

wandle

Wandle Housing Association Limited

Strategic Report and Financial Statements

For the Group and the Association

For The Year Ended 31 March 2025



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Directory

Board of Management

Valerie Vaughan-Dick - Chair
 John Baldwin
 Julie Blair
 Justin Gyphion*
 Joanna Hills
 Fiona Hollingsworth
 (appointed 27/3/25)
 Nadira Hussain (appointed 26/3/25)
 Andy McWilliams
 James Pennington
 Paul Phillips
 Zoe Shaw
 Moorad Choudhry (resigned
 26/9/24)
 Steve Dickinson (resigned 26/3/25)
 Anne Waterhouse – Co-optee
 *Resident of the Association.

Executive Team

Anne Waterhouse – Chief Executive
 Yinka Bolaji – Executive Director,
 Property and Development
 Francis Burrows – Executive
 Director, Customer services and
 Operations (appointed 2/9/2024)
 Rebecca Escott-New – Executive
 Director, Corporate Services
 (appointed 17/6/24)
 Shaun McLean – Executive Director,
 Finance (appointed 22/8/25)
 Grant Shipley – Executive Director,
 Finance (resigned 22/8/25)
 Suzanne Horsley – Executive
 Director, Customer Services
 (resigned 23/4/24)

Gerard Naughton – Interim
 Executive Director, Corporate
 Services (resigned 17/6/24)

Matthew Spittles - Director of
 Maintenance (resigned 27/3/25)

Mark Vaughan – Interim Executive
 Director, Customer Services and
 Operations (appointed 16/4/24;
 resigned 11/9/24)

Company secretary and Registered Office

Iain Turner
 230 Blackfriars, London, SE1 8NW

Bankers

Lloyds plc
 39 Threadneedle Street
 London EC2R 8AU

Auditors

Beever and Struthers
 150 Minories
 London EC3N 1LS

Customer Experience Committee

Andy McWilliams – Chair
 Kybor Carlsen – Resident
 representative
 Justin Gyphion
 Joanna Hills
 Ruth Kass – Resident representative
 Hafiza Koroma – Resident
 representative
 Steve Dickinson (resigned 26/3/25)

Audit and Risk Committee

Paul Phillips - Chair
 John Baldwin
 Julie Blair
 Andy McWilliams
 Zoe Shaw

People Committee

Julie Blair – Chair
 Nadira Hussain (appointed 26/3/25)
 Andy McWilliams
 Valerie Vaughan-Dick
 Moorad Choudhry (resigned 26/9/25)

Asset Investment Committee

James Pennington – Chair
 John Baldwin
 Justin Gyphion
 Joanna Hills
 Craig Rought – Independent
 (appointed 27/3/25)
 Steve Dickinson (resigned 26/3/25)

Treasury Committee

Zoe Shaw – Chair
 Paul Phillips
 Moorad Choudhry (resigned
 26/9/24)
 Grant Shipley – Co-optee

Foreword by the Chair and Chief Executive

It is our pleasure to present the annual financial statements as Wandle's Chair and Chief Executive for the financial year ended March 2025. This document provides a comprehensive overview of our financial performance, strategic initiatives, key achievements and areas for improvement over the past year.

We are working against the backdrop of an ever-increasing need for permanent and sustainable housing solutions. Our history is steeped in helping those in housing need. As of writing, there are approximately one in 21 children living in temporary accommodation in London, and despite the significant economic and regulatory challenges faced by the housing sector over the past few years, this is something that we are determined to help reduce.

Politically it has been encouraging to see the new government prioritise housing. The additional funding support announced for the sector is essential to support its aims, and the consensus that rents cannot fund building remediation, net zero carbon retrofit works and new housing supply, is welcomed. The extension of the rent settlement to cover 10 years enables us to take longer-term strategic investment decisions.

We have worked closely with our London peers The L12, and the National Housing Federation to campaign for a long-term plan for housing.

We are working with the Greater London Authority to access more funding to provide more homes and are pleased to retain our Investment Status with them. Layering on to this we continue to use our Build More Homes initiative to further support our commitment to deliver 500 new affordable homes over a five-year period.

Financially as a Board we are committed to prioritising ongoing investment in our homes and supporting our service improvement activities. Building safety remains at the forefront of our work and we have a programme underway to rectify building safety defects. Disappointingly, in many cases, the original contractor is no longer operating, leaving us with no financial recourse. We will be utilising the funding schemes established by the government wherever possible for these remediation works, protecting the use of our own financial resources to invest in our existing homes and build much needed new social homes.

Our resident support services continue to provide extra help to support our residents in sustaining their tenancies and managing their financial pressures. This service also works proactively with support agencies and social services to safeguard health and wellbeing concerns. We'll be looking at what else we can do as a key strand of our new strategic themes.

Operationally we published our first annual complaints report in June 2024, and our tenant satisfaction measures in our customer annual report in July 2024. These both showed a considerable need to improve, by making our services more responsive and being much more proactive in keeping our customers updated if they have contacted us.



Our customer insights, from surveys, complaints and face-to face interactions have been instrumental in enabling us to prioritise service improvement around three key themes: improving complaint handling, responsive repairs first time fix and permanent solutions to eradicate damp and mould. Our Customer Excellence Panel and Customer Experience Committee continue to provide a vital role in our governance; shaping solutions, providing scrutiny and monitoring performance.

We have seen increases in fly-tipping, anti-social behaviour and parking issues in the London boroughs that we operate in. When our residents experience these, they can impact heavily on how they feel about us and their homes.

These issues take partnership working, time and money to resolve, but we remain committed to resolving them and working with our residents to find the best solutions for all involved.

Looking forward we are already making a start on delivering against our new corporate strategy for 2025 to 2028. Whilst we end the year with much more to do to improve outcomes and services for our customers, we are confident the actions to do this are being driven by the Board. Our three strategic themes of our new strategy that we will hold ourselves to account to are:

- **Right services;** providing quality, accessible, consistent, efficient, responsive and trusted services
- **Right homes;** providing homes that are safe, secure and sustainable
- **Right support;** understanding, through meaningful engagement, what support our residents need from us and our partners to sustain their tenancy, their mental and physical health, financial security and their community

We extend our gratitude to our dedicated colleagues, fellow Board members, customers, and stakeholders for their commitment throughout the year.



Valerie Vaughan-Dick, MBE
Chair



Anne Waterhouse
Chief Executive

Strategic Report

Principal activities and review of business

About Wandle

Founded in 1967 as the Merton Family Housing Trust, in response to the film "Cathy Come Home", we have since grown into an organisation with over 7,500 homes across nine south London boroughs providing homes for rent (social and affordable), shared ownership and supported housing. We also have a small portfolio of commercial properties and garages.

We see our purpose as supporting people, across south London, who need a home. We are helping to tackle the shortage of good quality affordable housing by providing homes for people most in housing need.

We want to be a good landlord and contribute to building strong communities in south London, delivering our vision 'Homes to be proud of and services you can trust'.

Our Business Model

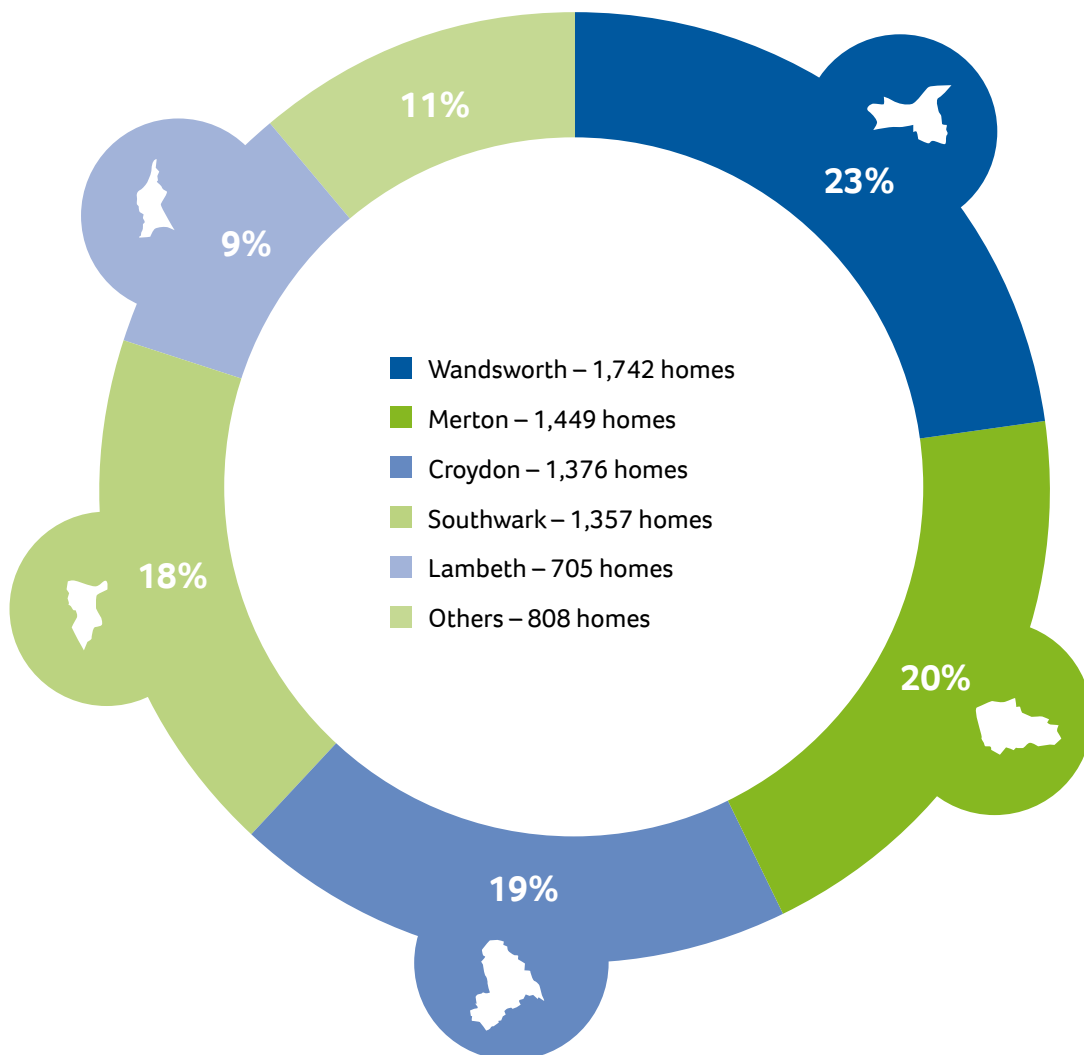
Our business model has been established to develop new homes and deliver landlord services in a way that supports our founders' original aspirations and our purpose and vision.

As a developer we build homes for sub-market rent and low-cost home ownership.

As a landlord we deliver a range of services including housing and tenancy management, repairs and maintenance, and income collection, all underpinned by our ambition to deliver consistently good customer services. We aim to generate a surplus on our core landlord activities and to measure this through our 'Social Housing Operating Margin', which is one of our key financial performance indicators. Where our services are subject to a separate service charge, we aim to recover our service costs through these charges. Any surplus generated on landlord activities contributes towards the development of new affordable homes.

In addition to these core activities, we are committed to addressing wider social issues across our neighbourhoods. Wandle works in partnership across south London to support programmes to improve the life chances of our customers, help them to find jobs, further their education and skills, and reduce anti-social behaviour. Support is also provided for customers facing other challenges.

Area of operations



See page 76 for breakdown of homes by tenure.

Group Structure

Wandle's group structure and operating companies are set out below:

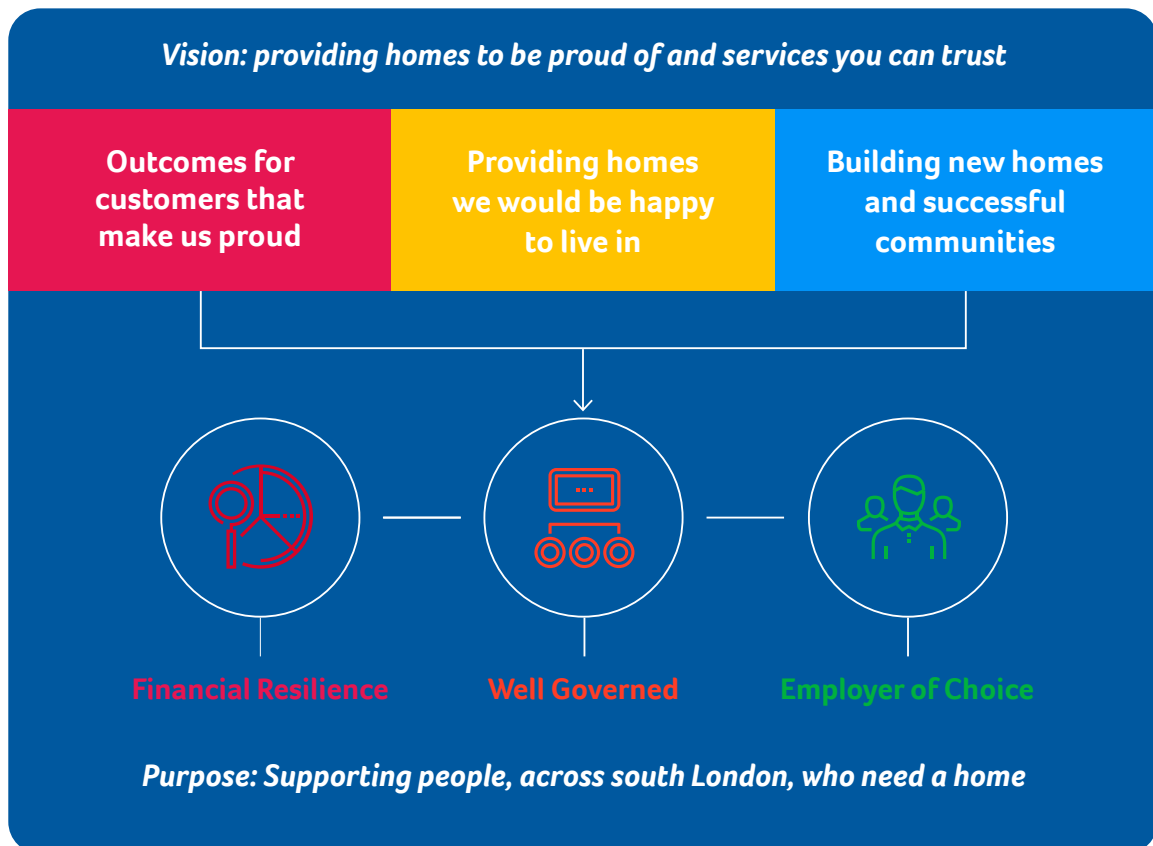


Strategy and objectives

Our existing Corporate Strategy ended in March 2025 and although we delivered a number of key achievements as part of this strategy, we recognise that we fell short of delivering what we set out to achieve across the strategic themes:

- Outcomes for customers that make us proud
- Providing homes we would be happy to live in
- Building new homes and successful communities
- Proactively and effectively communicating with our residents so that they know what's happening with their queries, complaints or requests.
- Really understanding our residents needs so that we can respond to them appropriately.
- Building a robust infrastructure, including systems, processes, data and knowledge information management to enable us to deliver better quality services and homes.

Based on our 2024/25 performance and feedback we received from our residents, we know we need to get better at:





Previous reports set out our key achievements of the first two years of the strategy, and in the last year we achieved the following:

- ✓ We started our tenancy visits scheme to get to know our residents, so that we are better able to respond to their needs. We visited 636 homes.
- ✓ We improved our approach to managing complaints from our residents, including the timeliness and quality of our responses, so that our residents know what's happening because of their complaint.
- ✓ We progressed much needed improvements to our repairs service with a focus on delivering repairs on time and improving communication with residents about what they can expect and when from.
- ✓ We worked to secure a £55 million funding facility from the Affordable Homes Guarantee Scheme to fund the development of new homes and make sure our existing homes are fit for the future. The facility was signed in June 2025.
- ✓ We completed 15 new homes on 2 sites and a further 207 homes on 4 sites are under construction as part of our Build More Homes Strategy.
- ✓ We continued to improve the safety of our homes through our fire safety programme and external wall remediation scheme.
- ✓ We completed an external review of our governance arrangements, which gave us a good understanding of where we need to improve, particularly in relation to the consumer standards requirements.

Right Homes, Right Services, Right Support

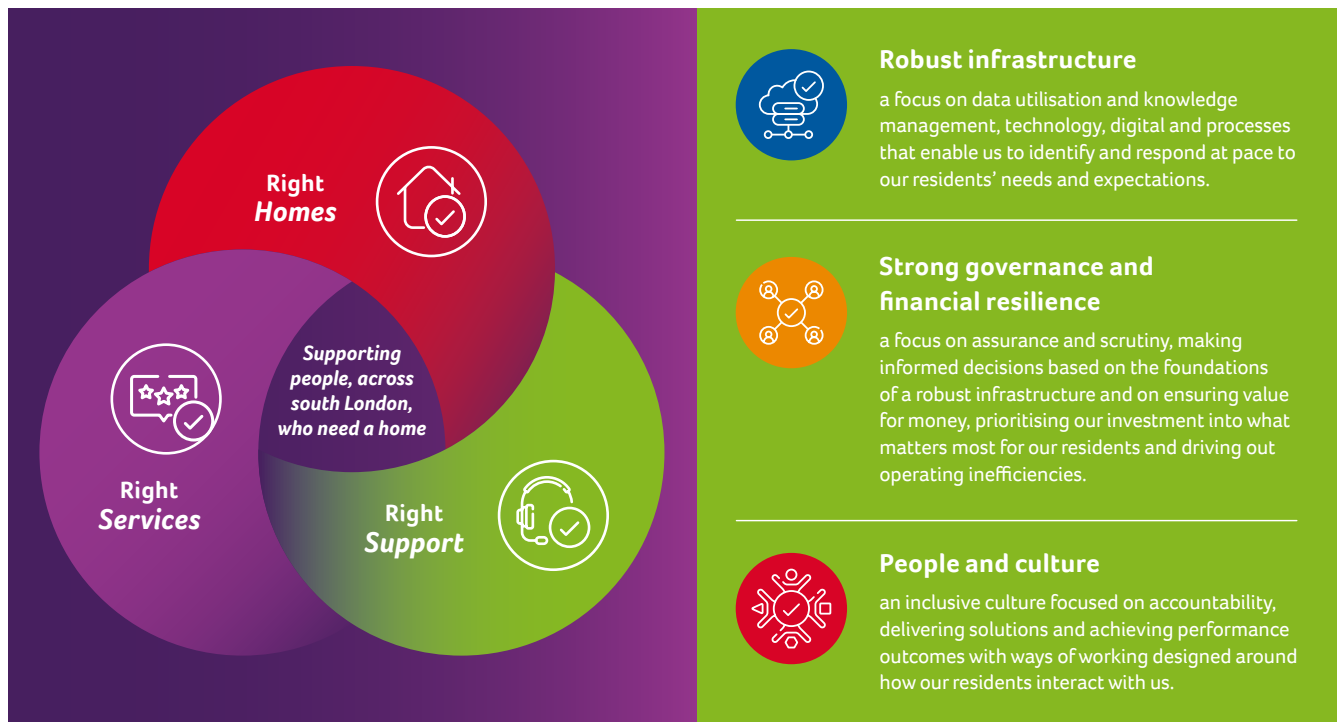
In April 2025, we launched our new 2025-28 Corporate Strategy, **Right Homes, Right Services, Right Support**. The main premise of the strategy is to focus on what matters to our customers most, building firm foundations to enable us to provide the:

Right Homes – providing homes that feel safe, secure and sustainable.

Right Services - providing quality, accessible, consistent, efficient, responsive and trusted service.

Right Support – truly understanding, through meaningful engagement, what support our residents need from us and our partners to sustain their tenancy, their mental and physical health, and financial security.

There are also three enablers that we will be focusing on to deliver what matters most to our customers. We will build on these enablers to deliver more ambition from 2028 onwards.



Customer Satisfaction

This year we have created three key projects to deliver change and improvement in three areas that have a significant impact on customer satisfaction. These areas of Repairs, Complaints and Damp and Mould will deliver improvements that will increase the trust and build relationships with our customers and help to improve customer satisfaction.

Our overall customer satisfaction has reduced in 2024/25 to 49.8%, down from 59.6% in 2023/24. We are listening to customer feedback, increasing customer engagement and using insight from our surveys to invest in our services and make sustainable improvements that will deliver the necessary increase in satisfaction.

A key driver analysis has highlighted that repairs, complaint handling and anti-social behaviour handling are the main factors behind the decreasing trend in satisfaction and will be our main focus of improvements over the next year.

We engaged Luminsol to review our repairs service to recommend improvements to processes and structures.

Complaints

Our complaints performance has highlighted that our volume of complaints is above the sector average, and that our complaints handling performance has also been below the required standards. The Housing Ombudsman Service notified us of their intention to conduct a special investigation into our complaints handling based on the high volumes and high rates of determinations of maladministration and severe maladministration for our complaints that were assessed by the Ombudsman.

We have implemented a complaints project to change and improve our complaints handling and ensure that we are listening and responding to customers effectively. We have created and implemented a new procedure, provided training for all colleagues and created new compensation guidance in line with the Housing Ombudsman requirements. We are now seeing improvements in complaint handling timescales and satisfaction with responses and appropriate redress for customers.

Recognising that Wandle has responded to the issues with its complaints handling, in June 2025 the Housing Ombudsman Service decided to close their investigation.

Quality homes

Our quality homes will feel safe secure and sustainable for our customers. The following activities seek to deliver these objectives:

Repairs performance

Repairs performance is a core area of focus and the main driver for customer satisfaction which has continued to be an area of improvement activity this year.

We engaged Lumensol, a social housing repairs and asset management consultancy, to carry out a full review of our repairs service. We are adopting the recommendations of this review in 2025/26, including the procurement of a new repairs and asset management system and improvements to existing processes, which should significantly improve outcomes for our customers, particularly in relation to communication and the consistency and quality of the repairs service we provide.

Customer satisfaction with the repairs service at 51% has increased from last year's 45%.

This is still too low, caused by repairs taking several visits to resolve, due to poor diagnoses leading to incorrect trade allocation or materials. The new process being implemented will increase the accuracy of diagnosis and introduce a dynamic scheduling system that will enable faster response times and improved productivity for our team.

We will also be implementing further system changes and staff training to increase customer satisfaction and productivity within the repairs service.

We have implemented new systems for managing our fleet, stocks of materials and staff management, helping to improve efficiency and value for money. This approach will continue into the next year and help to deliver further cost savings, allowing for increased investment into our homes.

We adopted a revised approach to damp and mould in preparation for the Awaab's law legislation which comes into effect from October 2025. We agreed a new damp and mould policy and appointed a new damp and mould team. They deliver a service that resolves instances of damp and mould whilst having strong customer focus and ensures that our customers feel safe in their homes. We managed approximately 1,800 damp and mould cases during the last financial year.

Property Compliance

Resident safety continues to be a priority through our building safety framework, covering all aspects of property risk and compliance, including the Building Safety Act 2022. Our Building Safety Steering Group oversees improvement initiatives aligned with this framework, and our Board receives regular performance reports on asset and building safety compliance.

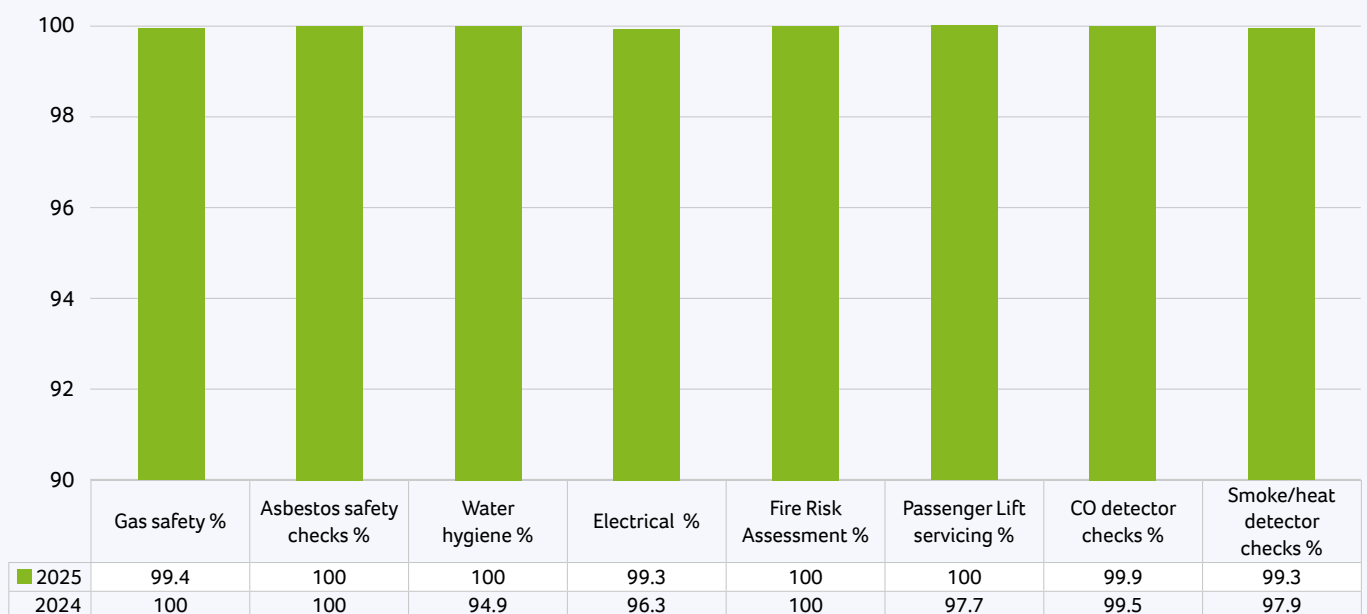
Data quality has been enhanced with the Compliance Workbook system, which provides assurance and holds certifications and documents for gas, electrical, and fire safety assessments. We have protocols in place for situations where access to homes is not possible.

We manage four high-risk buildings under the Building Safety Act, being the Principal Accountable Person for three and an Accountable Person for the fourth. These buildings are registered with the new regulator, with building safety cases in place. Pennington Choices reviewed our implementation of the Building Safety Act, with recommendations set for implementation over the next year.

Risk assessments for external wall systems are complete, and a cladding remediation program is underway, set to finish by March 2027 at an estimated cost of £25m. This includes £6m from the Government’s Cladding Safety Support fund with the balance being funded by us, as we have no recourse to the original developers. Work has started on one site, and tenders for two other sites are ready, pending Building Safety Regulator approval.

Close to two-thirds of tenants are satisfied with feeling safe in their homes (prior year 59%), and we aim to improve this through enhanced resident engagement providing assurances for residents living in blocks managed by superior landlords or agents. Our performance against health and safety servicing and testing regimes is strong.

Building safety compliance



Outstanding checks

Gas: 33 homes | Electrical: 48 homes | CO detector checks: 48 homes | Smoke/heat detector checks: 42 homes

During the year, the Board approved an asset investment programme worth £72 million for a 4-year period spanning from 2024 to 2028. £9 million of these works were initiated during the 2024/25 financial year. As of 31 March 2025, 98% of our homes comply with the Decent Homes Standards. There are 104 non-compliant homes, including 38 Category One failures identified by the Housing Health & Safety Rating System. Measures to address non-compliance have been commissioned.

We have improved our assurance, understanding, and intelligence about the property portfolio.

As of 31 March 2025, 91.7% of our homes have undergone a valid stock condition survey within the last 5 years. Our ongoing programme of stock condition surveys will ensure that the rest of the properties in the portfolio will also

have a valid survey. A new asset management system will be implemented during 2025/26 to enhance data quality and increase visibility. We have commissioned and are trialling 'MOT' surveys to provide further assessments of properties in addition to the five-yearly stock condition programme.

Our energy performance roadmap aims to ensure that 90% of the portfolio reaches EPC 'C' standards by March 2027. Currently, 87% of the portfolio meets this target, and funding has been successfully secured under the Social Housing Decarbonisation Scheme and Warm Homes Fund to support works for up to 250 houses. These works will be undertaken during 2025 and 2026.

Our approach to the remaining 10% of our homes that don't meet EPC 'C' will be finalised during the coming year. In some cases, it may yield better results to sell these properties and replace with new homes of a higher standard.



New Homes

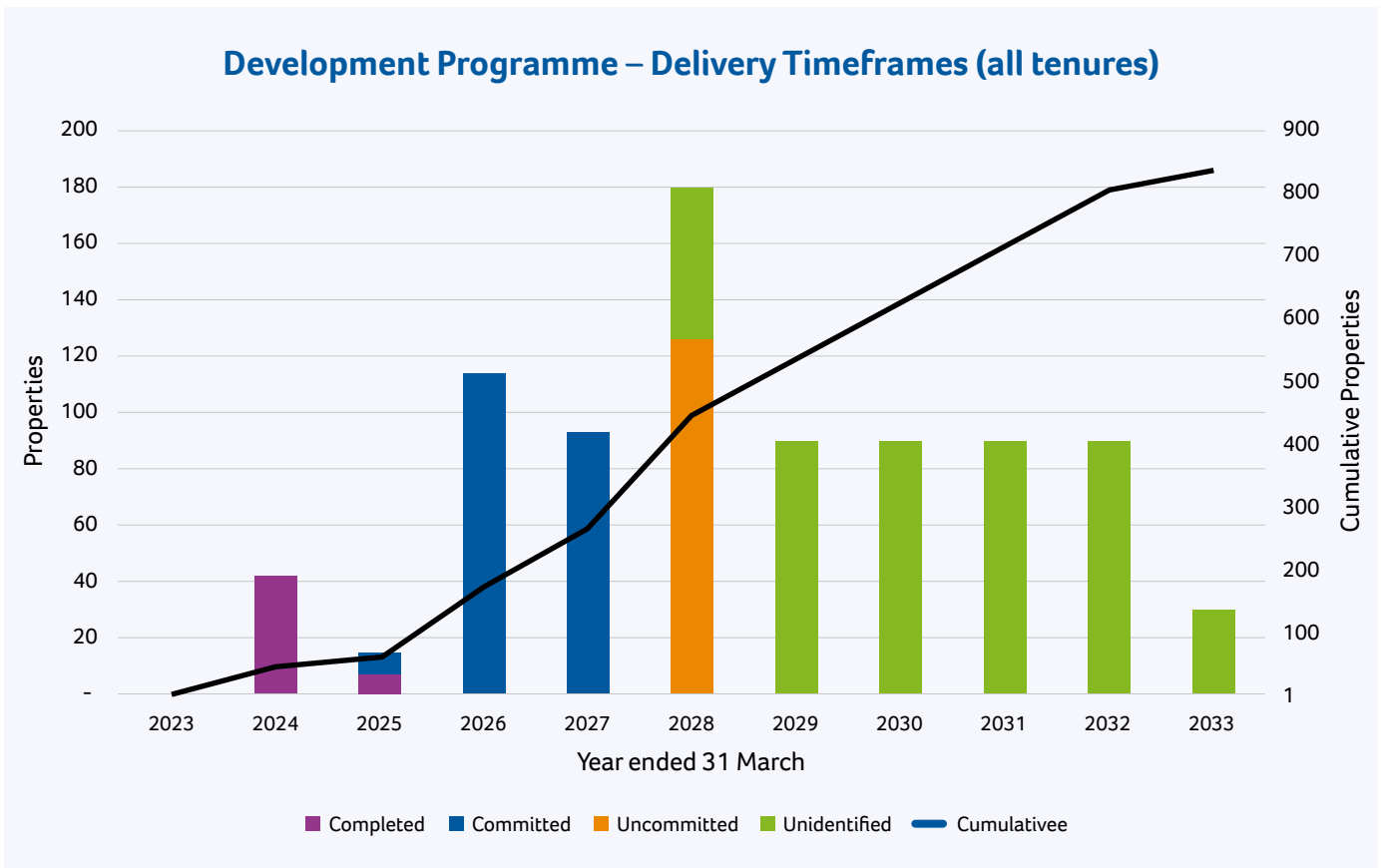
Our New Homes Growth Strategy (2021 - 2026), approved by the Board in July 2021, aims to deliver genuinely affordable, safe, sustainable, and well-designed homes that meet the needs of people in south London. The strategy proposes building or acquiring a minimum of 500 new homes by March 2028, guided by three key principles: Strategic Fit, Financial Viability, and Risk & Deliverability.

The strategy is supported by our Build More Homes (BMH) initiative, commissioned in 2022, which leverages disposal proceeds from high-value properties as funding for the development of new rented properties. Through the scheme we supported and voluntarily rehoused 49 existing tenanted households into more appropriate accommodation.

Over the last two years, we have secured BMH proceeds of £40.4 million from the sale of 69 properties. These proceeds are ringfenced for new homes, and so there are now 197 new homes

included within our development programme from this initiative, representing circa 3 new homes for every disposal.

Since the inception of the New Homes Growth strategy, we have completed 48 new homes across four sites. An additional 220 homes are under construction on 5 sites, while contract negotiations are taking place for 333 homes across 5 pipeline schemes. Most of these sites are S106 acquisitions and are forecast to be completed by March 2028. Only three land-led schemes remain in the committed programme.





The operating environment for new developments within London over the past 12 months has been challenging due to limited S106 planning gain opportunities originating from reputable developers within the city. However, with 4 offers accepted this calendar year, we are confident of delivering the corporate plan targets.

We remain committed to our hidden homes initiative and are currently progressing feasibility studies on a shortlist of sites within Wandle's ownership. Site feasibility appraisals have been commissioned for nine sites, with the potential to deliver up to 173 additional new homes (a net gain of 137 homes). A potential partnership with LB Merton on one of the sites involves site assembly with adjoining local authority land, resulting in the creation of 80 new homes and a day centre, replacing 9 supported homes (owned by Wandle) and an existing day centre (owned by the local

authority). Development agreements between the parties have been finalised to facilitate a planning application submission.

We have submitted a loan application to the Affordable Homes Guarantee Scheme (AHGS), which has been approved by their credit committee. Subject to contract, the AHGS funding will support our dedicated development program and investments in existing assets. We will consider applying for additional loan funding from AHGS in 2025/26, which would enable us to commit to further development ambitions.

Our financial projections indicate that the additional loan would increase our development capacity by 350 additional homes, bringing our total to 1,233 new homes by 2032.

Risk management

Strategic risks are potential events that would prevent Wandle delivering its Corporate Strategy. We currently assess 12 strategic risks, and the necessary controls and mitigations required to manage these are contained within the risk register.

Our Audit and Risk Committee considers our strategic risk register regularly, following a review by our Executive team. Risk management is further embedded with supporting departmental risk registers overseen by senior management which include any specific risks relating to project delivery.

Strategic risks are used to inform our Internal Audit programme. This is triangulated with our Assurance Framework which provides an overview of assurance for all areas of the organisation, across the three lines of defence.

Our strategic risks

Wandle's Board remains committed to addressing the organisation's key risks. Over the past year, the Board conducted a comprehensive review of our strategic risk register, with Board, incorporating horizon scanning and external research on emerging risks.

This review was informed by the Regulator of Social Housing's sector risk profile and aligned with our new Corporate Strategy. Our Internal Auditors have commented on the maturity of our risk management approach, which gives our Audit and Risk Committee and Board clear oversight and control of the organisation's strategic risk profile.

The past year presented significant challenges. Amid economic and political changes, we faced a slowing housing market, supply chain pressures, an increasingly sophisticated cyber

threat landscape, and heightened regulatory expectations within the social housing sector. Additionally, unprecedented demand for repairs have amplified our customers' needs for our services.

The following section outlines the Board's key strategic risks. It identifies any existing and planned mitigations to bring current risk scores in line with the Board's risk appetite, which it sets for each individual risk.

Customer service design and delivery do not satisfy the needs of our diverse customer base.

Key controls	Action plans
<ul style="list-style-type: none"> • 2025-28 Corporate Strategy. • Strategic projects overseen by Change Board. • Customer Engagement Strategy. • TSM and transactional surveys. • Complaints policy and procedure, reporting and service improvement plan. 	<ul style="list-style-type: none"> • Roll out business analytical tool. • Implement recommendations from key change projects. • Create and implement a resident engagement strategy to enhance services. • Integrate new complaints module into our CRM system.

Cyber-attack or system loss which impacts service delivery.

Key controls	Action plans
<ul style="list-style-type: none"> • Network monitoring, encryption and penetration testing in place. • IT acceptable use policy: strengthened password policy and working abroad rules. • External accreditation achieved and cyber insurance coverage. • Business Continuity & Disaster Recovery plan. 	<ul style="list-style-type: none"> • Implement recommendations from PEN testing • Implement recommendations from BCP test.

Inadequate financial resources to deliver our strategic objectives.

Key controls
<ul style="list-style-type: none"> • A fully funded Long-Term Financial Plan (LTFP) forecast to March 28. • Stress tests covering all key LTFP risks. • Detailed and comprehensive financial reporting. • Early warning indicator (EWI) and risk alert systems identify emerging risks to our sales income streams.

Lack of clear Knowledge Information Management leads to poor data use, understanding, management and quality.

Key controls	Action plans
<ul style="list-style-type: none"> • Performance definitions, monitoring and dashboards. • System audit trails. • Rent and service charge increase processes in place. 	<ul style="list-style-type: none"> • Implement Knowledge Information Management Project, establishing information, processes procedures. • Automate process.

Failure to adequately invest and make homes safe and sustainable for the diverse needs of our customers, whilst meeting Decent Homes and other agreed standards.

Key controls	Action plans
<ul style="list-style-type: none"> • Stock condition surveys, system and data management. • Asset Management Strategy, including Wandle property standard. • Asset investment assumption in Long Term Financial Plan validated by external consultants. • Planned investment programmes. • Repairs policy and operational procedures and policies. This includes implementation of the Housing Health and Safety Rating process. 	<ul style="list-style-type: none"> • Embed MOT Survey: Using average number of repairs throughout financial year to trigger re-inspection of property. • Develop and agree investment programmes and procure long term contracts.

Underperformance in repairs services and supply chain disruption impact contract and service delivery.

Key controls	Action plans
<ul style="list-style-type: none"> • Regular strategic project group meetings that feed into Change Board. • Repairs and planned investment performance management and annual performance targets monitoring and reporting. • Contract framework and monitoring. • Repairs policy, Planned and Cyclical maintenance policy. 	<ul style="list-style-type: none"> • Implement recommendations from external review of repairs service. • Complete project to close historic 'work in progress' jobs. • Embed contract monitoring in compliance management system. • Design a major works and planned investment policy and procedure.

Failure to comply with building safety regulations.

Key controls	Action plans
<ul style="list-style-type: none"> • Building Safety Framework & Steering Group. • EWS surveys and remedial arising from new building safety legislative arrangements. • Performance monitoring on property compliance. 	<ul style="list-style-type: none"> • Implement actions from consultancy review of building safety compliance. • Commission EWS remedial programme.

New homes fail to meet growth targets and agreed cost or quality standards.

Key controls	Action plans
<ul style="list-style-type: none"> • New Homes Growth Strategy aligned with LTFP. • Development appraisals hurdles and cashflow updates. • Development procedures aligned with standing orders and gateway approach to projects. • Wandle design guide reviewed regularly and procurement arrangements with consultants. • Financial sustainability monitoring & credit reports. 	<ul style="list-style-type: none"> • Secure development schemes to support funding application. • Recommend and implement new building safety regulations for new build homes. • Review development procedures, including after care and handover procedures.

Failure to meet regulatory requirements, including the new consumer standards.

Key controls	Action plans
<ul style="list-style-type: none"> • Annual review of governance effectiveness and member appraisals. • Risk Strategy and Assurance Framework. • Regular monitoring and processes in place for compliance and all regulatory submissions. • Consumer standards self-assessment and reporting in place. • Gap analysis on consumer standards reporting complete and gaps addressed. 	<ul style="list-style-type: none"> • Implement recommendations from external governance review. • Review and update consumer standards self-assessment with focus on evidencing outcomes for customers.

Failure to create and embed an intentional culture that enables us to recruit, retain and keep colleagues safe in delivering our strategic objectives.

Key controls	Action plans
<ul style="list-style-type: none"> • People Strategy and Pay policy. • Recruitment practices and processes. • Learning and development framework. • Performance management framework. • Health, Safety and Wellbeing Committee. • Health & Safety, Wellbeing, Stress and Mental Wellbeing policies and procedures. • Audit, inspection and risk assessments. • Third party / external compliance and assurance: i.e. Right to work, Driver checks. • Compliance with employment legislation, regulation and best practices through monitoring and horizon scanning. 	<ul style="list-style-type: none"> • Update People Strategy & Pay and Reward package. • Develop a L&D approach to focus on competency and conduct standard. • Put measures in place to address non-compliance with performance management process. • Develop an annual Wandle Health and Safety Plan. • Implement consultancy recommendations. • Integrate H&S training with organisational training needs analysis. • DBS register to be created. • Implement worker protection action plan.

A fall in property prices leads to reductions in revenue from sales of existing properties, first tranche shared ownership and staircasing sales.

Key controls
<ul style="list-style-type: none"> • Stress testing of the LTFP for a significant property price fall. • Management accounts and budget forecasting reporting. • Sales performance report, market intelligence and forecast updates. • Set a long-term target of achieving 110% EBITDA (MRI) ratio for each year of the LTFP. • Funders' covenants should be defined and set at a level that Wandle doesn't depend on property sales to meet them.

2024/25 Highlights – Financial performance

£000	2025	2024
Turnover	64,766	61,151
Cost of sales	(519)	(925)
Operating costs	(57,469)	(53,163)
Surplus on sale of assets	16,146	14,424
Fair value movement of investment properties	(127)	(147)
Operating surplus	22,797	21,340
Net interest cost	(9,266)	(10,795)
Fair value movement financial instruments	-	(7,060)
Total surplus for the year	13,531	3,485

Turnover

Total turnover for the year was £64.8 million (2024: £61.2 million).

Turnover excluding First tranche sales was £64.3 million, an increase of £5.3 million, which was mainly from the annual uplift in our rental and service charge income.

Our rental and service charge income from social housing lettings of £59.7 million represents 92% of total turnover. (2024: £54.8 million – 90% of total turnover).

Amortisation of social housing grant income was £3.4 million (2024: £3.4 million).

Our turnover from other social housing activities decreased to £1.3 million (2024: £2.6 million), largely due to a decrease in first tranche sales.

Cost of sales

This represents 3 first tranche shared ownership sales with a cost of sales of £0.5m. A loss of £9000 was recorded. Costs to convert previously unoccupied commercial space to residential units were higher than forecast. The 2024 gross profit margin was 57.1% from 13 sales.

Operating costs

Our total operating costs increased to £57.5 million (2024: £53.2 million). Increases from 2024 included; £1.6 million for staffing and £1.2 million for development impairment, £0.7 million additional spend on insurance premiums and £0.7 million for Housing costs including decanting residents to remediate damp and mould.

Operating surplus

The operating surplus for the year was £22.8 million (2024: £21.3 million), an increase of 8% on the previous year.

Surplus on the sale of fixed assets was £16.1 million (2024: £14.4 million), an increase of 12% on the previous year. The increase from 2024 was mainly due to lower book values of homes being sold during 2025. 41 homes were sold during the year, 15 for the Build More Homes project and 26 operational voids. (2024: 20 Build More Homes, 21 operational voids).

Net interest and other income

Our net interest charges of £9.3 million (2024: £10.8 million) includes £3.5 million (2024: £3.2 million) of interest receivable from banks. Gross interest payable was £12.7 million (2024: £14.0 million).

Building long-term financial capacity

At 31 March 2025, Wandle had £366m of committed debt funding (2024: £371m) with drawn funding totalling £313m (2024: £317m). All undrawn funding is committed and is available at very short notice. We maintained total liquidity of £117 million, comprising £65 million of immediately available cash and short-term deposits plus £52 million of committed undrawn revolving credit facilities, comfortably meeting our liquidity golden rules. Wandle also holds £6 million of leaseholder sinking funds and cash used as security deposits for certain debt agreements.

Our treasury strategy is focussed on maintaining a diversified loan portfolio with a number of funding sources. We delivered this with 77% of our funding at the year-end being from bilateral term loan facilities from capital markets, bank and building society lenders with the balance provided by revolving credit facilities from a bank and a building society.

We have continued to limit our refinancing risk in the next five years with 73% of our debt maturing after five years.

We continue to be risk averse in our approach to interest rate management, maintaining a policy of carrying the majority of our debt at fixed rates of interest through a mixture of embedded fixed rate loans and standalone hedging agreements. This approach has helped us to lessen the impact of persistently high interest rates seen over the last year.

91% of our debt is fixed rate and 9% is variable rate, against a target fixed rate percentage of 60%-90% in our Treasury Management Policy. We expect the fixed rate percentage to reduce after the year end to come into line with the Treasury Management Policy target.

Our weighted average cost of funds at year end was 4.3%.

The overall level of debt funding is controlled by our Golden Rules which ensure that we have sufficient debt service capacity under a broad range of adverse scenarios.

wandle

Value for money

Value for money review 2024-25

In 2022/2023 we introduced a new Value for Money (VFM) Strategy, taking a strategic approach to VFM. The new VFM Strategy defined five key VFM strategic objectives for Wandle:

1 Generate the maximum social and financial return from our assets and other resources for the benefit of our customers.

2 Manage our services through optimised processes that deliver consistently good services to our customers.

3 Carry out option appraisals for our services and assets in order to optimise their economy, efficiency and effectiveness.

4 Work with high performing partners, contractors and suppliers, selected and retained to enhance the services we provide to our customers.

5 Reinvest the financial returns we make from achieving our VFM objectives to optimise the economy, efficiency and effectiveness of our services and assets over the longer term (30 years).

1 | Generate the maximum social and financial return from our assets and other resources for the benefit of our customers

Build more homes

Our first priority as a housing association and a charity is to provide homes for people in south London who cannot afford to buy homes on the open market. With this objective in mind, we have continued our Build More Homes programme to enable us to build and acquire more homes, by engaging with tenants of homes with a high open market value who may prefer to be rehoused in properties which are more suitable for their needs. The original properties are then sold, and the proceeds used to develop or acquire more properties for rent or shared ownership. Through this programme our target is to provide circa three new homes for every one we sell.

Since 2021/22 we have sold 65 homes, which we will aim to replace with 195 homes in future years.

Flats converted from street properties

Each quarter we measure the financial and operational performance of our different business streams and property types.

From this analysis we have identified that flats converted from street properties perform poorly, due to their high repair and investment requirements, relatively low tenant satisfaction and poor energy performance.

In the coming year we will identify those properties which are performing particularly poorly and either make further investments in them (to improve their performance) or, alternatively, look to sell them and provide homes elsewhere if such investment would prove uneconomical.

2 | Evaluate our services and assets to optimise their economy, efficiency and effectiveness.

New property development

Our new homes growth strategy seeks to deliver well designed, sustainable, safe and affordable homes in south London. The strategy is supported by three growth principles; strategic fit, financial viability and risk/deliverability.

Our financial viability principles help to ensure we deliver homes which provide good value for money. Development opportunities are prioritised using these principles to ensure investment is targeted effectively.

Existing property appraisals

When a property becomes empty, we carry out a VFM review of the property. This focuses on three different elements:

- a. High maintenance costs – disposal will be considered if the property will generate low surpluses or make losses over the long term and is difficult to repair for our customers.

- b. Poor Net Present Value (NPV) – where the NPV of the property is low due to a combination of high costs and low income. In practice this is often linked to point a).
- c. High open market value – where the property can be sold on the open market and the proceeds used to make further investments into Wandle’s properties or services.

Optimising service delivery

We have continued to develop our in-house disrepair legal team, enabling us to generate £460,000 savings compared to an equivalent outsourced service.

3 | Work with high performing partners, contractors and suppliers, selected and retained to enhance the services we provide to our customers.

In October 2022 we started to explore options for insourcing our procurement service, which at that time was outsourced. We identified an opportunity to set up a shared procurement service with other housing associations.

We recruited an in-house procurement team, which took on Wandle’s procurement function from September 2023.

In 2024/25 we completed the work to establish the shared service and on 1 April 2025 the shared

service was launched with two other founding members, alongside Wandle – Gateway Housing Association and Habinteg Housing Association.

We had already generated savings of £100,000 p.a. from in-sourcing our procurement team. We are now anticipating further savings of c. £70,000 p.a. from the shared service, as we generate economies of scale. By year three we will begin to see the financial benefits of joint procurements, enabling us to deliver more cost effective services for our customers.

4

Reinvest the financial returns we make from achieving our VFM objectives to optimise the economy, efficiency and effectiveness of our services and assets over the longer term (30 years).

It is vital that our VFM Strategy provides the capacity for Wandle to make future investments into its homes and services.

The VFM metric 'Earnings before Interest, Taxes, Depreciation and Amortisation (Major Repairs Included)' – EBITDA (MRI) gives a good indication of our capacity to make investments each year from our core operating surplus, discounting surpluses from any property sales.

However, like many housing providers, we are facing a wide range of cost pressures, from fire safety remediation works to achieving net zero carbon targets for our properties by 2050. We have therefore decided to relax our EBITDA (MRI) ratio targets for the next three years to accommodate additional investment in our properties and services. We will still maintain significant buffers against our interest cover covenants.



Our approach to VFM benchmarking and setting targets

We have selected the L12 group of medium sized housing providers in London as our peer group for performance benchmarking, as most of the members of the group are of a similar size and broadly similar stock tenure to Wandle. The group works collaboratively, often sharing performance information and underlying issues openly, to a depth not available within benchmarking forums.

This enables members to target improvements based on best practice shared within the group.

In the table below we have measured ourselves against the metrics in the Regulator for Social Housing's (RSH) Value for Money Standard and Code. We have compared ourselves to latest available national data (2023/24 global accounts) and the 2023/24 median performance of the L12 Group.

Regulatory VFM KPIs

Category	2022/23	2023/24	2024/25	2024/25	2025/26	National 2023/24			Peer Group 2023/24*
	Actual	Actual	Actual	Projected	Projected	Lower	Median	Upper	Median
Reinvestment	1.63%	2.46%	2.77%	6.50%	7.60%	5.20%	7.70%	11.0%	5.77%
New supply	0.48%	0.18%	0.27%	0.60%	0.70%	0.60%	1.40%	2.20%	0.43%
Gearing	29%	29%	28%	29%	32%	34%	46%	54%	45%
EBITDA MRI	79%	60%	52%	51%	12%	76%	122%	153%	56%
Headline social housing cost/unit	£6,134	£7,636	£8,489	£7,652	£8,977	£4,495	£5,136	£6,350	£8,115
Operating margin – Social Housing	19%	11%	14%	20%	14%	14%	20%	26%	16%
Operating margin - Overall	16%	12%	11%	20%	14%	13%	19%	24%	14%
Return on Capital Employed	3.51%	2.33%	2.51%	3.20%	3.00%	2.20%	2.80%	3.40%	2.08%

* The peer group includes the following housing associations; Wandle, Look Ahead, Eastend Homes, Hexagon, Newlon, Poplar HARCA, Croydon Churches, Phoenix, Islington and Shoreditch, RHP, Gateway and Karibu Community Homes.

Reinvestment and new supply

Reinvestment is a measure of our financial investment in new and existing properties in the year, shown as a percentage of our total financial investment in properties at the beginning of the year. New supply is the percentage increase in number of properties owned.

Our levels of reinvestment and new development were below the sector and peer group average in 2024/25, as we continued to transition from a planned pause in our new development programme. However, in line with our new homes growth strategy, our new supply ratio is forecast to increase rapidly in 2025/26, with 114 homes in development and due to complete in the year.

This increase in delivery, along with a forecast net investment of £8.4m in a programme of fire remediation work in response to the government's building safety legislation, is projected to increase our reinvestment ratio to 7.6% in 2025/26, close to the median in the 2023/24 national benchmarking, and well above the 2023/24 median for our peer group.

Gearing

Gearing is net debt as a percentage of the cost of our assets.

As the table shows, we have a strong gearing ratio compared to our peer group and the ratio is in the top quartile based on national benchmarking. We are expecting our gearing to increase in 2025/26 as we make significant investments in new development and our existing properties. However, our gearing ratio is forecast to remain strong over both the short and longer term.

EBITDA (MRI) and headline social housing cost per unit

EBITDA (MRI); Earnings before interest, tax, depreciation, amortisation (major repairs included) as a percentage of interest payable.

In common with many other housing providers, Wandle has been facing significant financial challenges in meeting the government's fire and building safety requirements which have been introduced since Grenfell. We are committed to spending an estimated £26m (£19m net) to remediate 13 schemes over the next three years. This expenditure will reduce our EBITDA (MRI) ratio for 2025/26, 2026/27 and 2027/28, before it is forecast to return to above 100% in 2028/29. Although 2025/26 is predicted to show a significant reduction in this ratio compared to 2024/25, we are projecting that we will still comfortably comply with our funding covenants which are not based on this measure.

Headline social housing cost per unit

Total social housing costs divided by the number of social housing units owned or managed at the period end.

Headline social housing cost per unit is a key measure of cost efficiency. This metric has increased by 11.2% in 2024/25. The increase in costs reflects an increasing investment in service improvement, including the three priority projects; repairs, complaints and damp and mould.

We have a relatively high headline social housing cost per unit compared to national benchmarks, but we believe that our peer group analysis is the more relevant comparison, as London housing providers typically face significantly higher costs than those elsewhere in the country. We are still below the median of our peer group. Wandle continues to target VFM savings and income generation in 2023/24. Our hybrid working model has enabled us to reduce our office costs, with the creation of a procurement shared service and the recruitment of an in-house disrepair team both generating cost savings.

Operating margin – overall and for social housing

Overall Operating Margin; Overall operating surplus as a percentage of overall turnover.

Social Housing Operating Margin; Operating surplus from social housing lettings as a percentage of turnover from social housing lettings.

Social Housing Operating Margin is a key indicator of the financial health of our core social housing business. The performance of this measure has also been significantly impacted by the increase in responsive repair costs between 2021/22 and 2024/25, an £4.3 million increase in planned investment, and expenditure on provisions for fire safety remediation work between 2023/24 and 2024/25 of £2.6 million, resulting in decreasing operating margins over the last three years.

We are in the bottom quartile when compared with 2023/24 national benchmarks and below the median of our peer group, although others in our peer group are clearly also experiencing significant cost pressures. Because operating margin has been deteriorating across the sector it is difficult to compare our 2024/25 performance

with national benchmarks and our peer groups' 2023/24 performance, as both benchmarking groups may well experience some further deterioration in 2024/25.

Our overall Operating Margin includes surpluses from shared ownership sales, and the impact of any property impairments. In 2024/25 we increased the impairment of one of our development schemes by a further £2.46m.

Our overall Operating Margin measure is marginally behind our peer group median and in the bottom quartile in national benchmarking.

Return on capital employed

Operating surplus as a percentage of total assets, less current liabilities.

We are generating a better Return on Capital Employed (ROCE) to our peer group, and we are in the third quartile nationally. It is worth noting that the level of shared ownership and other property sales has a big impact on ROCE, so housing providers with larger property sales programmes will tend to report a higher ROCE than Wandle.



Wandle's specific VFM performance indicators

We believe it is important to set and monitor VFM performance indicators which are specific to Wandle, as these can be targeted on aspects of VFM that need to be developed and improved. We have agreed a set of Wandle VFM measures as part of our revised VFM strategy;

VFM indicator	2023/24 Actual	2024/25 Actual	2024/25 Projected	2025/26 Projected	Median Benchmark	Benchmark-Housemark or L12?
Overall tenant satisfaction with landlord services	59.5%	49.8%	62%	54.0%	61.0%	L12
Formal complaints received per 1000 units	194.8	201	<200	<200	67.85	London Housemark ¹ 2024/25
% void loss	0.55%	0.69%	0.96%	0.96%	1.81%	London Housemark* 2023/24 (latest data published as at June 2025)
Income collected as a % of income due	101%	101%	100%	101%	Data not available	
Return on Capital employed based on OMV	0.7%	0.8%	0.9%	1.0%	Data not available	
% of transactions through digital contacts	17.6%	17.6%	18%	18.0%	33%	Housemark 2024/25

* Housemark benchmark of London housing providers

We have deliberately chosen a mixture of lag indicators (which highlight historical performance) and current/lead indicators (which show current performance and emerging trends) for our specific VFM indicators to ensure that we have a balanced view of our performance.

In 2024/25 **Customer satisfaction with landlord services** – decreased from 59.5% to 49.8%. The Executive Team and Board are concerned about the 9.7% point fall in customer satisfaction, and have identified that it particularly relates to;

- Dissatisfaction with the Repairs service
- Complaints not being dealt with properly
- Issues related to damp and mould
- Anti-social behaviour

To address these issues, in 2024/25 the Board and Executive Team determined we needed to create priority projects to improve and develop our repairs, damp and mould and complaints services. These three projects, when successfully delivered, will lead to improved outcomes for our customers.

- We appointed a firm of repairs consultants, Lumensol, to carry out a review of our Repairs service and recommend improvements to processes and structures. We will drive VFM in the Repairs service over the next two years by improved materials purchasing arrangements and targeting service improvements through the Repairs Team.

- We have created a Damp and Mould remediation team which is addressing the root causes of damp and mould in our homes. The team will provide better long term VFM by resolving underlying damp issues rather than simply cleaning the mould in the property.
- We have also recruited experienced complaints handlers to our complaints team, who have significantly improved the way that customer complaints are dealt with, which means that more complaints are dealt with at Stage 1 instead of being escalated to Stage 2
- In 2025/26, we changed the way we collected the data, so we collected more satisfaction results by text.

In 2025/26, we changed the way we collected the data, so we collected more satisfaction results by text.

We are still facing challenges with the number of complaints we receive. We have not been able to continue to reduce complaints volumes to build on the progress we made in 2023/24. We expect the number of complaints to reduce in 2025/26 as a result of the changes we are making to our repairs and complaints processes. It is worth noting that the complaints trends in the sector have been getting rapidly worse since the pandemic, with an increase of 260% in complaints recorded by London Housing Associations between 2019/20 and 2022/23, and a national increase of 474% of repair-related complaints between 2019/20 and 2024/25.

Income collection has once again showed a strong performance, as 101% of rent due was collected. This reflects the continuing good work of the income team, who have reduced rent arrears in contrast with many other housing providers who struggled to maintain rent collection levels in the face of the cost of living crisis.

Void loss was higher in 2024/25 than 2023/24, but still lower than the London benchmark of 1.81%

'Return on Capital based on vacant possession market value (ROCE(VPMV))' is useful for assessing the success of alternative asset investment strategies. For example, the 'Return on Capital employed' for Wandle's converted street properties in 2024/25 is 14.7% which is in line with 14.3% Return on Capital employed for general needs properties as a whole. However, the very low original purchase price for the converted street properties is skewing the result. The alternative measure - ROCE(VPMV) for street properties is 1.0%, which is very low compared to a ROCE(VPMV) of 3.9% for general needs properties as a whole.

This measure accurately reflects the high costs of managing and maintaining these street properties and gives a much more useful assessment of the relative financial performance of this type of property.

We have faced some challenges in developing Wandle's digital channels over the last two years, with 17.6% of enquiries and service requests responded to through electronic channels compared to a benchmark of 33% for other housing associations. We will look to develop our digital communications channels further in the future, once we have successfully delivered our three priority projects.





Corporate Governance

Corporate Governance

Legal Status

Wandle Housing Association Limited is a Registered Society in accordance with the Co-operative and Community Benefit Societies Act 2014. The Association has charitable objectives and is a Registered Provider of Social Housing.

Registered Society No: 19225R
Registered Provider No: L0277

Wandle Housing Association Board

The Wandle Board has ultimate responsibility for the governance and performance of Wandle and its subsidiary companies. The Board determines and directs the vision and strategy of the organisation and monitors and scrutinises its performance in delivering this. Members of the Wandle Board and its committees are listed on page 3.

As of 31 March 2025, the Board is comprised of 12 Board members, including 11 non-executives and one co-opted executive member. One of the non-executives is a Wandle resident. The Board of Management meets at least five times per year (more often if required). It delegates certain responsibilities to its committees and holds several board workshops and a board away day each year. This approach enables the Board to operate efficiently and give the right level of attention and consideration to relevant matters.

The Board is responsible for appraising its performance and recruiting new members. The annual appraisal process was completed during the year, which included an assessment of the Boards' skills and competencies. Areas for training and development were identified which help shape our Board's training plan for the forthcoming year. The skills analysis also helped inform the recruitment of two new Board members, and an independent committee member, who were formally appointed at the March 2025 Board meeting.

The five standing Board committees are:

Audit and Risk Committee

The role of the Audit and Risk Committee is to provide assurance to the Board that Wandle has in place and operates appropriate controls to safeguard its assets, ensure financial viability and review strategic risks. As part of this work the committee approves and monitors the work of the internal and external auditors and has a direct and regular line of communication with the auditors. In addition, the Committee reviews and monitors the integrity of the annual financial statements before submission to the Board.

Asset Investment Committee

The role of the Asset Investment Committee is to oversee delivery of Wandle's development programme and asset management strategy. This includes approving the procurement, development and disposal of land and property within its delegated authority limits. In addition, the Committee ensures compliance with health and building safety requirements in relation to Wandle's property portfolio.

Customer Experience Committee

The role of the Customer Experience Committee is to drive service improvements for Wandle customers. The Committee monitors the performance of service delivery to customers, and reviews feedback and insight from customers, including complaints. To give clear focus to its work, the Committee has agreed a Customer Service Strategy and has responsibility for ensuring the implementation of customer focused strategic objectives and delivery of the Wandle Service Offer to its customers. This committee comprises both Board and resident members.

People Committee

The role of the People Committee is to review and make decisions on matters concerning human resources (HR) including equality, diversity and inclusion and organisational culture. The Committee considers employment issues relating to the organisation, including significant staff structure and role changes, and staff terms and conditions, including remuneration.

Treasury Committee

The role of the Treasury Committee is to oversee the development and delivery of Wandle's Annual Treasury Strategy. The Committee also reviews the Long-Term Financial Plan and associated stress and scenario tests and mitigations, reporting these to the Board for review and approval.

The Customer Excellence Panel

In addition to the formal committees, the Board has established a panel of residents that scrutinises Wandle's customer facing services, strategies and policies. The Board sees the panel as an essential element of good governance and a key body for driving improved services for all residents.

The Resolutions Steering Group

The Wandle Board also established the Resolutions Steering Group in April 2024, made up of Board and Customer Experience Committee members. The group was established to provide assurance to the Board that Wandle continues to strengthen our oversight of complaints and compliance with the Housing Ombudsman Complaints Handling Code.

Executive Team

The Executive Team are responsible for advising on and implementing strategy and policy and ensuring the implementation of decisions made by the Board and committees. They meet formally twice a month. The members of the Executive Team are listed on page 3. Members of the Executive Team hold no interest in Wandle's share capital.

Regulatory compliance

Wandle is regulated by the Regulator of Social Housing (RSH) and is required to comply with their Economic and Consumer Standards. This includes the requirement for the Board to formally certify compliance with the Governance and Financial Viability Standard. The Board

monitors compliance and is satisfied that it is compliant with the Governance and Financial Viability Standard.

Wandle retained its G1/V2 regulatory rating following its annual stability check in November 2024.

Governance Review

Wandle commissioned its three-yearly external review of its governance effectiveness in 2024, and the final report was presented to the Board at its meeting in March 2025.

Board members were engaged throughout the review, through surveys, interviews and meeting observations. The initial findings were presented and discussed in detail by the Board at a dedicated session in February 2025.

The report recognised the significant progress made since the previous external review in 2021, especially in relation to its governance, customer engagement and financial stability and planning. A number of recommendations for ongoing improvement were made and these will be used to develop a continuous governance improvement plan which will be delivered over the coming financial year.

Code of Governance

The NHF (National Housing Federation) Code of Governance 2020 is the adopted code of governance for the Wandle Board.

The Board considers its performance against the requirements of the code at least annually and has made many improvements since its adoption in 2021. Wandle meets all the requirements of the code; however it has noted two areas for improvement, which were identified through our external governance review. These are as follows:

- There is scope for the Board to seek further assurance about how its commitments and objectives in relation to Equality Diversity and Inclusion are being delivered in practice and track progress against the priorities it has set.

- The review also suggested that while Wandle's subsidiaries are small and carry minimal risk, more regular reviews should be conducted by the Board of the benefits, risks and relationship between each subsidiary and the parent organisation.

Modern slavery and human trafficking statement

The Board has approved Wandle's annual Modern Slavery and Human Trafficking Statement which is available on the website and details the actions we are taking to tackle modern slavery and raise awareness of the issue. Wandle is committed to ensuring that there is no modern slavery in our supply chains or in any part of the organisation.

Internal Controls

The Board has overall responsibility for establishing and maintaining the system of internal control for Wandle and for reviewing its effectiveness. The internal control framework is designed to manage and reduce, rather than eliminate, the risk of failing to achieve business objectives. It can only provide the Board with reasonable, and not absolute, assurance against material misstatement or loss.

The Association maintains a comprehensive assurance framework which includes a high-level strategic risk register along with departmental risk registers. The framework uses the three lines of defence model and is regularly reviewed and updated.

Internal controls assurance

Wandle's Standing Orders set out the terms of reference for Wandle's Board and its committees. This includes the requirement for board meetings to be held regularly, and the schedule of matters reserved to the Board. The Board has conducted its annual review of the effectiveness of the system of internal control. The processes adopted by the Board in reviewing this together with the key elements of the control framework are set out as follows:

- **Fraud and Whistle-blowing**

The Board has a policy on fraud which covers prevention, detection, and reporting. In addition, a whistleblowing policy is in place that provides a framework for employees to report any wrongdoing, either internally or to an independent external body. The Audit and Risk Committee monitors fraud and whistleblowing reports.

- **Risk Management**

The Board confirms there is an ongoing process for identifying, evaluating, and monitoring significant risks faced by Wandle. During the year, the Board continued to develop its risk management framework. The stress testing of the long-term financial plan has also been further developed. There is a formal process for reviewing and updating the risk register, which is regularly reported to the Audit and Risk Committee and Board. In addition, the Audit and Risk Committee conducts regular deep dives on key risks, and the Board holds an annual risk workshop.

- **Internal Audit**

Wandle's internal audit programme is designed with a clear link to the risk register and is overseen and monitored by the Audit and Risk Committee, who review all internal audit reports. Internal auditors oversee the tracking of internal audit actions and spot check completed actions. This provides additional independent assurance to the Audit and Risk Committee.

- **Strategies, Policies and Procedures**

Wandle has a framework of strategies, policies, and procedures, many of which cover internal controls. These include standing orders, health and safety, accounting, and treasury. In addition, it has a code of conduct for employees which sets out probity requirements as well as employment procedures which ensure that employees are suitably qualified to manage activities and risk. During the period, the

Board reviewed the following strategies and policies:

- › Annual Treasury Strategy
- › Complaints Policy
- › 2025-2028 Corporate Strategy
- › Digital Strategy
- › Health and Safety Policy
- › Modern Slavery Statement
- › Rent Policy
- › Repairs Policy

- **Information and Financial Reporting Systems**

The Board reviews and approves a long-term financial plan and budget each year and monitors these by way of quarterly management accounts and forecasts for the remainder of the financial year. Members also review detailed performance reports on a quarterly basis. This year, the Board focused on the three priority projects relating to complaints, damp and mould and repairs, monitoring the improvement of these business areas.

- **Data privacy**

Wandle has a Data Protection Policy, Information Security Policy and a suite of procedures in place to embed data privacy across the business.

Internal Control Effectiveness

The Board has reviewed the effectiveness of the system of internal control, including risk management, for the year to 31 March 2025, and up to the date of signing these financial statements. It has not identified any weaknesses sufficient to cause material misstatement or loss, which require disclosure in the financial statements.

Annual General Meeting

The Annual General Meeting will be held on 24 September 2025.

Auditors

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

A resolution for the reappointment of Beever and Struthers as auditors of the Association is to be proposed at the forthcoming Annual General Meeting.

Board member responsibilities

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

The Co-operative and Community Benefit Society Act requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 which is the Financial Reporting Standard applicable in the UK and the Republic of Ireland. The financial statements are required by law to give a true and fair view of the state of affairs and the income and expenditure of the Group and Association for the period.

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.

- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group will continue in business.

The Board is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group's financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Group and taking steps to prevent and detect fraud and other irregularities.

Board member skills, experience and diversity

The Board is comprised of members with a range of different skills, experience, and backgrounds. The association keeps a member skills matrix to ensure that the Board has a good range of relevant skills sets. We publish information about all our Board members on our website and this provides an insight into what each member brings to the Board. We collect information about the diversity of our Board, as part of our commitment to ensuring that the organisation is representative of the diversity of the communities we serve.

As of 31 March 2025, the Board consisted of seven female and five male members, with a range of different religions and ethnic backgrounds represented. Two of our Board members identify as gay and two identify as having a disability.

Going concern

The Board has approved the 2025/26 Budget and Long-Term Financial Plan (LTFP) which forecasts beyond a year from the date of signing of the financial statements.

As part of the updates to the LTFP we perform a range of stress tests, including: our vulnerability to cyber-attacks, market disruption events including property price falls and corporate risks aligned to the corporate risk register and also combinations of all three. The results show the plan remains resilient.

The Budget was used to manage the financial position during 2025/26 and the LTFP helps to ensure viability is maintained for the future. Senior Management and Executive consistently monitor performance, which includes regular treasury and management reporting, and covenant monitoring.

Wandle maintains a strong liquidity position to manage uncertainty, with £117 million (£116 million March 2024) of liquidity available for the coming year.

The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Board, therefore, considers it appropriate for the financial statements to be prepared on a going concern basis.

Financial statements are published on Wandle's website in accordance with UK legislation governing the preparation and dissemination of financial statements. The Board is responsible for the maintenance and integrity of the corporate and financial information included on Wandle's website.



By order of the Board

Valerie Vaughan-Dick, MBE | Chair

23 July 2025

Independent auditor's report to the members of Wandle Housing Association Limited**Opinion**

We have audited the financial statements of Wandle Housing Association Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2025 which comprise the Group and Association Statement of Comprehensive Income, Group and Association Statement of Changes in Reserves, Group and Association Statement of Financial Position, and Group Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2025 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Strategic 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 30, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2023, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

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



Beever and Struthers
Chartered Accountants
Statutory Auditor

150 Minories
London EC3N 1LS

Date:

Statement of comprehensive income for the year ended 31 March 2025

	Notes	Group		Association	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Turnover	3	64,766	61,151	64,772	61,151
Cost of sales	3	(519)	(925)	(519)	(925)
Operating costs	3	(57,469)	(53,163)	(57,469)	(53,163)
Surplus on sale of fixed assets	3,5	16,146	14,424	16,146	14,424
Movement in fair value of investment property	3	(127)	(147)	(127)	(147)
Operating surplus		22,797	21,340	22,803	21,340
Gift aid received		-	-	87	45
Interest receivable and similar income	6	3,473	3,188	3,473	3,188
Interest payable and similar charges	7	(12,739)	(13,983)	(12,739)	(13,983)
Movement in fair value of financial instruments		-	(7,060)	-	(7,060)
Surplus on ordinary activities before tax	10	13,531	3,485	13,624	3,530
Tax on surplus on ordinary activities	11	-	-	-	-
Surplus after tax for the year		13,531	3,485	13,624	3,530
Other comprehensive income					
Changes in fair value of hedged financial instruments	7	3,503	9,112	3,503	9,112
Actuarial gains / (losses) on defined benefit pension scheme	29	288	(766)	288	(766)
Total comprehensive income		17,322	11,831	17,415	11,876


All activities are continuing.

The notes on pages 50 to 77 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Management on 23 July 2025 and signed on behalf of the Board of Management.



Valerie Vaughan-Dick
Chair of Board



Paul Phillips
Chair Audit and Risk Committee



Iain Turner
Company Secretary

Statement of changes in reserves for the year ended 31 March 2025

Group	Hedge reserve £'000	Revenue reserve £'000	Total £'000
Total reserves at 1 April 2023	(1,271)	220,644	219,373
Surplus for the year	-	3,485	3,485
Movement in the fair value of financial instruments	9,112	-	9,112
Actuarial loss on defined benefit pension scheme	-	(766)	(766)
Total reserves at 31 March 2024	7,841	223,363	231,204
Surplus for the year	-	13,531	13,531
Movement in the fair value of financial instruments	3,503	-	3,503
Actuarial gain on defined benefit pension scheme	-	288	288
Total reserves at 31 March 2025	11,344	237,182	248,526

Association	Hedge reserve £'000	Revenue reserve £'000	Total £'000
Total reserves at 1 April 2023	(1,271)	228,892	227,621
Surplus for the year	-	3,530	3,530
Movement in the fair value of financial instruments	9,112	-	9,112
Actuarial gains on defined benefit pension scheme	-	(766)	(766)
Total reserves at 31 March 2024	7,841	231,656	239,497
Surplus for the year	-	13,624	13,624
Movement in the fair value of financial instruments	3,503	-	3,503
Actuarial loss on defined benefit pension scheme	-	288	288
Total reserves at 31 March 2025	11,344	245,568	256,912

The notes on pages 50 to 77 form part of these financial statements.

Statement of financial position at 31 March 2025

Registered Society number 19225R

Fixed assets					
Intangible assets	12	1,222	1,704	1,222	1,704
Tangible fixed assets – housing properties	13	857,210	850,244	865,761	858,630
Tangible fixed assets – other	14	276	476	276	476
Investment properties	15	5,487	5,213	5,487	5,213
Investments – Finance loans & Equity investments	17	337	335	337	335
Investments – Home buy loans	18	1,606	1,744	1,606	1,744
Total fixed assets		866,138	859,716	874,689	868,102
Current assets					
Properties for sale	19	9,967	4,626	9,967	4,626
Debtors	20	15,035	12,369	15,024	12,264
Cash and cash equivalents	21	70,883	68,045	70,883	68,038
		95,885	85,040	95,874	84,928
Creditors – amounts falling due within one year	22	(48,078)	(22,886)	(48,232)	(22,867)
Net current assets		47,807	62,154	47,642	62,061
Total assets less current liabilities		913,945	921,870	922,331	930,163
Creditors – amounts falling due after more than one year	23	(657,735)	(682,643)	(657,735)	(682,643)
Provisions for liabilities					
Pension liability	29	(2,978)	(4,029)	(2,978)	(4,029)
Other provisions	30	(4,706)	(3,994)	(4,706)	(3,994)
Total provisions		(7,684)	(8,023)	(7,684)	(8,023)
Total assets less total liabilities		248,526	231,204	256,912	239,497
Capital and reserves					
Non equity share capital	31	-	-	-	-
Revenue reserves		237,182	223,363	245,568	231,656
Hedge reserves		11,344	7,841	11,344	7,841
Total capital and reserves		248,526	231,204	256,912	239,497

The notes on pages 50 to 77 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Management on 23 July 2025 and signed on behalf of the Board of Management.




Valerie Vaughan-Dick

Chair of Board



Paul Phillips

Chair Audit and Risk Committee



Iain Turner

Company Secretary

Group cashflow statement for the year ended 31 March 2025

		2025 £'000	2024 £'000
	Notes		
Cashflow from operating activities			
Operating cashflows	32	43,327	27,242
Cashflow from investing activities			
Purchase of tangible fixed assets (new homes and component replacements)	13	(27,173)	(14,978)
Investment in intangible assets	12	(323)	(201)
Purchase of other fixed assets	14	(127)	(282)
Interest received	6	3,473	3,188
Net cash used in investing activities		(24,150)	(12,273)
Cashflow form financing activities			
New borrowings		-	20,000
Repayment of borrowings		(3,600)	(28,039)
Interest paid		(12,739)	(13,983)
Net cash used in financing activities		(16,339)	(22,022)
Net increase / (decrease) in cash and cash equivalents		2,838	(7,053)
Cash and cash equivalents at beginning of the year		68,045	75,098
Cash and cash equivalents at end of the year		70,883	68,045
Cash and cash equivalents consist off:			
Cash at bank, cash in hand, short-term investments & deposits	21	70,883	68,045
Total cash and cash equivalents at 31 March		70,883	68,045

The notes on pages 50 to 77 form part of these financial statements.

Notes to the financial statements

1 Accounting policies

Wandle Housing Association (the "Association") is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider. It is a public benefit entity.

The Association and the Group (which includes the Association and its subsidiaries Ravensbourne Developments Limited, Delta Homes Limited and Unitworthy Property Management Limited) are incorporated in England. These consolidated financial statements are presented with amounts rounded to GBP thousands. GBP is the Group and Association's functional currency.

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for the Association includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland," the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers", the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared under the historical cost basis except for the modification to a fair value basis for certain financial instruments and investment properties as specified in the accounting policies below.

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

Disclosure exemptions

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

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

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of the Association and its subsidiaries Ravensbourne Developments Limited and Delta Homes Limited and Unitworthy Property Management Limited as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Going concern

The Board has approved the 2025/26 budget and Long-Term Financial Plan which forecasts beyond a year from the date of signing of the Financial Statements. As part of the updates to the Long-Term Financial Plan we perform stress tests, including: Regulatory Intervention including rent caps, Market disruption events including extraordinary inflation, Corporate risks aligned to the Corporate risk register and combinations of all three. The results show the plan remains resilient.

The budget is being used to manage the financial position during 2025/26 and the LTFP is ensuring future viability is maintained for the future. Senior Management and Executive consistently monitor performance, which includes: regular treasury and management reporting, and covenant monitoring.

Wandle maintains a strong liquidity position to manage uncertainty, with £117 million (2024: £116 million) of liquidity available for the coming year.

Therefore, whilst uncertainty exists, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Board, therefore, considers it appropriate for the Financial Statements to be prepared on a going concern basis.

Income

Income is measured at the fair value of the consideration received or receivable. The Group generates the following material income streams:

- rental income receivable (after deducting lost rent from void properties available for letting),
- first tranche sales of Low-Cost Home Ownership housing properties developed for sale
- service charges receivable
- income from Homebuy activities
- revenue grants
- proceeds from the sale of land and property

Rental income is recognised from the point when properties under development reach practical completion and are formally let, income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Revenue grants are recognised when the conditions for receipt of agreed grant funding have been met. Income from deferred capital grants is recognised in a systematic basis over the useful economic life of the asset (usually the property's structure) for which it was received.

Service charges

The Group adopts the variable method for calculating and charging service charges to its leaseholders and shared owners and the fixed method for calculating and charging service charges to its tenants. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable with any surplus or deficit accrued if information is available to calculate or adjusted against the following years charge once the annual service charge audit is complete.

Management of units owned by others

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

Schemes managed by agents

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

Taxation

The Association is an exempt charity and its activities do not generally give rise to a tax liability. The Association's subsidiaries, Delta Homes Limited and Ravensbourne Developments Limited, do not have charitable objects and are subject to taxation. However, no charge to taxation arises on the results of the subsidiary undertakings as all profits are paid across to the Association via Gift Aid.

Value added tax

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

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated facility and are amortised over the life of the facility.

Pension costs

The Group participates in a defined contribution scheme where the amount charged to the Income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. A defined contribution plan is a post-employment benefit plan under which the group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The group also participates in the multi-employer defined benefit Social Housing Pension Scheme (SHPS). The difference between the fair value of the assets held in the group's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the group's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the group can recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued, at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense when the group is demonstrably committed, without realistic possibility of withdrawal to a formal detailed plan to terminate employment.

Tangible fixed assets - Housing properties

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

The cost of housing land and property includes the cost of acquiring land and buildings, development costs, interest capitalised during the development period, directly attributable administration costs and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

Directly attributable administration costs include capitalised interest calculated, on a proportional basis, using finance costs on borrowing which has been drawn in order to finance the relevant construction or acquisition. Where housing properties are under construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Mixed developments are held within fixed assets – housing properties are accounted for at cost less depreciation. Commercial elements of mixed developments are held as investment properties.

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

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

Gains and losses on disposals of housing properties are determined by comparing the proceeds with the carrying amount (as adjusted for impairment as appropriate) and incidental costs of sales and recognised within gain/loss on disposal of fixed assets in the statement of comprehensive income.

Depreciation of housing property

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

Land is not depreciated on account of its indefinite useful economic life.

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

Assets under construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life on a straight-line basis as follows:

Description	Economic useful life (years)
Structures	125
Kitchens	20
Bathrooms	30
Windows	30
Electrical wiring	30
Roofs	60
Boilers	15
Lifts	25
Central Heating Systems (excluding Boilers)	20
Fire Compartmentalisation	15

Fire remediation work will be capitalised when it;

- Is a new cost integral to operating the asset in the manner intended by management;
- Is a new cost integral to meeting regulatory requirements for the asset to remain in use;
- Meets normal capitalisation requirements – by generating increased income;
- Meets normal capitalisation requirements – by reducing future maintenance costs;
- Meets normal capitalisation requirements – by significantly extending useful economic life.

During the year ended 31 March 2025 there has been expenditure of approx. £1.7 million (2024: £1.3 million) which relates to compartmentalisation of ceilings, walls, roofs and cellars as a fire-retardant measure. This expenditure has been capitalised and is consistent with historic treatment.

This work is anticipated to have a useful life concurrent with that of the component.

Shared ownership properties and staircasing

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

Low-cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset, and related sales proceeds are included in turnover. The remaining proportion is classed as a fixed asset and included in completed housing property at cost less any provision for impairment. Sales of subsequent tranches (staircasing) will be treated as a part disposal of fixed assets.

For shared ownership accommodation that the Group is responsible for, it is the Group's policy to maintain them in a continuous state of sound repair. Maintenance of other shared ownership properties is the responsibility of the shared owner. Any impairment in the value of such properties is charged to the Statement of Comprehensive Income.

Allocation of costs for mixed tenure and shared ownership developments

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

Tangible fixed assets – Other

Other tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation of other tangible fixed assets

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

Asset Category	Years
Freehold Offices	25
Leasehold Improvements	5
Computer Equipment	3
Major Business System / Database	5 - 20 (specific to system)
Motor Vehicles	3
Other Assets, Office and Estate Equipment	4

Recycled capital grant fund

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

Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. They are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in income or expenditure. Rental income from these properties is taken to revenue.

Impairment of fixed assets

Tangible fixed assets (mainly housing properties) are assessed for indicators of impaired value at each reporting date. Where indicators are identified, assets are grouped into Cash Generating Units (CGUs), which are typically housing schemes (several smaller schemes may be grouped geographically into a single CGU). A detailed assessment is then undertaken to determine each CGUs recoverable amount.

The recoverable amount will be the higher of;

- fair value less costs to sell or;
- Existing Use Valuation for Social Housing (EUV-SH) or;
- Value in Use (in respect of assets held for their service potential) (VIU-SP). As allowed by Housing SORP 2014 the Group uses Depreciated Replacement Cost (DRC) as a reasonable estimate of VIU-SP.

Where the carrying amount of an asset or CGU is deemed to exceed its recoverable amount, and it has previously had an increase in its value credited to the Revaluation Reserve, the resulting impairment loss is recognised in other comprehensive income. However, if an impairment loss exceeds the accumulated revaluation gains in the Revaluation Reserve for an asset or CGU, the excess will be recognised in the Statement of Comprehensive Income.

Properties held for sale

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

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

An assessment of whether there is any impairment is made at each reporting date. Where an impairment loss is identified, it is immediately recognised in the Statement of Comprehensive Income.

On disposal, sales proceeds are included in turnover and the costs of sales, including costs incurred in the development of the properties, marketing and other incidental costs are included in operating expenses.

Financial instruments

Financial assets and liabilities are recognised when the group becomes a party to the contractual provisions of a financial instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all its liabilities.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. After initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in Other operating expenses.

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and impairs the debtor based on these estimates.

Concessionary loans

Concessionary loans are those loans made or received by the Group that are made:

- To further its public benefit objectives,
- At a rate of interest which is below the prevailing market rate of interest

These loans are measured at the amount advanced at the inception of the loan less amounts received and any provisions for impairment. Any associated grant is recognised as deferred income until the loan is redeemed.

The Group has several arrangements that are considered to be concessionary loans:

Homebuy

Under the Homebuy scheme and the Key Worker Living Initiative, the Group receives Social Housing Grant representing a percentage of the open market purchase price of a property in order to advance interest-free loans to a homebuyer.

Easybuy

Easybuy loans are shared equity loans secured by way of a second charge on the property where the buyer could purchase the home at 85% of its value, with Wandle retaining a 15% charge against the title. The loans can be repaid at any time within the loan agreement, the amount of which is dependent on the market value of the property at the date of repayment. The assets are recorded at fair value, being the estimated amount receivable by the group, discounted to present day values. Interest is payable after 5 years and the 15% charge becomes payable to Wandle when the homeowner chooses to sell their property.

Rent and service charge agreements

The Group sometimes plans with individuals and households for deferred payments of rent and service charge arrears. These arrangements are effectively loans granted at nil interest rate.

Loans, Investments and short-term deposits

All loans, investments and short-term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historic cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. Loans and investments that are payable or receivable within one year are not discounted.

Financial liabilities and equity

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

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet consists of cash at bank, in hand, deposits and short-term investments with an original maturity of three months or less.

Derivative instruments and hedge accounting

The Group holds floating rate loans which expose the Group to interest rate risk; to mitigate against this risk the Group uses interest rate swaps. These instruments are measured at fair value at each reporting date. They are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The Group has designated each of the swaps against either existing drawn floating rate debt or against highly probable future floating rate debt. To the extent the hedge is effective, movements in fair value, other than adjustments for own or counterparty credit risk, are recognised in Other comprehensive income and presented in a separate cash flow hedge reserve. Any movements in fair value relating to ineffectiveness and adjustments for our own or counterparty credit risk are recognised as income and expenditure.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. Critical judgements in applying the Group's accounting policies

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

- Determining categorisation of financial instruments. Distinguishing between basic and non-basic accounting treatment of financial instruments for the purposes of FRS 102, chapters 11 & 12.
- Impairment of properties. After capitalisation, management monitors the project and considers whether events indicate that an impairment review is required. Management also reassesses the carrying value at the reporting date of any previously impaired properties which may result in the release or adjustment of a previously held impairment.
- Capitalisation of property development costs. Distinguishing the point at which a project is more likely than not to complete, allowing capitalisation of development costs requires judgement.
- Determining whether the changes in terms of a debt instrument are sufficiently significant to be considered substantial, judgement is required to decide whether the changes in a debt instrument's terms following the renegotiation of its terms are sufficiently significant to warrant the original loan to be derecognised and a new loan recognised.
- The appropriate allocation of costs for mixed tenure developments.
- The allocation of costs relating to shared ownership between current and fixed assets. Whether surplus/ (deficit) on disposal of housing properties represents an operating surplus. We consider the development and sale of shared ownership properties to be part of our trading activities, including subsequent tranche sales. We anticipate shared ownership properties to staircase over time as part of our business model and trading activity.

b. Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates by definition, will mean that estimates may not equal the related results.

Tangible fixed assets (see notes 13 and 14)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In reassessing asset lives, factors such as condition and remaining years of economic benefits are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Determining whether an impairment review is required

Determining whether there are indicators of impairment of the Group's tangible assets requires judgement. The following are considered to be indicators of impairment, but other events may also indicate that an impairment review is required:

- A contamination or similar issue that was not identified as part of a development appraisal which results in a material increase in the cost of the development;
- A change in government policy, regulation or legislation;
- A reduction in demand for a property (either by type or location, possibly evidenced by increased voids);
- A reduction in the market value of shared ownership properties;
- Obsolescence of a property.

Pensions

The liability for future pension payments depends on several complex judgements, relating to the discount rate used, the expected rate of price inflation, the rate at which salaries and pensions are expected to increase and mortality rates. Qualified actuaries are engaged to provide expert advice for the pension schemes for which Wandle is a member. More detail is available in note 30.

Provisions

Fire safety remediation provision

The Regulatory reform fire safety order, 2005, creates an obligation on Registered Providers to carry out risk assessments: to identify, manage and reduce the risk of fire. The fire safety regime has been evolving since the Grenfell fire, resulting in the new Fire Safety Act.

A provision for fire safety remediation works (cladding and balconies) of £2.6 million (2024: £4.0 million) is included in 2024 Operating Costs. The provision was made after using appropriate judgments to determine whether FRS 102 requirements were met:

- The total cost for fire remediation and fire safety works where an expectation had been established for residents that works would be undertaken. The cost estimates were based on an analysis by consultant surveyors and further assessment from the Association's Asset Management Team.
- As part of the FRS 102 recognition process, alternatives to remediation were considered, but these were discounted as not being viable options;
- Consideration if costs were revenue or capital in nature according to Wandle's accounting policies;
- Recovery of cost from Homes England grants or leaseholders, following required consultation.

Heat network remediation provision

The Landlord and Tenant Act, 1985, creates an obligation on Registered Providers for repairs obligations to leaseholders and shared owners. The provision relates to buildings developed and sold by Wandle.

A provision for heat network remediation works of £2.1 million (2024: nil) is included in 2025 Operating Costs. The provision was made after using appropriate judgments to determine whether FRS 102 requirements were met:

- The total cost for heat network remediation works where an expectation had been established for residents that works would be undertaken. The cost estimates were based on an analysis by consultant surveyors and further assessment from the Association's Asset Management Team.
- As part of the FRS 102 recognition process, alternatives to remediation were considered, but these were discounted as not being viable options;
- Consideration if costs were revenue or capital in nature according to Wandle's accounting policies;
- Recovery of cost from the Department for Energy Security and Net Zero grants or leaseholders, following required consultation.

3. Turnover, operating cost, operating surplus - Group

	2025					2024				
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Other operating items £'000	Operating surplus £'000	Turnover £'000	Cost of sales £'000	Operating costs £'000	Other operating items £'000	Operating surplus £'000
Social housing Lettings										
General needs	53,129	-	(46,493)	-	6,636	49,645	-	(43,778)	-	5,867
Shared ownership	7,485	-	(6,642)	-	843	6,585	-	(6,351)	-	234
Supported housing	1,680	-	(1,043)	-	637	1,338	-	(1,236)	-	102
Other affordable	836	-	(294)	-	542	680	-	(226)	-	454
	63,130	-	(54,472)	-	8,658	58,248	-	(51,591)	-	6,657
Other social housing Activities										
Development administration	-	-	(504)	-	(504)	-	-	(164)	-	(164)
Impairment of properties developed for sale	-	-	(2,463)	-	(2,463)	-	-	(1,251)	-	(1,251)
First tranche shared ownership sales	510	(519)	-	-	(9)	2,157	(925)	-	-	1,232
Home buy & easy buy loan redemptions	-	-	-	-	-	-	-	-	-	-
Other	751	-	-	-	751	448	-	-	-	448
Surplus on sale of fixed assets	-	-	-	16,146	16,146	-	-	-	14,424	14,424
	1,261	(519)	(2,967)	16,146	13,921	2,605	(925)	(1,415)	14,424	14,689
Non-social housing Activities										
Commercial rent & development fees	326	-	(28)	-	298	253	-	(156)	-	97
Market rent	49	-	(2)	-	47	45	-	(1)	-	44
Movement in fair value of investment properties	-	-	-	(127)	(127)	-	-	-	(147)	(147)
	375	-	(30)	(127)	218	298	-	(157)	(147)	(6)
	64,766	(519)	(57,469)	16,019	22,797	61,151	(925)	(53,163)	14,277	21,340

3. Turnover, operating cost, operating surplus - Association

					2025						2024
	Turnover	Cost of sales	Operating costs	Other operating items	Operating surplus	Turnover	Cost of sales	Operating costs	Other operating items	Operating surplus	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Social housing lettings											
General needs	53,129	-	(46,493)	-	6,636	49,645	-	(43,778)	-	5,867	
Shared ownership	7,485	-	(6,642)	-	843	6,585	-	(6,351)	-	234	
Supported housing	1,680	-	(1,043)	-	637	1,338	-	(1,236)	-	102	
Other affordable	836	-	(294)	-	542	680	-	(226)	-	454	
	63,130	-	(54,472)	-	8,658	58,248	-	(51,591)	-	6,657	
Other social Housing Activities											
Development administration	-	-	(504)	-	(504)	-	-	(164)	-	(164)	
Impairment of properties developed for sale	-	-	(2,463)	-	(2,463)	-	-	(1,251)	-	(1,251)	
First tranche shared ownership sales	510	(519)	-	-	(9)	2,157	(925)	-	-	1,232	
Home buy & easy buy loan redemptions	-	-	-	-	-	-	-	-	-	-	
Other	757	-	-	-	757	448	-	-	-	448	
Surplus on sale of fixed assets	-	-	-	16,146	16,146	-	-	-	14,424	14,424	
	1,267	(519)	(2,967)	16,146	13,927	2,605	(925)	(1,415)	14,424	14,689	
Non-social housing activities											
Commercial rent & development fees	326	-	(28)	-	298	253	-	(156)	-	97	
Market rent	49	-	(2)	-	47	45	-	(1)	-	44	
Movement in fair value of investment properties	-	-	-	(127)	(127)	-	-	-	(147)	(147)	
	375	-	(30)	(127)	218	298	-	(157)	(147)	(6)	
	64,772	(519)	(57,469)	16,019	22,803	61,151	(925)	(53,163)	14,277	21,340	

4. Income & expenditure from social housing lettings – Group & Association

					2025					2024
	General needs £'000	Shared ownership £'000	Supported housing £'000	Key worker and intermediate £'000	Total £'000	General needs £'000	Shared ownership £'000	Supported housing £'000	Key worker and intermediate £'000	Total £'000
Turnover from Social Housing Lettings										
Rents receivable net of identifiable service charges	46,275	4,289	1,364	785	52,713	43,030	4,237	1,060	637	48,964
Service charges receivable	3,654	3,011	309	51	7,025	3,397	2,157	271	43	5,868
Amortisation of deferred grants	3,200	185	7	-	3,392	3,218	191	7	-	3,416
	53,129	7,485	1,680	836	63,130	49,645	6,585	1,338	680	58,248
Expenditure Social Housing Lettings										
Management	18,579	1,769	631	223	21,202	18,029	1,850	447	171	20,497
Service charge costs	4,312	2,783	316	37	7,448	3,271	2,455	604	40	6,370
Responsive maintenance	9,014	50	41	30	9,135	8,176	49	94	10	8,329
Major repairs	4,383	1,907	36	17	6,343	3,690	1,965	77	5	5,737
Cyclical repairs	896	110	-	-	1,006	1,350	-	-	-	1,350
Rent losses from bad debts	293	23	1	(13)	304	82	32	(4)	-	110
Depreciation of housing properties	9,016	-	18	-	9,034	9,180	-	18	-	9,198
	46,493	6,642	1,043	294	54,472	43,778	6,351	1,236	226	51,591
Operating surplus on social housing letting activities	6,636	843	637	542	8,658	5,867	234	102	454	6,657
Void losses (included in the above)	330	-	34	-	364	197	-	32	41	270

5 Surplus on sale of fixed assets

	Group			2025	2024
	Shared ownership	Right to acquire	Other disposals	Total	Total
	£'000	£'000	£'000	£'000	£'000
Proceeds of sale	4,841	784	17,869	23,494	23,285
Cost of sales – fixed assets	(2,717)	(330)	(4,301)	(7,348)	(8,861)
Surplus for the year	2,124	454	13,568	16,146	14,424

	Association			2025	2024
	Shared ownership	Right to acquire	Other disposals	Total	Total
	£'000	£'000	£'000	£'000	£'000
Proceeds of sale	4,841	784	17,869	23,494	23,285
Cost of sales – fixed Assets	(2,717)	(330)	(4,301)	(7,348)	(8,861)
Surplus for the year	2,124	454	13,568	16,146	14,424

6 Interest receivable & Other Income

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank interest receivable	3,473	3,188	3,473	3,188

7 Interest payable

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans and other loans repayable:				
Wholly or partly repayable in less than 5 years	5,137	970	5,137	970
Wholly or partly repayable in more than 5 years	10,640	14,700	10,640	14,700
	15,777	15,670	15,777	15,670
Net interest payable on interest rate swaps	(1,831)	(1,847)	(1,831)	(1,847)
Less: Interest capitalised	(1,872)	(582)	(1,872)	(582)
	12,074	13,241	12,074	13,241
Recycled capital grant Fund	491	569	491	569
Pension interest	174	173	174	173
	12,739	13,983	12,739	13,983
Other financing costs through other comprehensive income				
Changes in fair value of hedged financial instruments	3,503	9,112	3,503	9,112

8 Directors emoluments

The remuneration paid to the Board of Management, the Chief executive and any officer who is a member of the executive management team is as follows:

	2025 £'000	2024 £'000
Total emoluments paid to the Board of Management	90	89
Total emoluments paid to the Directors, including interim directors (including pension contribution)	903	900
Emoluments of the Chief Executive (excluding pension contribution)	197	194

As a member of the Social Housing Pension Scheme (SHPS), the pension entitlement of the Chief Executive is identical to those of other members.

Non-Executive Board members were paid as follows:

	2025 £	2024 £
Valerie Vaughan-Dick	15,000	14,368
Andrew McWilliams	9,250	8,955
James Pennington	8,800	8,553
Zoe Shaw	9,250	8,955
Paul Phillips	8,800	8,553
Ashley Horsey	-	-
Joanna Hills	6,600	6,307
Stephen Dickinson	6,600	6,307
Moorad Choudhry	3,300	6,307
John Baldwin	6,600	6,307
Teresa Ocansey	-	-
Julie Blair	8,800	8,553
Justin Gyphion	6,600	6,307
	89,600	89,472

Expenses paid to the Board of Management for reimbursement of travel £415 (2024: £209).

9 Employees' information

	2025 Number	2024 Number
The average number of employees expressed in full time equivalents during the year was:	245	217
	£'000	£'000
Staff Costs (for the above persons):		
Wages and salaries	11,660	9,997
Social security costs	1,227	1,037
Pension costs	435	381
	13,322	11,415

Salary banding for all management and other employees earning over £60,000 (including salaries, performance related pay and benefits in kind, but excluding pension contributions paid by the employer and any termination payments), including those who form the Executive Management and Senior Management Teams are as follows:

	2025 Number	2024 Number
Salary Bands		
£60,001 to £70,000	13	11
£70,001 to £80,000	10	7
£80,001 to £90,000	7	4
£90,001 to £100,000	3	3
£100,001 to £110,000	4	1
£110,001 to £120,000	-	1
£120,001 to £130,000	1	-
£130,001 to £140,000	1	-
£140,001 to £150,000	-	2
£150,001 to £159,000	1	1
£160,001 to £170,000	1	1
£190,001 to £199,001	1	-

10 Surplus on ordinary activities before tax

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
The surplus is stated after charging/(crediting) the following:				
Depreciation of housing properties	8,030	7,933	8,030	7,933
Depreciation of other tangible fixed assets	300	420	300	420
Accelerated depreciation on components	1,004	1,265	1,004	1,265
Amortisation of software	822	780	822	780
Impairment of properties developed for sale*	695	715	695	715
Impairment of housing developed for rent**	1,768	536	1,768	536
Office lease charges	419	416	419	416
Amortisation of deferred capital grants	(3,393)	(3,416)	(3,393)	(3,416)
Auditors' remuneration (excluding VAT & expenses)				
In their capacity as auditors	91	91	81	80
In respect of other services	22	22	20	22

*The 2025 impairment charge of £695,000 (2024: £715,000) relates to housing developed for sale. 2025 total impairment for developments was £4,601,000 (2024: £3,779,000)

**The 2025 impairment charge of £1,768,000 (2024: £536,000) relates to housing developed to rent. 2025 cumulative impairment was £2,304,000 (2024: £536,000).

11 Tax on surplus on ordinary activities

The parent association is an exempt charitable registered provider of social housing and no charge to corporation tax arises on its results for the year. No charge to taxation arises on the results of the subsidiary undertakings, Delta Homes Limited and Ravensbourne Development Limited as all profits are paid across to the parent via gift aid.

12 Intangible assets

Group and Association

	Housing business systems £'000
Cost	
At 1 April 2024	3,854
Additions	340
Disposals	-
At 31 March 2025	4,194
Amortisation	
At 1 April 2024	2,150
Charge for the year	822
At 31 March 2025	2,972
Net Book Value	
At 31 March 2025	1,222
At 31 March 2024	1,704

Intangible assets include a housing database and customer relationship management system, which Wandle is building on a Microsoft Dynamics platform.

All the building and implementation costs of the system will be capitalised until the system is fully developed. Costs will then be amortised over a 5-year period, in line with the useful life of the project.



13 Tangible fixed assets - Housing properties – Group

	General needs housing properties for letting	Supported housing properties for letting	Shared ownership housing properties	Key worker and intermediate rent properties for letting	Completed Subtotal completed housing properties
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2024	798,390	1,230	125,870	10,418	935,908
Transfers	-	-	485	-	485
Additions – properties constructed	538	-	959	-	1,497
Additions – works to existing properties	9,465	-	-	-	9,465
Schemes completed in the year	-	-	3,253	-	3,253
Disposals:					
- Shared ownership subsequent tranches	-	-	(2,811)	-	(2,811)
- Properties for lettings	(3,524)	-	-	-	(3,524)
- Components	(3,170)	-	-	-	(3,170)
- Other (Right to acquire)	(340)	-	-	-	(340)
At 31 March 2025	801,359	1,230	127,756	10,418	940,763
Depreciation:					
At 1 April 2024	110,102	212	-	765	111,079
Charge for the year	8,012	18	-	-	8,030
Disposals - components	(2,280)	-	-	-	(2,280)
Disposals - voids	(578)	-	-	-	(578)
At 31 March 2025	115,256	230	-	765	116,251
Impairment:					
At 1 April 2024	-	-	-	-	-
Charge for the year	-	-	-	-	-
At 31 March 2024	-	-	-	-	-
Net book value:					
At 31 March 2025	686,103	1,000	127,756	9,653	824,512
At 31 March 2024	688,288	1,018	125,870	9,653	824,829

Housing properties for letting	Shared ownership housing properties	Key worker and intermediate rent properties	Under Construction		Total
			Subtotal housing properties under construction		
£'000	£'000	£'000	£'000		£'000
-	19,641	6,310	25,951		961,859
-	(485)	-	(485)		-
-	9,431	3,358	12,789		14,286
-	-	-	-		9,465
-	(3,253)	-	(3,253)		-
-	-	-	-		(2,811)
-	-	-	-		(3,524)
-	-	-	-		(3,170)
-	-	-	-		(340)
-	25,334	9,668	35,002		975,765
-	-	-	-		111,079
-	-	-	-		8,030
-	-	-	-		(2,280)
-	-	-	-		(578)
-	-	-	-		116,251
-	536	-	536		536
-	1,768	-	1,768		1,768
-	2,304	-	2,304		2,304
-	23,030	9,668	32,698		857,210
-	19,105	6,310	25,415		850,244

13 Tangible fixed assets - Housing properties – Association

	General needs housing properties for letting	Supported housing properties for letting	Shared ownership housing properties	Key worker and intermediate rent properties for letting	Completed Subtotal completed housing properties
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2024	802,779	1,230	124,083	10,418	938,510
Transfers	-	-	485	-	485
Additions – properties constructed	538	-	959	-	1,497
Additions – works to existing properties	9,465	-	-	-	9,465
Schemes completed in the year	-	-	3,253	-	3,253
Disposals:					
- Shared ownership subsequent tranches	-	-	(2,811)	-	(2,811)
- Properties for lettings	(3,524)	-	-	-	(3,524)
- Components	(3,170)	-	-	-	(3,170)
- Other (Right to acquire)	(340)	-	-	-	(340)
At 31 March 2025	805,748	1,230	125,969	10,418	943,365
Depreciation:					
At 1 April 2024	110,101	213	-	765	111,079
Charge for the year	8,012	18	-	-	8,030
Disposals - components	(2,280)	-	-	-	(2,280)
Disposals - voids	(578)	-	-	-	(578)
At 31 March 2025	115,255	231	-	765	116,251
Impairment:					
At 1 April 2024	-	-	-	-	-
Charge for the year	-	-	-	-	-
At 31 March 2025	-	-	-	-	-
Net book value:					
At 31 March 2025	690,493	999	125,969	9,653	827,114
At 31 March 2024	692,678	1,017	124,083	9,653	827,431

Housing properties for letting	Shared ownership housing properties	Key worker and intermediate rent properties	Under Construction		Total
			Subtotal housing properties under construction		
£'000	£'000	£'000	£'000	£'000	£'000
-	25,425	6,310	31,735	970,245	
-	(485)	-	(485)	-	
-	9,596	3,358	12,954	14,451	
-	-	-	-	9,465	
-	(3,253)	-	(3,253)	-	
-	-	-	-	(2,811)	
-	-	-	-	(3,524)	
-	-	-	-	(3,170)	
-	-	-	-	(340)	
-	31,283	9,668	40,951	984,316	
-	-	-	-	111,079	
-	-	-	-	8,030	
-	-	-	-	(2,280)	
-	-	-	-	(578)	
-	-	-	-	116,251	
-	536	-	536	536	
-	1,768	-	1,768	1,768	
-	2,304	-	2,304	2,304	
-	28,979	9,668	38,647	865,761	
-	24,889	6,310	31,199	858,630	

13 Tangible fixed assets (continued)

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
The net book value of completed housing properties which excludes work in progress and land purchased for future development comprises:				
Freeholds	708,629	706,471	711,231	709,073
Long leaseholds	115,883	118,358	115,883	118,358
	824,512	824,829	827,114	827,431

£349 million is pledged as security from Tangible fixed assets (2023: £349 million). Security pledged is defined using the definition for existing use value social housing valuation method.

	2025 £'000	2024 £'000
Major repairs capitalised/expensed: Group and Association		
Major repairs capitalised - doors, external envelope works, rewiring	2,414	810
Major repairs capitalised - all other categories	7,051	7,620
	9,465	8,430
Major repairs expensed (including cyclical repairs)	7,349	7,087
	16,814	15,517

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Capitalised interest:				
Capitalised interest	20,719	18,847	20,719	18,847

Capitalised interest - Additions to housing properties during the year included capitalised interest of £1.872 million (2024: £0.582million). The capitalisation rate used was 4.3% (2024: 4.3%).

14 Tangible fixed assets

	Office equipment £'000	Computer equipment £'000	Total £'000
Cost			
At 1 April 2024	539	799	1,338
Additions	73	27	100
At 31 March 2025	612	826	1,438
Depreciation			
At 1 April 2024	262	600	862
Charge for the year	108	192	300
At 31 March 2025	370	792	1,162
Net book value			
At 31 March 2025	242	34	276
At 31 March 2024	277	199	476

15 Investment properties

	Group and Association	
	2025 £'000	2024 £'000
Commercial and market rent properties at fair value		
At 1 April	5,213	6,260
Addition / (Disposal)	404	(900)
(Decrease) in fair value	(130)	(147)
At 31 March	5,487	5,213

The investment properties are the commercial element of the office building, a small portfolio of shops and 2 homes for market rent. These were valued at 31 March 2025 by Paul Tarrant MRICS, Director and RICS Registered Valuer and David Nesbit MRICS, professional external valuers. The full valuation of properties was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors.

In terms of the commercial assets, the valuation adopted a rent capitalisation methodology (i.e. rent and yield approach) coupled with an assessment of what an owner-occupier might pay on a £ per sq ft basis, to arrive at an opinion of values. This is in reference to respective rental and capital market value data / sentiment. The valuers have obtained yield, capital value and rental data from commercial agents, auction sale data and commercial property data bases.

In respect of rental values, the valuation used the floor areas provided to ascertain whether the passing rent is rack rented, overrented or reversionary. JLL have applied our research on rental values to the subject properties. The yields we have adopted are bespoke to each individual commercial property.

16 Investment in subsidiary undertakings

The Association has interest in the following group entities:

Name	Incorporation Country	Nature of business	Interest
Ravensbourne Developments Limited (company limited by shares)	United Kingdom	Property Sales	100% ordinary shares
Delta Homes Limited (company limited by shares)	United Kingdom	Property Development	100% ordinary shares
Unitworthy Property Management Limited (company limited by shares)	United Kingdom	Service Charge Management	87% ordinary shares

17 Investments & MOR homes finance loans

	Group and Association	
	2025 £'000	2024 £'000
Finance Investment Loans		
At 1 April	335	335
Redemptions	-	-
Movement in fair value	2	-
At 31 March	337	335
Of which non-current assets:		
Easybuy finance loans	117	115
MORHomes Equity Investment	220	220
	337	335
Assumptions	2025	2024
Discount rate, incorporating the default rate	10.5%	10.5%
Housing Price Inflation, for the next three years	3.0%	3.0%
Timing of receipt	8 to 15 years	8 to 15 years

18 Investments – Home buy loans

	Group and Association	
	2025 £'000	2024 £'000
Homebuy Loans At 1 April	1,744	1,744
Loans redeemed At 31 March	(138)	-
	1,606	1,744

19 Properties for sale

First tranche shared ownership	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Completed	1,162	469	1,162	469
In progress	8,805	4,157	8,805	4,157
At 31 March	9,967	4,626	9,967	4,626

20 Debtors

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Due within one year:				
Arrears of rent and service charges	4,591	3,609	4,591	3,609
Less: provision for bad debts	(1,960)	(1,795)	(1,960)	(1,795)
Net rents and service charges	2,631	1,814	2,631	1,814
Amounts owed from Group undertakings	-	-	-	26
Other debtors	710	1,639	699	1,508
Prepayments and accrued income	1,446	2,176	1,446	2,176
	4,787	5,629	4,776	5,524
Due after more than one year:				
Cash flow hedges (note 28)	10,248	6,740	10,248	6,740
	15,035	12,369	15,024	12,264

Amounts due from subsidiary undertakings are on normal commercial terms with any interest receivable shown in Note 6 to the financial statements.

21 Cash at bank and equivalents

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Cash and equivalents	70,883	68,045	70,883	68,038

Wandle has pledged financial assets as collateral for loans, in the form of funds held on deposit with lenders. The carrying amount of the assets pledged is £1,916,551 (2024: £1,916,551) and has been reported within total cash and cash equivalents for Wandle, as per note 21. The terms and conditions of the collateral or funds pledged are in line with the terms of the loan agreement with Affordable Homes Finance PLC (AHF) and are held in an interest-bearing deposit account as a guarantee for the loan. These funds are held under a trust arrangement and will remain pledged to AHF until the loan matures in 2043.

22 Creditors and amounts falling due within one year

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Housing and bank loans (note 27)	18,602	3,601	18,602	3,601
Trade creditors	1,493	106	1,483	106
Recycled capital grant fund (note 24)	4,100	801	4,100	801
Deferred capital grants (note 25)	3,393	3,416	3,393	3,416
Rents received in advance	1,803	1,802	1,803	1,802
Other taxes and social security costs	523	453	523	453
Other creditors	2,448	912	2,448	912
Accruals and deferred income	11,324	7,484	11,324	7,465
Amounts owed to Group undertakings	-	-	-	-
Residents sinking fund	4,392	4,311	4,392	4,311
	48,078	22,886	48,232	22,867

23 Creditors and amounts falling due after one year

	Group and Association	
	2025	2024
	£'000	£'000
Housing and bank loans (note 27)	297,109	315,899
Capitalised loan fees	(1,048)	(1,304)
Cash flow hedges (note 28)	-	-
Grant in respect of Homebuy loans	1,606	1,744
Recycled capital grant fund (note 24)	9,745	10,568
Deferred capital grant (note 25)	350,323	355,736
	657,735	682,643

24 Recycled capital grant fund (RCGF)

	Group and Association	
	2025	2024
	£'000	£'000
Opening balance at 1 April	11,369	9,709
Balance from Disposal proceeds fund	-	-
Grant recycled on sales	2,749	3,676
Utilisation of grant	(32)	(31)
Repayment of housing grant to Greater London Authority	(732)	(2,554)
Interest	491	569
Closing balance at 31 March	13,845	11,369
Amount repayable within one year	4,100	801
Amount repayable after one year	9,745	10,568
	13,845	11,369

25 Deferred capital grant (DCG)

	Group and Association		Total
	Completed	Under Construction	
	£'000	£'000	£'000
At 1 April 2024	425,340	4,578	429,918
Additions	-	-	-
Schemes completed during the year	-	(293)	(293)
Disposals	(2,293)	-	(2,293)
At 31 March 2025	423,047	4,285	427,332
Amortisation			
At 1 April 2024	(70,766)	-	(70,766)
Amortised during the year	(3,393)	-	(3,393)
Disposals	543	-	543
At 31 March 2025	(73,616)	-	(73,616)
Book value			
At 31 March 2025	349,431	4,285	353,716
At 1 April 2024	354,574	4,578	359,152
Grant	2025	2024	
	£'000	£'000	
Amount to be amortised within one year	3,393	3,416	
Amount to be amortised after one year	350,323	355,736	
	353,716	359,152	
Total social housing grant receivable to date			
Social housing grant and other capital grants	427,332	429,918	
Cumulative amount credited to Statement of comprehensive income in prior years relating to major repairs revenue grants	7,396	7,396	
	434,728	437,314	

26 Financial instruments

Financial risk management objectives and policies

The Group's activities expose it to several financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in interest rates. The Group uses interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Group's principal financial assets are bank balances and cash, rent and service charge receivables, and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies (note 1).

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

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Financial assets				
Measured at fair value (present values of future expected cash redemptions)				
- Total value of loans (note 17)	337	335	337	335
Measured at fair value and designated in an effective hedging relationship				
- Derivative financial debtors (note 20)	10,248	7,842	10,248	7,842
	10,585	8,177	10,585	8,177
Financial liabilities				
Measured at fair value and designated in an effective hedging relationship				
- Derivative financial liabilities (note 28)	-	-	-	-
Measured at fair value and designated in an ineffective non-hedging relationship				
- Derivative financial liabilities	-	1,102	-	1,102
	-	1,102	-	1,102

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

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Interest income and expense				
Total net interest expense for financial liabilities at amortised cost	8,601	10,053	8,601	10,053
Fair value gains and losses				
On derivative financial liabilities designated in an effective hedging relationship	3,503	9,112	3,503	9,112
On derivative financial liabilities designated in an ineffective non-hedging relationship	-	(7,060)	-	(7,060)
	3,503	2,052	3,503	2,052

27 Housing and bank loans

Repayment profile of financial liabilities

2025

Group and Association

	Payable by instalment £'000	Payable on maturity £'000	2025 Total £'000
Less than one year	3,602	15,000	18,602
One to five years	13,712	38,500	52,212
More than five years	94,565	147,918	242,483
Total	111,879	201,418	313,297

2024

Group and Association

	Payable by instalment £'000	Payable on maturity £'000	2024 Total £'000
Less than one year	3,601	-	3,601
One to five years	13,885	63,500	77,385
More than five years	97,993	137,918	235,911
Total	115,479	201,418	316,897

28 Cash flow hedges

To hedge the potential volatility in future interest cash flows arising from movements in LIBOR, the Group has entered floating to fixed interest rate swaps. These interest rate swaps have similar terms (nominal value, repricing dates and repayment dates) to the variable loans that they are an economic hedge against.

The change in fair value has been wholly recognised, with fully effective instruments reflected under hedge accounting in Other Comprehensive Income (OCI) to the Hedge Reserve and the other ineffective instruments reported through the Statement of comprehensive income.

Group and Association

	2025 £'000	2024 £'000
Nominal Values		
Interest rate swap paying fixed 1.33% maturing in November 2031	5,000	5,000
Interest rate swap paying fixed 3.30% maturing in August 2033	10,000	10,000
Interest rate swap paying fixed 4.74% maturing in May 2035	11,000	11,000
Interest rate swap paying fixed 1.40% maturing in November 2036	20,000	20,000
Interest rate swap paying fixed 3.34% maturing in May 2037	10,000	10,000
Interest rate swap paying fixed 3.35% maturing in August 2037	10,000	10,000
Interest rate swap paying fixed 3.32% maturing in September 2037	20,000	20,000
	86,000	86,000

Group and Association

	2025 £'000	2024 £'000
Cash Flow Hedges at Fair Value		
Value of interest rate swap contracts, with effective hedging	(10,248)	(7,842)
Value of interest rate swap contracts, with ineffective hedging	-	1,102
	(10,248)	(6,740)

Repayment profile of cash flow hedges

	2025 £'000	2024 £'000
Average contract fixed interest rate		
Less than one year	-	-
Between two and five years	-	-
More than five years	2.94%	2.94%
Total	2.94%	2.94%

Repayment profile of cash flow hedges

	Notional principal value		Fair value	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Less than one year	-	-	-	-
Between two and five years	-	-	-	-
More than five years	86,000	86,000	(10,248)	(6,740)
Total	86,000	86,000	(10,248)	(6,740)

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

The last triennial valuation of the scheme for funding purposes was carried out at 30 September 2020. This valuation revealed a deficit for the Scheme as a whole of 1,560 million. A recovery plan has been put in place with the aim of removing this deficit by 30 September 2026.

The Scheme is classified as a "last man standing arrangement". Therefore, the 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.

Group and Association	2025
	£'000
Reconciliation of present value of plan liabilities	
At the beginning of the year	21,390
Expenses	17
Interest expense	1,025
Actuarial losses (gains) due to scheme experience	544
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(2,224)
Benefits paid	(839)
At the end of the year	19,913
Composition of plan liabilities	
Schemes wholly or partly funded	19,913
Reconciliation of fair value of plan assets	
At the beginning of the year	17,361
Interest income on plan assets	851
Experience on plan assets (excluding amounts included in interest income) - gain	(1,392)
Contributions by employer	954
Benefits paid and expenses	(839)
At the end of the year	16,935

The actual loss on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £0.4 million (2024: £0.5 million).

Group and Association	2025	2024
	£'000	£'000
Composition of plan assets		
Global Equity	1,897	1,730
Absolute Return	-	678
Distressed Opportunities	-	612
Credit Relative Value	-	569
Alternative Risk Premia	-	551
Fund of Hedge Funds	-	-
Emerging Markets Debt	3,140	225
Risk Sharing	-	1,016
Insurance-Linked Securities	-	90
Property	52	697
Infrastructure	848	1,754
Private Equity	3	14
Private Debt	15	683
Opportunistic Illiquid Credit	2,027	678
High Yield	-	3
Opportunistic Credit	-	-
Cash	2,073	343
Corporate Bond Fund	648	-
Liquid Credit	521	-
Long Lease Property	-	112
Secured Income	-	518
Liability Driven Investment	5,129	7,065
Currency Hedging	27	(7)
Net Current Assets	37	30
Total plan Assets	16,935	17,361
Actual return on plan assets	-3.12%	-2.90%

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.

	2025 %	2024 %
Principal actuarial assumptions used at the balance sheet date		
Discount Rate	5.77	4.89
Inflation (RPI)	3.11	3.17
Inflation (CPI)	2.78	2.77
Salary Growth	3.78	3.77
Allowance for commutation of pension for cash at retirement	75%	75%

	Life expectancy at age 65 (Years)
The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:	
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

	2025 £'000	2024 £'000
Fair value of plan assets	16,935	17,361
Present value of plan liabilities	(19,913)	(21,390)
Net pension scheme liability	(2,978)	(4,029)

	2025 £'000	2024 £'000
Net interest cost and expenses	(191)	(189)
Analysis of actuarial loss recognised in Other Comprehensive Income:		
Actual return less interest income included in net interest income		
Experience on plan assets (excluding amounts included in net interest cost) – (loss)	(1,392)	(1,383)
Experience gains and losses arising on the plan liabilities – (loss) / gain	(544)	353
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	-	232
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	2,224	36
Opening balance adjustment	-	-
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain / (loss)	288	(762)
Total amount recognised in other comprehensive income – (loss)	288	(762)

30 Provisions for liabilities and charges

	Group and Association	
	2025 £'000	2024 £'000
Fire safety remediation provision	2,615	3,994
Heat network remediation provision	2,091	-
At 31 March	4,706	3,994

See note 2 - Judgements in applying accounting policies and key sources of estimation uncertainty for further information.

31 Non-equity share capital

Each member of the Board of Management holds one share of £1 in the Association.

	2025 £	2024 £
Allotted, issued and fully paid:		
At start of year	11	11
Issued during the year	(2)	-
Written off in the year	2	-
At the end of the year	11	11

The shares have limited rights. They carry no entitlement to dividend. They are not repayable and do not participate in winding up.

32 Notes to cashflow statement

	Group	
	2025 £'000	2024 £'000
Surplus for year	13,531	3,485
Interest payable and similar charges	12,739	13,983
Interest receivable	(3,473)	(3,188)
Investment income	127	147
Change in fair value of hedging instruments	-	7,060
Operating surplus	22,924	21,487
Cost of properties disposed	9,845	9,783
Depreciation (housing & other fixed assets)	9,334	9,618
Write down on properties for sale	2,463	1,251
Change in grants	(3,098)	(4,943)
Change in pensions liability	(1,051)	46
Change in debtors	(2,666)	(7,109)
Change in properties for sale	(5,341)	3,228
Change in creditors	11,055	(7,166)
Change in investments	(138)	1,047
Net cash inflow from operating activities	43,327	27,242

33 Homes under management and development

	2024 Number	New homes	Disposals	Tenure transfer	2025 Number
General needs housing					
- Social	5,052	6	(27)	(9)	5,022
- Affordable	627	-	(1)	(3)	623
Low-cost home ownership	775	10	-	(17)	768
Supported housing and housing for older people					
- Social	94	-	(6)	-	88
- Affordable	14	1	-	-	15
Intermediate Rent	68	-	-	-	68
Key worker accommodation	-	-	-	-	-
Total social housing homes	6,630	17	(34)	(29)	6,584
Market rent	2	-	-	-	2
Leasehold units	591	-	-	29	620
Commercial & offices	27	1	(3)	-	25
Garages	8	-	-	-	8
Other	1	-	-	-	1
Total owned	7,259	18	(37)	-	7,240
Accommodation managed for others	-	-	-	-	-
Total managed accommodation	7,259	18	(37)	-	7,240
Units managed by other organisations	197	-	-	-	197
Total owned and managed accommodation	7,456	18	(37)	-	7,437
Total homes owned and under development	243	-	(36)	-	207

34 Related party transactions

Board members who are tenants or shared owners have the same tenancy terms and conditions and pay the same rent as other tenants who are not Board members. Rent charged for 2025 was £13,821 (2024: £12,633). There was no outstanding balance as at 31 March 2025 (2024: nil).

There were no season ticket loans to executive officers. When a season ticket loan is taken, the terms and interest rate is the same as that available to staff.

Other related Transactions:

During the year the Association purchased construction services in the ordinary course of business from Delta Homes Limited a subsidiary, at a cost of £8.6 million (2024: £4.4 million). During the year, Delta Homes purchased from the Association staff costs of £0.3million (2024: £0.2 million). Interest charged to the Association was nil for 2025 (2024: nil) on intercompany balances owing by the Association. Amounts owed to associates at the reporting date were £165,000 (2024: 26,000).

35 Capital commitments

	2025 £'000	2024 £'000
Expenditure contracted for but not provided for in the financial statements	49,962	9,164
Expenditure authorised by the board but not contracted for	44,281	70,783
Total	94,243	79,947
To be funded by:		
Cash and current undrawn committed facilities	94,243	79,947
	94,243	79,947

36 Financial commitments

Total minimum lease commitments under non-cancellable operating leases are as follows:

	2025		2024	
	£'000	£'000	£'000	£'000
	Buildings	Other	Buildings	Other
Less than 1 year	400	-	400	-
Between 1 and 5 years	1,500	-	1,901	-
Greater than 5 years	-	-	-	-
	1,500	-	2,301	-



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