engages. The report also praised the organisation's clearly defined focus on tenants, which is evident in the delivery of high-quality accommodation, care, and support services.

We remain fully committed to upholding these standards and are confident in our ability to retain the award in the future. Our next formal assessment is scheduled for April 2026.

REVIEW OF THE YEAR

Cost of Living Support

The Association remains committed to supporting tenants during challenging times, prioritising their well-being, and providing essential resources. We operate a Support and Welfare Fund that tenants can access during periods of difficulty. Our dedicated staff collaborate closely with external community groups and organisations to offer comprehensive support and make appropriate referrals as needed. Moreover, the Association has a dedicated Welfare and Support Officer whose role is to assist tenants in maximising their income and accessing available funds, ensuring they receive the support necessary for their stability and welfare.

Voids (2024/2025)

35 flats were let during the year ending 31 March 2025, slightly lower than 39 the previous year. 22 (62%) of these were extra care units. There have been challenges with obtaining sufficient referrals from the London Borough of Croydon, resulting in long void periods, and difficulties with the complexity of referrals to all extra care sites, leading to delays in tenancy start dates. This has increased the void loss (for rent and all charges) to £147,409 against the previous year of £127,036, although still significantly better than 2022/23 (£393,617). The Head of Housing, Care and Support is working with colleagues at the London Borough of Croydon to resolve the referral issues.

Tenant Arrears Management (2024/25)

Tenant arrears have been proactively and effectively managed throughout 2024/25, with a strong focus on early intervention to minimise outstanding balances and address issues promptly as they arose. This approach has helped maintain arrears at a manageable level and supported tenants in sustaining their tenancies.

In addition, a review of historic arrears was undertaken, resulting in the write-off of former tenant debts that had remained unrecoverable despite extensive efforts over several years.

Internal Audit Summary 2024/25

In line with the Association's Audit Strategy 2023–2026, TIAA, a specialist business assurance provider, conducted four internal audits during the 2024/25 financial year to assess the effectiveness of the Association's internal control environment. These audits were designed to evaluate whether internal systems and procedures are operating effectively to support the achievement of the Association's objectives.

Three audits were completed in late 2024, with final reports received between February and March 2025. The fourth audit is currently in progress. The completed audits and their outcomes are as follows:

- **Finance Core Controls** – Reasonable Assurance (3 Action Points)
- **Assets and Liabilities Register** – Reasonable Assurance (8 Action Points)
- **Void Management** – Reasonable Assurance (6 Action Points)
- **Property Compliance (Lift and Gas)** – In Progress

Each audit provided an assessment of the adequacy and effectiveness of controls in mitigating key risks. The resulting reports were shared with the Board and the Audit and Risk Committee. All identified action points are logged in an audit action tracker, which is regularly reviewed and updated.

Head of Internal Audit's Annual Opinion:

"TIAA concluded that, for the areas reviewed during the year, Eldon Housing Association has reasonable and effective risk management, control, and governance processes in place."

Policy and Procedure Framework

During the year, we collaborated with an external consultant to develop a comprehensive Policy and Procedure Framework. This new framework has enabled us to systematically identify all existing policies and pinpoint those requiring review or further development. Its implementation will ensure a more consistent, transparent, and efficient approach to policy management, supporting improved governance and compliance across the organisation.

Care (CQC Regulated Services)

Extra Care

The Association operates four extra care schemes, with in-house care services provided at two locations: Westdene and Lindsey Court. Throughout 2024/25, the care teams at both schemes have made significant progress in improving service delivery, quality assurance, and compliance with regulatory standards.

Following an unplanned inspection by the Care Quality Commission (CQC) in the previous year, which resulted in an overall rating of Requires Improvement, the Association implemented a comprehensive improvement plan. Since then, we have undertaken a programme of internal audits, mock inspections, and targeted training to address identified areas and embed a culture of continuous improvement.

An internal CQC-style audit was conducted during the year, with results indicating a Good overall outcome across key domains. This reflects the commitment of staff and management to improving care quality, ensuring compliance, and strengthening service delivery. Regular reviews and audits are now embedded into operational practice, helping to monitor standards and identify opportunities for ongoing development.

The Association remains fully committed to delivering high-quality care and meeting all regulatory requirements. Staff across the extra care schemes have participated in a range of training and professional development activities designed to enhance skills, ensure best practice, and support regulatory readiness.

Looking ahead, our ambition is not only to maintain compliance but also to continue achieving a rating of Good and work towards attaining Outstanding ratings in future CQC inspections.

REVIEW OF THE YEAR

Asset & Facilities Management – Core Schemes

During 2024/25, the Asset and Facilities Management team achieved strong performance across key areas. The Help Desk responded to 1,257 reports, achieving a 98% response rate that exceeded the 97% target, and raised 240 work orders for planned works and equipment. A total of 1,692 planned preventative maintenance tasks were completed, covering essential safety and compliance checks. Maintenance and upgrade works included repairs to 35 void properties, four kitchen replacements, and one bathroom upgrade across core schemes. In response to tenant feedback, the team enhanced communication regarding repairs and increased its presence at tenant meetings. Facilities Management updates and practical advice were also shared regularly through the Tenant Link magazine.

Through this integrated approach, the Association remains committed to providing safe, decent, and sustainable homes, aligned with our values and long-term vision.

The Association is committed to maintaining homes that meet or exceed the Decent Homes Standard while adapting to changing government regulations. Tenant involvement remains a priority, ensuring improvements reflect residents' needs. Carbon reduction is central, with a target for all properties to achieve an EPC rating of 'C' or higher.

The organisation's strategy focuses on delivering safe, sustainable, high-quality homes, fostering strong communities, and ensuring financial resilience. It balances resident wellbeing, regulatory compliance, environmental responsibility, and asset management to address current and future challenges.

The Board-approved strategy provides a clear framework for investment, compliance, and resident engagement, emphasising safety, quality, and sustainability. Key objectives include:

- Defining an "Eldon Standard" for minimum property conditions
- Developing a costed plan and asset/investment strategy
- Implementing robust health and safety and sustainability plans

In 2025/26 and 2026/27, priorities will include building and fire safety, with comprehensive fire door and compartmentation surveys and remedial works to safeguard residents and comply with regulations.

Through this integrated strategy, the Association remains dedicated to delivering safe, decent, and sustainable homes aligned with its values and long-term vision.

CARING FOR CROYDON – C4C (PFI)

Facilities Management

The Association has been the Facilities Management provider for the London Borough of Croydon - Caring 4 Croydon Homes since 2008, delivering high-quality services through locally employed staff and contractors.

The Association continued to deliver a comprehensive and high-performing Facilities Management (FM) service on behalf of Croydon Council, covering three large Care facilities and the associated Day Centre. The service has maintained strong operational standards throughout the year, underpinned by robust compliance, responsive helpdesk support, consistent service user satisfaction, and effective collaboration across stakeholders.

Helpdesk operations remained a core part of service delivery, with 1,502 calls logged over the year, averaging 125 per month. Impressively, 98% of all calls were rectified within the required timeframe. The helpdesk team maintained clear communications and accountability across a wide range of service areas. Planned improvements for 2025/26 include strengthening staffing resilience and upgrading the helpdesk's reporting capability.

Lifecycle works achieved 64% completion against planned items. Key projects delivered included the replacement of a walk-in fridge, boiler systems at Langley Oaks, and the replacement of communal furniture and carpets at Heavers. Some works were deferred to prioritise urgent fire safety; these will be carried forward into the 2025/26 financial year.

Planned Preventative Maintenance (PPM) compliance remained exemplary, with 100% of statutory PPMs completed across all relevant systems, including LOLER, fire alarms, emergency lighting, lifts, gas safety, and water hygiene.

Cyclical furniture replacement was also completed at Heavers Resource Centre and Langley Oaks, with Addington Heights scheduled in the next financial year.

Reactive maintenance continued to be managed efficiently, with most callouts relating to bathrooms (21%), doors (14%), lighting (9%), and decorative damage (6%).

Catering services provided over 178,000 meals during the year, averaging nearly 15,000 per month. Satisfaction levels remained high, with December 2024's tenant survey rating the service as "Good". Catering also played a central role in hosting over two dozen events throughout the year, celebrating cultural diversity, well-being initiatives, and community cohesion.

Cleaning and waste services continued to perform to a high standard.

Laundry services remained well-used and reliable, with an estimated 60–70 tenants using facilities each week.

Health and Safety performance remained strong, with no RIDDOR incidents reported. Two minor incidents were logged and resolved with appropriate follow-up. Statutory health and safety compliance was maintained at 100%, and all required emergency evacuation drills were completed.

Looking ahead to 2025/26, the Facilities Management Team will prioritise the delivery of deferred lifecycle projects, complete the scheduled fire door and compartmentation rectification programme, and explore improvements to the helpdesk system and resident engagement. Continued focus will be placed on upholding safety, satisfaction, and operational efficiency across all areas of service delivery.

Financial Performance

The Association continues to achieve strong operational and financial results in a year of continuing inflationary pressures, increased costs, and recruitment challenges.

The turnover had increased by 4.9% to £9.17m and we achieved a surplus of £0.49m. Following our transitional changes, increase spending in our operations, our operating efficiency decreased to 17% from 26%. This was partly due to the work carried out on our rent compliance reviews, an increase in contract staff at a senior level and an increase in works on C4C (PFI) contract.

We remain financially strong with £13.22m of capital and reserves. Our financial leverages (non-current liability as a percentage of total assets that excludes current liabilities) is at 65% (65% in 2024) and had £6.75m cash at year end. Our credit rating was considered at the top tier by our largest lending bank.

Overall, 2024/25 was a challenging year. The Association rigorously pursued value-for-money for both the organisation and customers, strengthened the leadership team

VALUE FOR MONEY

During the year the Senior Management Team (SLT), overseen by the Board of Management who have the responsibility for setting the vision and mission of the association, have proactively striven to maintain the association's Value for Money (VFM) strategy ensuring the maintenance of quality and high standards in our homes in a business efficient manner.

During the year the Association used a range of data to measure our Value for Money status complied with the Regulator of Social Housing standard and providing comparison to the Acuity and Value for Money Metrics & Reporting -Global Accounts 2024 published in March 2025. The result is presented below.

The Association continues to demonstrate strong operational and financial resilience in 2024-25, a year of rent compliance reviews, review of operations, fire safety works – surveys and risk assessments and recruitment challenges.

The journey of strengthening the SLT presented had also incurred additional costs for hiring interim senior managers. Despite these challenges, the Association managed to achieve operating efficiency (17.11%). The Association remains financially very strong as evidenced by the gearing ratio (39.71%) and cash balance (over £6m).

Going forward, building on the strong financial position and ongoing plans to carry out further fire safety works and continue to improve the Association's internal controls, the strengthened SLT will continue to focus on delivery of its strategic objectives.

	2024/25	2023/24	2022/23	Acuity	VfM
	Result	Restated Result	Result	Scorecard	Global Accounts (March 2024)
BUSINESS HEALTH					
B. Operating Margin (overall) %	17.11%	26.48%	20.14%	15.37%	18.5%
A. Operating Margin (social housing lettings only) %	12.16%	17.73%	10.84%	18.17%	20.4%
EBITDA MRI interest Cover %	176.63%	218.57%	185.42%	201.70%	122%

DEVELOPMENT - CAPACITY AND SUPPLY

A. New supply delivered (Social housing units) %	0%	0%	0%	0%	1.9%
B. New supply delivered Non-social housing units) %	0%	0%	0%	0%	0%
Gearing %	39.71%	42.92%	49.31%	30.25%	46%
Gearing % (excluding PFI contract)	20.40%	20.30%	24.35%	-	-

OUTCOMES DELIVERED

Reinvestment %	0.26%	0.84%	2.82%	3.11%	7%
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EFFECTIVE ASSET MANAGEMENT

Return on Capital Employed %	3.86%	5.93%	3.96%	3.00%	2.8%
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OPERATING EFFICIENCIES

Headline Social Housing Cost Per Unit **	£15,846	£14,500	£13,164	£6,491	£5,819
Housing Cost per Unit (excluding personal services)	£5,682	£5,096	£5,141	-	-

** Cost per unit is high compared to our peer bodies due to the specialist nature of support provided to residents at our housing schemes. A separate measure of performance excluding personal services has therefore been added below.

STATEMENT ON THE ASSOCIATION'S SYSTEM OF INTERNAL CONTROL

Control is exercised through the application of policies and procedures, board reporting, and ongoing review of the Principal Risk Register, KRIs, KPIs and reporting. Three internal audits were performed in the year. The Association appointed TIAA, as their internal auditor to provide independent assurance that its risk management, governance, and internal control processes are operating effectively. A risk management framework has been developed to introduce 'three lines of defence' against core functions.

The Audit & Risk Committee provides scrutiny and challenge to provide the Board with assurance.

The 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 that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

In meeting its responsibilities, the 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 Association is exposed.

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 on-going process of management review in each of the Association's activities. The SLT regularly considers and receives reports on significant risks facing the Association and the Chief Executive is responsible for reporting to the Board any significant changes effecting key risks.

Environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and 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 and detection.

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead, detailed management accounts produced quarterly and forecasts for the remainder of the financial year and for subsequent years. These are reviewed in detail by the Senior Management Team, the Audit and Risk Committee and are considered and approved by the Board.

The Board also regularly 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 monitoring on control issues provides assurance to senior management and to the 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.

The internal control framework and the risk management process are subject to regular review by the Senior Management Team who report to committees and the Board. The Board considers internal control and risk at each of its meetings during the year.

The system of internal control is under constant review to ensure its effectiveness and has taken account of any changes needed to maintain the effectiveness of risk management and control process. In addition, through its procedure review, controls were checked, and changes made which will be monitored during the coming year.

The Board confirms that there is an on-going process for identifying, and managing significant risks faced by the Association. This process has been in place throughout the year under review, up to the date of the annual report and accounts and is regularly reviewed by the Board.

Going concern

The Board has reasonable expectation that the association has adequate resources to continue operations for the foreseeable future. For this reason, the going concern basis has continued to be used in preparing the financial statements. The Board has considered the impact of inflationary pressure, interest rate hike, cost of living crisis, and recruitment challenges on the short- and long-term health of the association and is content that the measures taken by the association, together with a robust business plan provides assurance that the going concern basis is appropriate in preparing the financial statements.

STATEMENT OF THE BOARD'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

The law requires the Board of Management to prepare financial statements for each financial year. Under that law the Board of Management has elected to prepare the Association's financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The Board of Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period.

In preparing these financial statements, the Board of Management are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Management is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of social housing 2022 and the Statement of Recommended Practice: Accounting by registered social housing providers (SORP 2018).

They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

The Board members who held office at the date of approval of this Board report, confirm that, so far as they are each aware there is no relevant audit information of which the Association's auditors are unaware; and each Board member has taken all steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

APPOINTMENT OF AUDITORS

Knox Cropper LLP have indicated their willingness to continue in office and a resolution to reappoint them will be put to the members.



By order of the Board

H Premal – Chair

Date: August 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELDON HOUSING ASSOCIATION

Opinion

We have audited the financial statements of Eldon Housing Association Limited for the year ended 31st March 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Capital and Reserves, the Statement of Financial Position, the Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as of 31st March 2025 and of its incoming resources and application of resources 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 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 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 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 trustees 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 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; 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 14, the board are 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELDON HOUSING ASSOCIATION

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 83 of the Co-operative and Community Benefit Societies Act 2014 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Association and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Co-operative and Communities Benefit Societies Act 2014, the Housing and Regeneration Act 2008, and the regulatory standards issued by the Regulator of Social Housing.
- We understood how the Association is complying with those frameworks via communication with those charged with governance, together with the review of the Association's documented policies and procedures.
- We assessed the susceptibility of the Association's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, application of accounting estimates, and management override of controls, which were discussed and agreed by the audit team.
- Our approach included agreeing the Association's recognition of income to the terms of tenancy agreements, reviewing the assumptions used and controls applied in the calculation of accounting estimates, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the board members with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Association.

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

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

Use of our report

This report is made solely to the Association's members, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken, so that we might state to the 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, for our audit work, for this report or for the opinions we have formed.

KNOX CROPPER LLP
Chartered Accountants
Statutory Auditors 2024
65 Leadenhall Street
London EC3A 2AD

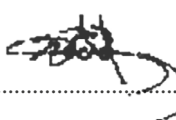
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025


	Notes	2025 £	2024 (Restated) £
Turnover	3	9,174,928	8,742,978
Operating costs	3	(7,665,617)	(6,406,891)
Gain on disposal of other fixed assets		-	1,347
Operating Surplus	3	1,509,311	2,337,434
Interest receivable		167,797	143,866
Interest payable and finance costs	7	(1,187,890)	(1,238,907)
Surplus/(deficit) for the year		489,218	1,242,393
Other comprehensive income			
Actuarial gain/(loss) on pension schemes	17	6,514	(134,000)
Total comprehensive income for the year		495,732	1,108,393

All amounts relate to continuing activities.

The financial statements on pages 17 to 44 were approved by the Board of Management on 8th August 2025 were signed on its behalf by:

Board Member: 


Board Member: 

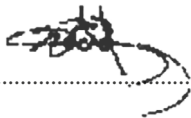
Company Secretary: 


STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025 £	2024 Restated £
Tangible Fixed Assets			
Housing Properties	9	26,851,142	27,253,953
Other Fixed Assets	10	321,361	186,283
		27,172,503	27,440,236
Investments	11	173,276	173,276
		27,345,779	27,613,512
Current Assets			
Debtors	12	780,102	703,554
PFI Contract Debtor due After More Than One Year	12	6,069,714	6,439,138
Cash at Bank and In Hand		6,746,937	6,274,064
		13,596,753	13,416,756
Creditors: Amounts Falling Due Within One Year	13	(1,832,595)	(1,639,700)
Net Current Assets		11,805,815	11,777,056
Total Assets less Current Liabilities		39,151,594	39,390,568
Creditors: Amounts Due After More Than One Year	14	(25,258,487)	(25,928,850)
Provision for Liabilities and Charges			
Pension Liabilities	17	(624,000)	(730,000)
Total Assets Less Liabilities		13,227,450	12,731,718
Capital and Reserves			
Called-up Share Capital	18	83	83
Restricted Reserve		9,583	9,583
Revenue Reserve		13,217,784	12,722,052
		13,227,450	12,731,718

The financial statements on pages 17 to 44 were approved by the Board of Management on 8th August 2025 were signed on its behalf by:

Board Member: 

Board Member: 

Company Secretary: 

STATEMENT OF CHANGES IN CAPITAL AND RESERVES FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital	Restricted reserve	Revenue reserves	Total capital and reserves
	£	£	£	£
On 1 April 2023 as previously stated	83	9,583	11,823,064	11,301,037
Prior year adjustment	-	-	(209,405)	(209,405)
On 1 April 2023 restated	83	9,583	11,613,659	11,623,325
Total comprehensive income for the year as previously stated	-	-	1,188,948	1,188,948
Prior year adjustment	-	-	(80,555)	(80,555)
Issue of share capital	-	-	-	-
Cancellation of shares	-	-	-	-
On 31 March 2024 restated	83	9,583	12,722,052	12,731,718
On 1 April 2024 restated	83	9,583	12,722,052	12,731,718
Total comprehensive income for the year	-	-	495,732	495,732
Issue of share capital	-	-	-	-
Cancellation of shares	-	-	-	-
On 31 March 2025	83	9,583	13,217,784	13,227,450

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 (Restated) £
Net cash generated from operating activities	A	2,286,878	3,211,462
Cash flow from investing activities			
Interest received		167,797	148,104
Proceeds from sale of tangible fixed assets		-	1,347
Purchase of tangible fixed assets		(181,334)	(44,025)
Purchase of housing properties and components		(70,967)	(261,820)
Net cash (used in) / from investing activities		(84,504)	(156,394)
Cash flow from financing activities			
Repayment of borrowings		(569,796)	(1,048,290)
Loan arrangement fees paid		(28,282)	-
Share issue		-	-
Share cancellation		-	-
Interest paid		(1,131,423)	(1,212,712)
Net cash used in financing activities		(1,729,501)	(2,261,002)
Net increase / (decrease) in cash and cash equivalents		472,873	794,066
Cash and cash equivalents at beginning of year		6,274,064	5,479,998
Cash and cash equivalents at end of year	B	6,746,937	6,274,064

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

A: Reconciliation of surplus for the year to cash generated by operations

	2025	2024 (Restated)
	£	£
Surplus for the year	489,218	1,242,393
Depreciation charge on tangible fixed assets	46,256	62,610
Depreciation charge on housing properties	458,311	437,920
Accelerated depreciation charge on housing properties	15,468	9,835
Amortisation of grant	(77,832)	(77,832)
Interest receivable	(167,797)	(143,866)
Interest Payable	1,187,890	1,238,907
Decrease/(increase) in debtors	292,876	383,914
Increase/(decrease) in creditors	160,666	176,943
(Gain) on disposal of fixed assets	-	(1,347)
Payments to pension schemes	(118,178)	(118,015)
Net cash inflow from operating activities	2,286,878	3,211,462

B: Cash and cash equivalents

	2025	2024
	£	£
Cash at bank and in hand	6,746,937	6,274,064

C: Analysis of Changes in Net Debt

	At 01/04/2024	Cash Flows	Other non-cash changes	At 31/03/2025
	£	£	£	£
Cash	6,274,064	472,873	-	6,746,937
Loans falling due within one year	(486,820)	569,796	(601,711)	(518,735)
Loans falling due after more than one year	(17,484,096)	-	592,531	(16,891,565)
	(11,696,852)	1,042,669	(9,180)	(10,663,363)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. PRINCIPAL ACCOUNTING POLICIES

General information

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is a private registered provider of social housing, registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008.

A description of the nature of the Association's operations and its principal activity is disclosed in the Board Report on page 4.

The Association's registered office is stated on page 3.

Basis of accounting

These accounts of the Association are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Housing SORP 2018 "Statement of Recommended Practice for registered social housing providers 2018" ("the SORP") and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

In accordance with FRS 102 (3.3A), the Association is a public benefit entity that has applied the "PBE" prefixed paragraphs.

The accounts have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£).

Going concern

The Board has reasonable expectation that the association has adequate resources to continue operations for the foreseeable future. For this reason, the going concern basis has continued to be used in preparing the financial statements. The Board has considered the impact of inflationary pressure, interest rate hike and recruitment challenges on the short and long-term health of the association and is content that the measures taken by the association, together with a robust business plan provides assurance that the going concern basis is appropriate in preparing the financial statements.

Turnover

Turnover represents rental income and service charges receivable, fees and grants from local and central government authorities, and other income. Turnover is recognised when the significant risks and rewards are considered to have been transferred.

Rental income and service charges receivable are recognised on the basis of the amount receivable for the year.

Other income is recognised based upon the value of goods or services supplied during the period.

Revenue grants are recognised within income in the same period as the related expenditure, provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

Property Managed by Agents

Where the Association carries the financial risk on property managed by agents, all income and expenditure arising from the property is included in the Statement of Comprehensive Income.

Where the agency carries the financial risk, the Statement of Comprehensive Income includes only that income and expenditure which relates solely to the Association.

Employee benefits

Pensions

The Association contributes to a defined benefit multi-employer pension scheme, the Social Housing Pension Scheme (SHPS), a funded multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the Association, in separate trustee administered funds. The scheme trustee identifies the share of underlying assets and liabilities belonging to individual participating employers and therefore the Association accounts for the scheme as a defined benefit plan.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the statement of comprehensive income. The remeasurement of the defined benefit liability is included within other comprehensive income.

The Association also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association, in separate trustee administered funds. Contributions payable to the scheme are included as part of staff costs in the period to which they relate.

Employee termination benefits

Where the Association has committed to pay employee termination benefits before the year end, those benefits are accrued in the current year.

Operating leases

Rental costs under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease, even if the payments are not made on such a basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Value Added Tax

The Association is registered for value added tax (VAT) and charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Association and not recoverable from HM Revenue and Customs. All amounts disclosed in the financial statements are exclusive of VAT where applicable. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit.

Freehold and long leasehold housing properties are stated at cost less depreciation and impairment. The cost of land is not depreciated.

The cost of housing properties is the initial purchase price, together with those costs that are directly attributable to acquisition and construction, interest charges incurred during the development period.

Properties in the course of construction are stated at cost and transferred to completed housing properties when completed.

Interest charges on loans financing development are capitalised up to the date of completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into their intended use.

Where an asset comprises components with materially different useful economic lives, those assets are separately identified and depreciated over those individual lives.

Subsequent expenditure which relates to either the replacement of previously capitalised components or the enhancement of such components which results in incremental future benefit is capitalised and the carrying amount of any replaced component or part component is derecognised.

Depreciation is provided on a straight-line basis over the periods shown below:

- | | |
|-------------------------------------|-------------------------------|
| • Structure – 125 years | • Roofs – 100 years |
| • Heating Systems – 15 years | • Electrics – 40 years |
| • Kitchen – 20 years | • Bathrooms – 30 years |
| • Lifts – 20 years | • Windows – 30 years |

The useful lives of all tangible fixed assets are reviewed annually.

Other Fixed Assets

Other fixed assets are stated at cost, less depreciation and impairment. Depreciation is charged on a straight-line basis over the expected useful lives of the assets at the following annual rates:

- **Computer Equipment 25%**
- **Motor Vehicles 25%**
- **Fixtures and Fittings 10% - 20%**

Leasehold is depreciated over the life of the lease.

Service concession arrangements (Private Finance Initiative Contract)

The Association and its consortium partners (Caring 4 Croydon) entered into a Private Finance Initiative (PFI) contract with Croydon Council in December 2006.

There are four schemes of which three are resource centres providing residential and nursing care for the elderly. Each resource centre has day care facilities. The fourth scheme is an Extra Care Sheltered Accommodation for the elderly with an adjoining day centre.

The three resource centres together with their day care facilities are owned by C4C Ltd and excluded from these accounts.

The Association provided development finance to C4C Ltd for the construction of the Extra Care Sheltered Accommodation and related day centre. The loan to C4C Ltd is recognised within debtors, apportioned between more than and less than one year. The loan is not interest bearing and is reduced by the portion of the Unitary payment deemed to relate to loan finance each year.

The Association has a 125-year lease of the Extra Care facility and its day centre, and the cost of this leasehold interest is included in fixed assets. The day centre is leased back to the London Borough of Croydon over 30 years.

The Association manages the Extra Care facility and its day centre and provides facilities management to the other three resource centres. Income arising from these activities is based upon the Financial Model agreed with the consortium partners. This income is described in these accounts as PFI contract income and accounted for in accordance with the stated turnover policy.

Financial Instruments

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

Financial assets and liabilities comprise investments, trade and other debtors, cash and cash equivalents, trade and other payables and loans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Financial assets and liabilities

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

All financial assets and financial liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the Statement of Comprehensive Income, which are initially measured at fair value (normally the transaction price less transaction costs), unless the arrangement constitutes a financial transaction. If an arrangement constitutes a financial transaction, the financial asset or financial liability is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Association intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of Section 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are only derecognised when and only when:

- the contractual rights to the cash flows from the financial asset expire or are settled,
- the Association transfers to another party substantially all the risk and rewards of ownership of the financial asset, or,
- the Association, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Association does not use standalone derivative financial instruments to reduce exposure to interest rate movements.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Cash and cash equivalents

Cash and Cash Equivalents comprise cash in hand and at bank and short term deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

Non-financial assets

Non-financial assets comprise tangible fixed assets.

The Association's tangible fixed assets are assessed for impairment at each reporting date. Where indicators are identified, then an assessment is undertaken to compare the carrying amount of assets or cash-generating units for which impairment is indicated to their recoverable amounts. If there is objective evidence of impairment, an impairment loss is recognised immediately in the Statement of Comprehensive Income.

A cash generating unit is the smallest identifiable group or assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Value in use represents the present value of the future cash flows expected to be derived from an asset or cash-generating unit, appropriately adjusted to account for any restrictions on their use. The assessment of value in use may involve considerations of the service potential of the assets or cash-generating units, provided the property concerned is being used for social housing and is in demand. Value in use for assets held for their service potential represents the depreciated replacement cost, being the most economic cost required to replace the service potential of the asset. Depreciated replacement cost is the lower of the cost of constructing or acquiring a replacement asset to provide the same level of service potential. The cost of acquiring a replacement asset could be either through purchasing an equivalent property on the open market or purchasing an equivalent property from another registered provider, providing there is considered to be an active market.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Where indicators exist for a decrease in impairment loss previously recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

Financial assets comprise trade and other debtors and cash and cash equivalents.

For financial assets carried at amortised cost, the amount of impairment is 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.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Grants

Government grant

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure (excluding land), on a pro rata basis under the accrual model of accounting.

The unamortised element of the government grant is recognised as deferred income in creditors due within one year or due after more than one year as appropriate in the Statement of Financial Position.

Where a component is replaced the amount of any unamortised government grant associated with this component is taken to income.

Government grant is repayable indefinitely unless formally abated or waived. On the occurrence of certain relevant events, primarily following the sale of property, the Government Grant repayable or to be recycled will be restricted to the net proceeds of sale where appropriate. In recognition of this, external lenders seek the subordination of the Home and Communities Agency's right to recover Government Grant to their own loans.

Government grant received in respect of revenue expenditure is recognised within income in the same period as the related expenditure, provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received using the performance model of grant accounting.

Social Housing Grant (SHG) can be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency and is credited to a Recycled Capital Grant Fund and included in the Statement of Financial Position as a creditor due within one year or due after more than one year as appropriate. SHG may have to be repaid if certain conditions are not met.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose a specific future performance condition is recognised as revenue when the grant proceeds are receivable. A grant that imposes a specific future performance related conditions on the Association, is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is shown as a liability in the Statement of Financial Position.

Provisions

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

Reserves

The Association restricts those reserves which have been set aside for uses which prevent them, in the judgement of the Board, from being regarded as part of the free reserves of the Association.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of Financial Statement requires the use of estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses for the year. Although these estimates and associated assumptions are based on historical experience and the management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Critical judgements in applying the Associations accounting policies.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Board has made in the process of applying the Association's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all applicable conditions as basic are met. This includes consideration of the form of the instrument and its return.

Identification of cash generating units for impairment testing

For impairment purposes, as explained in the accounting policies, housing properties are grouped into schemes which reflects how the properties are managed.

Recoverable amounts are based on either future cash flows or, for assets held for their service potential, depreciated replacement cost. The assessment of whether an asset is held for its service potential is a matter of judgement and in making that judgement the Board considers the current use of the asset and the expected future use of the asset. If the asset is unable to be let in its current condition or is not being used for a social purpose, either now or in the foreseeable future, it is assessed as not being held for its service potential.

Recoverable amount for assets held for their service potential is assessed as the depreciated replacement cost which is the lower of (a) the cost of purchasing an equivalent property on the open market; and (b) the land cost plus the rebuilding cost of the structure and components. The Association has no history of acquiring or selling properties from or to other registered providers and the Board considers that there is no active market.

Identification of housing property components

The Association accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component by component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Key sources of estimation uncertainty

The estimates and assumptions which have the most significant effect on amounts recognised in the financial statements are discussed below:

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to 'technological obsolescence' with regard to IT equipment/software and any changes to decent homes standard requiring frequent replacement of components. The accumulated depreciation on 31 March 2025 was £5,156k.

Impairments of social housing properties held for their service potential

The cost of purchasing an equivalent property on the open market is estimated based on the sale prices for similar properties in or near the same location.

The rebuilding cost of structures and components is based on the current build costs, based on either current building contracts or market data (being primarily construction indices) applied to the relevant building size and type.

Amortisation of government grants

Government grants received for housing properties are recognised in income over the useful life (as identified for the depreciation charge) of the housing property structure (excluding land), on a pro rata basis under the accrual model.

Bad debt provision

The rent arrears balance recorded in the Association's Statement of Financial Position comprises a relatively large number of small balances. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Multi-employer pension obligations

The discount rate used for the multi-employer pension scheme is determined by reference to market yields at the reporting date on high quality bonds.

A provision for £624k is recorded in the Statement of Financial Position on 31 March 2025 in respect of pension schemes in deficit.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2025			
	Turnover	Operating costs	Other	Operating surplus
	£	£	£	£
Social Housing lettings (note 4)	4,957,242	(4,351,546)	-	602,696
Disposal of fixed assets	-	-	-	-
Other social housing activities:				
Charges for support services	753,292	(553,509)	-	199,783
Cleaning and laundry charges	24,878	-	-	24,878
Sub-Total	5,735,412	(4,905,055)	-	830,357
Memo only:				
Non-social housing activities				
PFI Contract	3,437,203	(2,760,562)	-	676,641
Other	2,313	-	-	2,313
Sub total	3,439,516	(2,760,562)	-	678,954
Total	9,174,928	(7,665,617)	-	1,509,311

	2024 (RESTATED)			
	Turnover	Operating costs	Other	Operating surplus
	£	£	£	£
Social Housing lettings (note 4)	4,688,719	(3,857,495)	-	831,224
Disposal of fixed assets	-	-	1,347	1,347
Other social housing activities:				
Charges for support services	691,958	(461,053)	-	230,905
Cleaning and laundry charges	23,165	-	-	23,165
Sub-Total	5,403,842	(4,318,548)	1,347	1,086,641
Memo only:				
Non-social housing activities				
Managed Associations	24,152	(24,152)	-	-
PFI Contract	3,313,100	(2,064,191)	-	1,248,909
Other	1,884	-	-	1,884
Sub total	3,339,136	(2,088,343)	-	1,250,793
Total	8,742,978	(6,406,891)	1,347	2,337,434

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

4. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	General housing £	Supported housing £	Total 2025 £	Total 2024 £
INCOME				
Rents	154,940	1,915,869	2,070,809	1,929,402
Service charge income	47,401	1,806,630	1,854,031	1,743,143
Supplements income	-	954,570	954,570	938,342
Amortised government grant	3,564	74,268	77,832	77,832
Government grants	-	-	-	-
Turnover from social housing lettings	205,905	4,751,337	4,957,242	4,688,719
EXPENDITURE				
Management	(45,803)	(1,099,270)	(1,145,073)	(921,305)
Service charge costs	(40,171)	(1,625,828)	(1,665,999)	(1,541,355)
Supplements costs	-	(656,965)	(656,965)	(658,789)
Routine Maintenance	(12,748)	(290,996)	(303,744)	(222,567)
Cyclical & planned maintenance	(497)	(87,796)	(88,293)	(36,609)
Bad debts	-	(17,693)	(17,693)	(29,115)
Depreciation of Housing Properties	(40,306)	(418,005)	(458,311)	(437,920)
Accelerated depreciation charge	-	(15,468)	(15,468)	(9,835)
Operating costs on social housing lettings	(139,525)	(4,212,021)	(4,351,546)	(3,857,495)
Operating surplus / (deficit) on social housing lettings	66,380	539,316	605,696	831,224
Void losses	-	(147,409)	(147,409)	(127,036)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

5. DIRECTORS' EMOLUMENTS

For the purpose of this note Directors are defined as the Chief Executive and Senior Management Team.

	2025 £	2024 £
The aggregate emoluments paid to Directors including pension contributions	411,243	241,434
The emoluments paid to the highest paid Director of the Association excluding pension contributions	113,341	112,879

The Chief Executive is an ordinary member of the Association's defined contribution pension scheme. No enhanced or special terms apply. There are no additional pension arrangements.

PAYMENTS TO NON-EXECUTIVE DIRECTORS

	Remuneration £	Expenses £	2025 Total £	2024 Total £
Board Chair	5,000	-	5,000	5,000
Board Deputy Chair	3,500	-	3,500	3,500
Audit & Risk Chair	3,223	-	3,223	3,500
Committee Members	16,846	-	16,846	12,708
	28,569	-	28,569	24,708

The total payment to Board and Committee members is reviewed annually, taking external independent advice where appropriate and represents in 2024/25 less than 0.32% of turnover. Remuneration is based on sector benchmarking data for comparable sized associations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

6. EMPLOYEE INFORMATION

The average weekly number of persons employed during the year (full time equivalents) was:

FTE staff by department:

Catering

Care & support

Domestics

Premises

Administration

Staff costs for the above persons

Wages and salaries

Social Security costs

Defined benefit pension costs

Other pension costs

Redundancy costs

	2025	2024
	No	No
	81	93
Catering	29	33
Care & support	18	19
Domestics	21	26
Premises	5	7
Administration	8	8
	81	93
Staff costs for the above persons		
Wages and salaries	2,657,806	2,431,717
Social Security costs	224,842	198,978
Defined benefit pension costs	4,000	11,000
Other pension costs	72,140	61,440
Redundancy costs	-	-
	2,958,788	2,703,135

7. INTEREST PAYABLE

Interest payable on Housing loans

SHPS – Interest Cost

Amortisation of arrangement fees

	2025	2024
	£	£
Interest payable on Housing loans	1,131,423	1,212,712
SHPS – Interest Cost	19,005	17,015
Amortisation of arrangement fees	37,462	9,180
	1,187,890	1,238,907

Interest and financing costs of £Nil (2024: £Nil) have been capitalised at an average interest rate during the year of Nil% (2024: Nil%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

8. SURPLUS FOR THE YEAR

Is stated after charging:

Depreciation (including accelerated depreciation of £15,468 (2024: £9,835)

Auditors' remuneration (excluding VAT):

in respect of audit services

in respect of other services

Operating lease charges - plant & machinery

Operating lease charges – land and buildings

2025	2024
£	£
520,035	510,365
11,950	13,250
-	-
-	-
-	24,944

9. HOUSING PROPERTIES

Cost

As of 1st April 2024

Additions

Works to existing properties

Disposals

As of 31st March 2025

Depreciation

As of 1st April 2024

Charge for year

Disposals

As of 31st March 2025

Net Book Value

As of 1st April 2024

As of 31st March 2025

Housing properties	Total Housing Properties
31,034,989	31,034,989
70,968	70,968
-	-
(29,882)	(29,882)
31,076,075	31,076,075
3,781,036	3,781,036
458,311	458,311
(14,414)	(14,414)
4,224,933	4,224,933
27,253,953	27,253,953
26,851,142	26,851,142

The Net Book Value of leasehold land and buildings included within housing properties is £1,299,580 (2024: £1,321,075).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

10. OTHER FIXED ASSETS

	Leasehold office improvements	Furniture & equipment at schemes	Vehicles and office equipment	Total other fixed assets
	£	£	£	£
Cost				
As of 1st April 2024	-	911,640	159,280	1,070,920
Additions	121,572	51,732	8,030	181,334
Disposals	-	-	-	-
As of 31st March 2025	121,572	963,372	167,310	1,252,254
Depreciation				
As of 1st April 2024	-	735,557	149,080	884,637
Charge for year	-	40,410	5,846	46,256
Disposals	-	-	-	-
As of 31st March 2025	-	775,967	154,926	930,893
Net Book Value				
As of 31st March 2024	-	176,083	10,200	186,283
As of 31st March 2025	121,572	187,405	12,384	321,361

11. INVESTMENTS

	2025	2024
	£	£
Loan Note Instrument 7.26%	170,776	170,776
Shareholding in C4C Holdings Ltd	2,500	2,500
	173,276	173,276

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

12. DEBTORS

Amounts falling due within one year:

Rent arrears

Less: provision for bad debts

Prepayments & Accrued Income

PFI Contract Debtor

Other Debtors

Amounts falling due after one year:

PFI Contract Debtor

2025	2024
£	£
258,642	267,669
(8,701)	(57,849)
249,941	209,820
115,269	96,048
369,424	342,528
45,468	55,158
780,102	703,554
6,069,714	6,439,138
6,849,816	7,142,692

13. CREDITORS amounts falling due within one year

Pre-paid rent

Trade creditors

Other taxation and social security payable

Accrued expenses

Other creditors

Deferred income – government grants

Retentions

Pension liability

Loans falling due within one year

2025	20243 (Restated)
£	£
61,792	85,989
480,599	319,855
139,695	185,254
71,351	106,549
478,358	373,483
77,829	77,829
3,748	3,748
488	173
518,735	486,820
1,832,595	1,639,700

14. CREDITORS amounts falling due after more than one year

Loans

Deferred income - government grants

Pension liability

2025	2024
£	£
16,891,565	17,484,096
8,366,922	8,444,754
-	-
25,258,487	25,928,850

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

15. CREDITORS analysis of loans repayable

	2025 £	2024 £
Due within one year	518,735	486,820
More than 1 year less than 2 years	571,700	1,064,598
More than 2 years less than 5 years	1,949,710	3,224,472
More than 5 years	14,370,155	13,195,026
Total due in more than one year	16,891,565	17,484,096
Total loans	17,410,300	17,970,916
Breakdown of Loans Types:		
Private Finance Initiative	8,038,504	8,382,540
Bank	9,463,572	9,689,332
Less Finance costs	(91,776)	(100,956)
	17,410,300	17,970,916

Housing loans are secured on the Association's housing properties and are repayable in instalments at various rates of interest between 1.85% plus the relevant SONIA floating rate, and fixed rates between 5.33% and 5.43%. The loan maturity dates range from January 2037 to December 2049.

16. GOVERNMENT GRANT

	Completed schemes £	Under construction £	Total £
Received			
On 1 April 2024	9,728,396	-	9,728,396
On 31 March 2025	9,728,396	-	9,728,396
Amortisation			
On 1 April 2024	1,205,813	-	1,205,813
Amortisation	77,832	-	77,832
On 31 March 2025	1,283,645	-	1,283,645
Carrying amount			
On at 31 March 2025	8,444,751	-	8,444,751
On at 31 March 2024	8,522,583	-	8,522,583

All of the Government grant listed above is Social Housing Grant - a grant given to Registered Social Landlords by the Government to help fund new buildings for social housing.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. PENSION OBLIGATIONS

Social Housing Pension Scheme

The Association participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. The scheme trustee is able to identify the share of scheme assets and liabilities belonging to individual participating employers and as such the Association accounts for the scheme as a defined benefit plan.

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

The scheme is classified as a ‘last man standing arrangement’. Therefore, the Association is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2023. This actuarial valuation was issued in August 2024 and showed assets of £2,570m, liabilities of £3,263m and a deficit of £693m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 March 2028:	£149.0m per annum payable monthly and increasing by 2.0% each year on 1st April)
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Note that the scheme’s previous valuation was carried out with an effective date of 30 September 2020; this valuation was issued in October 2021 and showed assets of £5,148m, liabilities of £6,708m and a deficit of £1,560m.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Present values of defined benefit obligation, fair value of assets and defined benefit assets (liability)

	2025 £'000	2024 £'000
Fair value of plan assets	1,850	1,884
Present value of defined benefit obligation	(2,182)	(2,322)
Defined benefit asset (liability)	(332)	(438)

Reconciliation of opening and closing balances of the defined benefit obligation

Defined benefit obligation at start of period	(2,322)	(2,218)
Current service cost	(4)	(11)
Expenses	(6)	(6)
Interest expense	(111)	(107)
Contributions by plan participants	(11)	(16)
Actuarial losses/(gains) due to scheme experience	(113)	(83)
Actuarial losses/(gains) due to changes in demographic assumptions	-	28
Actuarial losses/(gains) due to changes in financial assumptions	244	(1)
Benefits paid and expenses	141	92
Defined benefit obligation at end of period	(2,182)	(2,322)

Reconciliation of opening and closing balances of the fair value of plan assets

Fair value of plan assets at start of period	1,884	1,813
Interest income	92	90
Experience on plan assets (excluding amounts included in interest income) – gain/(loss)	(124)	(78)
Contributions by the employer	128	135
Contributions by plan participants	11	16
Benefits paid and expenses	(141)	(92)
Fair value of plan assets at end of period	1,850	1,884

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £32,000 (2024: £12,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Defined benefit costs recognised in surplus for the year

	2025	2024
	£'000	£'000
Current service cost	4	11
Expenses	6	6
Net interest expenses	19	17
Defined benefit costs recognised in statement of comprehensive income (SoCI)	29	34

Defined benefit costs recognised in other comprehensive income

	2025	2024
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(124)	(78)
Experience gains and losses arising on the plan liabilities - gain (loss)	(113)	(83)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	-	28
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	244	(1)
Total amount recognised in other comprehensive income – gain (loss)	7	(134)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Assets	2025	2024
	£'000	£'000
Global Equity	207	188
Absolute Return	-	74
Distressed Opportunities	-	66
Credit Relative Value	-	62
Alternative Risk Premia	-	60
Liquid Alternatives	343	-
Emerging Markets Debt	-	24
Risk Sharing	-	110
Insurance-Linked Securities	6	10
Property	93	76
Infrastructure	-	190
Private Equity	2	2
Real Assets	221	-
Private Debt	-	74
Opportunistic Illiquid Credit	-	-
Private Credit	226	-
Credit	71	-
Investment Grade Credit	57	-
High Yield	-	-
Cash	25	37
Corporate Bond Fund	-	-
Long Lease Property	1	12
Secured Income	31	56
Opportunistic Illiquid Credit	-	74
Liability Driven Investment	560	767
Currency Hedging	3	(1)
Net Current Assets	4	3
Total assets	1,850	1,884

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Key assumptions

Discount Rate	
Inflation (RPI)	
Inflation (CPI)	
Salary Growth	
Allowance for commutation of pension for cash at retirement	

2025 % per annum	2024 % per annum
5.77%	4.89%
3.11%	3.17%
2.78%	2.77%
3.78%	3.77%
75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted on 31 March 2025 imply the following life expectancies at age 65:

Male retiring in 2025
Female retiring in 2025
Male retiring in 2045
Female retiring in 2045

2025 Years	2024 Years
20.5	20.5
23.0	23.0
21.7	21.8
24.5	24.4

The Growth Plan

The Association participates in the scheme, a multi-employer defined benefit scheme which provides benefits to some 521 non-associated employers. It is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out on 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 March 2028:	£2.1m per annum payable monthly.
-------------------------------------	----------------------------------

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Reconciliation of opening and closing provision

Provision at start of period
Unwinding of the discount factor (interest expense)
Deficit contribution paid
Remeasurements - impact of any change in assumptions
Remeasurements – amendments to the contribution schedule
Provision at end of period

2025 £	2024 £
173	370
5	15
(176)	(212)
3	-
483	
488	173

Other Pension Provisions

The amounts recognised in the balance sheet are as follows:

Provision at start of year
Provision at end of year

2025 £'000	2024 £'000
292	292
292	292

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid shares of £1 each

At start of the year
Issued during the year
Cancelled during year
At end of the year

2025 £	2024 £
83	83
-	-
-	-
83	83

The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

19. UNITS AND SERVICES IN MANAGEMENT AND DEVELOPMENT

Units under management at end of year:

Housing Accommodation

Supported Housing

Services under management at the end of year

Facilities Management for C4C contract

2025	2024
17	17
266	266
283	283
150	150

C4C units and services: Fellows Court extra care sheltered scheme is included in supported housing. Heavers, Addington Heights, and Langley Oaks resource centres are included in facilities management..

Accommodation managed by Agents

Association owns property managed by other bodies

Number of units of accommodation

2025	2024
7	7

20. CAPITAL COMMITMENTS

Capital expenditure that has been approved and contracted for and has not been provided for in the financial statements

Capital expenditure that has been approved but not contracted for and has not been provided for in the financial statements

2025 £	2024 £
1,553,758	-
-	-

21. OPERATING LEASES

The future minimum payments under non-cancellable operating leases are as follows:

within one year

within one to five years

2025 £	2024 £
-	-
-	-
-	-

22. CONTINGENT LIABILITIES

The Association is not presently aware of any contingent liabilities other than the debt contingent on withdrawal from the Social Housing Pension Scheme (SHPS) which the scheme actuary has estimated as being £813,213 as of 30th September 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

23. FINANCIAL INSTRUMENTS

Financial assets measured at fair value through profit or loss:

Investments in listed securities

Cash and cash equivalents

Financial liabilities measured at amortised cost:

Loans repayable within one year

Loans repayable after more than one year

	2025 £	2024 £
	-	-
	6,746,937	6,274,064
	6,746,937	6,274,064
	518,735	486,820
	16,891,565	17,484,096
	17,410,300	17,970,916

Interest income/(expense)

Interest income for financial assets at amortised cost

Interest expense for financial liabilities at amortised cost

	2025 £	2024 £
	167,797	143,866
	(1,168,885)	(1,221,892)

Fair value gains and (losses)

On financial assets measured at fair value through surplus for the year

	2025 £	2024 £
	-	-

Interest rate and liquidity risk of financial liabilities

Interest rate risk

The Association borrows at both fixed and floating rates of interest. It does not borrow in foreign currencies.

Liquidity risk

The Association's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings with a range of maturities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

24. RELATED PARTY TRANSACTIONS

Eldon Housing Association is a 25% shareholder of Caring 4 Croydon Holdings Limited and our Head of Asset and Facilities Management is a director.

On 31st March 2025 the investment held in Caring 4 Croydon Holdings Ltd was £173,276 (2024: £173,276) comprised of £2,500 equity shares and £170,776 loan notes bearing interest at 7.26%. Interest of £23,402 (2024: £23,402) was accrued and £11,273 (2024: £13,302) received during the year, with £23,402 (2024: £23,402) due to the Association at the balance sheet date.

Under the PFI contract the Association invoiced £3,780,729 to Caring 4 Croydon Limited, a wholly owned subsidiary of Caring 4 Croydon Holdings Limited, during the year 1st April 2024 to 31st March 2025 (2024: £3,185,371) and at the balance sheet date was due £28,524 (2024: £22,658) from that company.

Key management are the persons having authority and responsibility for planning, controlling, and directing the activities of the Association. In the opinion of the Board, the key management are the senior management team.

Remuneration paid to key management personnel were:

Salaries

Employer's social security costs

Employer's pension contributions

Interim contractors

	2025 £	2024 £
Salaries	240,255	179,948
Employer's social security costs	24,322	21,908
Employer's pension contributions	28,971	26,378
Interim contractors	117,695	13,200
	411,243	241,434

25. OVERALL CONTROL

The Association is controlled by a Board of Management who oversee the day-to-day operations of the Association.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

26. PRIOR YEAR RESTATEMENT

The Association commissioned an independent consultant to undertake a rent compliance review. The review identified that certain rents had not been set in accordance with the Rent Standard and the Welfare Reform and Work Act 2016 (WRWA). This has resulted in the identification of rent refunds due to tenants and relevant local authorities in areas where the Association operates housing properties. A prior year restatement reducing the revenue reserve in the previous year is as follows:

	As previously reported 2024 £	Prior year adjustments £	2024 Restated £
Impact on the Statement of Comprehensive Income			
Turnover	8,823,533	(80,555)	8,742,978
Operating costs	(6,406,891)	-	(6,406,891)
Gain on disposal of other fixed assets	1,347	-	1,347
Operating surplus	2,417,989	(80,555)	2,337,434
Interest receivable	143,866	-	143,866
Interest payable	(1,238,907)	-	(1,238,907)
Surplus for the year	1,322,948	(80,555)	1,242,393
Impact on the Balance sheet			
Housing properties	27,253,953	-	27,253,953
Other fixed assets	186,283	-	186,283
Investments	173,276	-	173,276
Debtors	703,554	-	703,554
PFI Contract Debtor due after more than one year	6,439,138	-	6,439,138
Cash and cash equivalents	6,274,064	-	6,274,064
Creditors: amounts falling due within one year	(1,349,740)	(289,960)	(1,639,700)
Creditors: amounts falling due after more than one year	(25,928,850)	-	(25,928,850)
Provisions for liabilities	(730,000)	-	(730,000)
	13,021,678	(289,960)	12,731,718
Capital and reserves:			
Called-up share capital	83	-	83
Restricted reserve	9,583	-	9,583
Revenue reserves	11,823,064	(209,405)	11,613,659
Net comprehensive surplus for the year	1,188,948	(80,555)	1,108,393
	13,021,678	(289,960)	12,731,718

Eldon Housing Association Ltd

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Registered with the Regulator of Social Housing No: L3262.

An exempt charity, registered with the Financial Conduct Authority under the Co-operative and Community Benefits Society Act 2014 No: 23431R.

Registered with the Care Quality Commission.

eldon housing
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