



# Annual report and financial statements

Year ended  
31 March 2025



## OUR VISION

# Making London home

Our vision for Notting Hill Genesis, making London home, is our response to the housing crisis in London. We are committed to working better together to provide good quality homes to enable our residents to live their lives well.







OUR MISSION

Working better  
together for  
our residents



An aerial photograph of a modern, multi-story apartment building with a courtyard. The building features a mix of brick and dark grey panels, with balconies and large windows. The courtyard below has green grass, a small tree, and some wooden planters. The overall scene is brightly lit, suggesting a sunny day.

# Our story

A home provides the basis for a stable and healthy society, but the capital's housing crisis means that for too many Londoners, a home is out of reach.

We're a not-for-profit organisation with a focus on providing quality homes at below market rents for people who would otherwise struggle to afford them. We are both a landlord and a developer, with more than 60,000 existing homes and plans to build 3,000 more over the next five years. We engage in commercial activities and any surpluses we produce support the provision of homes at below market rents across the capital.

Founded in the 1960s to address slum conditions in west London, we're now one of London's largest charitable housing associations and a leading advocate and trusted partner to local councils and government. Our aim is to give Londoners a base and community from which to achieve their potential.

Powered by £800 million of investment into our homes over the next 10 years, and guided by our Better Together strategy, we're on a mission to improve how we deliver even better quality homes, connections and places for our 130,000 existing residents. Alongside working better together for our residents, we'll also continue to build and develop new and more affordable homes, so that more people can continue to make London home.



An aerial photograph of a multi-story brick building with several balconies. The balconies have white railings and some have plants. Overlaid on the image are several geometric shapes: a large white triangle, a smaller white triangle, and a dashed orange line forming a path across the building. The background is a brick wall with windows and balconies.

## About this report

This annual report covers Notting Hill Genesis's key activities and achievements during 2024/25. It focuses on financial performance to reassure our funders that their investments are sound. At the same time, it demonstrates the vital contribution those investments make to our residents' lives.

The report is complemented by two other annual publications, relevant both to investors and other stakeholders, including residents, our most important customers. Our environmental, social and governance report shows how we continue to provide genuine social value, including through the introduction of more sustainable practices to tackle climate change. Our customer report, Working Better Together For Our Residents, concentrates on issues that directly impact those who live in our homes and use our services. It includes our performance against tenant satisfaction measures set by the Regulator of Social Housing and other internal metrics.



All publications are available on our website at [www.nhg.org.uk/publications](https://www.nhg.org.uk/publications).



**G3/C3/V2**

Regulatory rating

**73.9%**

Resident satisfaction with the service received

**A- (negative)**

S&P rating

**47.2%**

Tenant satisfaction measure – overall perception

At a glance

**A- (stable)**

Fitch rating

**£717.9m**

Turnover

**(£129.5m)**

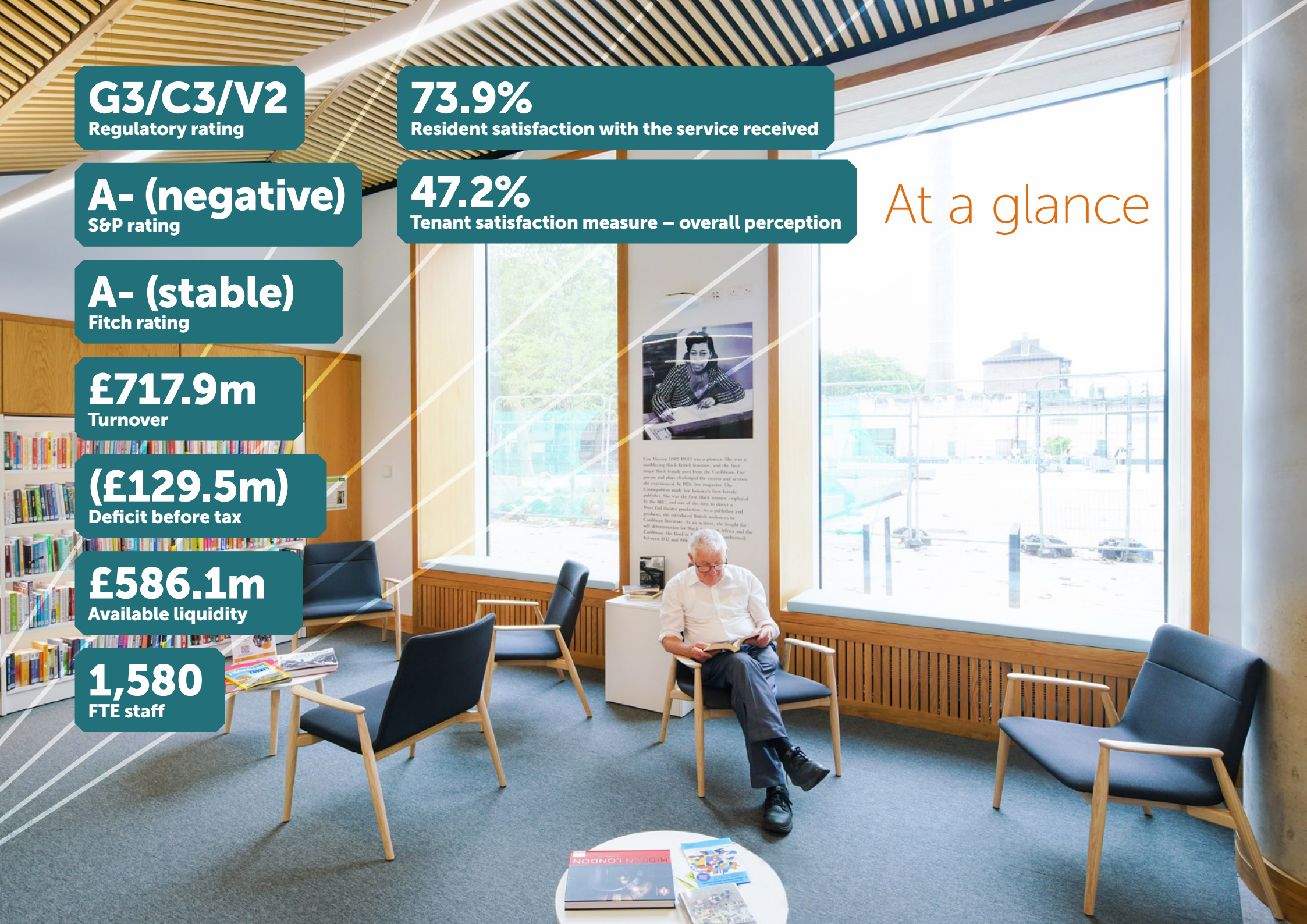
Deficit before tax

**£586.1m**

Available liquidity

**1,580**

FTE staff





# Where we work

**68,032**

Total properties owned  
or under management

**61,911** In London

**6,121** Outside London

**65,965**

Properties under management  
By tenure type:

**General needs**  
**35,076**

**Leasehold**  
**10,436**

**Shared  
ownership**  
**8,446**

**Market  
rent**  
**3,441**

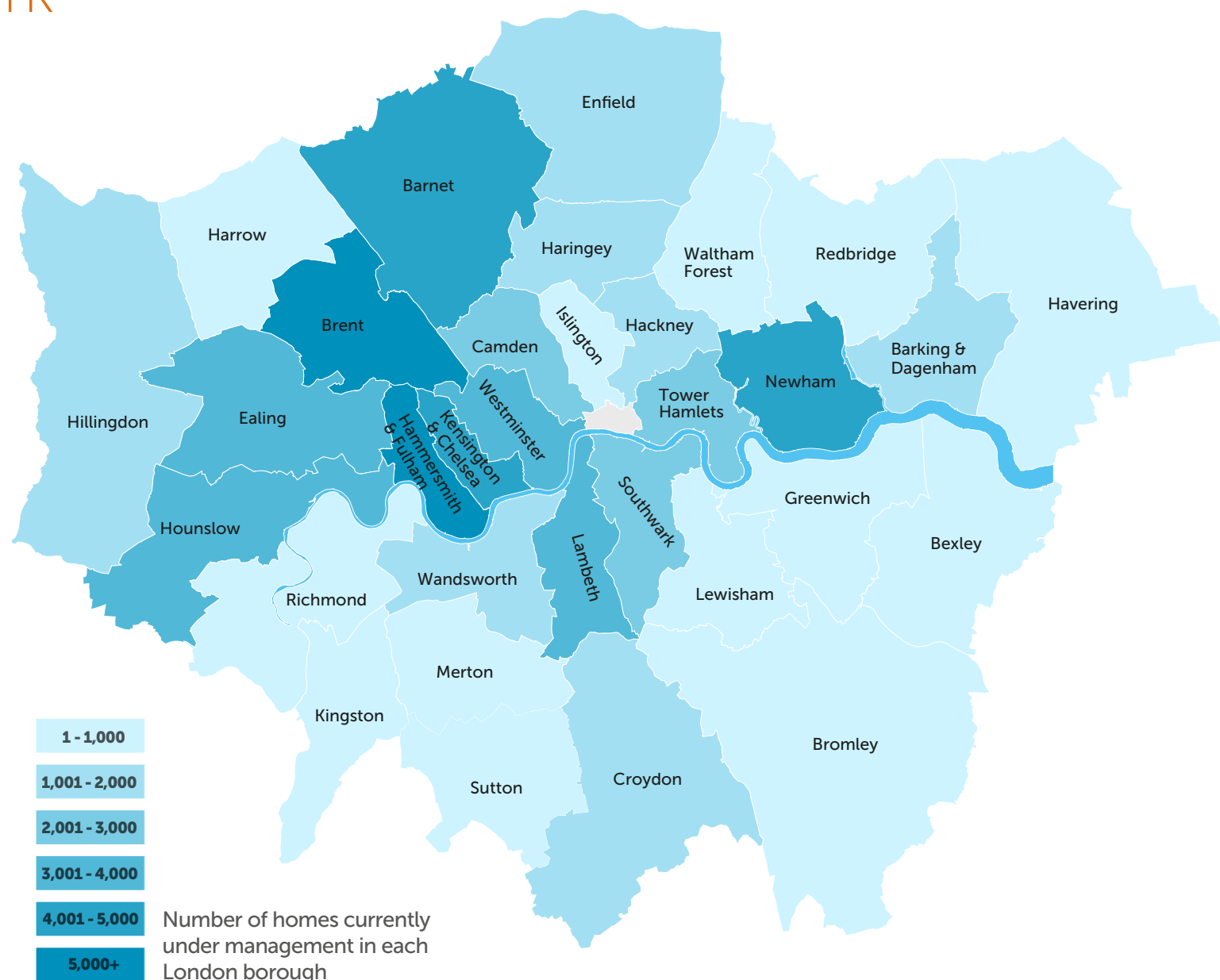
**Supported  
Housing**  
**3,051**

**Temporary housing**  
**2,640**

**Key worker** 1,084

**Non social low cost** 951

**Student** 839





# Welcome from the chair

I am pleased to have joined Notting Hill Genesis as Group Board Chair and, on behalf of the whole Board, would like to take this opportunity to thank my predecessor, Ian Ellis, for his contribution to the organisation over the last six years.



Notting Hill Genesis has faced a number of challenges in recent years and, under Patrick Franco's stewardship, has responded effectively to the ever-evolving economic and political backdrop. This ability to adapt is testament to the versatility and commitment of all members of staff, something which I have quickly come to witness and appreciate.

Notting Hill Genesis is an organisation undergoing a significant transformation and change on this scale will take time. Good progress has been made since the launch of the Better Together strategy and while there is still a long way to go, it brings me reassurance knowing that we

are making strides to be a more resident-focused organisation.

The 2024/25 financial year was a challenging year for the organisation and saw us respond to a difficult economic environment that has impacted organisations across our industry. Despite this, the underlying performance of the group was robust, cost discipline was well maintained, and operational and strategic progress was made. We are investing more than ever before in maintaining and improving our homes and although this means the rate of new development will be slower, we remain committed to increasing the provision and improving the quality of housing across London.

In November 2024 the Regulator of Social Housing announced their judgement of our organisation. The financial viability rating of V2 underpinned our financial stability, however the poor governance and consumer ratings were disappointing and reflect the

need to redouble our efforts to become a more resident-focused organisation. We are reassured that the regulator acknowledged how much work was already underway and it is impressive to see the way in which the organisation responded, making a collective commitment to improve and creating a plan to address the regulator's concerns with such speed. Delivery of this plan will allow us to regain compliance with the regulator's governance and consumer standards, with good progress already being made.

There have been a number of changes at group board level in 2024/25. We welcomed Léann Herne as a new non-executive director (NED) and chair of our regulatory compliance committee, bringing valuable expertise in creating high performance customer service cultures and implementing best in class governance and regulatory compliance.

Richard Powell stepped down as chair of the homes sub-



committee following the end of his agreed term in office and we welcomed Dave Sheridan as chair of the homes sub-committee, who brings extensive experience in housing.

We have also made new appointments to strengthen the executive team. Craig Wilcockson has joined as chief people officer and Tabitha Kassem has taken on the role of chief governance and risk officer. Both have brought significant experience that will help the organisation to regain regulatory compliance and have made a positive impact since joining Notting Hill Genesis. We also welcome Chyrel Brown as our interim chief customer officer, who brings a wealth of housing sector experience in customer-focused roles.

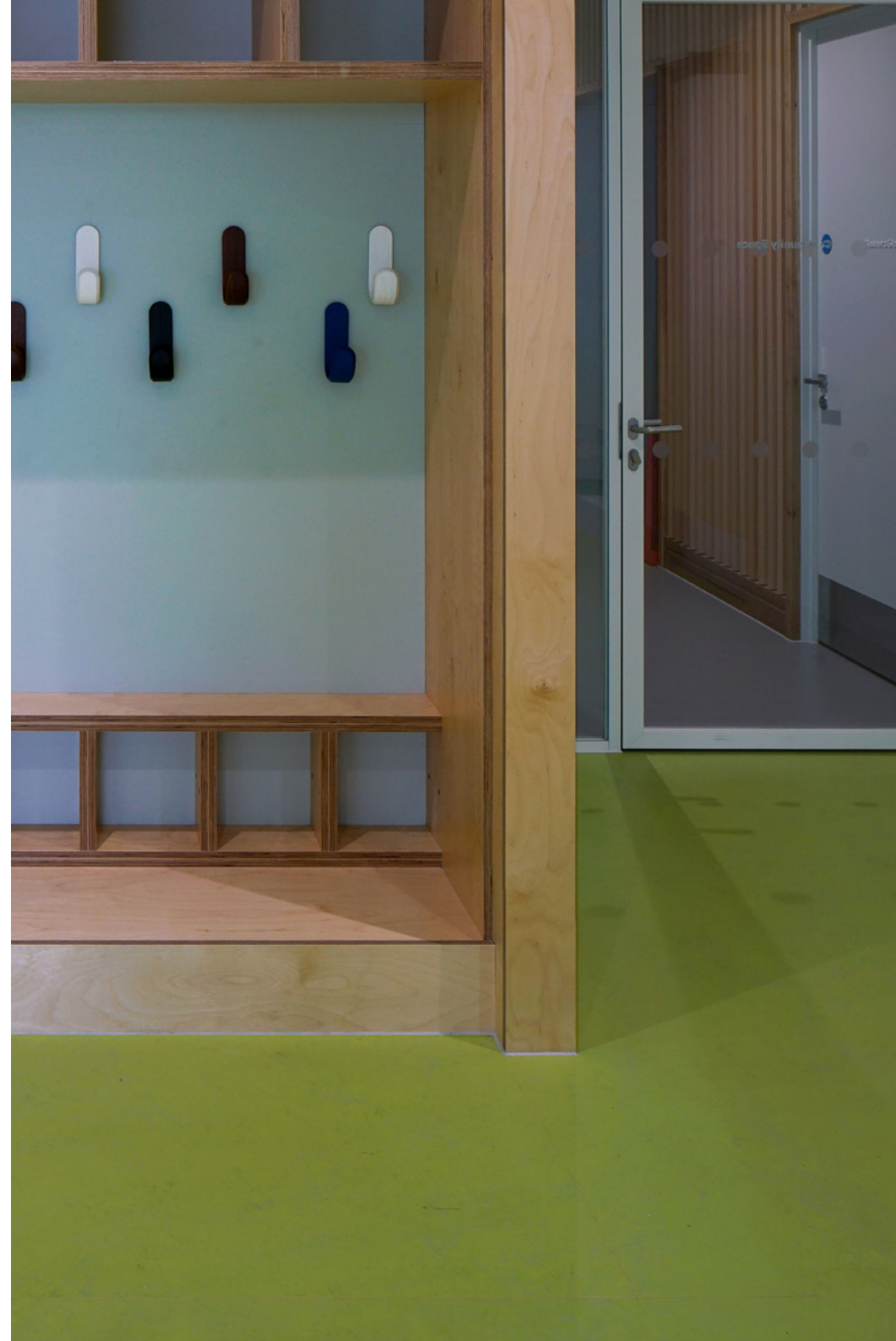
I would like to thank John Hughes, Katie Bond and Sara Thompson for their contribution to the executive team, and I would like to take this opportunity to wish them the best for the future on behalf of the board.

As I look to the year ahead I would like to thank everyone at Notting Hill Genesis for their continued hard work. Although we have faced and continue to meet challenges, your ability to adapt and respond to adversity has been truly admirable. Our transformation is gathering momentum and I am confident we will deliver a more customer focused organisation with high quality homes for our residents.



**Brendan Sarsfield**  
Chair

26 September 2025





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## Board

**Brendan Sarsfield**  
*(Chair) (appointed 24/09/25)*

**Patrick Franco**  
*(Chief executive)*

**Fred Angole**

**Léann Hearne**  
*(appointed 10/02/25)*

**Courtney Huggins**

**Claire Kober OBE**

**Ingrid Osborne**

**David Sheridan**  
*(appointed 24/09/2025)*

**Mark Smith**  
*(appointed 15/04/24)*

**Will Sprunt**  
*(appointed 26/09/24)*

**Emma-Louise Stewart**

**Symmie Swil**

**Ian Ellis**  
*(stood down 24/09/25)*

**Richard Powell**  
*(stood down 24/09/25)*

**Alex Phillips**  
*(stood down 25/09/24)*

**Elaine Bucknor**  
*(stood down 25/09/24)*

**John Hughes**  
*(stood down 30/09/24)*

## Registered office and head office

Bruce Kenrick House  
2 Killick Street  
London N1 9FL

## Independent auditors

Crowe UK LLP  
Statutory Auditors  
55 Ludgate Hill  
London, EC4M 7JW

## Principal solicitors

Devonshires Solicitors LLP  
30 Finsbury Circus  
London, EC2M 7DT

## Principal bankers

Barclays Bank plc  
Business Banking  
Floor 28  
1 Churchill Place  
London, E14 5HP

## Executive board

**Patrick Franco**

**Matthew Cornwall-Jones**

**Tabitha Kassem**  
*(appointed 22/04/25)*

**Rajiv Peter**

**Mark Smith**  
*(appointed 15/04/24)*

**Vipul Thacker**

**Craig Wilcockson**  
*(appointed 09/12/24)*

**Chyrel Brown**  
*(appointed 03/06/25)*

**Susan Hickey**  
*(resigned 14/04/24)*

**Katie Bond**  
*(resigned 20/06/25)*

**John Hughes**  
*(resigned 30/09/24)*

**Sara Thomson**  
*(resigned 09/05/25)*

## Company secretary

**Tabitha Kassem**  
*(appointed 22/04/25)*

**Sara Thomson**  
*(resigned 22/04/25)*

**Andrew Nankivell**  
*(resigned 05/06/24)*

## Registrations

Registered Society Number: 7746  
Registered Provider Number: 4880  
A charity exempt from registration.  
Regulated by the Regulator of Social Housing.





# Strategic report



# Chief executive's introduction

Over the course of the last year, we have faced many challenges that have tested our organisation. The economic and market backdrop has remained persistently difficult and we received a regulatory judgment that demonstrated the need for significant improvement. Our underlying performance was robust, however our overall financial performance was materially affected by some significant one-off non-cash items, which mean we reported a deficit in 2024/25. Delivering the required change will take time, but as an organisation we have responded positively and have redoubled our efforts to become a more resident-focused organisation.



We are now into the third year delivering against our Better Together strategy – our ambition to improve residents' lives through better connections, homes and places – underpinned by **£800 million of investment** into our homes over the next 10 years. We've made good progress over the past 12 months, as outlined below, but know that we have much more work to do.

We have taken steps to deliver better connections for our residents and are focused on becoming even more responsive to their needs. We have made changes to the way we deliver customer-facing services, bolstering our local officer and the customer service centre teams

with the support of specialist teams covering repairs, complaints, service charges and legal services. Although further refinements to this model are required, we have already started to see results, for example in April 2024, the month before our new repairs team started work, customer satisfaction with their most recent repair was at 77.8% and by the end of the financial year, it had reached **81.7%**.

We also introduced a new approach to resident involvement at the start of 2024/25, following consultation with residents and reflecting the requirements of the regulator's refreshed consumer standards. Our new resident forum, chaired by board member Emma-Louise Stewart, will ensure that our residents' voice is heard by the board, recommend improvements and assess the impact of action we take.

We have continued to increase our investment into our estate, ensuring that we are delivering better homes for our residents. During 2024/25 our key priorities were to tackle overdue fire risk actions and damp

and mould cases, as well as setting an ambitious target for stock condition surveys. We were pleased to have made good progress in all of these areas, even exceeding our target for stock condition surveys. As a result of these efforts, the percentage of our homes that met the decent homes standard rose from 99% in March 2024 to **99.62%** a year later.

We have also continued to invest significantly in day-to-day repairs, completing **147,000** during 2024/25. Our refurbishment programme has also accelerated, with **2,245 homes** having had planned investment works in the year, with a further 966 homes currently underway.

Even though we have scaled back the rate of new development, our commitment to delivering better places remains, with plans to deliver around **3,000 new homes** over the next five years. In 2024/25 we invested more than **£118m** across our regeneration schemes, supporting our drive to deliver greater social value to local communities. In parallel we continue to assess strategic



disposals, with the ambition to maximise operational efficiencies by focusing our activities on London, to deleverage and strengthen our financial resilience. With this in mind, during the year we appointed advisors to assess strategic options for our market rent portfolio. This concluded in the decision to progress with a sale of the entire portfolio, which is progressing well.

Extensive action has been taken across the organisation in 2024/25, and there are countless examples of progress made during the year, however we acknowledge how much more we still need to do to deliver for our residents. The regulatory judgement published in November 2024 by the Regulator of Social Housing was a defining moment. Although the regulator noted that we had already identified many of the required improvements through our Better Together corporate strategy, and progress was already underway, clearly this has not been at the scale or speed that is required.

Everyone at Notting Hill Genesis is determined to change that. I

am proud of the way in which our colleagues have responded to the challenges faced this year and want to thank them all for their hard work, resilience, and the care they put into improving our residents' lives, because what we do really matters. I am particularly grateful to those who mobilised so quickly to develop our regulatory compliance action plan, which provides a clear direction of travel to make the required improvements.

We have now built solid foundations from which to improve. We have restructured and refocused the organisation to deliver for our existing residents, strengthened both our Group Board and Executive Board to ensure we have the right people overseeing this change and our focus for the year ahead is clear.

I want to sincerely thank our former Chair Ian Ellis for his dedicated leadership over the past six years. His support and steady guidance have been invaluable during a time of significant change, and his commitment to our residents will leave a lasting legacy. I am also delighted to welcome Brendan

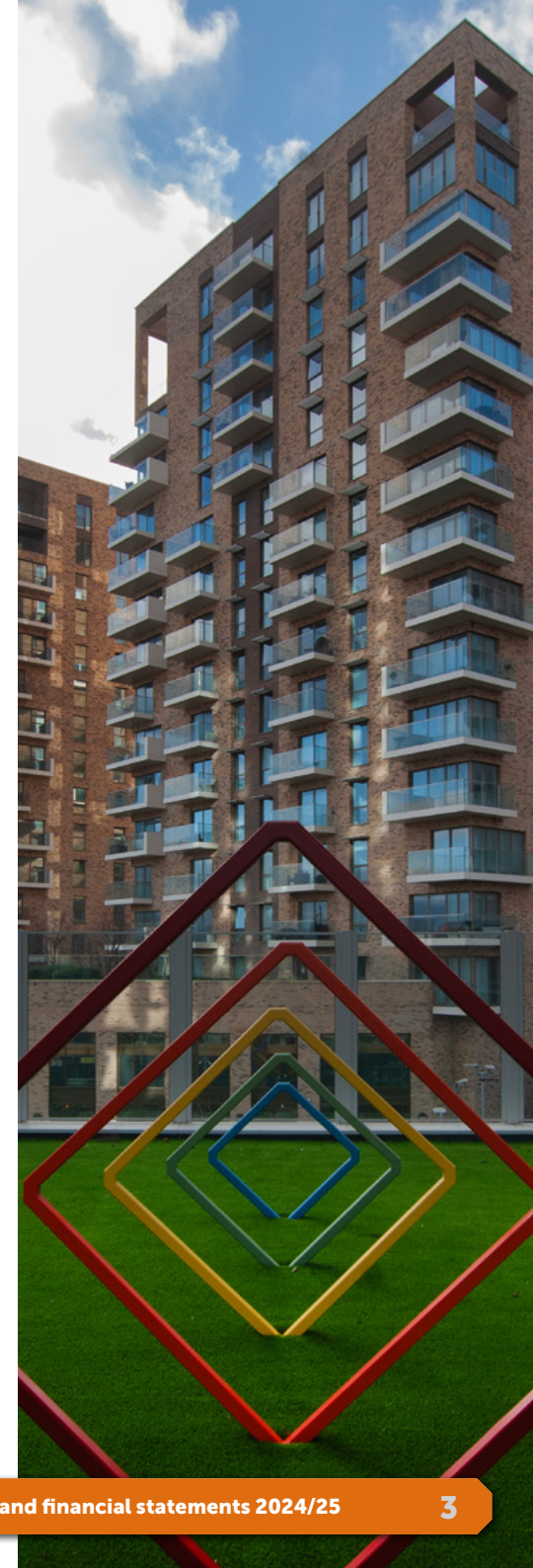
Sarsfield as new group board chair and Dave Sheridan as chair of the homes sub-committee. Both bring extensive experience in housing and will play a meaningful role in driving our transformation to become a more resident-focused organisation.

I am confident we can deliver on our aligned Regulatory Compliance Plan and Better Together strategy, which will ensure that we transform our organisation, deliver for our residents and regain regulatory compliance as quickly as practically possible. I look forward to seeing the continued progress I know the organisation will make in becoming a truly resident focused housing association.



**Patrick Franco**  
Chief executive

26 September 2025





# Overview and context

This strategic report and the associated financial report set out progress during 2024/25 against the core strands and enabling themes of our Better Together strategy.

Now in its third year, the strategy sets out how we intend to fulfil our mission of working better together for our residents. It includes three strategic objectives, each with a set of outcomes, and four enabling themes.

## Regulatory compliance plan

In November 2024, the Regulator of Social Housing found us to be non-compliant with their governance and consumer standards, with grades of G3 and C3. This was the first occasion on which we had been assessed against the regulator's new consumer standards, introduced on 1 April 2024.

Many of the specific areas of concern highlighted by the regulator in relation to their consumer standards were issues we were already aware of and were working to resolve through our Better Together strategy.

At V2, we remain compliant with the regulator's viability standard. The V2 rating was welcome news and underpins our financial strength, which is crucial in retaining confidence and providing a stable platform from which to deliver the improvements we must.

We worked closely with the regulator between December 2024 and March 2025 to agree a compliance plan. That plan, agreed in April 2025, includes 11 workstreams setting out what we need to do to restore compliance against the regulator's governance and consumer standards.

## Sharing performance information

Under the regulator's refreshed consumer standards, we are required to collect and report annually on our performance using defined tenant satisfaction measures. We published our results for the first time in June 2024 and updated them in June 2025.

At **47.2%**, our overall perception score has fallen slightly since 2023/24, underscoring the need for a continued focus on the things that matter most to our existing residents. More information about how we performed against the tenant satisfaction measures can be found in our customer report, published alongside this annual report and financial statements.

Overall satisfaction with a service received is more positive and was reasonably steady across 2024/25. In March 2024, it stood at 74.6% and had fallen slightly to **73.9%** in March 2025.

Alongside tenant satisfaction measures data, we also provide quarterly performance updates on our website, focusing on statistics our residents told us were most important to them.

At the same time, we undertook to share quarterly updates on progress against our regulatory compliance plan. The first of those updates was published at the end of June 2025 and showed positive progress for each of the 11 workstreams but we are aware there is a lot more to do.





# Better connections

This section focuses on progress against the better connections strand of our Better Together strategy during 2024/25. Better connections includes six outcomes we need to deliver if we are truly to focus on what matters most to the 130,000 residents who live in one of our homes. Those outcomes are broadly complemented by three of the workstreams in our regulatory compliance plan to address areas where we need to improve further to meet the requirements of the regulator's consumer standards.

## Better Together outcomes

Fixing problems fast and well

Listening to our residents and acting in response

Fair, predictable and easy-to-pay housing costs

Residents feel their house is a home

Residents feel safe in their home and communities

We take care of the property and place, today and for the future

## Aligned regulatory compliance plan workstreams

Repairs: to provide an effective, efficient and timely repairs and maintenance service across all homes and communal areas

Complaints: to ensure complaints are addressed fairly, effectively, and promptly and that we act on lessons learned

Resident involvement and engagement: to evaluate our new resident involvement model to check it is delivering as originally intended and demonstrate we take resident views into account when making decisions about how we provide services

## Reshaping customer-facing activities

In October 2024, we completed several months of preparatory work to refresh how we deliver customer-facing services, with the aim of ensuring we are focusing on what really matters to our residents. By March 2025, we were starting to see improvements in some key areas. But we also know that the model will need further review and refinement if it is more fully to support our ambition to become a genuinely customer-focused organisation. For 2025/26, that work will be led by a chief customer officer, a new role at executive board level to ensure this critical area has the leadership and focus it requires.

Under the current model, local officers – housing officers, property managers and building managers – remain responsible for most day-to-day interactions with residents in specific patches, with slight variations according to the specific role. They are complemented by a central customer service centre, which provides support and assistance to residents via phone, livechat and social channels. Colleagues in the customer service centre offer first-contact resolution or capture enquiries for local officers or specialist teams, and deal with out-of-hours emergency requests.

Local officers and the customer service centre are additionally supported by larger and more specialist teams introduced fully during 2024/25. Those teams cover repairs, complaints, and service charges and legal services.



# 85.7%

Annual visits by local officers to residents in their homes increased from 77.9% in March 2024 to a record high of 85.7% a year later.

# 89.3%

For anti-social behaviour, the percentage of cases updated within our 10 working day target rose from 60.6% to 89.3% over the same period.

## Repairs

In 2024/25, we spent **£116 million** on day-to-day repairs and completed **147,000** cases.

Colleagues in our 41-strong new repairs hub now pick up all new cases and support operational colleagues to deal with them, streamlining repair processes, enhancing efficiency and improving service delivery. In April 2024, the month before the team started work, customer satisfaction with their most recent repair was at 77.8%. By March 2025, it had reached **81.7%**.

Our existing repairs contract for third-party suppliers is coming to an end early in 2026, so we are taking the opportunity to improve how we run this critical service. We engaged extensively with residents in autumn 2024 to fully understand their priorities for any new repairs service. An initial survey returned by around 1,500 people and resident workshops identified three core requirements:

- Completing a repair on the first visit
- Contractors attending on time
- Contractor communications with customers

To meet those needs, work is underway to procure a larger number of main contractors than the two we currently use for day-to-day repairs activities. Having several partners covering our London regions will allow us to drive healthy competition between them, moving repairs between contractors and across regions where necessary.

We also plan to introduce a small in-house team of multi-skilled operatives directly employed by us, potentially based in areas with a dense population of our homes.

# 69.6%

First-time fixes increased from 63.8% in March 2024 to 69.6% a year later.

# 74%

Standard repairs completed on time rose slightly from 73.5% to 74% over the same period.

# 91.9%

For emergency repairs completed on time, there was also a small increase, from 91.5% in March 2024 to 91.9% in March 2025.

## Complaints

Managing complaints quickly and effectively remains a challenge. During 2024/25, we invested significantly in a centralised complaints team to create a more specialist and better resourced team.

It will take time to realise the full benefit of our centralised approach, largely due to an increased volume of complaints. In March 2024, the number of stage 1 complaints received per 1,000 homes in management in the last month was 3.9. By March 2025, that figure had more than trebled to **13.1**. This increased volume, along with the greater complexity of many of the issues raised meant that the percentage of both stage 1 and stage 2 complaints responded to on time also fell over the year. In March 2024, we responded to 71.5% of stage 1 complaints within 10 days or to a timescale agreed with the resident, compared to **65.3%** in March 2025. Similarly, the percentage of stage 2 complaints responded to within 20 days or to a timescale agreed with the resident fell from 76.8% to **64.1%** over the same period.

More positively, detrimental findings of maladministration or service failure as a percentage of all findings fell from 73.1% in March 2024 to **64.8%** in March 2025.

As required by the housing ombudsman's complaint handling code, we will publish a full complaints performance report for 2024/25 on our website in September 2025. The report will complement our self-assessment of how we're performing against the ombudsman's code of conduct.



## Resident involvement and engagement

Two residents are members of our group board, helping to ensure that customer voices are heard at the most senior level of our organisation.

We introduced a new approach to resident involvement at the start of 2024/25, following consultation with residents themselves and reflecting the requirements of the regulator's refreshed consumer standards. The new approach focuses on projects and activities that deliver more strategic and measurable outcomes for residents and their homes at the same time as seeking to help increase the representation of our residents in our engagement and involvement activities, particularly at a local neighbourhood level.

It supports task-and-finish activities and one-off projects or consultations as well as local engagement opportunities, with groups reporting outcomes and actions to our resident forum (formerly the resident voices group) for scrutiny and oversight.

Chaired by board member Emma-Louise Stewart, who is a resident, the forum feeds into our operations (now customer) committee, a sub-committee of the group board. Emma-Louise works alongside 13 other forum members, selected from a field of **310 residents** who put themselves forward to join the group, which has three core roles:

- To connect resident experiences to our board, ensuring they listen, act, and respond to feedback

- Recommending service improvement projects, informed by the scrutiny of performance data and resident insight and feedback
- To provide oversight and assess the impact of the resident involvement and engagement programme

After an extensive training and induction programme, the resident forum met formally for the first time in February 2025 to consider key service performance areas and data, alongside an initial focus on complaints – one of the key areas the forum has identified to examine in their first year.

## Supporting our residents

Our tenancy sustainment team work closely with residents to help them manage their finances and pay their rent. We offer a bespoke cost-of-living support page on our website where residents can check they're claiming everything they're entitled to, alongside details about other support available and signposting to partner organisations.

Our benefits advisers host monthly pop-in sessions for any residents who would like to raise questions or concerns about benefits or benefit letters. During 2024/25, we estimate that our advisers supported residents to claim outstanding benefits totalling more than **£5 million**, helping them to remain in their homes.



# 199

newly involved residents

# 400+

residents engaged with us through wider resident events, meetings and drop-in sessions.

# 161

recommendations for improvement made, with 92% linking to Together with Tenants principles

# 310

applications for our resident forum

# 742

signed up for monthly resident involvement and engagement bulletin



# Better homes



This section focuses on progress against the better homes strand of our Better Together strategy during 2024/25. Better homes includes five outcomes we need to deliver if we are truly to focus on what matters most to the 130,000 residents who live in one of our homes. Those outcomes are broadly complemented by four of the workstreams in our regulatory compliance plan to address areas where we need to improve further to meet the requirements of the regulator's consumer standards.

## Better Together outcomes

Improve our homes to an enhanced standard

Harness and improve our data to ensure safety, compliance and sound decisions

Transfer or sell poorly performing homes

Deliver improvements within the existing budget

Enhance customer experience at every opportunity

## Aligned regulatory compliance plan workstreams

Fire remediation: to ensure we have a clear risk-based approach to managing fire risk actions

Stock condition and decency: to ensure the information we hold about our homes enables us to identify risks to resident safety and comply with the decent homes standard, and accurately informs our asset investment plans

Damp and mould: to ensure all damp and mould cases are accurately reported and recorded and there is sufficient capacity and capability so they are dealt with in accordance with legal requirements as set out in legislation, including timescales mandated under Awaab's law

Third-party managing agents: to improve our oversight and reporting for buildings that are managed by third-party managing agents and provide assurance that any health and safety risks are being managed effectively

## Investing in our existing homes

Our programme to ensure every one of our residents lives in a warm, safe and comfortable home continued throughout 2024/25, powered by **£800 million of investment over a 10-year period.**

### Planned investment programme

This year, we spent **£33 million** through our planned investment programme and improved a

total of **2,245 homes**. Improvements included **503** upgraded kitchens and bathrooms, **275** loft insulations, **780** A-rated boilers and **680** new windows.

### Warmer homes programme

We secured almost **£5.3 million** through wave three of the government's social housing fund for warm homes, plus a share of almost £78 million as one of 27 housing providers in a strategic partnership led by the London Borough of Camden. The funding is supporting our warmer homes programme, which focuses on our least



energy-efficient homes – those with an energy performance certificate of D or lower. Residents whose homes were improved using funding from earlier waves have responded positively to the improvement works, noticing immediately that their homes were warmer and their heating bills lower.

### Dealing effectively with damp and mould

Our drive to deal quickly and efficiently with cases of damp and mould in residents' homes continued throughout 2024/25. Cases typically increase over the colder winter months, so we refreshed information both for residents and colleagues in October 2024, reminding them of the various resources available to help address instances of damp and mould and of how to report concerns.

In February 2025, the government confirmed the timelines for the implementation of Awaab's law, which will introduce time limits for social landlords, including us, to respond to potential hazards related to damp and mould in residents' homes from October 2025.

To help us prepare, we updated our workflow for raising damp and mould inspection cases to make recording such cases as simple as possible and remove the need for a visit wherever appropriate so that repairs can be raised more quickly. We also set up mandatory damp and mould training sessions for local officers and contacted around **10,000 residents** to check on known historic or current cases of damp and mould in their home to confirm that any required works had been completed and resolved the issue.

**79.9%**

Damp and mould visits completed within 10 working days increased to 79.9% compared to 71.5% in March 2024.

**99.62%**

The percentage of our homes that meet the decent homes standard rose from 99% in March 2024 to 99.62% a year later.

**54.1%**

Customer satisfaction with planned investment activities increased to 54.1% in March 2025 compared to 45% in March 2024.

**8,817**

We exceeded our target of completing 8,500 stock condition surveys, with a year-end total of 8,817. This means 70.3% of homes have been surveyed within the last five years.

**98.1% | 94.9%**

Data quality of key components and of our investment forecast finished the year at 98.1% and 94.9% respectively, above target in both cases.

## Enhancing standards

### Whole-house retrofit project

Our whole-house retrofit project is taking a new approach to delivering improvements at the same time as maximising the impact of our funds. Homes in the project are transferred to the ownership of Springboard Two, a subsidiary of the wider Notting Hill Genesis group, allowing us to bring forward cyclical works so residents benefit from upgrades sooner than would otherwise be possible.

Following a successful pilot during 2023/24, work started during 2024/25 in five further locations. For each scheme, we work closely with residents to consider the whole home, picking up both external and internal requirements. Precise details vary across projects, but typically include roof renewals, window and door replacements and/or repairs, brick façade fixes, electrical installations and upgrades to communal areas. Where required, we also replace boilers, kitchens and bathrooms.

The whole-house approach delivers homes that look and feel better and should need fewer repairs in future. It also means that properties are improved to energy performance certificate (EPC) C, resulting in lower energy bills for residents and helping us deliver our sustainability agenda.

### Renew programme

We continued to offer moves to newly refurbished homes under our Renew programme during 2024/25 and met a significant milestone with the completion of work to the 500th home in the scheme.



Under Renew, our teams identify homes that perform poorly, either financially or in terms of customer experience and offer those who live in them the chance to move to a newly refurbished property. Homes in the Renew programme are upgraded to a higher standard than required statutorily, with any investment we might need to make over the next few years being brought forward and completed while the home is empty, rather than disrupting residents at a later date. Once residents move out, their former homes are either enhanced to the Renew standard for another customer or sold, with the proceeds going back into the programme to help fund further improvements.

### New heating and hot water contracts

In September 2024, we introduced new domestic heating and hot water contracts to help improve the quality of service delivered to residents. The new contracts include flexible appointment slots and a guarantee that there will be no extra cost for making good or enabling works.

Suppliers receive financial bonuses or penalties based on their performance against the contractual key performance indicators and offer apprenticeship opportunities to residents and schools in the areas where we work.

Contractor staff work in our offices three days a week to improve communication between them and our local teams and all operatives have co-branded identification badges, uniforms and vehicles so residents feel safe knowing they are representing Notting Hill Genesis.



## 573

Under our Renew programme, we refurbished 374 homes to an enhanced standard, bringing the total since the programme began to 573, and supported 90 households to move to recently refurbished properties.

## Building safety improvements

### Delivering the Golden Thread programme

In July 2024, we reached a significant milestone in our goal to ensure residents feel safe in their homes, with the formal closure of our Golden Thread programme. Introduced in April 2022, the programme aimed to implement the requirements of the new Building Safety Act, itself a response to the Grenfell Tower tragedy in 2017.

Since then, we have reviewed existing policies and procedures, implemented new ones where necessary and met the deadline for registering all our higher-risk buildings with the new building safety regulator.

The team have also introduced a suite of Better Buildings tools, providing all colleagues with quicker access to core data and documents to help them make informed decisions about the buildings we manage, to reassure residents that they are safe in their homes, and to call out things that don't look right.

The programme additionally saw the introduction of a new team of building safety managers. Each of them manages a set number of high-rise buildings within a specific area. They ensure risks are identified and mitigated, conduct assurance checks and on-site inspections and actively engage on safety issues with those who live in the building.

A lot of their work involves looking at the data we have available for each building and putting all this information in one place. This gives them a better idea of how safe buildings are and what they needed to do to meet compliance, and

helps us create building safety cases as required by the building safety regulator.

In June 2024, our Golden Thread programme won building safety initiative of the year at the ASCP Safety and Compliance awards.

### Building safety remediation programme

We continue to make steady progress with our remedial works programme for buildings identified as requiring further investigations or work to make them safe. Of the 172 blocks that require further work, **47** have been completed and work is underway (but not necessarily on site) on a further **70**.

For the next phase in the programme, we will assess another 17 blocks, which are generally lower rise and lower risk.

Our initial estimate of **£173 million** to complete remediation work has proved robust. At the start of the programme, we agreed that we would not ask residents to pay any of the costs of fire remediation to the external wall of their blocks, or to balconies where they have been deemed to pose a risk of spreading a fire. We continue to recover our costs wherever possible from the national building safety fund or the original contractors and have secured almost **£76 million** to date from those sources, which is additional to the £173 million net estimation mentioned above.

## Safety standard compliance

We made significant progress on overdue fire risk hazards during 2024/25. At year-end, the percentage of blocks with an in-date fire risk assessment and no overdue actions had increased to **86.2%** compared to 72.56% in March 2024. This figure falls short of our target of 100% but puts us on a good trajectory. At the same time, all fire risk assessments themselves have been completed within the deadline set since November 2023.

As well as fire risk, we measure compliance with seven other standard compliance measures. Those cover landlord gas safety records, domestic and communal electrical certificates, water safety risk assessments, communal asbestos surveys, and passenger and domestic lift statutory inspections. At year-end, we met or were within tolerance for all but two of those seven measures – homes with a gas servicing certificate as a percentage of those requiring one stood at **99.93%**, the same as in March 2024. At the same time, the percentage of domestic buildings with an up-to-date electrical installation condition report (EICR) certificate without outstanding category 1 or 2 defects fell slightly from 98.74% to **97.29%** in March 2024 and March 2025 respectively.

We have worked closely with our appointed agents and other service providers this year to assure the safety of our residents. This enabled us to report a much improved position in relation to building safety measures this year when submitting our tenant satisfaction measures to the regulator of social housing.

# 1,058

Overdue actions following a fire risk assessment fell steadily throughout the year, reducing by more than half from 2,375 in March 2024 to 1,058 in March 2025.

# 100%

The percentage of blocks with a communal electrical installation condition report (EICR) certificate without outstanding category 1 or 2 defects hit our 100% target at year-end.

# 100%

The percentage of passenger lifts with an in-date statutory inspection was steady all year and met our 100% target at March 2025.

By year end, in relation to gas, water and fire safety we held compliant certificates for over **98%** of our homes managed by appointed agents. In all three of these areas we also had significant improvements in buildings with components managed by third parties with all three being above **90%**.



# Better places



This section focuses on progress against the better places strand of our Better Together strategy during 2024/25. Better places includes three outcomes we need to deliver if we are truly to focus on what matters most to our 130,000 residents as well as creating much-needed new homes for Londoners. There are no complementary workstreams in our regulatory compliance plan for better places, but we expect the delivery of those associated with better connections and homes to significantly support our ambitions for this theme.

## Better Together outcomes

Customers who love where they live and have pride in it

Estates that meet our new standards

Creating a sense of community

### New homes

To ensure we can continue to invest in existing homes as necessary, we decided to temporarily reduce our new homes programme during 2024/25. Our refreshed programme focuses on our regeneration schemes and other projects to which we are already committed. That means we will deliver around **3,000 new homes over the next five years** and continue to play our part in addressing London's housing shortage.

We are confident that this is a pragmatic response that will create a more sustainable development and sales business and reduce organisational debt, crucial to maintaining financial resilience. We are equally confident that we will be able to return to building more social homes in the future, an aspiration that was bolstered by positive announcements on the national affordable homes programme in the government's spending review in June 2025.

#### Supporting rough sleepers

We worked closely with the Greater London Authority during 2024/25 to provide homes for **45** rough sleepers in three central London boroughs using funds from the government's Single Homelessness Accommodation Programme (SHAP).

## 786

We completed 786 new homes, including 380 for low-cost rental and 253 for shared ownership.

## 359

Work started on site for a further 359 homes, all but nine for low-cost rental.

## 366

Plots acquired for 366 new homes, of which 357 will be for low-cost rental.

This initiative will see **30** one-bedroom homes made available to vulnerable homeless people in Camden and Westminster, with a further **15** in Tower Hamlets.

Each tenant, nominated by the local authority, receives a three-year assured tenancy so they have a secure place from which to build their future. Once Notting Hill Genesis has purchased the homes, they are refurbished to a high

standard including enhancements to improve their energy efficiency to make them warm and affordable to run.

Our supported housing team, which is highly experienced in working with vulnerable residents and rough sleepers, are working alongside appointed support providers to ensure a tailored service to meet each tenant's individual needs. This could include considerations about connections to the local area, any adaptations required to their home to ensure safety and creating a risk management plan.

At the end of the three-year tenancy, it is hoped the resident will be ready to be supported into social housing, whether via Notting Hill Genesis or the local authority.

## Estates that meet our new standards

Our NHG Places model is now fully embedded across 21 of our larger estates, which totals around 10,000 homes. Estates in the NHG Places portfolio are managed in a holistic and tenure-blind way that meets the needs of residents and the local community. Each scheme has a named estate operations manager who co-ordinates issues such as communal repairs and concierges so that local officers can focus more fully on their responsibilities.

During 2024/25, we started to run 'rate your estate' relationship surveys to measure customer satisfaction with their experience of living in an NHG Places neighbourhood. In March 2025, satisfaction stood at **42.5%** against a target of 50%.

## Managing more complex buildings

Launched in 2022, our complex buildings programme covers estates with multiple problems that result in a poor experience, both for the people who live in them and the colleagues who work with those residents. Historically, various issues were managed by different teams across our organisation rather than as a whole. Now, issues at buildings in the programme are managed like a project, bringing the strands together and co-ordinating activities to resolve them.

In 2024/25, we were able to remove three estates from the programme. At the Exchange in Bermondsey, we have completed cladding replacement and improved the performance of the heat and hot water system across the estate, reducing frustration for residents. In June 2025, we settled a group claim with residents at the Exchange, with the developer paying all the claimants' legal fees and compensation.

Goswell Road in Islington also left the programme this year following the resolution of issues around smoke alarm installation and remediation work to fire doors. Similarly, we've dealt successfully with several matters at City Park West in Chelmsford, including problems with the automatic opening vents, sprinkler system and various other vents in the buildings. Valuable lessons were learned about the need to ensure systems are compliant with safety standards at handover, and the importance of keeping residents regularly updated so they understand the need for work and how we're keeping them safe.





## Creating a sense of community

We continue to make good progress on our regeneration programmes at the Aylesbury estate in Southwark, Grahame Park in Barnet and Woodberry Down in Hackney. In all three locations, we are not only providing new homes, but working closely with local authorities and other partners to ensure local people benefit from associated social and economic opportunities. A full breakdown of socio-economic interventions at each scheme is included in our environmental, social and governance report, available on our website.

Our socio-economic activities also support more cohesive communities. Our teams work with local authorities, community groups and contractors on a range of initiatives to bring neighbours together and support them to build new skills. Examples include festivals and cultural events, bike-fixing workshops, coding courses and gardening clubs, as well as resident artworks for hoardings and other community spaces.

The impact of such activities was recognised in a Social Life report on residents' experiences of living at Grahame Park. Published in May 2024, which noted a strong sense of community across all tenures.

At the Aylesbury, we reached an important milestone during 2024/25 with the opening of the new Harold Moody health centre, largely completing a new neighbourhood hub for the estate. Plot 18, as this phase of the programme is known, has already seen us deliver **99** new homes for market rent and **23** affordable rented homes for the over-55s alongside a new library and commercial premises.



Across our three regeneration schemes we helped:

**247**  
residents into employment

**742**  
into training

**112**  
into apprenticeship schemes or work experience

## Focusing on London

Our strategic goal of focusing all our activities on London remains, to reduce the challenges associated with managing geographically diverse services and ensure residents are better served by more local providers with a deeper understanding of their area. To that end, we continued to progress our plans to transfer our remaining homes in Hertfordshire and Essex to more local or specialist providers during 2024/25.

We communicate regularly with our residents in those locations to keep them up to date and will consult fully with them in advance of any transfers taking place. Such consultation sets out the proposed changes and reassures residents that they will make no difference to their day-to-day lives or security of tenancy. As part of the process, we set out the actual and potential advantages and disadvantages of the transfer and explain how consultation responses will be taken into account in reaching a decision.



## Enabling themes

This section provides an overview of progress against two of the three enabling themes set out in our Better Together strategy. The third, finances and value-for-money, is covered in the financial report later in this document. Good governance and risk management are also core to delivering our strategic objectives and to restoring compliance with the regulator's governance standard. These are covered in greater detail in the next section of this document.

### Better Together outcomes

People

Technology, digital transformation and data

### Aligned regulatory compliance plan workstreams

People and culture: to ensure stakeholders, including colleagues, are kept informed and engaged as necessary and that we have the right culture, with residents at its heart, to deliver our plans.

## People and culture

### Key statistics

Our overall headcount increased during 2024/25, ending the year at 1,634, largely due to extra recruitment in our customer-facing teams to support improved services to residents. The vast majority of colleagues are on permanent contracts, with just 181.8 agency workers and 62 colleagues on fixed-term contracts at year-end. Only eight colleagues on fixed-term contracts have more than 12 months remaining, suggesting that such contracts are being used as intended for work expected to be short term in nature. We continue to focus on reducing agency use and spend but do not expect the results to be seen in earnest until 2025/26.

We saw redundancies during 2024/25 following our decision to temporarily reduce our new homes programme and a restructure of our finance team as part of our Better Together Finance programme. Designed to support the delivery of our wider corporate strategy, Better Together Finance aims to transform how our

finance team works, creating a new operating model in the directorate alongside new processes and best practice ways of working, all enhanced by a new finance system (see page 17).

Excluding redundancies, the volume of leavers fell during 2024/25, while voluntary turnover remained consistent at between 9 and 10%.

Short-term absence rates due to sickness were steady during the year at just under five days per person per year. For all sickness, we saw a reduction to 10.4 days a year by the end of March 2025, bringing us into line with the average across the UK, as reported by the Chartered Institute of Personnel and Development (CIPD). This was due to recent work to proactively manage long-term sickness cases.

Compliance with the completion of statutory training modules remains high at 99.4% but is below our expectation of 100%. Mandatory module completion compliance is similar at 95.2%. Considering colleagues rather than module compliance, the overall rate is 81.8%. Compliance with employee health and safety training is just short of the 100% we expect, and



along with other training compliance, is being addressed with the business through business partners in our human resources team.

## Colleague engagement

In 2024/25, we used an established external employee engagement survey to assess how colleagues feel about working for us, in place of our usual staff satisfaction survey. Developed by Gallup, a leading global analytics and advisory firm, the survey asked 12 standard questions, which research shows are the most effective to measure employee engagement.

Our results showed that our people are mission driven and that we have a caring culture. Colleagues find meaning in our purpose and feel cared for by managers or others at work. Conversely, the survey showed that we have more to do in providing clarity on expectations of our people and ensuring that we have the right culture and practical tools so they can do their best every day.

Beyond the annual survey, we have a range of engagement opportunities for colleagues. Our executive team host town hall sessions every other month and we hold an annual conference for the whole organisation. Alongside updates, achievements over the past year and priorities for the future, the conference includes colleague recognition awards across a range of categories.

We work hard to empower our people managers to manage their teams well and be the centre of internal communications for their staff. We have a clear set of manager standards, setting out expectations for colleagues at this level and provide them with a monthly briefing alongside a



presentation pack to present key corporate news and developments to their teams. In September 2024, we introduced the first in a series of bite-size top revision topics to refresh our managers' understanding of some basic processes, including sickness absence management and requests for reasonable adjustments. The series follows the school year, with three revision topics each term and a quiz at the end of each term to check what has been learned.

For new starters, we refreshed corporate induction during 2024/25. Building on our earlier management development programme, the induction aims to improve new starters' experience of joining us and embed our Better Together strategic priorities and performance culture from the outset. There are four modules for all new colleagues, with an extra module for anyone with line management responsibilities. Completing all the induction modules is a requirement of the probation period and they must all be completed within the first two months in post.

## Supporting our colleagues

We have a range of resources to support our people with financial, physical and mental wellbeing. These include a new benefit introduced in 2024/25 to help colleagues save money on household bills, access to a free flu voucher on the NHS, and our regular programme of exercise classes and activities. In October 2024, we ran our first benefits roadshow, a chance for colleagues to meet some of our key providers and find out more about the services available.

In addition, our five staff networks provide valuable support to ensure wellbeing and inclusion at work. Covering women, ethnic diversity, disability, carers and LGBTQ+, our networks help colleagues from diverse backgrounds to feel seen and understood and offer an essential window into the lived experience of our equally diverse residents.

Between them, the networks provide a

comprehensive programme of activities and work behind the scenes to influence policies, procedures and change programmes to ensure that how we work is inclusive and reflects the diverse needs of our colleagues.

## Technology, digital transformation and data

### Improving our housing management portal

During 2024/25, we implemented a new approach to support the future development of our housing management portal, known internally as WorkWise. The new arrangement provides better value for money at the same time as enabling new features and enhancements to support colleagues in providing a better service to their customers.

Under the new approach, a specialist software development company owned jointly by us and Neotech Solutions Ltd maintains the WorkWise platform and supports its future development, meaning that we no longer need to devote in-house resource to this. Instead, we have been able to redirect colleagues in our digital and technology teams to focus on other priorities to support the delivery of our Better Together outcomes and meet regulatory obligations.

At the same time, the involvement of Neotech Solutions should provide more opportunities to sell WorkWise to other companies in future, ensuring that our initial investment benefits the wider housing association sector and its residents. Neotech are a professionally managed technology business operating in the housing

sector, which means they have different relationships and access to a wider pool of potential buyers than we do as a not-for-profit housing provider.

We also introduced a new app to make it easier to handle new feature requests, approvals, and prioritisation for the portal's future development. The app lets nominated individuals submit ideas and feature requests from their directorates. Each submission goes through a workflow for approval by key decision-makers to ensure the development team are focusing on the right areas.

### Supporting a better customer experience

We introduced Voice of Our Customer, a new resident insight platform, during 2024/25 to help us turn resident feedback into meaningful improvement where it counts most. The new platform, which replaces a previous transactional survey tool, allows us to improve how we listen and act in response to customer feedback and better understand our customer experience when interacting with us.

After we handle certain requests made through My Account, take or return calls or visit residents in their home, a short survey is triggered. The surveys are quick and easy to fill out and responses directly influence how we improve our services. We also send quarterly estate surveys to our residents on our larger estates, asking how they feel about living there.

Colleagues now use dashboards that keep tabs on what our customers tell us via the Voice of Our Customer surveys. These help our managers oversee the service that staff and contractors

offer our residents and when something has gone wrong, we do our best to put it right.

### New finance system and service charge enhancements

Work continued throughout the year to introduce a new finance system, automating routine tasks wherever practical and replacing our outdated and often cumbersome previous platforms. We are in the process of embedding the new system, which will ultimately enhance efficiency and accuracy in our financial operations.

For service charges, the cause of significant resident dissatisfaction, we continue to improve our systems and processes. Developments during 2024/25 include the introduction of a new service charge performance dashboard, providing quick insights into spending variances across schemes, progress on completed reviews, and status updates on section 20b notices. At the same time, we created a new service charge knowledge hub, which includes step-by-step guides for account management, practical checklists, guidance on expenditure reviews and best practice examples.

Separately, we added a new feature to the actuals review area of our service charge app to show exactly when expenditure was last checked and enable patch holders to confirm when they have completed a review and whether the accounts are up to date. The new app feature also feeds into a new Power BI report to help managers see which accounts are up to date and which of their people they might need to remind to complete their checks.



# Looking ahead

For 2025/26, we have identified five core focus areas, all of which build in our Better Together strategy and take account of the requirements set out in our regulatory compliance plan.



We will continue to report performance in line with that plan through our Better Together scorecard, which is presented monthly to our executive board and quarterly to our operations committee and group board.

# Key performance indicators

This table provides a snapshot of some of the performance indicators which are considered regularly by the board and are used by the board and the executive team to measure performance and drive improvements.

Key performance indicator (KPI)	2024/25 Performance	2024/25 Target	2023/24 Performance	2023/24 Target	Commentary
Rent collection rate over 12 months	99.0%	100.0%	98.8%	100.0%	At the end of the year, rent collection was within tolerance of target at 99.0%.
Current tenant rent arrears	5.6%	4.8%	5.5%	4.7%	The level of tenant rent arrears increased from 5.5% in April to finish the year at 5.6%.
Occupancy rate	99.1%	99.2%	99.3%	98.8%	The occupancy rate finished 2024/25 within tolerance of target.
Transactional customer satisfaction	73.9%	80.0%	74.6%	80.0%	Regular transactional surveys are carried out with our residents to obtain feedback which assists us in making changes to the services we provide. Customer satisfaction finished the year below the 80% target.
Customer satisfaction – perception	47.2%	50.0%	48.4%	54.1%	This overall perception measure is in response to the question: "Taking everything into account, how satisfied or dissatisfied are you with the service provided by Notting Hill Genesis?"
Percentage of homes visited within the last 12 months	85.7%	95.0%	77.9%	100%	We expect all homes in our general needs, temporary housing and keyworker businesses to be visited at least once a year by their local officer.
Percentage of standard repairs that were completed in time (within 20 working days)	74.0%	87.0%	73.5%	86%	We additionally report performance against first-time fixes and emergency repairs made safe within 24 hours to provide a full picture of our responsive repairs activity.
Ombudsman findings of maladministration or service failure as % of all findings	64.6%	-	58.3%	-	The number of cases remains high across the sector as the ombudsman continues to increase publicity of its work.
Percentage of properties meeting the decent homes standard	99.6%	100.0%	99.0%	99.75%	Decent homes improved during 2024/25 to finish the year within tolerance of target at 99.62%. The decent homes standard is a national measure that sets minimum standards for the condition of social homes.
Number of homes improved to energy performance certificate (EPC) level C	832	1,428	301	900	832 homes were brought up to standard through 2024/25, below the 1,428 target.
Percentage of homes with a valid gas certificate	99.9%	100.0%	99.9%	100.0%	The substantial majority of our homes have valid gas certificates with only 22 outstanding at the end of the year due to access issues.
Percentage of buildings with both an in-date fire risk assessment and no overdue actions	86.3%	100.0%	72.6%	100.0%	Overall compliance finished the year at 86.3%. 100% of blocks have a valid FRA alongside 1,058 overdue actions at year-end, 1,317 less overdue actions than the previous year-end.
Homes started	359	448	858	321	This year saw a total of 359 starts on site, against a target of 448.
Homes completed	786	1,203	824	1,281	786 new homes were delivered this year, short of target with four schemes moved into the new financial year.



# Chief financial officer's report



The Notting Hill Genesis group remains in a strong position. Despite the persistently challenging economic backdrop, our underlying performance is improving, while demand for affordable housing in London has never been higher. Our cost base is becoming more efficient, and we continue to have a strong balance sheet with good levels of liquidity, supported by our successful raise of £250m funding. At the same time, our overall financial performance in 2024/25 was materially affected by some significant one-off non-cash items. This has meant that for the year to 31 March 2025 we are reporting a deficit before tax of £(129.5) million.

We remain committed to delivering much-needed improvements and upgrades to our residents' homes, as set out in our Better Together strategy. We are focused on improving our residents' lives through better connections, homes and places and although the scale of change required is significant, we remain committed to this mission, underpinned by a significant investment in our estate over the next 10 years.

Table 1 - Analysis of group surplus

		2025 £m	2024 £m	2023 £m	2022 £m
<b>Core operating surplus</b>					
Turnover – excluding sales	Group turnover increased primarily due to an increase in rent inflation	666.8	637.6	612.0	582.0
Operating costs	Cost inflation is being offset with efficiency savings	(533.3)	(528.5)	(485.2)	(427.5)
<b>Total margin</b>		<b>133.5</b>	<b>109.1</b>	<b>126.8</b>	<b>154.5</b>
Margin percentage		20%	17%	21%	27%
<b>One-off items:</b>					
Provisions and impairments	This relates to fire remediation works provision and associated impairment as well as impairment from specific development scheme challenges	(42.1)	(83.0)	(4.7)	10.6
De-recognition of financial assets	These relate to time-barred service charge debtor	-	(21.2)	-	-
Exit from pension scheme	Exit from SHPS multi-employer pension scheme	-	(3.7)	-	-
Increase in financial asset	Surplus as a result of Greater London Authority overage agreement	-	6.4	-	-
		<b>91.4</b>	<b>7.6</b>	<b>122.1</b>	<b>165.1</b>
<b>Sales and investment surplus</b>					
Fair value gains – investment properties	Values have decreased in market rent and commercial rent portfolio	(119.2)	(10.1)	36.3	4.8
Surplus from joint ventures	This year we sold a lower number of private units, but the surplus includes fair valuation of investment in associate	1.9	14.6	8.2	1.0
Surplus on disposal of assets	There has been a decrease in the number of units staircased	45.9	29.0	50.8	49.2
Development and sales	Deficit caused by reduction in development services income and landbank sales	(14.5)	(8.1)	0.5	10.6
		<b>(85.9)</b>	<b>25.4</b>	<b>95.8</b>	<b>65.6</b>
<b>Results from financing activities</b>					
Net financing costs	Increase due to lower derivatives benefit	(135.0)	(123.2)	(111.8)	(117.8)
<b>(Deficit)/surplus before tax</b>		<b>(129.5)</b>	<b>(90.2)</b>	<b>106.1</b>	<b>112.9</b>

## Financial results for 2024/25

Overall, group turnover including sales increased from £711.8 million in the year to 31 March 2024, to £717.9 million in the year to 31 March 2025. The increase of £6.1 million can largely be explained by the £16.5 million decrease in sales revenues resulting from the timing of our development programme, offset by rental inflation. Sales revenue of £50.7 million (2024: £67.2 million) was offset by an increase in rental income of £29.4 million to £522.1 million (2024: £492.7 million). The overall deficit before tax and after interest was £(129.5) million, compared to a deficit of £(90.2) million in 2024. That said, the underlying operational performance improved year-on-year by 21% when allowing for sales timings. The analysis in table 1 details the breakdown of the deficit of £(129.5) million, together with the comparatives for the year ended 31 March 2024.

Table 2 – Analysis of unsold homes

Category	Shared ownership	Private sale	2024/25 Total	2023/24 Total
Unsold homes as at 1 April	50	-	50	33
Homes completed – as originally intended	254	-	254	329
Other homes removed	-	-	-	(38)
Homes transferred -other	-	-	-	(14)
Homes sold on a plot by plot basis	(180)	-	(180)	(121)
Bulk sale to private investor	-	-	-	(139)
<b>Unsold homes as at 31 March (Units)</b>	<b>124</b>	<b>-</b>	<b>124</b>	<b>50</b>

### Sales of unsold homes

We started the financial year with 50 unsold homes and took handover of an additional 254 homes (254 shared ownership and zero private sales) during the year. As at 31 March 2025 only 124 homes were unsold.

### Sales margins

The margin on our private sales was 2% (2024: 26%) and on our shared ownership first-tranche sales was 16% (2024: 17%).

The deficit outcome on private sales was as a result of impairment costs across the schemes. Shared ownership margins are holding well in the face of a challenging external environment.

### Exceptional items

There were no exception cost items in 2024/25.

#### *Major repairs, impairment and stock write-downs*

We have a diverse portfolio of properties which vary in age, tenure and type including several high-rise buildings. All properties were built in accordance with building regulations and accepted practices at the time, but regulations have since changed and we are committed to complying with the latest standards. We provide for the costs of fire safety works to the extent that we have a legal or constructive obligation and costs can be reliably estimated.

Fire safety assessment and remediation continues across the portfolio, to comply with the updated government regulation. The associated impairment and stock write-downs continue to be assessed on the impacted properties, in line with previous years treatment. Although this drives part of the deficit for the year, it provides even further confidence on the level of certainty over our financial exposure.

We have now secured reliable estimates for 129 of the 146 buildings from our development team and these costs remain at £173 million over the next seven years on a net basis. The net figure takes into account potential recoveries from the building safety fund, contractors, and the National House Building Council (NHBC). This cost has been clearly identified and incorporated into the 30-year strategic business plan. Additional in-depth intrusive surveys have continued to take



place and we have made further considerations of possible unforeseen issues arising during the project and potential cost increases due to inflation.

In line with the accounting requirements, we have also carried out an impairment review of our homes given the impact any fire remediation work could have on the value of those assets. We have analysed homes both in the course of construction and completed units, which resulted in us setting aside as provisions or writing off as impairment (see note 22).

Pension liabilities

Actuarial pensions movements are £3.6 million adverse for the year (2024: £11.9 million adverse). Defined benefit liabilities total £20.7 million (2024: £24.9m). The group board continues to evaluate routes to mitigate future risk.

Going concern

We regularly stress test our financial plans to ensure we are resilient to changes in economic assumptions in relation to internal and external factors. Our strong liquidity remains, with £586.1 million available to us, which provides more than three years of headroom. At the same time, we have significant gearing headroom which currently sits at 39.5% against a limit of 75%.

Therefore, we are satisfied that the group has access to the funds required to continue its operations for the foreseeable future.

This has been robustly tested through an increased number of different scenarios to our

base strategic plan, which supports our funding requirements into the coming years.

We have also successfully raised new capital in the Private Placement market, despite our non-compliant regulatory position.

Credit agency ratings

We are rated by Standard and Poor’s (S&P) and Fitch. On 13 September 2024, S&P reaffirmed our rating of A- but changed the outlook from stable to negative. On 27 November 2024, S&P reaffirmed the rating following judgement published by the Regulator of Social Housing on 27 November 2024.

On 18 October 2024, Fitch downgraded the rating to A- from A but changed the outlook from negative to stable.

We do not solicit a rating from Moody’s, but they maintain an unsolicited rating on several of our bonds issued by our legacy organisations. On 30 October 2024, Moody’s reaffirmed its opinion on these instruments of A3 (outlook stable). On 27 May 2025, Moody’s reassigned an A3 long-term issuer rating with a stable outlook to NHG and baseline credit assessment (BCA) of baa2.

Capital structure and treasury policy

The group board approves an annual treasury plan each year, which sets the strategy on how we mitigate and manage treasury-related risks.

Our debt is borrowed from banks and building societies in the UK, as well as from the capital markets.

As at 31 March 2025, we had eight public bonds in issue with an outstanding nominal value of £2.3 billion. Borrowings at 31 March 2025 were £3,634.8 million (2024: £3,585.0 million) and immediately available undrawn facilities were an additional £550.0 million (2024: £768.0 million).

Unrestricted cash and cash deposits available to the group were £36.1 million in total, providing available liquidity of £586.1 million (2024: £863.2 million).

On 1 April 2025, NHG issued a 10 year £250m bond at 6.00% coupon increasing liquidity to £836.1m net of bond fees. This is comfortably in excess of our internally set liquidity requirement limits.

The current interest rate strategy, along with the position as at 31 March 2025 is set out in the table below. The interest policy range disclosed in table 3 are set by the board on an annual basis. The figure shown as ‘lower’ is the minimum approved by the board and the figure shown as ‘upper’ is the maximum.

Table 3 – Interest rate strategy

Category	Policy range		Actual
	Lower	Upper	
Fixed	50%	105%	91%
Variable	(5)%	40%	7%
Index linked	0%	20%	2%

Table 4 – Debt maturity

This table provides an analysis of when the debt outstanding at 31 March 2025 falls due for repayment.

	Group £m	NHG £m
0-1 years	48.1	38.5
1-2 years	55.4	44.8
2-5 years	1,149.0	831.8
5-10 years	660.4	566.0
10-20 years	1,003.6	938.5
20-30 years	717.3	717.3
30-40 years	1.0	1.0
<b>TOTAL</b>	<b>3,634.8</b>	<b>3,137.9</b>

Our policy in relation to cash surpluses is to preserve capital. Cash surpluses are thus invested in money market funds rated AAAmf and approved UK institutions rated A1 by S&P.

We had entered into various interest rate swaps at the year-end to manage the interest rate charged on variable, fixed and currency debt. Under the terms of its interest rate swap agreements, we can be required to provide cash or property as security

for future payments. The amount of security is assessed by the counterparty banks on a regular basis (weekly or monthly, dependent on the lender).

As at 31 March 2025, the amount of cash and properties pledged as security for interest rate swap transactions was £400.6 million (2024: £332.8 million). We generally borrow and lend only in sterling, which minimises associated currency risk. In the interests of diversifying the lender base, borrowings in foreign currency can be made but all associated cash flows are swapped into sterling to mitigate currency risk.

As at 31 March 2025, £602.0 million (2024: £613.8 million) of our variable debt had its interest rate hedged by stand-alone interest rate swaps. A further £42.0 million (2024: £42.0 million) of our fixed debt had its interest rate hedged by standalone swaps and ¥5 billion (2023: ¥5 billion) of our debt had been hedged into £28.0 million (2024: £28.0 million) by a currency swap.

Notting Hill Genesis and Notting Hill Home Ownership have a policy of not granting floating charges, although this policy does not extend to subsidiaries.

Table 5 – Property valuation table

	General needs £m	Shared ownership £m	Market rent £m	Total £m
Cost (excluding depreciation and social housing grant)	6,136.0	1,206.4	969.0	8,311.4
Net book value	5,464.2	1,187.7	969.0	7,620.9
<b>Value</b>				
On a market value subject to tenancy basis	11,304.5	1,272.2	979.9	13,556.6
On an existing use for social housing basis	5,299.5	1,272.2	n/a	6,571.7

## Housing properties

We own and/or manage more than 68,032 properties of various tenure types. The property valuation table (table 5) details the cost of the properties together with their net book value, as well as the estimated open market value.

Housing properties are held at either cost or deemed cost in the balance sheet. At 31 March 2024, the group board was of the opinion that the value of the completed housing properties owned by the group compared with their cost is as detailed in table 5.

Valuation of the shared ownership properties is based on the open market value for the equity share retained by the group. The equity share we retain typically represents 57% of the whole property, with the balance owned by the leaseholder.

## Value for money (VfM)

### Strategic context

Delivering value for money remains central to our purpose. We aim to keep residents safe, sustain the quality of homes and service and make disciplined choices about where we deploy investment. Our approach balances planned investment in existing stock with a measured development programme. We report against the Regulator of Social Housing's (RSH) value-for-money metrics and monitor a broader set of operational KPIs through Board and committee oversight.

In September 2024, the Board approved NHG's Value for Money Strategy. Strong financial



foundations are key to delivering NHG's ambitions of improving existing homes, enhancing resident services and building new affordable housing.

## External environment

The operating context continued to be demanding. Financing costs remain structurally higher than in the pre-2022 period, supply chains are steadier but still price-sensitive, and demand for repairs and compliance activity is elevated. The strengthened consumer regulation regime places greater emphasis on safety, quality and transparency. Alongside this we continue to progress building-safety programmes and prepare for more robust environmental standards, requiring sustained investment and careful sequencing.

Despite challenges in the external environment, we remain resilient. Through strategic management of these pressures, we continue to uphold financial stability and deliver value for money to our residents. Our unwavering commitment to investing in our homes and supporting our communities ensures we are well-positioned to meet both current and future needs effectively.

## How we measure VfM

The Regulator of Social Housing (RSH) sets out clear expectations for registered providers to deliver Value for Money (VfM) under its VfM Standard 2018. This standard requires organisations to understand the costs and outcomes associated with delivering specific services, as well as the underlying drivers.

We assess our performance against the RSH's seven VfM metrics, alongside internal measures that cover safety, customer outcomes, asset investment, and financial resilience. We also benchmark externally and set forward-looking targets aligned with our

risk appetite and lender covenant requirements.

Table 7 presents our performance against the RSH metrics over a three-year period (2023/24 to 2025/26), and includes median data for 2023/24 from our G15 peer group for comparison.

## Commentary on performance

**Reinvestment:** This measure looks at the investment made in both our existing homes and on new developments. Reinvestment rose to 4.1% as we prioritised programmes that maintain safety and asset quality. The 2025/26 budget maintains reinvestment at 4.1%, reflecting continued focus

on planned works and compliance activity whilst sustaining a restrained development programme.

**New supply:** Delivery in 2024/25 was 1.1% for social housing and 1.1% for non-social. This reflects a cautious stance in a high-cost environment and decision to prioritise investment in existing homes. The 2025/26 budget reflects an increased but risk-appropriate profile.

**Gearing:** This measures the ratio of debt to assets. Gearing decreased to 46.2% at year-end, largely due to the phasing of capital investment and sales receipts. Debt levels within the financial plan are forecast to reduce in future years,

Table 6 – Regulatory VfM metrics

	2023/24 G15 median performance	2023/24 NHG actual	2024/25 NHG actual	2025/26 NHG budget
1. Reinvestment %	6.0%	2.4%	4.1%	4.1%
2A. New supply delivered – social housing homes	1.1%	0.8%	1.1%	1.1%
2B. New supply delivered – non-social housing homes	0.1%	0.6%	1.1%	0.2%
3. Gearing %	47.0%	49.4%	46.2%	48.2%
4. EBITDA MRI interest cover %	52.0%	6.6%	53.0%	82.3%
5. Headline social housing cost per unit (CPU)	£6,221	£9,040	£9,067	£9,518
6A. Operating margin % – social housing lettings only	23.0%	(7.0%)	13.3%	17.6%
6B. Operating margin % – overall	12.0%	(0.1%)	11.0%	18.3%
7. Return on capital employed (ROCE) %	1.9%	0.5%	1.5%	2.4%

Note: includes exceptional items

with the 25/26 budget projecting a reduction to 48.2%.

**EBITDA MRI interest cover:** This measures the capacity to meet interest payments from underlying operating surpluses. Interest cover improved to 53.0% from a low prior-year base, with operating performance normalising and one-off effects diminishing. The budgeted performance of 82.3% in 25/26 reflects further recovery as cost actions mature and exceptional effects unwind.

**Headline social housing cost per unit (CPU):** CPU was £9,067 a marginal increase against 23/24 performance of £9,040. This reflects early efficiency gains set against ongoing inflation. The 25/26 budget figure of £9,518

reflects further efficiencies offset by our continued commitment to increased investment in existing homes.

**Operating margin % – social housing lettings and overall:**

Margins recovered to 13.3% (social lettings) and 11.0% (overall) supported by a more stable operating base and the attenuation of exceptional items. Margins are budgeted to strengthen further to 17.6% (social lettings) and 18.3% (overall) in 25/26 as efficiency measure embed and exceptional effects unwind.

**Return on capital employed**

**(ROCE):** The measures how well we make use of our assets and debt to generate a financial return. ROCE increased in 24/25 to 1.5%

reflecting strengthened operational performance, with a budgeted rise to 2.4% in 2025/26 as operating returns improve relative to the asset base.

**How VfM is measured and monitored**

A dedicated Value for Money (VfM) Senior Leadership Team, comprising directors and led by the Chief Organisational Effectiveness Officer, oversees the operational delivery of the VfM Strategy. This group provides strategic support to delivery leads and ensures alignment across the organisation.

We maintain a comprehensive suite of operational key performance indicators (KPIs), which are reported to the Board on a quarterly

basis. These metrics are directly linked to the core pillars of our Better Together strategy: Better Homes, Better Places, and Better Connections.

**Further information**

Stakeholders can find more VfM information on our website, which includes our financial statements, corporate strategy and customer report.

Table 7 - Breakdown of social housing cost per unit

	23/24 G15 median Performance	23/24 NHG actual	24/25 NHG actual	25/26 NHG budget
Management	£1,578	£2,053	£2,277	£2,057
Service Charges	£1,129	£1,380	£1,533	£1,717
Routine and planned maintenance	£1,813	£2,314	£2,315	£2,407
Major repairs	£1,387	£1,967	£2,023	£2,318
Other (including landlord rents)	£520	£1,327	£919	£1,019
<b>Total</b>	<b>£6,221</b>	<b>£9,040</b>	<b>£9,067</b>	<b>£9,518</b>



## Financial risk

The main risks arising from the group's financial instruments are interest rate risk, credit risk and liquidity risk. This is covered in more detail in note 35.

## Conclusion

Overall, our underlying performance has shown improvement and remains robust, despite another challenging year across the social housing sector in 2024/25, with higher interest rates and government spending challenges. Our focus on cost control and value for money has resulted in an improving operating position, and since the period end we successfully raised £250m liquidity in the market to further strengthen our liquidity and balance sheet.

Robust strategic, operational and financial progress has been made in the year, and although we still have a long way to go, we are encouraged by the steady results that are being delivered. We continue to balance our focus of investing in our existing homes with an ambition to accelerate building in the future, while always ensuring we remain a financially robust organisation.

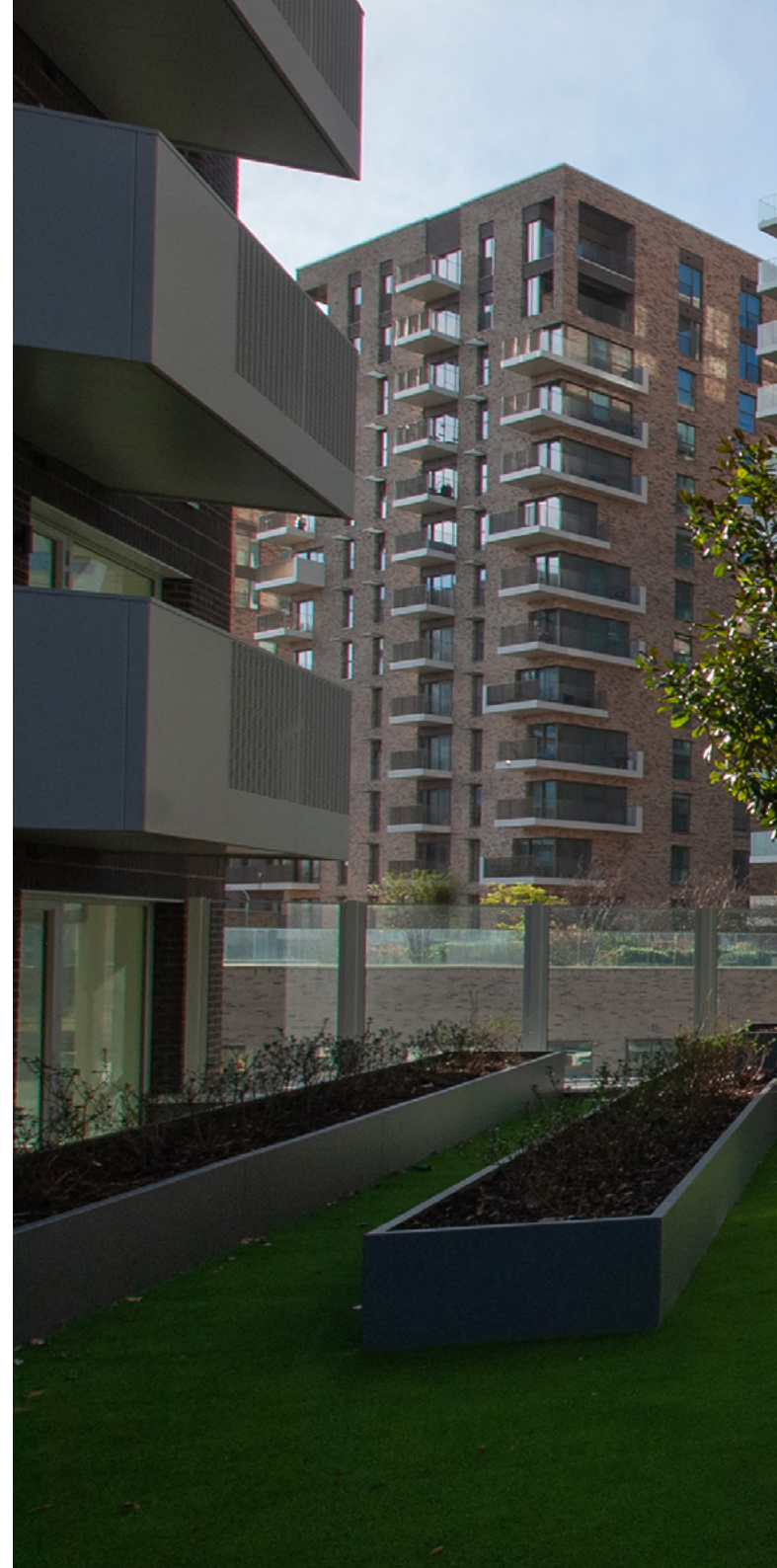
Looking ahead, improving the resident experience will continue to be a key priority for the organisation, as will investment into our estate, with approximately £800 million committed over the next 10 years. We have growing confidence that important building safety works will be completed at the expected cost of £173 million and we will continue to play a part in addressing the shortage of housing in London by building 500 new homes a year on average over the next 10 years. At the same time, we will drive value for money initiatives to realise an ongoing £35 million per annum reduction in cost and will target measures to reduce debt and underpin the organisation's financial resilience by identifying and selling assets that sit outside of our core business operations.

These continue to be times of significant change at Notting Hill Genesis and we are confident in our ability to deliver progress in the years ahead and emerge stronger.



**Mark Smith**  
Chief financial officer

26 September 2025









# Managing risk

Notting Hill Genesis' board is responsible for ensuring that threats and opportunities are managed appropriately to ensure the long-term success of the group.

It is supported by the audit and risk committee and the executive board.

Executive board members individually are accountable for effective risk management within their areas of responsibility and are corporately responsible as the group's executive board.

This year we have recognised we need to do more to ensure that we have appropriate risk arrangements. Although we have established an enterprise-wide risk management framework, we continue to develop our risk management, internal control and assurance framework to ensure that we can adequately manage and address risks.

The formal risk management process in place, built on the three lines of defence model, enables the identification, evaluation and monitoring of principal risks facing the group and the effectiveness of the controls and procedures in place to mitigate against them. This includes:

- The board's approval of a detailed corporate risk register, which identifies the principal risks and is prepared and kept under review by the audit and risk committee
- The review of assurance and information about the management of those risks, including specific reviews carried out by Beevers & Struthers as our outsourced internal audit provider
- An assessment of the group's risk appetite for particular categories of risk, as a basis against which to assess whether the principal risks are being mitigated against to an acceptable level.

The framework is underpinned by the risk policies and those of the resident-facing business areas, which provide the detail of how risks are managed, and activities conducted. It is designed to support the identification, assessment, management, and control of the material risks that threaten achievement of our business objectives. It acts as a companion to the risk policy documents by providing common content which might otherwise be duplicated in each of the individual policies.

The audit and risk committee has maintained active oversight of the risk plan and delivery, regularly reviewing the risk register and recommending any changes or mitigations to the relevant board. This risk review includes:

- Any substantial changes to the principal risks, including new or emerging risks
- Material changes to the control framework in place
- Changes in risk scores
- Changes in risk appetite
- Progress with any additional mitigating actions which have been agreed

The audit and risk committee provides appropriate challenge to the effectiveness of mitigating controls, including the review and testing of mitigating controls for selected risks as part of the internal audit plan.

## Risk appetite

Our risk appetite reflects our risk attitude and the amount of risk we are willing to accept and/or tolerate in pursuit of our strategic objectives. It guides decision-making, risk management and mitigation, resource, and priority allocation.

In April 2025, in a joint meeting of the group board and audit and risk committee, the board's risk appetite and group's strategic risk register were reviewed. The work done during the year was acknowledged in progressing the group's corporate risk management and current assessment for each of the group's principal risks. It was recognised that as part of the regulatory compliance plan, more work was to be done to review and embed the risk arrangements.

The board has identified five risk categories which cover the principal strategic risks to the Notting Hill Genesis group. Against each of these risk categories the board has considered the level of risk it is willing to accept to achieve the group's business objectives. The framework sits alongside the strategic business plan in defining the high-level architecture of the company's planning and risk management processes.

We have an adverse risk appetite towards non-compliance against regulatory or legal standards and/or any activity that may cause harm to our customers. In reflection of our current non-regulatory compliance position, we have established a regulatory compliance committee whose purpose is to provide scrutiny, undertake monitoring and provide direction on the terms and delivery of the agreed voluntary undertaking regulatory compliance plan to return Notting Hill Genesis to compliant gradings.

The regulatory compliance committee works with the audit and risk committee to consider the findings of risk reviews and internal audits to ensure appropriate management of risk arrangements where they are relevant to the group's return to regulatory compliance. While we also have an adverse risk appetite in relation to liquidity, cyber security and build quality, the appetite for these risks is slightly higher in acknowledgement of the high levels of inherent risk in these areas

## Risk categories and review

As part of its routine risk assessment, the board maintains a regularly updated and reviewed asset and liability register and is developing its living will to scenario plan the impact of a failure of all or any group entity or key partner and the responses and actions required.

During the year, we have carried out a robust assessment of the emerging and principal risks including the risk management and internal control system, assuring ourselves of the controls in place to manage and mitigate the same. A quarterly review of all the risks identified, risk assessments, and any identified actions is completed with risk owners which is supported by the quarterly assurance return process.

While maintaining its monitoring of landlord and building health and safety risks and service charges, the board has recognised increasing risks in customer experience issues due to the impact of non-compliance with regulatory requirements, as well as identification of macro-economic risks and the impacts these may have on the strategic business plan. Delivery of the voluntary undertaking plan, ensuring our return to compliance, is also being actively monitored with the additional support of the regulatory compliance committee.





# Legal & regulatory risk

Risk heading	Comments	Mitigation
<b>Building safety</b>	Fail to meet statutory building safety requirements leading to fatality and or serious injury, regulatory action, and or financial loss.	<p>A board approved building remediation programme is in place and is being delivered to target.</p> <p>According to site specific risk assessments and reviews, appropriate mitigations are in place with dedicated reporting to the homes committee and board on progress.</p> <p>Weekly monitoring and reporting of the compliance position with a centralised system records and tracks safety concerns</p> <p>We continue to maintain a robust system of controls to seek to ensure compliance with safety and building regulations.</p>
<b>Statutory landlord &amp; employee health and safety</b>	Fail to meet landlord and employer requirements risking injuries, reputational damage, regulatory action and financial loss.	<p>This includes regular safety reporting, action tracking and mandatory staff training.</p> <p>Weekly monitoring and reporting of the compliance position with a centralised system records and tracks safety concerns.</p> <p>We have further developed new reporting arrangements to ensure effective monitoring of all health and safety risks, including those presented through third-party engagements.</p>
<b>Cyber security</b>	Inadequate IT security measures risking system compromise, data breaches, reputational damage, and regulatory censure.	<p>We employ a regularly updated 'defence in depth' strategy, including firewalls and intrusion detection systems to prevent unauthorised access.</p> <p>Comprehensive access controls enforce a 'principle of least privilege' approach with strong authentication measures.</p> <p>We have strategically consolidated data loss prevention responsibilities within a dedicated cybersecurity function, enabling a centre of expertise within the organisation and central controls.</p>
<b>Delivery of voluntary undertaking plan</b>	Fail to deliver the outcomes as set out in the voluntary undertaking regulatory compliance plan which results in us being unable to return to regulatory compliance, undermining our strategic business plan, financial viability and resident trust.	<p>A regulatory compliance programme board and board-led regulatory compliance committee have been established to monitor progress against the plan and provide assurance to the board as to progress.</p> <p>There is a board-approved budget and external independent subject matter expertise has been brought in to support the programme planning arrangements and delivery.</p> <p>There is monthly reporting to the board on progress as well as running key performance indicators included within the central board performance dashboard.</p>
<b>Compliance with legislation and regulation</b>	Inadequately prepare for incoming legislation and regulation and do not maintain effective controls to maintain and be able to provide assurance as to compliance.	<p>An independent review of the organisation's preparedness for Awaab's Law is underway, further to which an action plan with appropriate governance oversight will be established to monitor progress.</p> <p>A core suite of data and management information on all key requirements strengthens oversight and assurance with quarterly horizon scanning on forthcoming legislation and regulation and the business preparedness now embedded.</p>

# Funding & liquidity risk

Risk heading	Comments	Mitigation
Treasury & liquidity	Fail to develop proper financial management systems resulting in sub-optimal credit rating and funding arrangements.	We have implemented a robust financial governance framework which includes financial reporting at group and entity level to our corporate finance and treasury committee and group board.
		Plans are stress-tested against wide-ranging scenarios to test resilience and to inform strategic decision-making.
		Economic assumptions are regularly validated by external advisors.
		A new finance system has been designed to enable more effective and efficient processes as well as management controls across all our relevant processes.

# Customer & conduct risk

Risk heading	Comments	Mitigation
Customer experience	Due to inadequate controls and risk management and insufficient investment in maintaining our stock over time, customers experience issues in their home and our services to support them.	Segmentation of the customer experience support teams provides dedicated resource and better insights into customer needs, with relevant expertise embedded within those teams to support issues arising.
Repairs	Fail to maintain efficient repairs service, leading to poor customer satisfaction, reputational damage, and financial loss.	Improved reporting and inclusion of key performance indicators in the corporate dashboard provides better visibility of customer experience and service provision. We have revised our control and reporting framework to enable quick intervention in repairs issues. Additional spend controls improve efficiency and highlight issues including duplicate orders. Spend analysis is reported monthly to the executive board.
Service charges	Mismanage service charges leading to income loss, poor customer satisfaction, reputational damage and potential regulatory censure.	We have continued to deliver a comprehensive programme to streamline service charge management and financial reporting with independent external subject matter expertise and external assurance as to the controls in place. This approach combines technological solutions, specialised roles and targeted training to enhance accuracy, efficiency, and customer service in handling service charges. External assurance as to the arrangements continues to be obtained through the commissioning of independent reviews.



# Business/strategic risk

Risk heading	Comments	Mitigation
<b>Stock sale programme</b>	Inadequately execute stock sale programme and rationalisation strategy, resulting in financial loss and reduced interest cover headroom.	<p>We actively monitor economic and housing market trends.</p> <p>Sales and marketing updates are regularly reported and detailed asset disposal plans are in place.</p> <p>Group board is kept informed of progress and potential risks.</p>
<b>Macro-economic risk</b>	Inadequately prepare for and manage adverse socio-economic conditions resulting in increased political and regulatory scrutiny risking compliance issues, poor customer experience and financial loss.	<p>We have proactive tenant support programmes, robust rent collection and arrears management strategies, diversified funding streams to offset economic volatility, regular impact assessments and strategic planning to mitigate supply chain disruptions.</p> <p>We also maintain a rigorous review-and-update process for all policies and procedures to align with regulatory changes and a resident forum strengthens resident engagement and feedback.</p> <p>Leadership is kept informed through regular updates and training sessions on regulatory changes.</p>
<b>Complexity of group structures</b>	Due to complex group corporate arrangements there are inadequate controls across entities resulting in a lack of identification of relevant strategic and material risks.	<p>Entity control and simplification continues through a review of all intra-group arrangements with the benefit of independent legal advice.</p> <p>Further mitigation work will continue on inter-company charging, balance sheet reconciliation, and transaction control improvements.</p>

# Operational risk

Risk heading	Comments	Mitigation
<b>Data governance – data information management</b>	Failure to establish appropriate data governance and control, process and procedures to prevent inaccurate or incomplete data being used for analysis, which results in a reduced ability to capitalise on opportunities and jeopardise accuracy of financial and regulatory reporting, as well as poor customer experience, reputational damage and financial loss.	<p>We ensure all systems are regularly monitored and remediated for vulnerabilities according to service level agreements, focusing on system criticality.</p> <p>A dedicated data protection team oversees compliance, supported by data governance frameworks through which all data is mapped and data owners identified, responsible and accountable for adherence to the data governance principles in place.</p> <p>Regular mandatory training is conducted, and data protection impact assessments ensure privacy by design.</p>
<b>People strategy and staff retention</b>	Failure to deliver our Better Together strategy which results in poor customer outcomes and organisational performance, financial loss and/or reputational damage and the inability to recruit and retain capable and talented employees.	<p>We promote an inclusive employer brand, offer competitive pay and support workforce planning through apprenticeships and graduate schemes.</p> <p>Effective induction and succession planning enhance retention, while the equality, diversity and inclusion action plan promotes inclusivity and diversity at all levels of seniority.</p>

Risk heading	Comments	Mitigation
<b>Data on stock condition</b>	Fail to have accessible, accurate and recent data on our stock leading to insufficient funding to meet Decent Homes, sustainability, and safety requirements, resulting in regulatory fines, financial loss, poor customer experience and reputational damage.	<p>We conduct comprehensive reviews of our strategic business plan to ensure investment plans meet or exceed standards such as decent homes.</p> <p>Investment plans are based on updated stock condition data, contractor feedback and resident input, with all plans approved by the group board.</p> <p>Comprehensive stock condition plan in place to deliver 100% of homes surveyed within five years which is on target for completion in 2027.</p>
<b>Keeping pace with technology – IT strategy</b>	Fail to adequately manage the speed and scale of internal change due to fragmented/ inadequate technology infrastructure, resulting in financial loss, poor customer experience, and reputational damage.	<p>A change in our operating model has created an agile framework that enables us to respond swiftly to emerging threats while fostering rapid innovation. We have strategically positioned ourselves to effectively manage technology risk despite the accelerating pace of digital transformation.</p> <p>Implementing a disciplined approach to technology experimentation, particularly through our targeted AI initiatives addressing critical business challenges, we provide controlled environments for testing advanced solutions and failing fast before enterprise-wide deployment.</p>



# Streamlined energy and carbon report

The following information summarises the energy and carbon emissions for Notting Hill Genesis, as required by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Notting Hill Genesis' carbon emissions, using a location-based approach to calculating emissions, were 18,803.53 tonnes CO<sub>2</sub>e for 2024-25, this is 4% lower than in 2023-24.

These include the emissions associated with electricity, gas, and travel in employee-owned vehicles for business use. Notting Hill Genesis' intensity of 26.23 tonnes CO<sub>2</sub>e per £m was 6% lower than in 2023-24.

## Greenhouse gas emissions

Table 1: Greenhouse gas emissions by year (tCO<sub>2</sub>e)

Group – Activity category	2024/25	2023/24	Percentage change (%)	Actual change (tCO <sub>2</sub> e)
Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment				
<b>Scope 1: Total (tCO<sub>2</sub>e)</b>	<b>11,902</b>	<b>11,663</b>	<b>2%</b>	<b>239.8</b>
Scope 2: Location-based total (tCO <sub>2</sub> e)				
<b>Scope 2: Location-based total (tCO<sub>2</sub>e)</b>	<b>6,290</b>	<b>7,307</b>	<b>-14%</b>	<b>-1,016</b>
Scope 3: Indirect emissions from the value chain				
Category 3. Fuel and energy related activities	556	632	-12%	-76
Category 6. Business travel	55	58	-6%	-3
<b>Scope 3: Location-based total (tCO<sub>2</sub>e)</b>	<b>611</b>	<b>690</b>	<b>-12%</b>	<b>-79</b>
<b>Total gross emissions - location-based (tCO<sub>2</sub>e)</b>	<b>18,803</b>	<b>19,660</b>	<b>-4%</b>	<b>-856</b>
Revenue (£m)	717	702	2%	15
Intensity ratio tCO <sub>2</sub> e per £m location-based	26.2	28	-6%	-1.8

Table 2: Energy consumption by year (kWh)

Group – Emissions source category	Energy source	2024/25	2023/24	Percentage change (%)	Actual change (kWh)
Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment					
Stationary combustion	Natural gas	65,076,443	63,755,236	2%	1,321,207
Scope 2: Indirect emissions from the production of purchased energy					
Generation of purchased energy	Electricity - location based	30,381,339	35,284,522	-14%	-4,903,184
Scope 3: Indirect emissions from the value chain					
Mobile combustion - 6. Business travel	Employee-owned vehicle	226,328	238,644	-5%	-12,316
<b>Total kWh</b>		<b>95,684,110</b>	<b>99,278,402</b>	<b>-4%</b>	<b>-3,594,293</b>
<b>Revenue (£m)</b>		<b>707</b>	<b>703</b>	<b>2%</b>	<b>15</b>
<b>Intensity ratio kWh per £m</b>		<b>133,451</b>	<b>141,362</b>	<b>-6%</b>	<b>-7,911</b>

## Methodology

The SECR report relates to Notting Hill Genesis and covers the emissions from its operations from 1st April 2024 to 31st March 2025, aligning with the fiscal year.

The reported carbon emissions have been calculated following the guidance in the UK government's environmental reporting guidelines, 2019, and the methodology outlined in The GHG protocol corporate accounting and reporting standard (revised edition). Carbon emission factors have been obtained from the UK government's GHG conversion factors for company reporting 2024.

An 'operational control' methodology has been adopted to outline the scope of carbon emissions reporting for Notting Hill Genesis. Operational control refers to the ability of an organisation to direct the activities of a facility or operation. In the context of greenhouse gas (GHG) reporting, a company is considered to have operational control over a facility, if it has the authority to introduce and implement operating policies at that facility, regardless of ownership. This means the organisation is responsible for the GHG emissions from the 'operations it controls'.

This report includes the material carbon emissions, in line with the emissions categories, as required to be reported under the SECR regulations.

Notting Hill Genesis own and operate a fleet of battery-electric vehicles, the emissions associated with this fleet is not shown as a separate line in this report as the vehicles are charged on-site

and therefore emissions are already included at source in the electricity purchased.

Notting Hill Genesis covers expenses for business travel undertaken in employee's own personal vehicles and the emissions associated have been included in this report. Expenses paid for other forms of business travel are not mandatory inclusions and have not been included in this report.

## Energy efficiency initiatives

Notting Hill Genesis is committed to continually improving energy efficiency and reducing environmental impact while operating as a responsible and sustainable business. Over the past year, we have undertaken several initiatives to help reduce our carbon emissions, including maintaining a fully electric vehicle fleet to support cleaner transport. Charging infrastructure remains available on-site across key locations, ensuring continued access and encouraging sustainable travel among staff.







# Governance

# The board and committees

## Group board

**Audit and risk  
committee**

**Corporate  
finance and  
treasury  
committee**

**Operations  
committee**

**Homes  
committee**

**People and  
nominations  
committee**

**Regulatory  
compliance  
committee**

Notting Hill Genesis is governed by a board (the charitable group parent), which comprises members of Notting Hill Home Ownership Limited and Springboard Two Housing Association Limited. These entities are community benefit societies and are registered with the Regulator of Social Housing.

The board is responsible for setting the strategic direction, values, and objectives of Notting Hill Genesis and its subsidiaries. The board monitors performance, how well we deliver services to our residents and customers, and how well we manage our finances. The board is responsible for ensuring effective governance across the business. This is achieved with the support of the executive board and the board committees, to which certain responsibilities are delegated.

Working practices as set out in the scheme of delegations ensure that reports issued to the boards will enable each legal entity to consider matters relevant and specific to that specific entity when making a decision or approving a resolution. In the event that there is an issue to be considered which involves a transaction or a matter between group entities, the procedures set out in the scheme of delegations are applied.

The board consists of 10 non-executive members and two executive co-opted members. Details of all board members, who come from a range of backgrounds, are provided on pages 38-41.

Residents are actively encouraged to become involved in decision-making through our resident involvement and engagement model. Residents play a significant role in governance, with two residents serving on the group board, as one of the mechanisms in which residents can be involved.

One of our resident board members both chairs the resident forum and is a member of the operations committee. Board members participate in walkabouts or in other events, engaging directly with residents during these board enrichment activities.

Other initiatives are in place so that the board regularly hears the voice of residents. Additional information about our resident involvement and engagement model is included on page 45. The board has also conducted regular engagement with our shareholders over the past year, including via written communications, the holding of an annual shareholder garden party and the annual general meeting of the company.



## Operations committee

The operations committee has a pivotal role in supporting the delivery of our Better Together strategic objectives, particularly the customer strategy that underpins it, and oversees performance of our core residential businesses.

Through its role, the committee has reviewed the customer experience of our residents across the group via regular monitoring of the quality and performance of services and outcomes.

It has also ensured that customers' voices are heard through the provision of a wide range of meaningful opportunities for residents to influence and scrutinise our strategies, policies, and services.

The committee met six times in 2024/25. The key matters it considered in the year include:

### Better Together strategic objectives

- Monitored the Better Together scorecard which demonstrated performance in meeting our Better Together strategic aims.

### Customer voice and insights

- Considered a new resident engagement model, focusing on enhancing alignment with residents' needs.
- Reviewed matters in relation to vulnerable customers.

### Operations and assets performance

- Monitored detailed update reports on operations performance examining key performance indicators and operational

metrics, including in relation to damp and mould, deep dives on repairs and next steps. The committee made challenges in respect of the need for performance improvements.

- Received regular update reports on asset management and landlord compliance, including in relation to the handling of open disrepair cases and landlord gas safety records.
- Received regular reports on fire safety and fire risk actions, with a key focus on the glidepath and measures being taken to address fire risk assessment actions.
- Agreed to a revised approach in synchronising planned investment works with sales receipts.
- Reviewed the proposed hybrid delivery model for repairs and the procurement approach.
- Received deep dive presentations on disrepairs and ASB/hate crime and domestic abuse with actions and improvements outlined.
- Received regular reports on the service charges improvement project.
- Monitored detailed update reports on financial performance including service charges, staircasing surpluses and arrears.
- Considered the plans for the operational key performance indicator setting cycle for 2025/26.
- Noted updates on the transfer of occupied homes in Essex and Hertfordshire to local registered providers and agreed to proceed to the board for final approval of the preferred buyers.

## Regulatory standards

- Received regular updates on the action plan towards compliance with the revised consumer standards.
- Reviewed the annual lettings plan.
- Kept under review compliance with the Decent Homes Standard and our decent homes approach.
- Received updates on progress with the regulatory inspection taking place in 2024 and reviewed the subsequent regulatory compliance plan.
- Considered the annual rent setting strategy.

## Complaints

- Monitored quarterly updates on the volume and categories of complaints performance and satisfaction and provided insights to the board on the effectiveness of our complaints system.
- Received a year end summary of complaints, including impacts on compliance with the consumer standards and emphasis on Tenant Satisfaction Measures. Regular reports were received on housing ombudsman determinations related to us, including lessons learned and key risks and mitigations.

## Corporate finance and treasury committee

The corporate finance and treasury committee oversees performance in core financial areas.

Through its role, the committee has monitored and evaluated the financial risk environment and has taken action to mitigate our level of financial risk within agreed risk appetites, as required.

The committee met six times in 2024/25. The key matters considered by the committee in the year include:

### Finance

- Monitored and advised the group board on key financial issues, performance, financial strategy, and investment activities.
- Reviewed the proposed strategic financial business plan alongside the draft budget and assessed the likely impact on our short to long-term viability and treasury plan.
- Reviewed the draft annual budget for the group prior to recommendation to the board.
- Considered stress-testing scenarios, mitigations and risks relating to the strategic business plan and budget and made recommendations to the board on mitigations, as required.
- Reviewed the overall development capital commitments in conjunction with our liquidity policy and development capacity modelled in the long-term plan.
- Monitored the capital at risk to ensure the investment into non-core activities remained

within the investment policy to protect charitable objects and provided quarterly reports to the board on this.

- Monitored 24-month cash flow and risks in relation to interest cover and covenant compliance
- Approved matters in respect of covenant negotiations.
- Considered matters in respect of loan portfolios.

### Treasury

- Received quarterly reports on treasury activities, including a review of and changes to the treasury management policy and plan, monitoring of key treasury risks and updates on the latest treasury workstreams.
- Made decisions on matters relating to our derivatives portfolio and share premium transactions.
- Approved proposals for a new bond issuance.

## Homes committee (formerly development and sales)

To reflect its focus on the better homes strand of our Better Together strategic objectives and to recognise the need to invest in our homes and establish service excellence, the board approved a change of name and terms of reference for the development and sales committee at the end of 2024/25, establishing the homes committee in its place.

The homes committee will receive and approve

recommendations for investment in homes in management and new homes for development. In all aspects of its work, the committee will receive assurance that:

- Its activities are consistent with and supportive of the strategic business plan (as updated from time to time)
- The voice of the customer has been heard, customer impact considered, and customer experience enhanced within the process of building safety requirements, stock acquisitions, sales, modernisation, development or regeneration, and that this is reported to the board or the operations committee as required to ensure operational impact is considered.

Prior to this change, the development and sales committee was responsible for overseeing the effective risk management, control and delivery of major business development, including market rent portfolios, regeneration and building safety programmes across the group.

The committee met six times in 2024/25. The key matters considered by the committee in the year include:

- Considered regular quarterly reports on the performance of the development programme, including financial performance and health and safety incidents.
- Reviewed reports from the executive director of development and sales (and subsequently the chief homes officer from October 2024).
- Considered regular updates on sales performance and key achievements and risks.



- Noted regular updates on progress towards meeting the requirements of the Building Safety Act and relevant elements of the Fire Safety Act.
- Noted regular project updates related to joint ventures as well as updates on regeneration activity, land and planning activity and design and technical team activity.
- Reviewed the places and built environment report, noting the inclusion of regeneration community delivery activities and the work of the latent defects team.
- Received a presentation regarding asset sales and the strategic business plan. The presentation covered the linkage between the strategic sales programme and the business plan.
- Received a report and presentation on the strategic asset management department and its objectives.
- Reviewed a request to recommend to the group board approval of the forward sale of 285 private sale homes at Fresh Wharf Phase 2 by Notting Hill Developments/Countryside Properties UK to Sage Homes.
- Agreed to recommend that the board approve entering an agreement with the GLA for us to use Recycled Capital Grant Funding (RCGF) for retrofit works, in exchange for committing to an enhanced new build development programme of 524 affordable homes above the current level assumed in the strategic plan.
- Agreed to recommend to the board approval for a 45 home Single Homelessness Accommodation Programme (SHAP),

which comprised a purchase and repair programme with a single recommendation for all 45 refurbished one-bedroom flats across three London Boroughs – the City of Westminster, LB Camden and LB Tower Hamlets.

- Noted a number of approvals provided by project approval group (PAG) at its meeting on 22 August 2024 in respect of Aylesbury Phase 2B.
- Considered and agreed to recommend matters in respect of the strategic review of the market rent Folio portfolio.
- Considered and agreed to recommend matters in respect of the Hertfordshire portfolio of properties.
- Reviewed draft terms of reference for a new homes committee to replace the existing development and sales committee, following the board's decision to reconstitute the current forum.
- Reviewed matters and recommended board approvals made in respect of Grahame Park Plot A.
- Approved revised costs towards achieve completion of the Cambridge House scheme.

## People and nominations committee

At the end of 2024/25, the board decided to join the people committee and the nominations committee together, establishing one committee that can focus holistically on shaping the group's

workforce and its internal culture at the same time as ensuring a strong and diverse board and leadership structure fit to deliver the people strategy and Better Together objectives. A new chief people officer joined in December 2024, the chief people officer being a member of the executive board and holding a key role in the evolution of our people strategy and organisational development.

Previously, the people committee and nominations committee operated as two separate committees until 20 March 2025, with the people committee overseeing the people function and providing challenge through review, scrutiny, advice and support.

The people committee met four times in 2024/25 and at these meetings:

- Monitored regular updates on how human resources was supporting the Better Together plan and reviewed organisational people data on a quarterly basis.
- Received reports from the chief people officer from December 2024.
- Reviewed and recommended the annual equality, diversity and inclusion report and the action plan for 2025/26.
- Noted a report on gender and ethnicity pay gaps in April 2024.
- Reviewed progress on the development of the people strategy and plan.
- Reviewed progress on management development programmes.
- Reviewed the outcome of the staff satisfaction survey for 2024 and agreed to receive a detailed update on actions taken

to address issues identified in the survey to understand progress made.

- Maintained oversight over pension arrangements.
- Reviewed and recommended a pay increase for staff and the executive board, ensuring that appropriate research, benchmarking and consultations were undertaken. Agreed some other matters in relation to executive remuneration.
- Considered plans to merge the people and nominations committees and gave feedback on a proposed terms of reference for a revised committee.
- Participated in a survey exercise of the committee's own effectiveness and discussed the outcomes and necessary actions, recommending these to the board.

The nominations committee met four times in 2024-25. The committee was responsible for making recommendations to the board on board and committee appointments. During the year, the committee:

- Reviewed board and committee succession, made recommendations on the recruitment of new non-executive board members (including a chair for the new regulatory compliance committee, and recruitments for a new group chair and chair of homes committee).
- Recommended the scope for an external board and governance effectiveness review.
- In relation to effectiveness matters, the committee discussed the outcomes from the 2024/25 annual board and committee appraisal cycle; considered the results of the

board and committee skills audit, particularly the skills gaps identified, and agreed to support next steps.

- Recommended terms of reference and membership of a new regulatory compliance committee.

## Audit and risk committee

The audit and risk committee is charged with oversight of financial reporting and disclosure, the internal and external audit functions, the risk management framework, compliance with laws and regulations and assessment of the internal control framework.

The committee met eight times in 2024/25. The key matters considered by the committee in the year include:

### Internal audit and assurance

- Reviewing and approved the internal audit plan for 2024/25.
- Reviewing the draft strategic internal audit plan for 2023 to 2026.
- Reviewing internal audit reports agreed in the 2024/25 programme, including the internal audit opinion that the group board could be provided with a reasonable level of assurance that an effective framework of internal controls were in place across many areas of activity.
- Monitoring all internal audit action plans and progress, including those rated high or medium risk
- Considering reports concerning

procurement of the internal audit services beyond March 2026 [when the contract of the current internal auditors ends].

### Internal controls and risk management

- Reviewed the executive board members' report 2024/25 on the effectiveness of the internal control framework within the group, which confirmed that adequate systems of internal control were in place and that these were aligned to an ongoing process for the management of significant risks for the group.
- Reviewed enterprise risk management frameworks and policies, including the strategic risks register and the evolution of risk project plans.
- Monitored the effectiveness of fraud reporting, including reviewing the activity on our whistleblowing, gifts and hospitality, fraud, and anti-money laundering registers.
- Approved revision of the anti-corruption policies, including whistleblowing, anti-fraud and anti-bribery, and anti-money laundering policies.
- Asset and liability annual review, including the progress against external review actions and the continual improvement plan for 2024/25.
- Assessed the bi-annual update on cyber security outlining new metrics and risks and agreed to recommend a refreshed cyber security strategy to the board.
- Received material reviews and reports from external third-party specialists on key risk and control matters.



- Noted the review of the Regulator of Social Housing sector risk profile for 2024.

#### External audit, financial and regulatory reporting

- Reviewed the external auditor plan which set out relevant matters relating to the forthcoming 2024/25 audit.
- Reviewed and discussed the group and major subsidiary financial statements, considered the accounting judgements and policies applied and assessed the findings of the statutory audit in respect of the integrity of the financial reporting of results and key risks to the group and individual subsidiaries.
- Reviewed and noted compliance with relevant law report confirming that we had demonstrated that steps had been taken towards ensuring compliance with all relevant laws and notably the need to take action, as set out in the regulatory compliance plan to return to compliance with the Regulator of Social Housing's regulatory standards as well as receiving executive led plans and actions to improve or meet compliance as set out in reports provided to the committee.
- Reviewed and noted the compliance reports on the National Housing Federation's code of governance 2020, along with the plans and actions to be taken to enhance and meet full compliance following an independent review by Altair.
- Participated in the Altair review of the committee's own effectiveness, the outcomes and necessary actions being presented to the board.

## Regulatory Compliance Committee (RCC) – Text below

The RCC has been established by the Notting Hill Genesis (NHG) Board to provide scrutiny, undertake monitoring and provide direction on the terms and delivery of the agreed NHG Voluntary Undertaking (VU) Regulatory Compliance Plan (RCP) to support NHG's return to compliance. The RCC also provide escalation reporting and recommendations to NHG Board related to material changes to plan, budget, outcomes or risk. They provide final assurance to NHG Board on completion of the VU plan.

The RCC has met monthly since its establishment in April 2025. During this period, it has required and continues to deep dive into key areas of the RCP to check and confirm appropriate progress is being made, escalated relevant matters of risk to the NHG Board, provided assurance across the RCP as to the progress being made in and carried out other activities within its delegations. The RCC has received internal audit scopes and reports of matters of relevance to the RCP, ensuring there is a triangulation of risk and assurance review between the RCC's oversight of delivery of the RCP and the Audit & Risk Committees oversight of the internal audit function and effectiveness of internal controls and risk management systems. The RCC will continue to meet until the RCP is complete.



## Resident forum

As part of our resident involvement and engagement framework, a resident forum is in place to strengthen the voice of residents and facilitate communication between colleagues and residents.

The resident forum is led by residents, for residents, with a diverse membership from across our communities. Recruitment onto the revised forum took place in the year, enabling progression of the forum, with its first meeting under its changed structure being held in February 2025. Among the membership of the forum are two of our board members, who are residents, one of whom chairs the resident forum meetings.

The resident forum has three roles:

- To connect resident experiences to the board ensuring they listen, act, and respond to feedback
- To recommend service improvement projects informed by the scrutiny of performance data and resident insight and feedback

- To provide oversight and assess the impact of the resident involvement and engagement programme, making sure it is inclusive and meaningful

The resident forum plays an important strategic role and connects to the board through reports to the operations committee. As part of ensuring that the resident forum evolves further and holds a strong scrutiny role, we anticipate that it will continue to transition throughout 2025 and 2026.

The resident forum met approximately every other month during 2024/25, designing an ambitious vision and implementation plan, which seeks to provide a conduit for the voices of all residents and apply expert resident scrutiny to service delivery.





## Current group board membership



**Brendan Sarsfield**  
Chair

Brendan became chair of Notting Hill Genesis on 24 September 2025 and leads our experienced group board in providing strategic direction and oversight to the organisation to ensure we continue to provide high quality homes for lower income households in and around London.

Brendan has worked in Social Housing throughout his career. Starting in local authorities but spending most of his career working for housing associations. He was a CEO for 20 years notably at Family Mosaic and Peabody.

Since stepping down from Peabody in 2021 he has held non-executive advisory roles with Hestia, NEC Software, Newton Impact and the Shared Ownership Council. He is also the co-ordinator of the Anglo Dutch Director's Club, an informal group of Dutch and English housing association chief executives. He was also the founding chair of Sustainability for Housing but left the board in 2024.



**Fred Angole**

Fred joined the board of Notting Hill Genesis in August 2020. He has considerable executive and board level experience within the social housing sector, including with the social housing regulator.

He was previously director of corporate services at Homes for Haringey. He has also previously served on the board of and chaired the audit and risk committee of Newlon Housing Trust.

Fred is a fellow of the Chartered Association of Certified Accountants with an MSc in finance and investment. Fred also serves on the board and is a member of the audit and risk committees for Anchor Housing Association. He is group finance director of YMCA St Paul's Group.

Fred is chair of the audit and risk committee and member of the people and nominations committee.



**Patrick Franco**

Patrick joined Notting Hill Genesis as chief executive in January 2023. He has a wide range of relevant experience across various sectors, including residential management, finance investment, hospitality, and tourism.

Prior to joining Notting Hill Genesis, Patrick was chief operating officer at Foxtons, where he led digital transformation programmes to improve customer experience and was instrumental in their work on environmental, social and governance matters. At Foxtons he was also an ardent advocate for LGBTQ+ inclusion within the property sector.

Patrick's earlier career was predominantly at Credit Suisse, where he held several roles, including chief operating officer of Credit Suisse Asset Management UK.

Patrick has additionally spent more than a decade on the boards of Global Heritage Fund (most recently as vice chair) and is a trustee of World Monument Fund Britain, an international nonprofit organisation that invests in cultural heritage to advance sustainable economic development and provide emergency response during crises.





**Léann Hearne**

Leann joined the Notting Hill Genesis group board in March 2025.

Leann began her career in sales and marketing in the engineering and construction sectors and became managing director of an international

manufacturing business in 2000. While there she took up a non-executive position in a housing association, with roles of chairman of audit committee, board chairman and group vice-chairman. This sparked a real interest in social housing and communities and led her to move into the sector, working firstly with retirement living, then with care and support and general housing.

Leann is chief executive of Livv Housing Group, vice chair of Yorkshire Housing and chair of Yorkshire Housing's homes and places committee.

She is also a board member for Northern Housing Consortium, a trade body for social housing providers and local authorities.

Leann is a member of the people and nominations committee.



**Courtney Huggins**

Courtney joined the Notting Hill Genesis group board in January 2024 and has chaired our treasury and corporate finance committee since September 2024.

Courtney has worked in corporate finance for more than a decade,

and within real estate since 2016. She is currently global treasurer for Jones Lang LaSalle, where she leads the business's debt strategy, treasury infrastructure and a large global treasury team.

She holds an MCT advanced diploma, specialising in senior treasury strategy, from the Association of Corporate Treasurers and a bachelor's degree from the George Washington University in Washington D.C.



**Claire Kober OBE**

Claire joined the Notting Hill Genesis group board in September 2021 and chairs our operations committee. She is also a member of our audit and risk committee.

She is the managing director (homes) at Pinnacle Group,

overseeing the company's housing, estates and property management contracts. Claire works in partnership with a range of clients in the local government, institutional investment and development sectors. She sits on the Pinnacle Group executive committee. Outside of Pinnacle she also serves on the board of the Housing and Finance Institute.

Prior to joining Pinnacle, Claire spent a decade in local government as leader of the London Borough of Haringey. Claire is a former chair of London Councils and held several senior portfolios at the Local Government Association.

In 2015, Claire was awarded an OBE for services to local government.





**Ingrid Osborne**

Ingrid joined the Notting Hill Genesis group board in September 2021 and chairs our people and nominations committee. She is also a member of our audit and risk committee.

Ingrid is divisional chair, London and south east and member of TW UK group management team at Taylor Wimpey. She joined Taylor Wimpey as a graduate trainee in 2001 and began a long career in various roles and teams. Ingrid is a member of the group treasury committee at Taylor Wimpey and sponsor of the working family network.



**Dave Sheridan**

Dave joined the board of Notting Hill Genesis in September 2025.

He is currently chair of M&J Groundworks and a non-executive director at Allison Homes.

He has over 45 years' experience in housing, starting as a quantity surveyor for Wimpey, progressing through to being chief executive of Apollo Group before leading its merger with Keepmoat and becoming the chief executive of the group.

He led the formation of ilke homes and became its executive chair. Additionally, he has interests in several startup businesses involved in improving the quality of homes while reducing carbon footprints.

He is chair of the homes committee.



**Mark Smith**

Mark is our chief financial officer. He joined the group board in April 2024.

Mark previously held the same role at NHS Property Services, which provides landlord and property services for 2,700 NHS buildings across England, with an annual income of £750 million and 6,000 direct employees.

Mark has significant experience across financial and operational management, cost transformation, process improvement and business change. Prior to 2019, Mark spent more than 10 years at BT, working in a variety of senior financial roles across different parts of the business.







**Will Sprunt**

Will joined the board of Notting Hill Genesis in September 2024.

Will has built a 20 year career in tech and startups in the UK. Currently he is a VP in the

technology group at Deliveroo and was formerly their CIO as well as the director for business intelligence. Prior to that he held multiple positions at Zipcar/Streetcar covering both tech and finance. He is also active in the European startup scene, advising and investing in early stage companies with a tech focus in fields from healthcare to fragrance.

Will is a member of the homes committee and operations committee.



**Emma-Louise Stewart**

Emma-Louise joined the Notting Hill Genesis group board in September 2023. Emma-Louise has an extensive career in business development, corporate social responsibility and events management, with a strong focus on local communities.

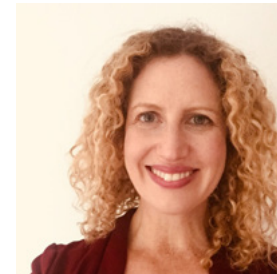
Emma-Louise previously ran her own business offering a flexible working space and business development support in the heart of her community, helping businesses and local people to develop and progress through interaction.

Earlier roles include culture and events for London Bridge Business Improvement District, chief executive officer of Brixton Business Improvement District, projects with High Trees Community Development Trust, all alongside running her own business development consultancy.

Emma-Louise is currently developing an exciting new educational project bringing a wealth of history and culture to schools. She also continues to run her consultancy developing businesses and improving operational practices in line with impeccable delivery for customers.

Emma-Louise is chair of the resident forum and a member of the operations committee.

She is a resident with Notting Hill Genesis.



**Symmie Swil**

Symmie joined the Notting Hill Genesis board in April 2024.

Symmie has nearly two decades of experience across investment banking, strategic and operational leadership roles in financial services. She was previously head

of small and medium enterprise banking at Starling Bank and deputy chief operating officer for Investec's Corporate and Investment Bank and has more than eight years of corporate finance experience.

Symmie has a Bachelor of Commerce and Bachelor of Law (hons) from the University of Sydney, and volunteers as a mentor and strategic business adviser to start-ups and social enterprises.

Symmie is a member of the corporate finance and treasury committee, and the resident forum. She is a resident with Notting Hill Genesis.

**Ian Ellis**

Chair  
(stood down 24/09/25)

**Richard Powell**

Board member  
(stood down 24/09/25)

**Alex Phillips**

Board member  
(stood down 25/09/24)

**Elaine Bucknor**

Board member  
(stood down 25/09/24)



# Board and committee membership 2024/25

	Board membership			Board meetings attended in 2024/25	Committee membership									
	NHG	NHHO	SPB2		Corporate finance & treasury committee	Audit & risk committee	Homes committee	Operations committee	Nominations committee (to 20/03/25)	People committee (to 20/03/25)	People & nominations committee (from 20/03/25)	Resident forum	Folio sub-committee	Regulatory compliance committee
Ian Ellis	Chair	Chair	Chair	11 of 11					✓				✓	
Emma-Louise Stewart	✓	✓	✓	10 of 11				✓				Chair		
Courtney Huggins	✓	✓	✓	9 of 11	Chair		✓						✓	
Claire Kober (SID)	✓	✓	✓	9 of 11		✓		Chair	✓					✓
Ingrid Osborne	✓	✓	✓	9 of 11		✓				Chair	Chair		Chair	
Richard Powell	✓	✓	✓	10 of 11			Chair						✓	
Symmie Swil	✓	✓	✓	9 of 11	✓				✓			✓		
Fred Angole	✓	✓	✓	8 of 11		Chair			✓	✓	✓			
William Sprunt	✓	✓	✓	2 of 7 (joined on 26/9/25)			✓	✓						
Leann Hearne	✓	✓	✓	2 of 2 (joined on 10/02/25)							✓			Chair
Alexander Phillips	✓	✓	✓	4 of 4 (stepped down 25/09/24)										
Elaine Bucknor	✓	✓	✓	4 of 4 (stepped down 25/09/24)										
John Hughes		✓		4 of 4 (stepped down 30/09/24)										
Patrick Franco	✓		✓	11 of 11									✓	✓
Matthew Cornwall-Jones		✓		6 of 7 (appointed to NHHO board on 1/10/24)			✓							
Katie Bond		✓		8 of 11										
Mark Smith	✓		✓	11 of 11	✓									

# The executive board

Notting Hill Genesis is managed by the executive board, headed by the chief executive and supported by a team of six group directors.

Executives and other staff have no interest in Notting Hill Genesis' shares and act as executives within the authority delegated by the board.

The chief executive and the executive board members are on six month notice periods. Details of board and executive board remuneration are shown in note 30.

Board members, senior staff and committee members are insured against personal liability when acting on behalf of Notting Hill Genesis.



**Patrick Franco**

Chief executive  
(Director of Notting Hill Genesis and Springboard Two Housing Association)



**Matthew Cornwall-Jones**

Chief homes officer



**Tabitha Kassem**

Chief governance and risk officer  
(joined 22/04/25)



**Rajiv Peter**

Chief information officer



**Mark Smith**

Chief financial officer  
(joined 15/04/24)



**Vipul Thacker**

Chief organisational effectiveness officer



**Craig Wilcockson**

Chief people officer  
(joined 9/12/24)



**Chyrel Brown**

Interim chief customer officer  
(joined 03/06/25)

**Katie Bond**

Chief operating officer  
(resigned 20/06/25)

**John Hughes**

Group director of development and sales  
(resigned 30/09/24)

**Susan Hickey**

Interim chief financial officer  
(resigned 14/04/24)

**Sara Thomson**

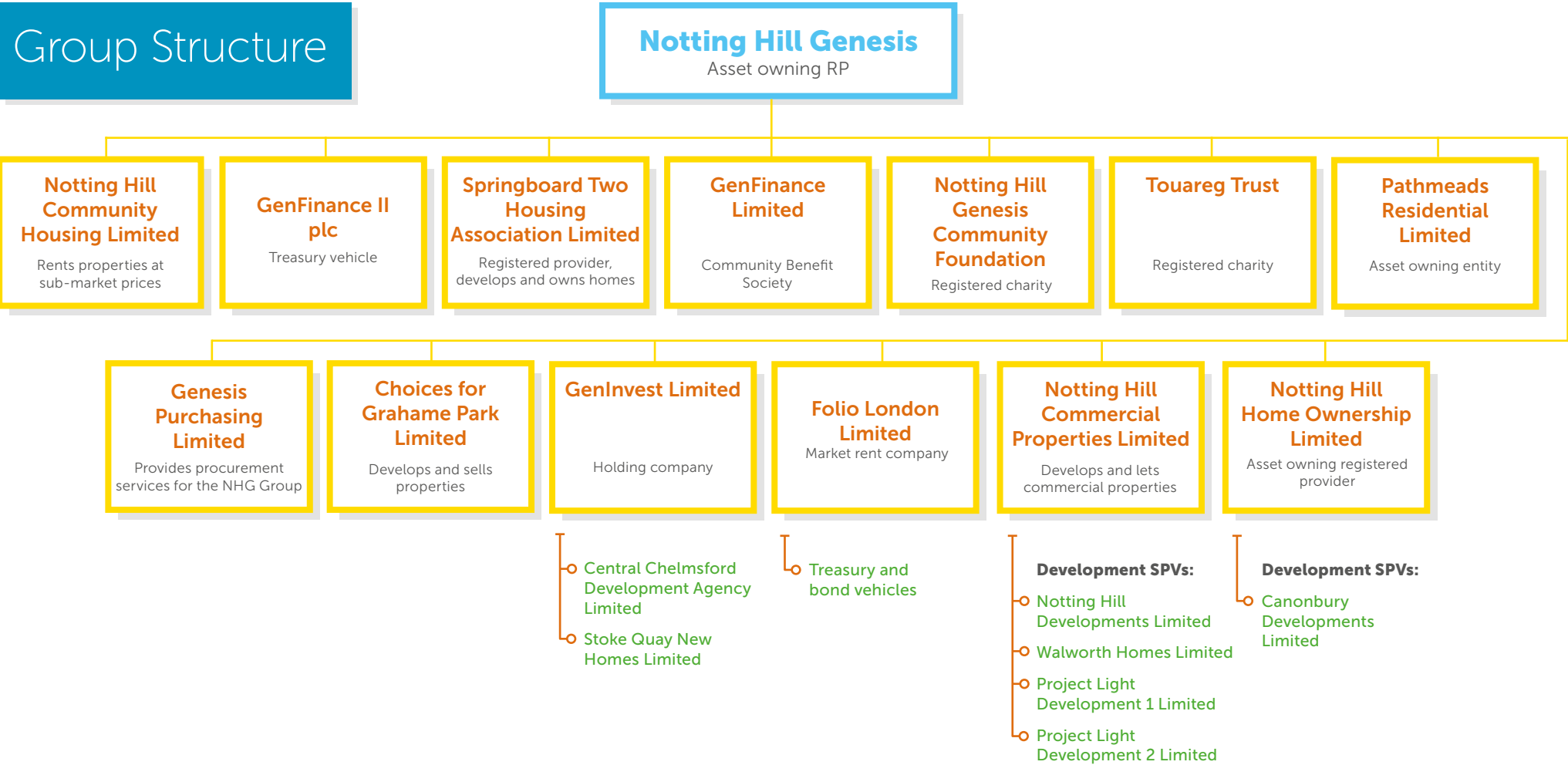
Interim chief governance and risk officer  
(resigned 09/05/25)



# Legal entities

Activities at Notting Hill Genesis are carried out through a range of legal structures. The group is led by the parent, which is a charitable community benefit society, as well as being a registered provider of social housing. Several limited companies and limited liability partnerships carry out the group’s activities, which helps to mitigate risk.

The key legal entities are listed in the table on this page. The full list of subsidiaries and joint venture entities are disclosed in note 33.



# Resident involvement and engagement

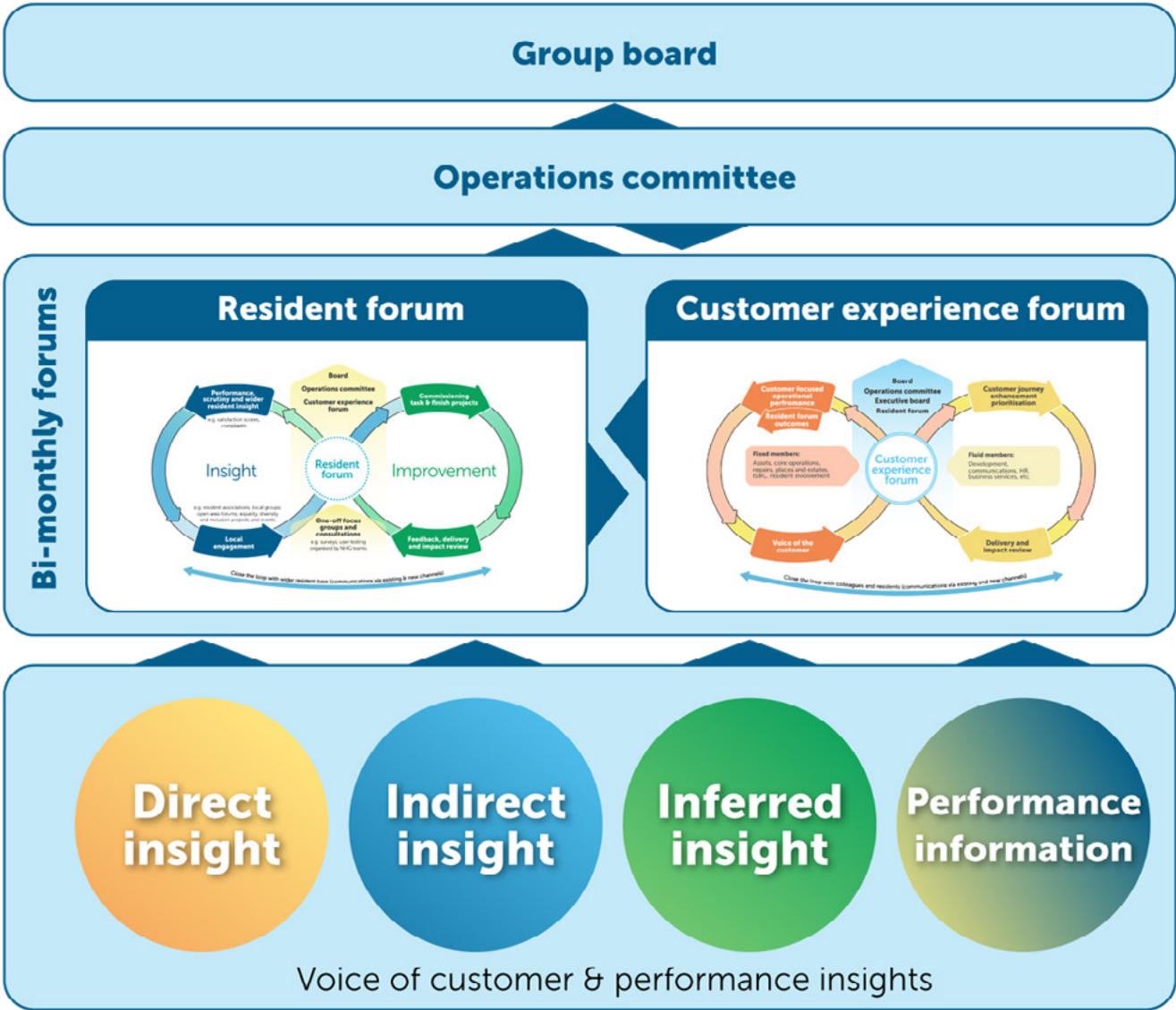
We have continued to deliver a resident engagement and involvement programme throughout the year. Our annual residents' report 2024 and our customer report for 2024/25, Working Better Together for Residents, report on our resident engagement activities and are available on our website.

Discussions from the resident forum feed into the staff customer experience forum, the group that oversees our Voice of the Customer programme of continuous improvement. The resident forum and customer forum complement one another, and we aim to ensure a continuous loop of insight and information between the two.

During the past year, having heard from our residents that they want increased ways to provide feedback on services such as short-term projects, one-off consultations, or local community meetings, the resident forum has identified resident-led projects and pieces of work, which have been commissioned to seek to improve both performance and resident experience.

The resident forum has also gained insights from different touchpoints such as local engagement complaints and satisfaction scores, which has informed the projects it has commissioned and activities being planned now.

We will continue to support projects led by residents that support and monitor performance issues or strategic priorities, working with them to





identify where they feel further scrutiny needs to be applied.

We have identified the opportunity to review the governance arrangements in relation to the resident forum to ensure it is as effective and embedded as it can be in achieving its purpose in supporting our Better Together strategy. For the future, we will ensure the resident forum is included in our governance activities, providing a holistic approach to our corporate administration.

## How we are governed

### Code of governance

Notting Hill Genesis has adopted the National Housing Federation's code of governance 2020. Adherence to the code is monitored by the audit and risk committee. In May 2024, the committee reviewed annual attestations and evidence, reporting onward recommendation to the board.

### Statement of compliance

Notting Hill Genesis/Notting Hill Home Ownership/Springboard Two Housing Association have subscribed to the National Housing Federation's code of governance 2020 as their code of governance.

During the year, an independent review of our governance arrangements was commissioned following the Regulator of Social Housing's regulatory judgement which found Notting Hill Genesis to be non-compliant with the regulator's governance and financial viability standard.

Altair have conducted this review, which included an assessment of compliance against the National Housing Federation's code of governance. The review confirmed that we are not compliant with the code in certain areas, and we have identified the following activities to ensure a return to compliance, which equally align with actions set out in the Regulatory Compliance Action Plan:

Issue	Action
Need to strengthen <b>performance reporting</b> including health and safety oversight and reporting to ensure this is at the heart of the board's focus.	An independent review of our board oversight and reporting has been undertaken and a new strategic dashboard has been developed. Appropriate targets and tolerances are in place with monitoring delegated to committees but with central oversight at the board. This is supported by escalation reporting outside of the meeting cycle to enable effective board oversight and determination of mitigation strategies to be deployed.
Develop <b>resident engagement</b> strategies to enable <b>effective resident influence into strategic decision-making</b> .	A review of the resident forum and scrutiny activities will be undertaken ensuring that there are appropriate delegations given from the board built into the governance framework as well as resident consultation arrangements embedded in advance of strategic matters being referred to the board.
While there is an ED&I framework in place, the <b>collation of data pertaining to residents' specific needs</b> is limited, rendering it difficult for Notting Hill Genesis to currently <b>tailor services to individual needs</b> .	A review of our processes and systems by which we obtain and have due regard to our resident vulnerability data is underway so that our residents will be empowered to update their own data and this is directly visible to our people for delivery of services.
<b>Review governance arrangements</b> including those relating to shareholders, management of interests, meeting papers publication timeframes, review of members skills, development of a board recruitment policy, etc.	As set out in the regulatory compliance workstream, a full review of all governance arrangements is underway to provide assurance as to arrangements, it being accepted that although all requirements are in place, their review is due and updates to meet the revised operating arrangements and strategic focus of Notting Hill Genesis will require changes to that which is in place.
Further improvements are required to ensure the <b>risk management and assurance frameworks</b> are suitable and effective for Notting Hill Genesis to fully understand the risk profile and effectiveness of key controls.	As set out in the regulatory compliance plan with the support of a external subject matter expert, the board risk appetite and tolerance levels are to be refreshed with a review and development of the risk oversight and assurance framework in place (including reporting enhancements) planned.
There were not annual <b>board and committee effectiveness reviews</b> in place at the time of the 2024 self-assessment.	Annual committee effectiveness reviews have been completed in March 2025 and the Altair review will review board effectiveness for 2025 such that Notting Hill Genesis is compliant for 2025-2026 but was not for 2024-2025.

## Regulator of Social Housing regulatory standards

The Regulator of Social Housing published a regulatory framework and regulatory standards, which comprise economic and consumer standards.

Following a routine regulatory inspection that took place over the summer of 2024, the regulator published new grades for Notting Hill Genesis in November 2024. The judgement confirmed an unchanged financial viability rating of V2, a first consumer rating of C3, and a change in governance rating from G1 to G3.

The board recognises that it is not compliant with the governance and consumer standards and has committed to taking action to seek a return to compliance.

Linked to the code of governance review, we recognise that we have work to do to restore our compliance and have established and recruited to a new chief governance and risk officer role and directorate to drive the change required. The regulatory compliance plan sets out 75 milestones across 11 workstreams which will be achieved to enable a return to regulatory compliance.

Progress is mapped through a dedicated programme, supported through and with the support of an external independent programme support, and monitored through monthly executive led regulatory compliance performance board (RCPB), monthly board sub-committee regulatory compliance committee (RCC), and regular engagement meetings with the Regulator of Social Housing.

## Law and regulations compliance

We recognise that we are not compliant with either our chosen code of governance or the Regulator of Social Housing's regulatory standards as set out above.

Internal assessments undertaken during the period to the end of the financial year ending 31 March 2025 deemed us compliant with all other applicable legislation and regulation that were effective during the year.

## Board skills, evaluation and appraisal

Board members' experience and competencies are evaluated regularly via the nominations committee (now the people and nominations committee) and the board to ensure that each body is populated with the necessary skills to deliver its responsibilities. Skills requirements link to ensuring effective oversight of operations and delivery of core purpose.

The board undertakes an annual self-assessment of its performance collectively and as individuals. A number of board training sessions and facilitated training support has been provided to our board members to meet identified individual and collective needs.

As referenced above, Altair were commissioned to carry out an independent evaluation of board effectiveness during the year, the findings from which have been used to create an action plan that confirms the actions required to support

return to regulatory compliance. The regulatory compliance committee will monitor progress against this action plan, along with the regulatory compliance plan, to ensure completion of the voluntary undertaking with the regulator.

The chair is responsible for managing the performance of the board and the chief executive. The chair's performance is reviewed by the senior independent director and the chief executive, having taken feedback from all board members.

Board members were appraised individually during the year, with the outputs reported to the board.

## Board member renewal

Members of the board are appointed for three-year terms, but suitability as to maintenance of the appointment is reviewed annually, informed by the annual appraisal process. Appointments can be renewed, but board members cannot serve beyond their sixth consecutive annual general meeting unless the board agrees that circumstances exist where it would be in the best interest of the group for them to serve for a longer period. The board agreed in June 2023 to extend the term of office of Richard Powell to the annual general meeting in 2025 as part of its considerations of skills and succession.



## Board diversity

In all recruitment efforts, the board is focused on diversity and inclusion to build a strong and effective culture that can deliver on the aspirations of the business. A survey of the board was carried out to inform those recruitment efforts and is summarised below.

Although the requisite skills and experience will always be the first priority in recruitment activities, it was agreed through this review that the board was sufficiently diverse such that recruitment to a specific characteristic was not considered necessary.

The people and nominations committee is actively reviewing the diversity of the membership to inform the succession plan and board/committee training and recruitment activities.

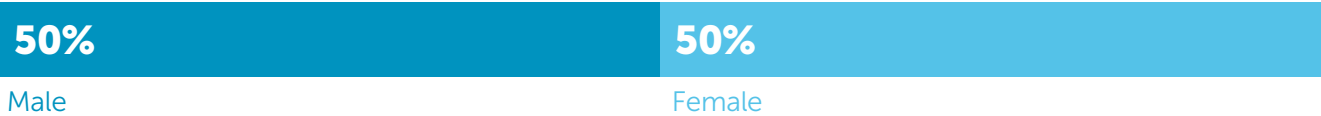
ED&I monitoring results of the board as at July 2025

We recognise the importance of diverse perspectives within our governance processes. In all our recruitment efforts, the board is focused on diversity and inclusion to build a strong and effective culture that it needs to deliver the aspirations of the business. Further work is being taken forward to develop the board succession plan informed by diversity data of our residents. The table below sets out the current diversity monitoring results of the board.

Average age = 50



Gender



Ethnicity



## Employees

Our strength lies in the quality of all our employees. Our ability to meet our objectives and commitments to residents in an efficient and effective manner depends on their contribution.

We are committed to equal opportunities and in particular we support the recruitment of disabled people and the retention of employees who become disabled while in our employment. We have received recognition from the Department for Education for establishing policies of positive promotion of employment opportunities for candidates and employees with disabilities. We were assessed by Investors in People in 2022 and received the silver accreditation for wellbeing and silver overall.

We achieved silver in the Stonewall workplace equality index and are ranked 58 in the UK, achieving top 100 employer status for the first time.

Our 2024 mean gender pay gap was 12.3% and median gender pay gap was 10.7%.

In 2025 our mean gender pay gap was 11.8% and the median gender pay gap was 9.5%. Our median ethnicity pay gap was 10.7% and the mean was 12.4%.

More details can be found in the publicly available financial statements of all the relevant subsidiaries in the group required to report under section 172 of the Companies Act and in our published pay gap reports available on our website.

It is important our employees retain a high level of engagement, which is correlated with positive organisational outcomes and can be considered

the performance dimension of culture. We have partnered with global leaders Gallup in order to better understand and drive-up employee engagement, which will indirectly impact the level of service provided to residents.

We remain committed to equal opportunities and over the past year rolled out a revised approach to reasonable adjustments, equipping us to better identify when employees with disabilities and long-term health conditions would benefit from adaptations, and to make appropriate adjustments in a timely manner.

We are proud of the high number of vacancies that are filled by internal applicants as our people choose to remain with us while progressing in their careers.

## Internal controls

The board has overall responsibility for establishing and maintaining the whole system of internal control for Notting Hill Genesis and for reviewing its effectiveness.

The board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of our assets and interests. In meeting its responsibilities, the board has adopted a risk-based approach to

internal controls which is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which we are exposed.

The process adopted by the board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes the items listed below.

The board has delegated to the audit and risk committee a regular review of the effectiveness of the group system of internal control, while maintaining ultimate responsibility for the system of internal control.

Throughout the financial year, the audit and risk committee has received quarterly reports from the executive board confirming that they are satisfied with the arrangements for internal controls assurance during the year. The audit and risk committee approved the executive board's report to the committee setting out the operation of internal controls in the year and agreed to recommend this to the board.

## Identification and evaluation of key risks

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of Notting Hill Genesis's activities and business areas overseen by the executive and leadership team. The board has overall

responsibility for setting risk appetite and ensuring there is an effective risk management process in place. The audit and risk committee supports the board in monitoring significant risks, considering the control environment adequacy and effectiveness, and tracking progress of risk management and internal audit activity and outputs. Regular reporting to board highlights any movement in the assessment of key risks, systems and controls and material items for escalation and oversight.

### Monitoring and corrective action

A process of control, self-assessment and regular management reporting on control issues provides hierarchical assurance to successive levels of management and to the board.

This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services.

### Control environment and control procedures

The board retains responsibility for a defined range of matters covering strategic, operational, financial and compliance issues, including treasury strategy and consideration of the viability of large new investment projects. The board has adopted and disseminated to all colleagues a code of conduct for employees. This sets out our policies with regard to the quality, integrity and ethics of our employees. It is supported by a framework of policies and procedures with which employees must comply. These cover



issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection, and fraud prevention and detection.

### Information and financial reporting systems

The board approves a strategic business plan in each financial year, which includes longer-term financial plans and limits on investment.

Financial reporting procedures include detailed budgets for the year ahead, management accounts produced monthly and forecasts for the remainder of the financial year.

These are reviewed in various levels of detail by appropriate staff and in summary on a quarterly basis by the board. The board also regularly reviews progress towards the achievement of key business objectives, targets and outcomes.

### Fraud

The compliance team maintains several key registers, including those for fraud, whistleblowing, anti-money laundering, and gifts and hospitality. Staff and stakeholders have access to multiple reporting methods, both internal and external. There are dedicated inboxes for whistleblowing and anti-money laundering disclosures, along with established procedures for managing gifts and hospitality.

All instances of actual or alleged fraud are reviewed at each audit and risk committee meeting. Frauds are reported to the Regulator of Social Housing as required, and external advice is sought based on the severity of the misconduct. Conflict of interest procedures are also in place,

with declarations of interest sheets provided at each board meeting.

The audit and risk committee oversees certain policies that are crucial to the operation of the control environment, such as the anti-fraud, whistleblowing, anti-bribery, and anti-money laundering policies, all of which were updated during 2024/25. These policies are published on the internal intranet for staff access.

Concerns related to anti-money laundering are escalated to the National Crime Agency. We have an appointed money laundering compliance officer (the chief financial officer) and money laundering reporting officer (chief governance and risk officer) to manage anti-money laundering activities and ensure awareness and accountability across the organisation. Additionally, we have conducted an anti-money laundering risk assessment, drafted an action plan and implemented mandatory training.

We have also commissioned an independent fraud resilience review to provide additional assurance to the audit and risk committee as to our arrangements, and are delivering an anti-money laundering strategy and counter-fraud action plan now to further bolster our defence arrangements.

### Anti-slavery and anti-trafficking statement

We are committed to identifying and mitigating human rights abuses related to our employees and individuals within supply chains supporting our activities and affecting our customers.

Actions taken by the group and its subsidiaries to deliver this commitment are set out in a statement on our website.

### Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption, in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the board, signed by the chair and chief executive and made available on our corporate website. We expect our business partners to adopt a similar approach to bribery or corruption and make this a condition for new contracts awarded.

## Audit assurance

### Internal audit

Beever and Struthers acted as the internal auditors for the group during the year ended 31 March 2025. The internal auditors have direct access to the audit and risk committee, independent of paid staff. The audit and risk committee met six times during the financial year and considered internal control and risk at each of its meetings. Highlights from the committee's work for the year are included from pages 37.

The internal control framework and the risk management process are subject to regular review by the internal auditors who advise the executive directors and report to the audit and risk committee.

Regular reporting is delivered to the audit and risk committee highlighting progress on the delivery of the plan and the outcomes of internal audit activities. The committee reviewed and approved

the internal audit plan for 2024/25.

In its annual internal audit report, received by the audit and risk committee on 16 July 2025, the following internal audit opinion was presented:

“Based on the work undertaken and subject to the weaknesses identified and reported in our internal audit reports, the group board can be provided with a reasonable level of assurance that there is an effective framework of internal controls in place across many of Notting Hill Genesis’ areas of activity.”

Of the internal audits completed in the year 2024/25, there was a total of 29 recommendations, of which five were high, 11 were medium and 13 were low. Audit recommendations are tracked and followed up so that recommendations for strengthened controls and improvement can be implemented promptly.

#### External audit

Notting Hill Genesis and its subsidiaries appointed Crowe LLP as external auditors following a tender exercise in December 2022. We receive a report (including their letter to management) from the external auditors each year as part of the audit process. In this they convey details of any internal control weaknesses that may have come to their attention in the course of their duties. This letter is considered by the audit and risk committee and the board. Recommendations made in their closure report are followed up and reported into the audit and risk committee during the year.

The audit and risk committee met with the internal and external auditors during the year

without the presence of paid staff or executive directors.

The audit and risk committee conducts an annual review of the effectiveness of the group’s system of internal control and takes account of any changes that may be needed to maintain the effectiveness of the risk management and control process. The audit and risk committee makes an annual report to the board, which the board has received.

#### *Independent external auditors and annual general meeting*

The reappointment of the external auditors, Crowe UK LLP, was proposed and approved at the annual general meeting on 25 September 2024.

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

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

## Statement of compliance

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

The report was approved and authorised for issue by the board on 26 September 2025.



**Brendan Sarsfield**  
Chair



# Statement of board's responsibilities

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

The financial statements have been prepared in accordance with the requirements of United Kingdom Generally Accepted Accounting Practice (UK GAAP), including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice Accounting for Registered Social Housing Providers 2018 (SORP 2018) and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the registered

provider of social housing (RPSH) and of the surplus or deficit for that period. In preparing these financial statements, the board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the RPSH will continue in business.

The board is responsible for keeping adequate accounting records that are sufficient to show

and explain the transactions and which disclose with reasonable accuracy at any time the financial position of the RPSH and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the RPSH and to prevent and detect fraud and other irregularities.

The board is responsible for ensuring that the strategic report includes a fair review of the development and performance of the business and the position of Notting Hill Genesis and its subsidiaries included in the consolidation, together with the disclosure of the principal risks and uncertainties they face.

The board is responsible for the maintenance and integrity of Notting Hill Genesis's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.





# Financial statements



## Group highlights

For the year ended 31 March	2025 £m	2024 £m	2023 £m	2022 £m
<b>Consolidated statement of comprehensive income</b>				
Turnover	717.9	711.8	728.1	836.9
Cost of sales and operating income	(641.0)	(712.3)	(605.5)	(661.2)
Other operating activities	(71.4)	33.5	95.3	55.0
<b>Operating surplus</b>	<b>5.5</b>	<b>33.0</b>	<b>217.9</b>	<b>230.7</b>
Net financing costs	(135.0)	(123.2)	(111.8)	(117.8)
Taxation	(0.5)	-	(11.7)	(10.6)
<b>Surplus for the year after tax</b>	<b>(130.0)</b>	<b>(90.2)</b>	<b>94.4</b>	<b>102.3</b>
<b>Consolidated statement of financial position</b>				
Housing properties	7,095.8	6,921.8	6,815.4	6,741.8
Other fixed assets and investments	1,188.0	1,299.2	1,292.0	1,328.0
Net current assets	212.3	327.6	183.9	254.0
Creditors due after one year	(4,970.7)	(4,900.5)	(4,547.9)	(4,693.9)
<b>Net assets</b>	<b>3,525.4</b>	<b>3,648.1</b>	<b>3,743.4</b>	<b>3,629.9</b>
General reserves	2,426.0	2,552.5	2,640.6	2,544.2
Revaluation and hedge reserves	1,099.4	1,095.6	1,102.8	1,085.7
<b>Total funding</b>	<b>3,525.4</b>	<b>3,648.1</b>	<b>3,743.4</b>	<b>3,629.9</b>
<b>Consolidated statement of cash flows</b>				
Net cash inflow from operating activities	273.5	19.5	219.3	311.8
Cash flows from investing activities	(381.8)	(263.3)	(223.0)	(258.0)
Cash flows from financing activities	49.2	278.8	(48.5)	(20.9)
Cash and equivalents at start of year	95.2	60.2	112.4	79.5
Cash and equivalents at end of year	36.1	95.2	60.2	112.4

	2025	2024	2023	2022
<b>Accommodation owned and in management</b>				
General rented housing	35,402	35,251	35,131	35,719
Supported housing	4,219	4,271	4,419	4,782
Temporary housing	2,641	2,845	2,854	2,912
Market rent	3,441	3,489	3,210	3,394
Key worker and student rented housing	1,923	1,925	1,925	2,289
Shared ownership	8,786	9,053	9,093	9,419
Leasehold	10,668	9,914	9,749	9,176
Non social affordable housing	952	888	729	-
<b>Total</b>	<b>68,032</b>	<b>67,636</b>	<b>67,110</b>	<b>67,691</b>
<b>Statistics</b>				
Surplus as % of turnover	(18.0)%	(11.96)%	13.0%	12.2%
Operating margin (operating surplus % of turnover)	0.8%	5.4%	29.9%	27.6%
Operating margin (core lettings)	20%	17%	20.7%	26.5%
Operating margin (social housing lettings)	13.3%	13.2%	18.8%	25.1%
Void loss (social housing lettings)	1.3%	1.4%	1.4%	1.6%
Gearing* (net debt as % housing & investment property)	39.5%	41.0%	39.8%	39.2%
Interest cover* (EBITDA MRI: operating surplus before interest, tax, depreciation and amortisation, major repairs included)	140.2%	126.6%	167.8%	192.8%
Return on capital employed* (operating surplus as % of net assets)	0.2%	1.0%	5.8%	6.4%

\* Alternative performance measures, as defined, are used by the group and differ from those required by the RSH as shown in the VFM section

# Independent auditor's report to the members of Notting Hill Genesis

## Opinion

We have audited the financial statements of Notting Hill Genesis (the "Association") and its subsidiaries (the "Group") for the year ended 31 March 2025 which comprise the Group and Association Statement of comprehensive income, the Group and Association statement of changes in reserves, the Group and Association statement of financial position, the Group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the

Associations affairs as at 31 March 2025 and of the Group's and the Association's surplus 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 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 as applied to listed public interest entities, 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. Our evaluation of the Board's assessment of the Group and Association's ability to continue to adopt the going concern basis of

accounting included:

- reviewing the period used by Board to assess the ability of the Group and Association to continue as a going concern;
- examining budgets and forecasts prepared by management covering the period of the going concern assessment to ensure that these appropriately support the Board's conclusion and checking the mathematical accuracy of financial models used and assessing the reasonableness of scenarios selected by management for stress testing downside sensitivities;
- assessing the quantum of cashflow from property disposals on the basis of the development pipeline;
- reviewing the accuracy of past budgets and forecasts by comparing the budget for the current year against actual results for the year;
- obtaining supporting evidence for the availability of



financing facilities during the period of the going concern assessment;

- reviewing compliance, both during the year and within forecasts, with loan covenants by recalculation of ratios on basis required by lender agreements;
- reviewing compliance with laws and regulations and challenging management on whether any non-compliance could be a risk to going concern;
- reviewing the stress-testing of financial forecasts to consider the impact on future cashflows; and
- challenging management on the suitability of assumptions and the plausibility of mitigating actions identified in their assessment based on our knowledge of the business and the operating environment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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.

## Overview of our audit approach

### Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £7.1million, based on 1% of revenue (2024: £7.1million based on 1% of revenue). Materiality for the Association financial statements as a whole was set at £5.6million based on 1% of revenue (2024: £5.8million based on 1% of revenue).

We use a different level of materiality ('performance materiality') to determine the extent

of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Performance materiality was set at 70% of materiality (2024: 70%) for the financial statements as a whole, which equates to £5.0million for the Group (2024: £5million) and £3.9million for the Association (2024: £4.1million).

We agreed with the Audit and Risk Committee to report to it all identified errors in excess of 5% of materiality being £350,000 (2024: £350,000) for the Group and £280,000 (2024: £290,000) for the Association. Errors below that threshold would also be reported to the Committee if, in our opinion as auditor, disclosure was required on qualitative grounds.

### Overview of the scope of our audit

The scope of our group audit was established by gaining an understanding of the group and the environment in which it operates including evaluation of the system of internal controls.

The financial reporting function for the Group and its material subsidiaries is centralised in one operating location in the UK, with the exception of Folio Residential Finance No 1 Plc who has an outsourced management function. Our audit was conducted from the main operating location and all material subsidiaries, including Folio Residential Finance No 1 Plc, were within the scope of our audit.

For a number of group subsidiaries, the audit was led by a separate key audit partner. Under their direction and supervision, the team undertook specified audit procedures on those companies. The work was planned and executed in conjunction with the Group Audit Partner with both the planning and completion meetings attended by both partners.

The scope of the audit work and the design of audit tests undertaken was solely for the purposes of forming an audit opinion on the Group and Association financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
<p><b>Assessment of the net realisable value of properties in the course of sale and landbank (inventories) (refer to accounting policy in note 1 and financial disclosures in note 15)</b></p> <p>At 31 March 2025 the Group was carrying total properties in the course of sale of £346.9 million. This includes £164.5 million of landbank.</p> <p>Inventories must be held at the lower of cost and net realisable value (being sales proceeds less costs to sell and costs to complete). Management are required to assess whether there is any indication that net realisable value has decreased below carrying value and, if so, reduce this at the reporting date.</p> <p>As such we consider there is a significant risk that the carrying value of stock is materially misstated and this is a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Reviewing management's impairment assessment and identifying a sample of schemes for further testing based on certain risk criteria.</li> <li>• Assessing the calculation of net realisable value by reference to supporting documentation;</li> <li>• For landbank reviewing the revised development plan agreed by the Board and challenging assumptions made by management in their assessment of net realisable value.</li> <li>• For work in progress on a risk based assessment comparing scheme net realisable value assessment to original scheme appraisal and challenging changes in assumptions or lack of changes where it is considered appropriate;</li> <li>• For completed properties agreed values to post year-end sales or where unsold for an extended period challenged management on the assessment of net realisable value;</li> <li>• Inspection of Board papers for any indication of a reduction in the net realisable value such as changes to planning restrictions, identification of contamination of land, changes to timelines for completion, rising costs or a decline in the property market;</li> <li>• Checking the arithmetical accuracy and verifying the inputs into the net realisable value calculation including estimates of sales proceeds by reference to external valuation and market data and cost to complete by reference to latest development appraisal; and</li> <li>• Sensitivity analysis over the key assumptions and consideration of outcomes achieved post year end, particularly sales values achieved after the reporting date.</li> </ul> <p><b>Key observations and results</b></p> <p>We have concluded that management have made appropriate impairment against the value of properties in the course of sale including landbank.</p>
<p><b>Impairment of housing properties (refer to accounting policy in note 1 and financial disclosures in notes 9)</b></p> <p>At 31 March 2025 the Group held Housing Properties of £7,095.8 million.</p> <p>The Housing SORP requires that assets be reviewed for indicators of impairment annually. If such indicators exist, an impairment assessment and estimate of the recoverable amount must be performed. This assessment should be carried out at for the cash generating unit which has been assessed as being the scheme level. Viability of the properties held may be impacted by a range of factors, a particular focus has been on schemes requiring remedial works for building and fire safety.</p> <p>Judgement is required in determining whether indicators of impairment have arisen in the year and where these are identified there is inherent estimation uncertainty in determining both value in use and fair value less costs to sell and therefore a significant risk of material misstatement and this is a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Reviewing management's impairment assessment and challenging the determination of impairment indicators based on understanding of the operating and economic environment referencing those indicators outlined in paragraph 14.6 of the Social Housing SORP.</li> <li>• Comparison of management's impairment assessment against internal data on voids;</li> <li>• Inspection of Board papers for any indication of impairment such as plans to dispose or demolish, remediation works required, identification of contamination of land, changes to timelines for completion, rising costs or a decline in the property market;</li> <li>• Considered the completeness of schemes identified with an impairment trigger relating to remediation works required, compared the schemes considered for impairment against the work carried out under building safety provisions for any schemes of mixed leasehold and general needs tenures;</li> <li>• For schemes where impairment triggers were identified we reviewed management's calculation of recoverable value. Both Net Present Value (NPV) and Value in Use – Service Potential, via the calculation of Depreciated Replacement Cost (DRC), were assessed as suitable measures for recoverable amount; and</li> <li>• We considered the appropriateness of key assumptions adopted by Management and reviewed the integrity of the valuation models used by management in their calculation of NPV and DRC as well as the reliability of development budgets produced by Management.</li> </ul> <p><b>Key observations and results</b></p> <p>Based on our audit procedures we are satisfied that the value of housing properties are reasonably stated and there is no material impairment that has not been recognised.</p>



## Key audit matter

Valuation of investment properties (refer to accounting policy in note 1 and financial disclosures in note 10)

At 31 March 2025 the Group held completed investment properties of £1,086.7 million.

Completed investment properties are carried in the financial statements at fair value at the reporting date in accordance with FRS 102.

Due to volatility of market conditions there is inherent estimation uncertainty in the fair value assessments which make this a key audit matter.

**Estimation of provision required to settle building safety obligations to leaseholders (refer to accounting policy in note 1 and financial disclosures in notes 22)**

At 31 March 2025 the Group was carrying total provisions of £77.1 million in respect of the obligation to remediate leaseholder properties for certain building and fire safety works.

FRS102 states that an entity shall recognise a provision only when:

- the entity has an obligation at the reporting date as a result of a past event;
- it is probable (ie. more likely than not) that the entity will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Judgement is required in considering the past event which triggers the obligation and due to the inherent estimation uncertainty in determining the costs required to remediate properties there is a significant risk that the provision could be materially misstated and this is a key audit matter.

## How the scope of our audit addressed the key audit matter

Our procedures included:

- Review of management's assessment of the fair value of investment properties at the reporting date, this was derived from valuation reports prepared by external surveyors;
- Agreement to valuation reports obtained from management's experts and challenge of the accuracy of information which was sent to the external valuer, giving consideration to risk of management bias;
- Assessment of the competency and capability of the Group's external valuer;
- Consideration and challenge of the appropriateness of valuation methodology and assumptions used;
- Engaging our own independent property valuation expert to assist with our assessment of the valuation methodology and key assumptions used in accordance with ISA (UK) 620 to challenge management where appropriate on the assessment of fair value;
- Agreement of inputs (rental terms and lease duration) into the valuation models on a sample basis;
- Consideration of outcomes achieved/indicated for assets to be disposed post year end.

### Key observations and results:

Based on our audit procedures we are satisfied that the value of investment properties are reasonably stated and there is no material impairment that has not been recognised.

Our procedures included:

- Reviewing management's judgement against accounting standards;
- Reviewing management's assessment and calculation of the recognised provision comparing a sample of schemes identified for provision against external evidence of cost assessments;
- For the sample selected agreeing the split of mixed tenure schemes (to identify the leaseholder element) to internal property database and fixed asset register;
- For the sample selected agreeing the legal entity responsible for works to title deeds or head leases where appropriate;
- For the sample agreeing the movements in the year to supporting documentation and ledger transactions;
- Agreeing recognition of debtors related to recovery of costs against the provision to supporting documentation to ensure recognition was in accordance with accounting standards; and
- Testing the completeness of the provision against the recognition criteria by reference to regulator returns, internal reports; expenditure incurred on fire risk assessments and enquires to the legal team.

### Key observations and results

Based on our audit procedures we are satisfied that the value of the provision is reasonably stated in accordance with accounting standards.

## Key audit matter

### Estimation of the recoverability of service charge debtors (refer to accounting policy in note 1 and financial disclosures in notes 16 and 37)

At 31 March 2025 the Group was carrying £17.6m million of service charges receivable.

FRS102 indicates that the historical cost of an asset should be updated over time to depict a range of factors including, if applicable, the effect of events that cause part or all of the historical cost of the asset to be no longer recoverable (impairment).

Due historic challenges with reporting and recovering service charges from tenants there is a greater risk of estimation uncertainty in determining the recoverability of service charge debtors. As such a significant risk that the carrying value of service charges receivable is materially misstated and this is a key audit matter.

## How the scope of our audit addressed the key audit matter

Our procedures included:

- Reviewing management's judgement and estimation of recoverability against accounting standards;
- Considering management's judgment by reference to board decisions made in the year;
- Reviewing historic balances justified through the issuance of valid s20b notices to examples of the original notice issued to residents, as well as to underlying draft service charge accounts;
- Testing the accuracy of the debtor generated from draft service charge accounts by reviewing the final statements issued for collection from residents for schemes that were finalised post year-end; and
- Reviewing current year equalisation balances brought onto the balance sheet in the year, sampling items from income and expenditure reported to underlying support to justify the deficit positions.

### Key observations and results

Based on our audit procedures we are satisfied that the value of the remaining service charge receivable is reasonably stated and there is no material impairment that has not been recognised.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- proper accounting records have not been kept by Association; or

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



## Responsibilities of the Board for the financial statements

As explained more fully in the Board's responsibilities statement set out on page 58, 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 has 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, this however, 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We

design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 together with the Statement of Recommended Practice for registered social housing providers (Housing SORP) and the Accounting Direction for Private Registered Providers of Social Housing. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial

statements but compliance with which may be fundamental to the Group's ability to operate or avoid a material penalty or have another material effect on the financial statements. We also considered the opportunities and incentives that may exist within the Group for fraud. The laws and regulations we considered in this context were the requirements imposed by the Regulator of Social Housing, building, health and safety legislation, UK tax legislation, employment legislation and General Data Protection Regulations (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of revenue, the assumptions applied in the use of judgements and estimates and the override of controls by management. Our audit procedures

to respond to these risks included enquiries of management, Internal Auditors and Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical review and substantive testing of income and cost allocation, scrutiny and challenge of management's impairment assessments and provision estimation, ensuring policies are appropriate under the relevant accounting standards and applicable law, corroborating recognised sample to supporting documentation ensuing those policies are followed, reviewing regulatory correspondence with relevant regulators and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events

and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, forgery, collusion or the provision of intentional misrepresentations. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

## Other matters which we are required to address

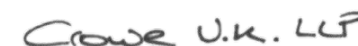
Following the recommendation of the Audit and Risk Committee, we were appointed by the Board on 7 February 2023 to audit the financial statements for the period ending 31 March 2023. Our total uninterrupted period of engagement is three years, covering the years ended 31 March 2023 to 31 March 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Association and we remain independent of the Association in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

## Use of our report

This report is made solely to the Association's members as a body in accordance with Section 87 (2) and Section 98(7) 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.



Crowe U.K. LLP  
Statutory Auditor  
London  
United Kingdom

26 September 2025



# Statement of comprehensive income

		Group		NHG	
	Notes	2025 £m	2024 £m	2025 £m	2024 £m
Turnover	2	717.9	711.8	604.0	532.9
Cost of sales	2	(56.7)	(55.3)	(65.0)	(2.9)
Operating costs	2	(584.3)	(555.5)	(494.2)	(485.8)
<b>Subtotal</b>	<b>2</b>	<b>76.9</b>	<b>101.0</b>	<b>44.8</b>	<b>44.2</b>
Surplus on sale of assets	4	45.9	29.0	29.0	18.4
Exceptional items		-	(101.5)	-	(82.4)
Joint venture surplus/(deficit)	33	1.9	14.6	-	0.5
Fair value movement on investment properties		(119.2)	(10.1)	(36.4)	(9.4)
<b>Operating surplus</b>		<b>5.5</b>	<b>33.0</b>	<b>37.4</b>	<b>(28.7)</b>
Gift aid receivable		-	-	39.6	51.2
<b>Surplus before interest</b>		<b>5.5</b>	<b>33.0</b>	<b>77.0</b>	<b>22.5</b>
Interest receivable and similar income	5	11.7	11.2	60.1	56.0
Interest payable and similar charges	6	(147.3)	(143.1)	(158.5)	(152.4)
Gains in respect of financial derivatives	35	0.6	8.7	0.9	14.8
<b>(Deficit)/Surplus on ordinary activities before taxation</b>	<b>7</b>	<b>(129.5)</b>	<b>(90.2)</b>	<b>(20.5)</b>	<b>(59.1)</b>
Taxation	8	(0.5)	-	-	-
<b>(Deficit)/Surplus for the financial year after taxation</b>		<b>(130.0)</b>	<b>(90.2)</b>	<b>(20.5)</b>	<b>(59.1)</b>
<b>Other comprehensive income</b>					
Movement in fair value of effective cash flow hedges		10.7	(3.2)	11.8	(0.7)
Actuarial pension movement		(3.6)	(8.2)	(3.6)	(8.2)
Deferred tax	8	8.0	1.2	-	-
<b>Other comprehensive income total</b>		<b>15.1</b>	<b>(10.2)</b>	<b>8.2</b>	<b>(8.9)</b>
<b>Total comprehensive income for the year</b>		<b>(114.9)</b>	<b>(100.4)</b>	<b>(12.3)</b>	<b>(68.0)</b>

The notes on pages 72 to 122 form part of these financial statements.

All amounts relate to continuing activities.

# Statement of changes in reserves

Group	General reserves £m	Revaluation reserve £m	Cash flow hedge reserve £m	Total funding £m
<b>Balance at 31 March 2024</b>	<b>2,640.6</b>	<b>1,097.5</b>	<b>5.3</b>	<b>3,743.4</b>
Surplus for the year	(90.2)	-	-	(90.2)
Transfers to general reserves upon asset sale	5.2	(5.2)	-	-
Fair value measurement of derivatives	-	-	(3.2)	(3.2)
Actuarial pension movements	(8.2)	-	-	(8.2)
Deferred tax	-	0.4	0.8	1.2
<b>Revised balance at 1 April 2024</b>	<b>2,547.4</b>	<b>1,092.7</b>	<b>2.9</b>	<b>3,643.0</b>
Surplus for the year	(130.0)	-	-	(130.0)
Prior year adjustment	(2.7)	-	-	(2.7)
Transfers to general reserves upon asset sales	6.4	(6.4)	-	(0.0)
Fair value measurement of derivatives	-	-	10.7	10.7
Actuarial pension movements	(3.6)	-	-	(3.6)
Deferred tax	8.5	-	(0.5)	8.0
<b>Balance at 31 March 2025</b>	<b>2,426.0</b>	<b>1,086.3</b>	<b>13.1</b>	<b>3,525.4</b>

NHG	General reserves £m	Revaluation reserve £m	Cash flow hedge reserve £m	Total funding £m
<b>Balance at 31 March 2024</b>	<b>2,051.1</b>	<b>1,033.1</b>	<b>4.5</b>	<b>3,088.7</b>
Surplus for the year	(59.1)	-	-	(59.1)
Transfers to general reserves upon asset sale	3.2	(3.2)	-	-
Fair value measurement of derivatives	-	-	(0.7)	(0.7)
Actuarial pension movements	(8.2)	-	-	(8.2)
Reclassification of reserves	(0.7)	-	-	(0.7)
<b>Revised balance at 1 April 2024</b>	<b>1,986.3</b>	<b>1,029.9</b>	<b>3.8</b>	<b>3,020.0</b>
Surplus for the year	(20.5)	-	-	(20.5)
Transfers to general reserves upon asset sales	4.0	(4.0)	-	-
Prior year adjustment	(1.3)	-	-	(1.3)
Fair value measurement of derivatives	-	-	11.8	11.8
Actuarial pension movements	(3.6)	-	-	(3.6)
Reclassification of reserves	-	-	-	-
<b>Balance at 31 March 2025</b>	<b>1,964.9</b>	<b>1,025.9</b>	<b>15.6</b>	<b>3,006.4</b>



# Statement of financial position

		Group	NHG		
	Notes	2025 £m	2024 £m	2025 £m	2024 £m
Tangible fixed assets					
Housing properties	9	7,095.8	6,921.8	5,612.9	5,547.2
Investment in properties	10	1,086.7	1,184.0	302.1	363.7
Intangible assets	11	22.7	17.5	22.6	17.2
Other fixed assets	11	33.2	35.3	32.4	34.5
Total fixed assets		8,238.4	8,158.6	5,970.0	5,962.6
Investments					
Homebuy	12	22.4	23.1	-	-
Investments in subsidiaries	14	-	-	545.8	534.0
Investments in joint ventures	33	13.2	29.5	-	-
Other investments	33	9.8	9.8	5.3	5.3
		8,283.8	8,221.0	6,521.1	6,501.9
Current assets					
Properties in the course of sale	15	346.9	339.2	33.2	49.4
Debtors falling due within one year	16	97.2	170.3	708.3	582.4
Debtors falling due after one year	17	21.8	16.8	442.2	417.6
Current asset investment	18	80.4	69.3	21.2	15.8
Cash at bank and in hand		36.1	95.2	28.4	80.3
		582.4	690.8	1,233.3	1,145.5
Current liabilities					
Creditors: Amounts falling due within one year	19	(370.1)	(368.3)	(442.4)	(421.2)
Net current assets		212.3	322.5	790.9	724.3
Total assets less current liabilities		8,496.1	8,543.5	7,312.0	7,226.2

		Group	NHG		
	Notes	2025 £m	2024 £m	2025 £m	2024 £m
Creditors					
Creditors: Amounts falling due after more than one year	20	(4,769.6)	(4,686.5)	(4,152.6)	(4,048.9)
Pension deficit liability	28	(20.7)	(24.9)	(20.7)	(24.9)
Derivative financial instrument	35	(30.2)	(37.6)	(34.6)	(44.5)
Deferred tax	8	(67.4)	(75.8)	-	-
		(4,887.9)	(4,824.8)	(4,207.9)	(4,118.3)
Provisions for liabilities and charges	22	(82.8)	(75.7)	(97.7)	(87.9)
		(4,970.7)	(4,900.5)	(4,305.6)	(4,206.2)
Net assets		3,525.4	3,643.0	3,006.4	3,020.0
Capital and reserves					
Share capital	23	-	-	-	-
General reserves	24	2,426.0	2,547.4	1,964.9	1,986.3
Revaluation reserve	24	1,086.3	1,092.7	1,025.9	1,029.9
Cash flow hedge reserve	24	13.1	2.9	15.6	3.8
Total funding		3,525.4	3,643.0	3,006.4	3,020.0

The notes on pages 72 to 122 form part of these financial statements. The financial statements on pages 68 to 122 were authorised and approved by the board on 26 September 2025 and signed on its behalf by



Brendan Sarsfield  
Chair



Patrick Franco  
Chief executive



Tabitha Kassem  
Company secretary

# Statement of cash flow

Group	Notes	2025 £m	2024 £m
Net cash inflow from operating activities	25	273.5	19.5
Returns on investments and servicing of finance			
<b>Cash flows from investing activities</b>			
Purchase and construction of housing properties		(402.8)	(338.8)
Sales of housing properties		164.4	214.5
Social housing grant paid		(22.3)	(17.3)
Social housing grant received		43.4	28.7
Other government grants		3.2	4.9
Purchase of other fixed assets		(10.6)	(17.7)
Fixed asset investment/(disinvestment)		19.6	13.3
Interest received		11.8	11.1
Interest paid		(177.5)	(158.5)
Increase/(decrease) in cash on deposit		(11.0)	(3.5)
<b>Net cash flow from investing activities</b>		<b>(381.8)</b>	<b>(263.3)</b>
<b>Cash flows from financing activities</b>			
Loans received		205.0	315.7
Loans repaid		(155.8)	(36.9)
<b>Net cash outflow used in financing</b>		<b>49.2</b>	<b>278.8</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(59.1)</b>	<b>35.0</b>
<b>Cash and cash equivalents at 1 April</b>		<b>95.2</b>	<b>60.2</b>
<b>Cash and cash equivalents at 31 March</b>		<b>36.1</b>	<b>95.2</b>

The notes on pages 72 to 122 form part of these financial statements.



# Notes to the financial statements for the year ended 31 March 2025

## Note 1 - Accounting policies

The financial statements have been prepared in pounds sterling.

### General information

Notting Hill Genesis is registered under the Co-operative and Community Benefit Societies Act 2014 and is a registered provider of social housing. It is a public benefit entity.

### Statement of compliance

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the financial statements of Notting Hill Genesis (NHG) and Notting Hill Genesis group (the group).

The financial statements have been prepared in accordance with the requirements of United Kingdom Generally Accepted Accounting Practice (UK GAAP), including the Financial Reporting

Standard applicable in the UK and Republic of Ireland (FRS102), the Housing Regeneration Act 2008, the Statement of Recommended Practice Accounting for Registered Social Housing Providers 2018 (SORP 2018) and the Accounting Direction for Private Registered Providers of Social Housing 2022, and the Co-operative and Community Benefit Societies Act 2014.

### Basis of preparation

The financial statements have been prepared under the historic cost convention as modified by the application of fair value as deemed cost and by the revaluation of certain properties, investments and financial instruments. They have been prepared on a going concern basis and in accordance with the applicable accounting standards in the United Kingdom. The accounting policies have been consistently applied.

The preparation of the financial information requires management to exercise its judgement in applying the group's accounting policies. Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are explained in the accounting policies below.

### Going concern

The board has considered the potential impacts from numerous multi-variant adverse scenarios, which include a decline in sales, increase in rental arrears, increase in voids, and tightening of liquidity among other factors. Options for mitigation to ensure the business can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements. In addition to the scenarios outlined, the board

has stress tested a number of different scenarios which could affect the group and NHG's future plans. The main areas the stress testing considered were building contracts, sales, operating income and costs. The outcome of stress tests performed focused on liquidity and covenant compliance as a result of adjusting the key inputs. The resulting worst case scenario of the stress testing exercise, in which all adverse impacts described above would crystallise, indicates the probability of a covenant breach occurring in 2026 and 2027 is remote, and exhibited that the group and NHG are able to withstand these external pressures. Periodic updates to the financial business plan, management accounts forecasts and key performance indicator reporting enables continuous monitoring of the business.

After making these enquiries, the board has a reasonable



## Note 1 - Accounting policies (continued)

expectation that the group and NHG have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. For this reason, the group and NHG continue to adopt the going concern basis in the financial statements, and provides letters of support to relevant subsidiaries.

### Basis of consolidation

Group financial statements are the result of the consolidation

of the financial statements of NHG and its subsidiaries. Uniform accounting policies have been used throughout the group. All intra-group transactions, balances and surpluses or deficits are eliminated in full on consolidation.

Jointly controlled entities are accounted for using the equity method in the group financial statements, which reflects the group's share of the profit or loss, other comprehensive income and the equity of the jointly controlled entities.

Investment in associates is accounted for using the equity method in the group financial statements. The investment is initially recognised at transaction price (including transaction costs) subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and the equity of the jointly controlled entities.

Investments in subsidiaries are accounted for using the equity method in the group financial statement.

### Segmental reporting

Segmental reporting is presented in the consolidated financial statements in respect of the group's business segments, which are the primary basis of segmental reporting. The business segmental reporting reflects the group's management and internal reporting structure. Segmental results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. As the group has no material activities outside the UK, segment reporting is not

## Turnover and revenue recognition

Rent	Rent is recognised over the period the accommodation is provided on an accrual basis, measured at the fair value of the consideration received or receivable and represents the amount receivable for the services rendered net of empty properties (void losses).
Service charge income	Fixed service charge income is recognised in the year to which it relates. Variable service charge income is based on budget in the year and with subsequent adjustment recognised in respect of unders and overs that were equalised in the year.
First-tranche shared ownership property sales and properties developed for outright sale	Property sales income is recognised when the risks and rewards of ownership have passed to the buyer upon legal completion of the sales, except in circumstances where specific legal contractual terms dictate that risks and rewards of ownership pass at different times.
Revenue grants	Revenue grants are recognised when the performance-related conditions are met or when the grant proceeds are received or become receivable if no conditions are imposed.
Amortisation of government grant	Grants provided to construct social housing assets are recognised on a systematic basis over the useful economic life of the asset for which the grant is intended to compensate.
Interest receivable	Interest income is recognised on a receivable basis.
Gift aid	Gift aid is receivable where deeds of covenant are in place and gift aid is accrued at the year-end in subsidiaries. Where no covenant is in place or distribution not declared, gift aid is recognised on a cash received basis.
Other income	Other income relates to management fees for services provided to leaseholders and administration fees in relation to extension of leases. These are recognised on receivable basis.

## Note 1 - Accounting policies (continued)

required by geographical region. The chief operating decision-makers (CODM) have been identified as the group's executive board. The CODM review the group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments as rented social housing, shared ownership, temporary housing, keyworker housing, supported housing, first-tranche home ownership sales, development services, commercial rent properties, student accommodation and market rent properties. The CODM assess the performance of the operating surplus margins. Segmental disclosure of key balance sheet items is not produced for CODM and hence not disclosed. Other information provided to them is measured in a manner consistent with that in the financial statements. See note 2 for further details.

### Taxation

NHG has charitable status and is not subject to corporation tax on surpluses in furtherance of charitable objectives. The profits of trading subsidiaries are subject

to corporation tax, however the subsidiaries elect to distribute all taxable profits to the parent or other charitable group entities via gift aid.

### Deferred taxation

Deferred tax arises from timing differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Current or deferred tax assets and liabilities are not discounted.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year-end and that are expected to apply to the reversal of the timing difference.

Deferred tax has been recognised in relation to investment property that is measured at fair value using tax rates and allowances that apply to the sale of an asset.

### 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 on costs to the extent that it is suffered by the group and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

### Interest payable

Interest is capitalised at the weighted average cost of borrowings, applied to the portion of total borrowings allocated to development costs over the development period.

Other interest payable is charged to the comprehensive income statement in the year by the effective interest rate method.

### Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred. Unused annual leave is accrued at the year-end.

### Pensions

The group's employees and past employees are active members, deferred members or pensioners of four pension schemes operated by the group. These include the Notting Hill Genesis 2023 Pension Scheme (NHG 2023 PS), the Notting Hill Genesis Pension Scheme (NHGPS), the PCHA 2001 scheme, the LPFA scheme (collectively, the "plans"). All the plans are closed to new entrants.

#### *NHG 2023 PS and PCHA 2001*

The assets of these schemes are held separately from those of the group. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The pension scheme assets and liabilities are recorded in the statement of financial position. Contributions payable, net interest and actuarial gains/losses are recognised in the statement of comprehensive income. The carrying value of any resulting pension scheme assets

## Note 1 - Accounting policies (continued)

are restricted to the extent that the group is able to recover the surplus either through reduced contributions in the future or through the scheme.

### LPFA

The LPFA is accounted for as defined benefit schemes using the unit credit method. Actuaries are used in order to calculate the assets and liabilities of the scheme. The operating costs of providing retirement benefits to participating employees are recognised in the accounting periods in which the benefits were earned. The related finance costs, expected return on assets and any other changes in fair value of assets and liabilities are recognised in the accounting period in the period in which they arise. The operating costs, finance costs and expected return on assets are recognised in the statement of comprehensive income along with changes in fair value of assets and liabilities. The carrying value of any resulting pension scheme assets are restricted to the extent that the group is able to recover the surplus either through reduced contributions in the future or through the scheme.

### Defined contribution (DC) pension schemes

The group currently contributes to a number of defined contribution schemes for certain employees, the most significant of which is the Standard Life Pension Scheme. Employer contributions payable to these schemes in respect of the accounting period are charged to the statement of comprehensive income.

### Government grant

These grants relate to capital grants received. Grants received in relation to assets that have been treated as deemed cost at the date of transition to FRS102 have been accounted for using the performance model. In applying this model such grant has been presented as if it were originally recognised as income within the statement of comprehensive income in the year it was receivable and is therefore included within brought-forward general reserves.

Grants received since transition in relation to newly acquired or existing housing properties are accounted for using the accrual

model. Grant is carried as deferred income in the balance sheet and is amortised on a systematic basis over the useful life of the housing property structure, even if the fair value of the grant exceeds the carrying value of the structure in line with SORP 2018. No grant is recognised against other components.

When a housing property is sold which was partly funded by social housing grant (SHG) the grant becomes repayable and is transferred to a recycled capital grant fund (RCGF) until it is either reinvested in a replacement property or repaid to the grant provider. Amortised grant liability is created by increasing the cost of sale of the asset, unamortised grant is transferred between deferred government grant, and RCGF amortised grant is disclosed as a contingent liability in note 36.

### Donated land

Land donated by local authorities and other government sources for development purpose is added to the cost of the asset at the fair value of the land at the time of the donation. The difference between the fair value of the land and the

consideration paid is treated as a non-monetary grant and recognised as a gain in the statement of comprehensive income.

### Properties for sale

Shared ownership first-tranche sales, completed properties and properties under construction for outright sale are valued at the lower of cost and net realisable value. Cost comprises land, payments to contractors, fees, direct development overheads and interest capitalised. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

At the end of each reporting period, work in progress is compared to net realisable values. If the cost of property is greater than net realisable value, the identified property is reduced to its selling price less costs to complete and sell and a charge is recognised in the statement of comprehensive income. Where the net realisable value has increased, the charge is reversed, up to the original cost and is recognised as a credit in the statement of comprehensive income.



## Note 1 - Accounting policies (continued)

Current asset first-tranche shared ownership work in progress and completed properties in relation to shared ownership are calculated based on average first-tranche equity percentage purchased in the year.

### Housing properties

Housing properties not converted to deemed cost or constructed or acquired since the transition to FRS102 are measured using the cost model (cost less accumulated depreciation and impairment (where applicable)).

Housing properties in the course of development are stated at cost.

Housing properties other than shared ownership properties have been split between their land and structure costs and a specific set of major components which require periodic replacement.

The portion of completed shared ownership property retained with the expectation of future staircasing sale is not depreciated on the basis that the residual value (being the staircasing sales value) is higher than carrying value.

Refurbishment or replacement of such components is capitalised and replaced component disposed of. Freehold land is not depreciated. Depreciation is charged on completed housing properties, excluding the land element, on a straight-line basis over the useful economic life of the component as follows.

Component	Useful economic life (years)
Land	Not depreciated
Structure	100
Roof	60
Heating	30
Windows	30
Electrical	30
Bathroom	30
Kitchen	20
Lift	30
Boilers including air source heat pumps	15
Leasehold property with term over 100 years	Not amortised
Leasehold property with term less than 100 years	Over the term of the lease

Cost includes the cost of acquiring land and buildings, cost of construction, capitalised interest, administration costs and expenditure incurred in improving or reinvesting in existing properties. Only directly attributable project

management costs relating to developments are capitalised as part of the costs of those properties.

Reinvestment expenditure is capitalised where the works increase the net rental stream over that expected at the outset. An increase in the net rental stream may arise through an increase in the rental income, a reduction in future maintenance cost, or a significant extension in the life of the property. Where the works are either repair or replacement with no additional utility, the costs are charged to the statement of comprehensive income.

Interest incurred on a loan financing a development is capitalised up to the date of the practical completion of the scheme.

Shared ownership properties in the course of development are split proportionally between current and fixed assets based on the element relating to expected first-tranche sales.

The first-tranche proportion is classed as a current asset and related sales proceeds included in turnover and the remaining element is classed as a fixed asset and included in housing properties at

cost, less any provisions needed for depreciation or impairment.

Shared ownership properties have been split between land and structure only.

### Deemed cost on transition to FRS102

The group took the option to carry out a one-off valuation of the majority of social housing and shared ownership properties at the date of transition on 1 April 2015 and to use that amount as deemed cost. To determine the deemed cost, the group engaged independent valuation specialist Jones Lang LaSalle Ltd (JLL) to value the housing properties on an existing use value-social housing (EUV-SH) basis. Housing properties are subsequently measured at cost.

### Revaluation reserve

The revaluation reserve is used to reflect the surplus on asset revaluation upon transition to deemed cost. When an asset is disposed the surplus on asset revaluation is transferred from the revaluation reserve to general reserves.

## Note 1 - Accounting policies (continued)

### Property impairment

The housing property portfolio for the group is assessed for indicators of impairment at each balance sheet date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash-generating units for which impairment is indicated to their recoverable amounts. The 'recoverable amount' is taken to be the higher of its value in use and fair value less costs to sell. Fair value less costs to sell can be considered as existing use value-social housing (EUV-SH). Therefore, where EUV-SH is higher than the 'carrying amount' of an asset, no further estimates are required. If lower, the value in use is calculated.

The SORP considers that properties held for social benefit are held for their service potential and, therefore, value in use service potential should be used (VIU-SP).

The SORP also notes that depreciated replacement cost (DRC) will provide a reasonable measure of VIU-SP.

The group defines a cash-generating unit as a scheme. The assessment of value in use may

involve considerations of the service potential of the assets or cash-generating units. Details of properties where consideration has been given to service potential are provided in note 9.

### Investment properties

Investment properties are defined as properties held to earn rentals and for capital appreciation on a commercial basis. The group holds properties rented on the open market and commercial properties.

Investment properties are included in the balance sheet at their open market value. This has been determined in accordance with the guidance notes on the valuation of assets issued by the Royal Institution of Chartered Surveyors.

Housing properties for market rent are stated at market value subject to tenancies (MV-STT).

Properties held as investments are revalued annually and the surplus or deficit is recognised in operating surplus. No depreciation is provided in respect of investment properties. These are subsequently carried at fair value which is determined annually by external valuers.

### Other fixed assets

Other fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on a straight-line basis as follows:

- Other land and buildings
  - Freehold offices and buildings – 50 years
  - Leasehold offices and buildings – over the life of the lease
- Other tangible assets – two to five years

### Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so

that it will be available for use or sale

- The intention to complete the software and use or sell it
- The ability to use the software or to sell it
- How the software will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software
- The ability to measure reliably the expenditure attributable to the software during its development

Amortisation is charged so as to allocate the cost of intangibles over their estimated useful lives, using the straight-line method. The intangible assets are amortised over four years.

### Provisions

Provisions have been included in the financial statements only to the extent that there is a present legal or constructive obligation to transfer economic benefits.

## Note 1 - Accounting policies (continued)

### Leased assets

Where assets are financed by leasing agreements that transfer substantially all risks and rewards to ownership, they are treated as if they had been purchased outright. The amount capitalised is the lower of present value of the minimum lease payments payable during the lease term or the fair value of the leased asset. The corresponding leasing commitments are shown as the present value of the obligations to the lessor. Lease payments are treated as consisting of a finance charge and a reduction in liability. The finance charge is charged to the statement of comprehensive income for the period using the effective interest method.

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

### Gift aid

Charitable donations made between group entities are shown in the financial statements at the value of the donation. Within

the group such transactions are eliminated. Gift aid payments are treated as distributions of reserves in the group's subsidiaries.

### Financial instruments

The group has elected to recognise and measure its financial assets and liabilities in accordance with the measurement and disclosure requirements of sections 11 and 12 of FRS102 "Financial Instruments".

### Interest rate swap financial instruments and hedging activities

The group uses interest rate swaps to adjust interest rate exposure. The group also uses, if appropriate, foreign exchange contracts to reduce exposures to movements in foreign exchange rates on foreign currency nominated financial instruments. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Interest rate swaps are initially accounted for and measured at fair value on the date an interest rate swap contract is entered into and subsequently measured

at fair value. The gain or loss on measurement is taken to the statement of comprehensive income except where the interest rate swap is a designated cash flow hedging instrument. The accounting treatment of interest rate swaps classified as hedges depends on their designation, which occurs on the date that the interest rate swap contract is committed to.

The group designates interest rate swaps as a hedge of the income/cost of a highly probable forecasted transaction or commitment ('cash flow hedge').

In order to qualify for hedge accounting, the group is required to document in advance the relationship between the item being hedged and the hedging instrument. The group is also required to document and demonstrate an assessment of the relationship between the hedged item and the hedging instrument, which shows that the hedge will be highly effective on an ongoing basis. This effectiveness testing is reperformed at each period end to ensure that the hedge remains highly effective.

Gains or losses on cash flow hedges that are regarded as highly effective are recognised in equity in cash flow hedge reserve. Where the forecast transaction results in a financial asset or financial liability, only gains or losses previously recognised in the statement of comprehensive income are reclassified to the statement of comprehensive income in the same period as the asset or liability affects income or expenditure. Where the forecasted transaction or commitment results in a non-financial asset or a non-financial liability, any gains or losses previously deferred in the statement of comprehensive income are included in the cost of the related asset or liability. If the forecasted transaction or commitment results in future income or expenditure, gains or losses deferred in the statement of comprehensive income are transferred to the statement of comprehensive income in the same period as the underlying income or expenditure. The ineffective portions of the gain or loss on the hedging instrument are recognised in the statement of comprehensive income.



## Note 1 - Accounting policies (continued)

For the portion of hedges deemed ineffective or transactions that do not qualify for hedging, any change in assets or liabilities is recognised immediately in the statement of comprehensive income. Where a hedge no longer meets the effectiveness criteria, any gains or losses deferred in equity are only transferred to the statement of comprehensive income when the committed or forecasted transaction is recognised in the statement of comprehensive income. However, where an entity applied cash flow hedge accounting for a forecasted or committed transaction that is no longer expected to occur, the cumulative gain or loss is transferred to the statement of comprehensive income. When a hedging instrument expires or is sold, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of comprehensive income.

### Financial assets

The group classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired.

Financial assets also include cash and cash equivalents. Cash and cash equivalents are readily disposable current asset investments. They include some money market deposits held for more than 24 hours that can only be withdrawn without penalty on maturity or by giving notice of more than one working day.

### Loans and receivables

These assets are non-interest rate swap financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate. Provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected

cash flows associated with the receivable item.

### Rental debtors

Rental debtors are stated gross of amounts paid in advance and overpayments, which are shown in other creditors.

### Homebuy

Homebuy transactions are grants received from the grant provider and passed on to an eligible beneficiary. The group has the benefit of a fixed charge on the property entitling the group to a share of the proceeds on the sale of the property by the beneficiary. Homebuy loans have been classified as a financial asset and treated as a concessionary loan. Concessionary loans are carried in the statement of financial position at amortised cost less any impairment. The government grants that fund these concessionary loans are recognised as liabilities and amortised.

### Financial liabilities

The group classifies its financial liabilities into one of the following categories depending on the purpose for which the liability

was acquired. Other than financial liabilities in a qualifying hedging relationship, the group's accounting policy for each category is as follows.

### *Fair value through the statement of comprehensive income*

Other than interest rate swap financial instruments which are not designated as hedging instruments, the group does not have any liabilities for trading nor does it voluntarily classify any financial liabilities as being at fair value through the statement of comprehensive income.

### *Other financial liabilities*

Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes the amortisation of initial transaction costs and

## Note 1 - Accounting policies (continued)

premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Interest rate swaps embedded in host debt contracts are not accounted for separately where they are considered to be closely related.

Where swaps are considered not to be closely related they are accounted for separately and treated as fair value through the statement of comprehensive income.

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate.

In the temporary housing business, under the terms of the leases, funds are set aside on acquisition of property in order to meet contractual obligations to fund dilapidations.

Critical accounting judgements and estimation uncertainty

The group makes estimates and assumptions concerning the

future. Estimates and judgements are based on historical experience and future expectations. Critical accounting estimates and assumptions will include estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgements and estimates that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are outlined below.

### Operating surplus

The operating surplus/deficit includes amounts disclosed as representative of activities that would normally be regarded as "operating". For example, it would be inappropriate to exclude items clearly related to operations (such as inventory write-downs, profit and losses on sale of property, plant and equipment (including housing properties), investment property and intangible assets and restricting and relocation expenses) because they occur irregularly and infrequently or are unusual in amount. Similarly, it would be inappropriate to exclude items on the grounds that they do not involve cash flow, such

as depreciation and amortisation expenses.

Operating surplus is shown including the following as these are part of our usual operating activity

- Gain on disposal of housing properties and other properties including property plant and equipment
- Recognition of grant following the sale of housing stock to another registered provider
- Share of operating profit/(loss) in joint ventures

Exceptional items detailed in note 37 are also included within operating surplus as, although considered exceptional, they have occurred as a result of the group's operating activities.

Management have made a judgement that the movement in fair value of investment properties does not form part of our usual operating cycle based on the existing use of the assets.

### Useful economic lives of fixed assets (note 9)

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful

economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

### Impairment of debtors (note 16)

The group makes an estimate of the recoverable value of trade and other debtors including rental debtors. When assessing impairment of debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience of cash collection from tenants.

### Investment property (note 10)

The fair value of investment properties is determined by using valuation techniques. The valuation of commercial properties is determined using open market value with vacant possession. Properties rented on the open market are valued at market value subject to tenancies using a discounted cash flow methodology.

## Note 1 - Accounting policies (continued)

### *Housing property cost allocation*

Housing property costs include the cost of acquiring land and buildings, cost of construction, directly attributable management costs and capitalised interest. Directly attributable management costs are allocated at 3.0% (2024: 3.0%) of project acquisition and works costs to a maximum of costs incurred. Interest is capitalised up to the date of practical completion based on the weighted average cost of capital at a rate of 4.4% (2024: 4.3%), reviewed annually.

### *Allocation of stock of first-tranche sales (note 15)*

The estimate of stock of first-tranche sales is reviewed in line with actual sales achieved on an annual basis.

### *Impairment of housing properties (note 9)*

Housing properties are assessed for indicators of impairment at each balance sheet date. Where indicators of impairment are identified, a detailed assessment is undertaken to compare the carrying value of the asset (cash generating unit) to their

recoverable amount. The recoverable amount is considered to be the higher of the fair value less costs to sell or value in use. The assessment of value in use may involve considerations of the service potential of the cash generating unit using depreciated replacement cost for a present value of future cashflows.

Indicators of impairment identified this year include void properties and properties with fire remedial works.

### *Impairment of properties in the course of sale (note 15)*

Properties under construction or in the course of sale are held at the lower of cost and the net realisable value. These include land bank, work in progress and the completed units.

Estimation is required to assess the future costs to complete a development and future sales values.

During the year the board took the strategic decision to attenuate the development programme to facilitate speedy investment in the completed properties. The land bank schemes affected were

reviewed for impairment and, where necessary, assets impaired to the estimated net realisable value.

### *Fire provisions (note 22)*

Building safety provisions require judgement to be made as to whether a constructive or legal obligation exists and whether a reliable estimation can be made. Our approach has been on a scheme-by-scheme basis taking into consideration the specific facts and circumstances of each scheme. The key judgements applied are as follows:

- **Constructive obligation:** Where the group have made specific communications to residents that raises a valid expectation that certain works will be undertaken, a provision will be recognised;
- **Legal obligation:** A provision will be recognised where it is judged not to be reasonably practical or possible to avoid undertaking certain works in line with the Building Safety Act 2022 requirement with the scope of remediation works being assessed by means of a fire risk appraisal of external works (FRAEW);

- **Reliable estimation:** A provision will be recognised where management can reliably estimate the potential remediation costs subject to sufficient knowledge of the scope of works required through intrusive surveys and reports from independent experts or employer agents.

In accordance with FRS 102 paragraph 21.9, any pending claims from contractors or government grants are excluded from the calculation of provisions. These are only recognised when reimbursement is virtually certain and included in debtors.

Remediation provisions are included for all leased properties that met the above conditions and where the Building Safety Act 2022 requires the group not to recharge any remedial works costs to the leaseholders. These are charged to the statement of comprehensive income. Provision has not been made for works to the group's general needs properties held on the balance sheet. The works will be treated as component replacements when completed.



## Note 1 - Accounting policies (continued)

### *The valuation of pension liabilities (note 28)*

The critical selection of financial and actuarial assumptions in relation to defined benefit scheme obligation (DBO) are based on best estimates derived from the group's policies and practices and their application across all pension schemes operated by the group where appropriate and confirmed with actuaries where these are beyond management expertise e.g. mortality tables have been chosen based on published research by the Continuous Mortality Investigation Bureau (supported by the actuarial profession). Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in note 28).

### *Valuation of derivatives (note 35)*

All financial assets or liabilities are calculated using measurements based on inputs that are observable for the asset either directly or indirectly from prices. All other loans and receivables are shown at amortised costs.









## Note 2 - Turnover, cost of sales, operating costs and operating surplus

Group continuing activities - year ended 31 March 2025	Turnover £m	Cost of sale £m	Operating costs £m	Operating surplus £m
<b>Social housing lettings (note 3)</b>	<b>548.1</b>	<b>-</b>	<b>(475.0)</b>	<b>73.1</b>
<b>Other social housing activities</b>				
Development services	0.4	-	(5.4)	(5.0)
Sales and marketing services	-	-	(3.5)	(3.5)
Neighbourhood activities	2.6	-	(1.6)	1.0
First-tranche shared ownership sales	24.8	(20.8)	-	4.0
Supporting people and care	6.0	-	-	6.0
Impairment in shared ownership	-	-	(31.5)	(31.5)
	<b>33.8</b>	<b>(20.8)</b>	<b>(42.0)</b>	<b>(29.0)</b>
<b>Activities other than social housing activities</b>				
Properties for sale	25.9	(25.3)	-	0.6
Charitable fund raising activities	0.7	-	(0.6)	0.1
Commercial rent properties	5.8	-	(2.5)	3.3
Student accommodation	0.2	-	(0.1)	0.1
Impairment of intangible assets and investment in joint venture	-	-	-	-
Market rent properties	70.8	-	(35.9)	34.9
Other income	1.5	-	-	1.5
Non-social lease owners	15.9	-	(21.3)	(5.4)
Non-social low cost rent	15.2	-	(6.9)	8.3
Impairment in private sale properties	-	(10.6)	-	(10.6)
	<b>136.0</b>	<b>(35.9)</b>	<b>(67.3)</b>	<b>32.8</b>
<b>Total</b>	<b>717.9</b>	<b>(56.7)</b>	<b>(584.3)</b>	<b>76.9</b>

Group continuing activities - year ended 31 March 2024	Turnover £m	Cost of sale £m	Operating costs £m	Operating surplus £m
<b>Social housing lettings (note 3)</b>	<b>527.2</b>	<b>-</b>	<b>(462.6)</b>	<b>64.6</b>
<b>Other social housing activities</b>				
Development services	7.0	-	(20.9)	(13.9)
Sales and marketing services	-	-	(6.1)	(6.1)
Neighbourhood activities	0.4	-	(1.6)	(1.2)
First-tranche shared ownership sales	17.6	(13.9)	-	3.7
Supporting people and care	0.1	-	(0.3)	(0.2)
Impairment in shared ownership	-	-	-	-
	<b>25.1</b>	<b>(13.9)</b>	<b>(28.9)</b>	<b>(17.7)</b>
<b>Activities other than social housing activities</b>				
Properties for sale	49.6	(36.8)	-	12.8
Charitable fundraising activities	0.1	-	(0.1)	-
Commercial rent properties	5.7	-	(2.4)	3.3
Student accommodation	-	-	(0.6)	(0.6)
Impairment of intangible assets and investment in joint venture	-	-	(0.5)	(0.5)
Market rent properties	67.1	-	(31.5)	35.6
Other income	1.8	-	-	1.8
Non-social lease owners	22.9	-	(23.0)	(0.1)
Non-social low-cost rent	12.3	-	(5.9)	6.4
Impairment in private sale properties	-	(4.6)	-	(4.6)
	<b>159.5</b>	<b>(41.4)</b>	<b>(64.0)</b>	<b>54.1</b>
<b>Total</b>	<b>711.8</b>	<b>(55.3)</b>	<b>(555.5)</b>	<b>101.0</b>



## Note 2 - Turnover, cost of sales, operating costs and operating surplus (continued)

NHG continuing activities - year ended 31 March 2025	Turnover £m	Cost of sale £m	Operating costs £m	Operating surplus £m
<b>Social housing lettings (note 3)</b>	<b>496.7</b>	<b>-</b>	<b>(443.3)</b>	<b>53.4</b>
<b>Other social housing activities</b>				
Development services	47.6	(47.6)	(0.1)	(0.1)
Sales and marketing services	-	-	-	-
Neighbourhood activities	1.9	-	(1.1)	0.8
First-tranche shared ownership sales	0.2	(0.2)	-	-
Supporting people and care	6.0	-	-	6.0
Impairment in shared ownership	-	-	(18.0)	(18.0)
	<b>55.7</b>	<b>(47.8)</b>	<b>(19.2)</b>	<b>(11.3)</b>
<b>Activities other than social housing activities</b>				
Properties for sale	11.1	(11.0)	-	0.1
Charitable fund raising activities	0.7	-	(0.6)	0.1
Commercial rent properties	4.2	-	(1.9)	2.3
Market rent properties	27.1	-	(19.8)	7.3
Other income	1.4	-	-	1.4
Non-social lease owners	7.1	-	(9.0)	(1.9)
Non-social low cost rent	-	-	(0.4)	(0.4)
Impairment in private sale properties	-	(6.2)	-	(6.2)
	<b>51.6</b>	<b>(17.2)</b>	<b>(31.7)</b>	<b>2.7</b>
<b>Total</b>	<b>604.0</b>	<b>(65.0)</b>	<b>(494.2)</b>	<b>44.8</b>

NHG continuing activities - year ended 31 March 2024	Turnover £m	Cost of sale £m	Operating costs £m	Operating surplus £m
<b>Social housing lettings (note 3)</b>	<b>484.7</b>	<b>-</b>	<b>(437.8)</b>	<b>46.9</b>
<b>Other social housing activities</b>				
Development services	6.2	(1.2)	(16.1)	(11.1)
Sales and marketing services	-	-	(0.6)	(0.6)
Neighbourhood activities	0.4	-	(1.1)	(0.7)
First-tranche shared ownership sales	1.9	(1.7)	-	0.2
Supporting people and care	0.1	-	(0.4)	(0.3)
Impairment release of shared ownership properties	-	-	-	-
	<b>8.6</b>	<b>(2.9)</b>	<b>(18.2)</b>	<b>(12.5)</b>
<b>Activities other than social housing activities</b>				
Commercial rent properties	3.7	-	(1.9)	1.8
Charitable fundraising activities	0.1	-	(0.1)	-
Market rent properties	24.6	-	(16.8)	7.8
Non-social lease owners	11.2	-	(11.0)	0.2
	<b>39.6</b>	<b>-</b>	<b>(29.8)</b>	<b>9.8</b>
<b>Total</b>	<b>532.9</b>	<b>(2.9)</b>	<b>(485.8)</b>	<b>44.2</b>

## Note 3 - Income and expenditure from social housing lettings

Group - year ended 31 March 2025	Rented social housing £m	Shared ownership £m	Temporary housing £m	Keyworker housing £m	Supported housing £m	Total £m
<b>Income</b>						
Rent receivable	311.5	58.7	56.4	10.9	26.0	463.5
Service charges receivable	29.9	14.4	-	0.2	14.1	58.6
<b>Net rents receivable</b>	<b>341.4</b>	<b>73.1</b>	<b>56.4</b>	<b>11.1</b>	<b>40.1</b>	<b>522.1</b>
Amortised government grants	8.4	1.0	-	-	-	9.4
Management fee	1.8	3.7	-	0.2	2.0	7.7
Other income	5.1	2.6	-	-	-	7.7
Other grants	1.1	-	-	-	0.1	1.2
<b>Total income from social housing lettings</b>	<b>357.8</b>	<b>80.4</b>	<b>56.4</b>	<b>11.3</b>	<b>42.2</b>	<b>548.1</b>
<b>Expenditure</b>						
Management	(77.3)	(17.7)	(7.0)	(3.7)	(13.0)	(118.7)
Service charge costs	(42.1)	(19.4)	(0.3)	(3.7)	(14.4)	(79.9)
Routine maintenance	(102.7)	(3.9)	(3.2)	(0.5)	(5.9)	(116.2)
Planned maintenance	(3.6)	(0.1)	-	(0.1)	(0.7)	(4.5)
Major repairs expenditure	(38.3)	(1.3)	(0.2)	-	(6.6)	(46.4)
Bad debts	(2.9)	(0.4)	(1.1)	-	(0.3)	(4.7)
Lease charges	(0.1)	-	(40.6)	(0.1)	(0.1)	(40.9)
Depreciation of housing properties	(57.7)	(0.1)	(0.2)	(1.1)	(4.6)	(63.7)
<b>Operating costs on social housing lettings</b>	<b>(324.7)</b>	<b>(42.9)</b>	<b>(52.6)</b>	<b>(9.2)</b>	<b>(45.6)</b>	<b>(475.0)</b>
<b>Operating surplus on social housing lettings</b>	<b>33.1</b>	<b>37.5</b>	<b>3.8</b>	<b>2.1</b>	<b>(3.4)</b>	<b>73.1</b>
<b>Void losses</b>	<b>4.7</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>2.1</b>	<b>7.1</b>

## Note 3 - Income and expenditure from social housing lettings (continued)

Group - year ended 31 March 2024	Rented social housing £m	Shared ownership £m	Temporary housing £m	Keyworker housing £m	Supported housing £m	Total £m
<b>Income</b>						
Rent receivable	289.1	54.1	55.6	10.6	25.0	434.4
Service charges receivable	28.6	20.9	-	0.1	8.7	58.3
<b>Net rents receivable</b>	<b>317.7</b>	<b>75.0</b>	<b>55.6</b>	<b>10.7</b>	<b>33.7</b>	<b>492.7</b>
Amortised government grants	9.9	1.0	-	-	1.3	12.2
Management fee	1.3	4.4	-	0.2	2.1	8.0
Other income	2.1	3.4	-	0.2	5.1	10.8
Other grants	3.3	-	-	-	0.2	3.5
<b>Total income from social housing lettings</b>	<b>334.3</b>	<b>83.8</b>	<b>55.6</b>	<b>11.1</b>	<b>42.4</b>	<b>527.2</b>
<b>Expenditure</b>						
Management	(71.0)	(16.6)	(7.1)	(6.3)	(11.9)	(112.9)
Service charges	(37.6)	(20.9)	(0.3)	(3.5)	(10.2)	(72.5)
Routine maintenance	(98.6)	(2.4)	(2.7)	(0.4)	(5.5)	(109.6)
Planned maintenance	(10.8)	-	-	(0.1)	(1.0)	(11.9)
Major repairs expenditure	(39.8)	(1.5)	(0.5)	-	(5.3)	(47.1)
Bad debts	(1.9)	(0.3)	(1.0)	0.1	(0.3)	(3.4)
Lease charges	(0.4)	-	(40.1)	(0.1)	(0.1)	(40.7)
Depreciation of housing properties	(58.0)	-	(0.2)	(1.7)	(4.6)	(64.5)
<b>Operating costs on social housing lettings</b>	<b>(318.1)</b>	<b>(41.7)</b>	<b>(51.9)</b>	<b>(12.0)</b>	<b>(38.9)</b>	<b>(462.6)</b>
<b>Operating surplus on social housing lettings</b>	<b>16.2</b>	<b>42.1</b>	<b>3.7</b>	<b>(0.9)</b>	<b>3.5</b>	<b>64.6</b>
<b>Void losses</b>	<b>4.1</b>	<b>-</b>	<b>0.7</b>	<b>0.2</b>	<b>2.5</b>	<b>7.5</b>



## Note 3 - Income and expenditure from social housing lettings (continued)

NHG - year ended 31 March 2025	Rented social housing £m	Shared ownership housing £m	Temporary housing £m	Keyworker housing £m	Supported housing £m	Total £m
<b>Income</b>						
Rent receivable	310.8	21.5	56.4	10.9	26.0	425.6
Service charges receivable	30.6	5.8	-	0.2	11.7	48.3
<b>Net rents receivable</b>	<b>341.4</b>	<b>27.3</b>	<b>56.4</b>	<b>11.1</b>	<b>37.7</b>	<b>473.9</b>
Amortised government grants	8.4	0.6	-	-	-	9.0
Management fee	1.8	1.8	-	0.2	1.9	5.7
Other income	6.5	0.4	-	-	-	6.9
Other grants	1.1	-	-	-	0.1	1.2
<b>Total income from social housing lettings</b>	<b>359.2</b>	<b>30.1</b>	<b>56.4</b>	<b>11.3</b>	<b>39.7</b>	<b>496.7</b>
<b>Expenditure</b>						
Management	(76.9)	(1.2)	(7.0)	(3.7)	(13.3)	(102.1)
Service charge costs	(42.1)	(7.2)	(0.3)	(3.7)	(14.1)	(67.4)
Routine maintenance	(102.6)	(1.4)	(3.2)	(0.5)	(5.9)	(113.6)
Planned maintenance	(3.6)	-	-	(0.1)	(0.7)	(4.4)
Major repairs expenditure	(39.5)	(0.3)	(0.2)	-	(6.6)	(46.6)
Bad debts	(2.9)	(0.4)	(1.1)	-	(0.3)	(4.7)
Lease charges	(0.1)	-	(40.6)	(0.1)	(0.1)	(40.9)
Depreciation of housing properties	(57.6)	(0.1)	(0.2)	(1.1)	(4.6)	(63.6)
<b>Operating costs on social housing lettings</b>	<b>(325.3)</b>	<b>(10.6)</b>	<b>(52.6)</b>	<b>(9.2)</b>	<b>(45.6)</b>	<b>(443.3)</b>
<b>Operating surplus on social housing lettings</b>	<b>33.9</b>	<b>19.5</b>	<b>3.8</b>	<b>2.1</b>	<b>(5.9)</b>	<b>53.4</b>
<b>Void losses</b>	<b>4.6</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>2.1</b>	<b>7.0</b>

## Note 3 - Income and expenditure from social housing lettings (continued)

NHG - year ended 31 March 2024	Rented social housing £m	Shared ownership housing £m	Temporary housing £m	Keyworker housing £m	Supported housing £m	Total £m
<b>Income</b>						
Rent receivable	289.0	19.5	55.7	10.6	25.0	399.8
Service charges receivable	27.9	8.6	-	0.1	14.8	51.4
<b>Net rents receivable</b>	<b>316.9</b>	<b>28.1</b>	<b>55.7</b>	<b>10.7</b>	<b>39.8</b>	<b>451.2</b>
Amortised grants	11.9	0.8	-	-	1.3	14.0
Other grants	1.3	-	-	-	0.3	1.6
Management fee income	1.3	2.2	-	0.2	2.1	5.8
Other fee income	6.5	0.3	-	0.2	5.1	12.1
<b>Turnover from social housing lettings</b>	<b>337.9</b>	<b>31.4</b>	<b>55.7</b>	<b>11.1</b>	<b>48.6</b>	<b>484.7</b>
<b>Expenditure</b>						
Management	(74.2)	(0.9)	(7.7)	(6.3)	(14.5)	(103.6)
Service charge costs	(37.6)	(8.5)	(0.3)	(3.4)	(13.0)	(62.8)
Routine maintenance	(98.6)	(1.0)	(2.7)	(0.4)	(5.5)	(108.2)
Planned maintenance	(10.8)	-	-	(0.1)	(1.0)	(11.9)
Major repairs expenditure	(36.9)	0.1	(0.5)	-	(5.3)	(42.6)
Bad debts	(1.9)	(0.3)	(1.0)	0.1	(0.3)	(3.4)
Lease charges	(0.4)	-	(40.1)	(0.1)	(0.1)	(40.7)
Depreciation of housing properties	(58.0)	(0.1)	(0.2)	(1.7)	(4.6)	(64.6)
<b>Operating costs on social housing lettings</b>	<b>(318.4)</b>	<b>(10.7)</b>	<b>(52.5)</b>	<b>(11.9)</b>	<b>(44.3)</b>	<b>(437.8)</b>
<b>Operating surplus on social housing lettings</b>	<b>19.5</b>	<b>20.7</b>	<b>3.2</b>	<b>(0.8)</b>	<b>4.3</b>	<b>46.9</b>
<b>Void losses</b>	<b>4.1</b>	<b>-</b>	<b>0.7</b>	<b>0.2</b>	<b>2.5</b>	<b>7.5</b>

## Note 4 - Surplus on disposal of assets

Group	2025			2024		
	Shared ownership £m	Other £m	Total £m	Shared ownership £m	Other £m	Total £m
Disposal proceeds	66.2	48.6	114.8	49.9	164.5	214.4
Social housing grant	(5.1)	(2.9)	(8.0)	(3.8)	(1.5)	(5.3)
Carrying value of fixed assets	(38.9)	(17.7)	(56.6)	(30.5)	(147.4)	(177.9)
Selling costs	(0.3)	(4.0)	(4.3)	(0.2)	(2.0)	(2.2)
<b>Year-end 31 March</b>	<b>21.9</b>	<b>24.0</b>	<b>45.9</b>	<b>15.4</b>	<b>13.6</b>	<b>29.0</b>

NHG	2025			2024		
	Shared ownership £m	Other £m	Total £m	Shared ownership £m	Other £m	Total £m
Disposal proceeds	18.7	52.6	71.3	17.2	48.4	65.6
Social housing grant	(0.8)	(2.8)	(3.6)	(0.7)	(1.0)	(1.7)
Carrying value of fixed assets	(12.6)	(22.0)	(34.6)	(12.3)	(31.2)	(43.5)
Selling costs	(0.1)	(4.0)	(4.1)	(0.1)	(1.9)	(2.0)
<b>Year-end 31 March</b>	<b>5.2</b>	<b>23.8</b>	<b>29.0</b>	<b>4.1</b>	<b>14.3</b>	<b>18.4</b>

## Note 5 - Interest receivable and similar income

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Bank deposits	5.0	4.0	1.9	2.7
Intercompany	-	-	51.5	46.4
<b>Interest on financial assets held at amortised cost</b>	<b>5.0</b>	<b>4.0</b>	<b>53.4</b>	<b>49.1</b>
Interest on financial assets held at fair value	6.7	7.2	6.7	6.9
	<b>11.7</b>	<b>11.2</b>	<b>60.1</b>	<b>56.0</b>



## Note 6 - Interest payable and similar charges

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Other loans	169.8	161.0	157.9	152.8
<b>Interest on financial liabilities held at amortised cost</b>	<b>169.8</b>	<b>161.0</b>	<b>157.9</b>	<b>152.8</b>
Interest paid on financial liabilities held at fair value	3.4	3.5	3.2	3.3
	<b>173.2</b>	<b>164.5</b>	<b>161.1</b>	<b>156.1</b>
Less: interest capitalised on developments	(25.9)	(21.4)	(2.6)	(3.7)
	<b>147.3</b>	<b>143.1</b>	<b>158.5</b>	<b>152.4</b>
Interest is capitalised at	6.04%	5.58%	-	-

## Note 7 - Surplus on ordinary activities before taxation

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
<b>Surplus on ordinary activities before taxation is stated after charging/(crediting):</b>				
Depreciation on housing properties	67.3	67.8	63.7	64.6
Depreciation on other fixed assets	2.7	2.7	2.7	2.6
Amortisation of intangible assets	4.5	5.0	4.4	5.0
Rent on temporary housing leases (less than 28 days)	40.9	40.1	40.9	40.1
Impairment on housing properties	19.1	29.8	13.0	19.4
<b>Auditors' remuneration</b>				
Audit services (excluding VAT)	615.3	567.2	329.8	314.2
Non-audit services (including VAT)	-	-	-	-

## Note 8 - Taxation

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Total tax reconciliation				
<b>(Deficit)/ Surplus on ordinary activities before tax</b>	<b>(129.5)</b>	<b>(90.2)</b>	<b>(59.8)</b>	<b>(105.7)</b>
Theoretical tax at UK corporation tax rate 25% (2023: 19%)	(32.4)	(22.6)	(14.9)	(26.4)
Charitable activities	(17.9)	28.3	14.9	26.4
Expenses not deductible for tax purposes	1.2	(0.8)	-	-
Gift aid	-	(5.4)	-	-
Capital allowance	(0.3)	(0.3)	-	-
Fair value movement on property	8.8	-	-	-
Fair value movement on investment	25.9	-	-	-
Overseas tax rates	(0.1)	(0.1)	-	-
Group relief surrendered/(claimed)	-	0.3	-	-
Chargeable gains/(losses)	7.9	(0.5)	-	-
Deferred tax not recognised	2.7	(0.2)	-	-
Effect of rate change on deferred tax	-	-	-	-
Reduction in losses brought forward	(1.3)	-	-	-
Joint venture losses	(2.5)	-	-	-
Adjustment to tax charge in respect of previous periods	0.5	1.3	-	-
<b>Total Tax charge</b>	<b>(7.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Deferred tax				
Balance at 1 April	75.8	77.1	-	-
Deferred tax charge in the statement of comprehensive income	(8.5)	-	-	-
Deferred tax charged to revaluation reserve	-	(0.4)	-	-
Deferred tax charged to cash flow hedge reserve	0.5	(0.9)	-	-
<b>Balance at 31 March</b>	<b>67.8</b>	<b>75.8</b>	<b>-</b>	<b>-</b>

## Note 9 - Housing properties

On transition to FRS102, the group took the option of carrying out a one-off valuation on the majority of its housing properties and using that amount as deemed cost. To determine the deemed cost at 1 April 2014, the group engaged Jones Lang LaSalle (JLL) to value housing properties on an EUV-SH basis. Housing properties are subsequently to be measured at cost.

Group	Completed properties held for letting £m	Letting properties in the course of development £m	Completed shared ownership properties £m	Shared ownership properties in the course of development £m	Total £m
<b>At 1 April 2024</b>	<b>5,976.8</b>	<b>241.7</b>	<b>1,171.1</b>	<b>141.0</b>	<b>7,530.6</b>
<b>Reclassification</b>	<b>14.2</b>	<b>-</b>	<b>0.2</b>	<b>-</b>	<b>14.4</b>
<b>Revised balance at 1 April 2024</b>	<b>5,991.0</b>	<b>241.7</b>	<b>1,171.3</b>	<b>141.0</b>	<b>7,545.0</b>
Additions	-	159.6	4.1	74.5	238.2
Works to existing properties	59.1	-	-	-	59.1
Properties completed	117.0	(117.0)	76.7	(76.7)	-
Transfers	(5.6)	10.2	(6.4)	16.7	14.9
Disposals	(25.5)	-	(39.3)	-	(64.8)
<b>At 31 March 2025</b>	<b>6,136.0</b>	<b>294.5</b>	<b>1,206.4</b>	<b>155.5</b>	<b>7,792.4</b>
<b>Depreciation</b>					
<b>At 1 April 2024</b>	<b>(600.2)</b>	<b>-</b>	<b>(8.6)</b>	<b>-</b>	<b>(608.8)</b>
Reclassification	9.9	-	-	-	9.9
Charge for the year	(67.3)	-	-	-	(67.3)
Transfers	0.3	-	0.1	-	0.4
Disposals	11.1	-	0.3	-	11.4
<b>At 31 March 2025</b>	<b>(646.2)</b>	<b>-</b>	<b>(8.2)</b>	<b>-</b>	<b>(654.4)</b>
<b>Impairment</b>					
<b>At 1 April 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Reclassification	(24.3)	-	-	-	(24.3)
Charge for the year	(2.5)	-	(10.5)	(6.1)	(19.1)
Transfers	1.1	-	-	-	1.1
Disposals	0.1	-	-	-	0.1
<b>At 31 March 2025</b>	<b>(25.6)</b>	<b>-</b>	<b>(10.5)</b>	<b>(6.1)</b>	<b>(42.2)</b>
<b>Net book value</b>					
<b>At 31 March 2025</b>	<b>5,464.2</b>	<b>294.5</b>	<b>1,187.7</b>	<b>149.4</b>	<b>7,095.8</b>
<b>At 31 March 2024</b>	<b>5,376.6</b>	<b>241.7</b>	<b>1,162.5</b>	<b>141.0</b>	<b>6,921.8</b>
Historical cost at 31 March 2025	5,658.7	294.4	1,137.5	155.5	7,246.1
Historical cost at 31 March 2024	5,493.8	214.9	1,099.5	168.1	6,976.3

## Note 9 - Housing properties (continued)

NHG	Completed properties £m	Housing properties in the course of development £m	Completed shared ownership properties £m	Shared ownership properties in the course of development £m	Total £m
<b>At 1 April 2024</b>	<b>5,549.5</b>	<b>136.9</b>	<b>446.0</b>	<b>-</b>	<b>6,132.4</b>
<b>Reclassification</b>	<b>7.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.9</b>
<b>Revised balance at 1 April 2024</b>	<b>5,557.4</b>	<b>136.9</b>	<b>446.0</b>	<b>-</b>	<b>6,140.3</b>
Additions	-	104.1	11.7	0.1	115.9
Initial cost adjustment	(0.2)	-	-	-	(0.2)
Works to existing properties	57.3	-	-	-	57.3
Properties completed	85.6	(85.6)	-	-	-
Transfers	-	-	0.6	-	0.6
Disposals	(31.1)	-	(12.6)	-	(43.7)
<b>At 31 March 2025</b>	<b>5,669.0</b>	<b>155.4</b>	<b>445.7</b>	<b>0.1</b>	<b>6,270.2</b>
<b>Depreciation</b>					
<b>At 1 April 2024</b>	<b>(585.1)</b>	<b>-</b>	<b>(0.1)</b>	<b>-</b>	<b>(585.2)</b>
Charge for the year	(63.7)	-	-	-	(63.7)
Reclassification	10.1	-	-	-	10.1
Transfers	-	-	-	-	-
Disposals	11.4	-	-	-	11.4
<b>At 31 March 2025</b>	<b>(627.3)</b>	<b>-</b>	<b>(0.1)</b>	<b>-</b>	<b>(627.4)</b>
<b>Impairment</b>					
<b>At 1 April 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Reclassification	(18.1)	-	-	-	(18.1)
Charge for the year	(2.5)	-	(10.5)	-	(13.0)
Transfers	-	-	-	-	-
Disposals	1.2	-	-	-	1.2
<b>At 31 March 2025</b>	<b>(19.4)</b>	<b>-</b>	<b>(10.5)</b>	<b>-</b>	<b>(29.9)</b>
<b>Net book value</b>					
<b>At 31 March 2025</b>	<b>5,022.3</b>	<b>155.4</b>	<b>435.1</b>	<b>0.1</b>	<b>5,612.9</b>
<b>At 31 March 2024</b>	<b>4,964.4</b>	<b>136.9</b>	<b>445.9</b>	<b>-</b>	<b>5,547.2</b>
Historical cost at 31 March 2025	5,203.8	155.5	422.7	0.1	5,782.1
Historical cost at 31 March 2024	5,078.7	110.1	422.3	26.9	5,638.0



## Note 9 - Housing properties (continued)

Housing properties comprise:

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Freeholds	6,156.0	5,991.6	4,302.1	4,229.1
Long leaseholds	920.5	907.1	1,286.5	1,289.9
Short leaseholds	19.3	23.1	24.3	28.2
	<b>7,095.8</b>	<b>6,921.8</b>	<b>5,612.9</b>	<b>5,547.2</b>

Additions to properties include:

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Capitalised interest	26.0	21.4	2.6	3.7
Capitalised development salaries and overheads	9.1	7.2	3.2	1.7

Expenditure on works to existing properties

	Group		NHG	
	2025	2024	2025	2024
	£m	£m	£m	£m
Amounts capitalised	59.1	60.2	57.3	59.4
Amounts charged to income and expenditure account	31.8	104.0	37.0	86.7
	<b>90.9</b>	<b>164.2</b>	<b>94.3</b>	<b>146.1</b>

## Note 10 - Investment properties

The market rent properties were valued at 31 March 2025 by Jones Lang LaSalle. The properties were valued at open market value basis subject to tenancies. The properties were valued on a discounted cashflow basis over a 10-year holding period, with a reversion in the final year to net income capitalised into perpetuity by an exit yield between 4.30% and 5.15% dependent on the scheme. The discount rate used is between 6.40% and 7.65%

The financial statements include commercial properties at open market value with vacant

possession. The valuation has been compiled for internal accounts purposes and complies with VPGA1 valuation for inclusion in financial statements. RICS Valuation – Global Standards 2017. These were valued by Newsteer Real Estate Advisers and Jones Lang LaSalle. All valuers are members of the Royal Institution of Chartered Surveyors at 31 March 2025.

### Market conditions

Transactions across markets and sectors remain low, for a variety of reasons. The full implications of wars in the Middle East and Ukraine are unknown.

Instability in these regions and beyond may compound already difficult real estate market conditions. This is likely to be exacerbated when coupled with inflationary pressures and other factors impacting the global economy, including the cost and availability of debt. The combination heightens the potential for volatility and quick changes in consumer and investor behaviours.

In recognition of the potential for market conditions to change rapidly, we highlight the critical importance of the valuation date and confirm the conclusions in our report are valid at that date only.

Group	Completed market rent properties £m	Market rent properties in the course of development £m	Sub total £m	Completed commercial properties £m	Commercial properties in the course of development £m	Sub total £m	Total £m
<b>Valuation 1 April 2024</b>	<b>1,099.6</b>	<b>14.2</b>	<b>1,113.8</b>	<b>70.0</b>	<b>0.2</b>	<b>70.2</b>	<b>1,184.0</b>
Additions	-	75.8	75.8	-	0.2	0.2	76.0
Completed properties	35.9	(35.9)	-	-	-	-	-
Transfer to stock	(0.8)	-	(0.8)	(0.1)	-	(0.1)	(0.9)
Disposals	(48.2)	-	(48.2)	(3.5)	-	(3.5)	(51.7)
Revaluation of property	(117.5)	-	(117.5)	(3.2)	-	(3.2)	(120.7)
<b>At 31 March 2025</b>	<b>969.0</b>	<b>54.1</b>	<b>1,023.1</b>	<b>63.2</b>	<b>0.4</b>	<b>63.6</b>	<b>1,086.7</b>

NHG	Completed market rent properties £m	Market rent properties in the course of development £m	Sub total £m	Completed commercial properties £m	Commercial properties in the course of development £m	Sub total £m	Total £m
<b>Valuation 1 April 2024</b>	<b>308.6</b>	<b>8.0</b>	<b>316.6</b>	<b>47.0</b>	<b>0.1</b>	<b>47.1</b>	<b>363.7</b>
Additions	-	28.1	28.1	-	(0.1)	(0.1)	28.0
Completed properties	-	-	-	-	-	-	-
Transfer to stock	35.9	(35.9)	-	-	-	-	-
Disposals	(48.2)	-	(48.2)	(3.5)	-	(3.5)	(51.7)
Revaluation of property	(34.4)	-	(34.4)	(3.5)	-	(3.5)	(37.9)
<b>At 31 March 2025</b>	<b>261.9</b>	<b>0.2</b>	<b>262.1</b>	<b>40.0</b>	<b>-</b>	<b>40.0</b>	<b>302.1</b>

## Note 11 - Total Other Fixed Assets

Group	Intangible assets £m	Other land and buildings £m	Other tangible fixed assets £m	Total other fixed assets £m
<b>Cost</b>				
At 1 April 2024	45.6	53.6	40.9	94.5
Additions	10.1	-	0.5	0.5
Disposals	(0.3)	-	-	-
Reclassification	-	-	-	-
<b>At 31 March 2025</b>	<b>55.4</b>	<b>53.6</b>	<b>41.4</b>	<b>95.0</b>
<b>Accumulated depreciation</b>				
At 1 April 2024	28.1	22.2	37.0	59.2
Charge for the year	4.7	1.3	1.3	2.6
Reclassification	(0.1)	-	-	-
Disposals	-	-	-	-
<b>At 31 March 2025</b>	<b>32.7</b>	<b>23.5</b>	<b>38.3</b>	<b>61.8</b>
<b>Net book value</b>				
<b>At 31 March 2025</b>	<b>22.7</b>	<b>30.1</b>	<b>3.1</b>	<b>33.2</b>
At 31 March 2024	17.5	31.4	3.9	35.3

Group - other land and building	2025 Total £m	2024 Total £m
Freehold	29.4	30.7
Short leasehold	0.7	0.7
<b>Total</b>	<b>30.1</b>	<b>31.4</b>

NHG	Intangible assets £m	Other land and buildings £m	Other tangible fixed assets £m	Total other fixed assets £m
<b>Cost</b>				
At 1 April 2024	43.7	52.7	39.6	92.3
Additions	10.1	-	0.5	0.5
Disposals	(0.2)	-	-	-
Reclassification	-	-	-	-
<b>At 31 March 2025</b>	<b>53.6</b>	<b>52.7</b>	<b>40.1</b>	<b>92.8</b>
<b>Accumulated depreciation</b>				
At 1 April 2024	26.5	22.0	35.8	57.8
Charge for the year	4.6	1.3	1.3	2.6
Reclassification	(0.1)	-	-	-
Disposals	-	-	-	-
<b>At 31 March 2025</b>	<b>31.0</b>	<b>23.3</b>	<b>37.1</b>	<b>60.4</b>
<b>Net book value</b>				
<b>At 31 March 2025</b>	<b>22.6</b>	<b>29.4</b>	<b>3.0</b>	<b>32.4</b>
At 31 March 2024	17.2	30.7	3.8	34.5

NHG - other land and building	2025 Total £m	2024 Total £m
Freehold	29.4	30.7
Short leasehold	-	-
<b>Total</b>	<b>29.4</b>	<b>30.7</b>



## Note 12 - Investment in homebuy

Group	Homebuy loans to customers £m
At 1 April 2024	23.1
Paid in year	(0.7)
Written off in the year	-
<b>At 31 March 2025</b>	<b>22.4</b>

## Note 13 - Number of dwellings under development and in management

	Group		NHG	
	2025 No.	2024 No.	2025 No.	2024 No.
<b>In the development programme</b>				
Commercial property	30	78	1	-
General needs housing	1,693	1,816	1,693	1,816
Shared ownership housing	1,792	2,722	3	-
Outright sales	1,427	2,395	11	-
Market rent	479	583	-	-
Intermediate market rent	881	383	-	183
	<b>6,302</b>	<b>7,977</b>	<b>1,708</b>	<b>1,999</b>
Rented social housing includes affordable housing units	38	189	38	189
The development programme includes homes on site	3,208	2,570	875	769

## Note 13 - Number of dwellings under development and in management (continued)

Group	At 1 April 2024	Units developed	Units sold	Other	At 31 March 2025
<b>In management at the end of the year</b>					
General needs housing	34,873	305	(20)	(82)	35,076
Keyworker accommodation	1,086	-	-	(2)	1,084
Shared ownership housing	8,914	253	(277)	(444)	8,446
Temporary housing	2,844	-	(266)	62	2,640
Non-social affordable rent	888	64	-	-	952
Market rent accommodation	3,487	104	(152)	2	3,441
Student accommodation	839	-	-	-	839
Supported housing and housing for older people	3,132	11	-	(42)	3,101
Leasehold in management	9,906	49		481	10,436
	<b>65,969</b>	<b>786</b>	<b>(715)</b>	<b>(25)</b>	<b>66,015</b>
Rented social housing includes affordable housing units	5,331	234	(3)	23	5,585
<b>Owned but not managed</b>					
General needs rented housing	378	-	-	(52)	326
Supported housing and housing for older people	1,139	-	-	(21)	1,118
Leasehold in management	8	-	-	224	232
Market rent accommodation	2	-	-	(2)	-
Shared ownership housing	139	-	-	201	340
Temporary housing	1	-	-	-	1
	<b>1,667</b>	<b>-</b>	<b>-</b>	<b>350</b>	<b>2,017</b>
<b>Total</b>	<b>67,636</b>	<b>786</b>	<b>(715)</b>	<b>325</b>	<b>68,032</b>

NHG	At 1 April 2024	Units developed	Units sold	Other	At 31 March 2025
<b>In management at the end of the year</b>					
General needs housing	35,487	305	(20)	(848)	34,924
Keyworker accommodation	1,086	-	-	(2)	1,084
Shared ownership housing	3,528	-	(82)	(64)	3,382
Temporary housing	2,837	-	(266)	69	2,640
Non-social affordable rent	-	-	-	952	952
Market rent accommodation	3,487	104	(152)	2	3,441
Student accommodation	-	-	-	-	-
Supported housing and housing for older people	3,132	11	-	(43)	3,100
Leasehold in management	4,718	-	-	239	4,957
	<b>54,275</b>	<b>420</b>	<b>(520)</b>	<b>305</b>	<b>54,480</b>
Rented social housing includes affordable housing units	5,326	234	(3)	18	5,575
<b>Owned but not managed</b>					
General needs rented housing	378	-	-	(57)	321
Supported housing and housing for older people	1,139	-	-	(21)	1,118
Leasehold in management	2	-	-	16	18
Market rent accommodation	2	-	-	(2)	-
Shared ownership housing	139	-	-	10	149
Temporary housing	1	-	-	-	1
	<b>1,661</b>	<b>-</b>	<b>-</b>	<b>(54)</b>	<b>1,607</b>
<b>Total</b>	<b>55,936</b>	<b>420</b>	<b>(520)</b>	<b>251</b>	<b>56,087</b>

## Note 14 - Investments

NHG	2025 £m	2024 £m
<b>Cost</b>		
At 1 April 2024	534.1	482.1
Additions	11.7	51.9
<b>At 31 March</b>	<b>545.8</b>	<b>534.0</b>
<b>Impairment</b>		
At 1 April	-	-
Provision for impairment	-	-
<b>At 31 March</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>		
<b>At 31 March</b>	<b>545.8</b>	<b>534.0</b>

As required by statute, the financial statements consolidate the results of NHG and its subsidiaries at 31 March 2025 (see note 33). NHG has the right to appoint members to the boards of all of its subsidiaries, thereby exercising control.

## Note 15 - Properties in the course of sale

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Properties under construction</b>				
First-tranche	71.9	76.7	8.7	13.2
Outright sales	79.1	72.8	5.4	4.1
<b>Completed properties</b>				
First-tranche	26.6	17.4	0.6	0.7
Outright sales	4.8	2.7	0.5	0.5
<b>Landbank</b>				
Landbank	164.5	169.6	18.0	30.9
	<b>346.9</b>	<b>339.2</b>	<b>33.2</b>	<b>49.4</b>



## Note 16 - Debtors falling due within one year

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Rental debtors	58.4	56.0	49.3	45.5
Less provision	(35.0)	(29.6)	(30.5)	(25.8)
	<b>23.4</b>	<b>26.4</b>	<b>18.8</b>	<b>19.7</b>
Trade debtors	5.6	4.1	2.9	3.9
Social Housing grant receivable	-	11.0	-	4.0
Other government grant	4.9	15.8	5.4	13.8
Amounts receivable from local authorities	1.0	2.5	0.9	1.6
Amounts owed by subsidiary undertakings	-	-	243.0	216.3
Value added tax receivable	0.1	14.5	-	-
Other debtors	46.4	80.7	31.6	26.0
Prepayments and accrued income	15.8	15.3	14.3	17.0
Intercompany short-term investments	-	-	391.4	280.1
	<b>97.2</b>	<b>170.3</b>	<b>708.3</b>	<b>582.4</b>

## Note 17 - Debtors due after more than one year

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Other long term debtors	8.4	8.7	7.3	7.3
Derivative instrument asset	13.4	8.1	14.3	11.4
Intercompany long-term loans	-	-	420.6	398.9
	<b>21.8</b>	<b>16.8</b>	<b>442.2</b>	<b>417.6</b>

## Note 18 - Current asset investments

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Short-term deposit	80.4	69.3	21.2	15.8
	<b>80.4</b>	<b>69.3</b>	<b>21.2</b>	<b>15.8</b>

Short-term deposits relate to restricted cash. They include bank balances charged to lenders, sinking fund bank balances held on behalf of leaseholders, bank balances held on behalf of residents, bank balances held by insurance protective cell and bank balances held on behalf of charitable funds.

## Note 19 - Creditors: amounts falling due within one year

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Housing loans (note 21)	48.1	29.9	38.5	21.5
Trade creditors	11.3	6.1	6.6	5.2
Amounts owed to group undertakings	-	-	185.3	168.0
Other taxes and social security	2.2	1.9	2.5	4.8
Recycled capital grant fund	16.2	31.3	8.3	13.3
Government grant	13.5	12.1	9.5	11.8
Other creditors	90.8	91.6	46.7	46.1
Accruals and deferred income	188.0	195.4	145.0	150.5
	<b>370.1</b>	<b>368.3</b>	<b>442.4</b>	<b>421.2</b>

## Note 20 - Creditors: amounts falling due after more than one year

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Housing loans (note 21)	3,586.7	3,555.1	3,099.4	3,058.2
Recycled capital grant fund	24.0	22.2	10.6	8.4
Deferred government grant	1,125.8	1,080.0	1,033.2	976.1
Heat network efficiency grant	8.6	5.4	4.0	5.4
Homebuy grant	22.3	23.1	-	-
Other long-term creditors	1.4	-	0.1	-
Local authority grant	0.8	0.7	5.3	0.8
	<b>4,769.6</b>	<b>4,686.5</b>	<b>4,152.6</b>	<b>4,048.9</b>

Deferred government grant	Group	NHG
	Completed properties £m	Completed properties £m
Gross value		
Opening balance at 1 April 2024	2,642.9	2,410.8
Opening balance adjustment	3.5	3.5
Grants received during the year	53.7	53.7
Transferred from other registered provider	-	-
Transferred to other registered provider	(2.9)	(2.9)
Transferred from recycled capital grant	9.9	9.9
Transferred to recycled capital grant	(12.8)	(7.3)
Paid to Greater London Authority	(0.2)	(0.2)
Intercompany transfer	-	3.7
Total SHG before amortisation at 31 March 2024	2,694.1	2,471.2
Amortisation (contingent grant)		
At April 2024	(1,550.8)	(1,422.9)
Opening balance adjustment	(3.5)	(3.5)
Amortisation in the year	(9.4)	(8.9)
Disposal (transfer to cost of sales)	8.0	3.6
Disposal (transfer to revenue)	(2.0)	(2.0)
Transfer to another RP	2.9	5.3
Transfer from another RP	-	(0.1)
Accumulated amortised SHG at 31 March 2025	(1,554.8)	(1,428.5)
SHG net of amortisation at 31 March 2025	1,139.3	1,042.7

### Recycled capital grant fund

	Group Total £m	NHG Total £m
At 1 April 2024	53.4	21.8
Grants recycled	12.7	7.3
Interest accrued	2.5	1.1
Used to finance new provision	(9.9)	(9.9)
Payable	(19.3)	(10.4)
Homebuy redemption	0.7	-
Transferred from other group members	-	8.9
<b>At 31 March 2025</b>	<b>40.1</b>	<b>18.8</b>

At the end of 31 March 2025, Enil (2024: Enil) of grants were due for repayment to the Greater London Authority.

### Homebuy

	Group 2025
Homebuy grants receivable £m	
At 1 April	(23.1)
Repaid in the year	0.7
Written back in year	-
<b>At 31 March</b>	<b>(22.4)</b>

## Note 21 - Loans

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Secured loans and overdrafts	1,318.0	1,268.1	1,097.8	1,039.1
Unsecured loans and overdrafts	27.9	27.9	-	-
Public bonds	2,288.9	2,289.0	2,040.1	2,040.6
<b>Housing loans</b>	<b>3,634.8</b>	<b>3,585.0</b>	<b>3,137.9</b>	<b>3,079.7</b>

Analysis of loan repayments	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Repayable on maturity</b>				
- within one year or on demand	7.4	2.3	7.8	2.7
- between one and two years	2.4	2.5	2.8	2.9
- within two and five years	933.4	802.0	655.3	524.3
- in five years or more	1,937.7	1,996.5	1,685.6	1,744.4
<b>Repayable by annual instalments</b>				
- within one year or on demand	40.7	27.6	30.7	18.8
- between one and two years	53.0	39.0	42.0	28.9
- within two and five years	215.5	227.0	176.6	191.2
- in five years or more	444.7	488.1	537.1	566.5
	<b>3,634.8</b>	<b>3,585.0</b>	<b>3,137.9</b>	<b>3,079.7</b>

Folio Residential Finance No 1 plc (FRFN1), is a special purpose entity (SPE) as defined in FRS102 and, as members of the group have the rights to obtain the benefits of the SPE, that is, the proceeds of the debt issued by the company, it is deemed, for the purposes of FRS102, to be controlled by the group. Therefore, the SPE's results are consolidated with the results of the group.

### Public bonds

The group has eight public bonds in issue:

Amount £m	Year due	Interest rate %
250	2029	2.875 secured
350	2032	3.750 secured
250	2039	6.064 secured
300	2042	5.250 secured
400	2048	3.250 secured
250	2058	4.375 secured
250	2036	2.000 secured
250	2027	1.246 secured

### Loans

The group's financing facilities includes a mixture of term and revolving facility loans with the longest maturity out to 2056.

Secured loan facilities are secured on property assets by a first secured charge. On undrawn revolving facilities, commitment fees are payable.

The group has unsecured funding of ¥5bn (2024: ¥5bn) which has been hedged into £28m (2024: £28m) by a currency swap, to finance housing development subsidiary. The fixed rate coupon is 2.975% and there are three years remaining to maturity.

Secured public bonds and secured loans are secured by fixed charges on individual properties. The number of charged properties for the group is 34,844 with a value on a Market Value-Tenanted (MV-T) basis of £9,481 m; for the NHG it is 30,559 with a value on a MV-T basis of £8,571.8m(2024: group 35,873 and NHG 31,489).

The group has pledged as collateral against potential liabilities on free standing derivatives 1,230 properties with a security value of £400.6m (2024: 1,320 properties with a value of £332.8m) and for NHG 1,230 properties with a security value £400.6 m (2024: 1,320 properties and a value of £332.8m).

The rate of interest on loans ranges from 1.246% to 10.700%.

At 31 March 2025 the group had undrawn loan facilities of £550.0m (2024: £768.0m).

The group loan balance of £3,634.8m (2024: £3,585.0m) has been netted off by loan arrangement fees of £19.7m and receipts of £7.3m loan premium which are written off over the term of each loan.

The NHG loan amount of £3,137.9m (2024: £3,079.7m) has been netted off by loan arrangement fees of £15.5m and receipts of £7.3m loan premium which are written off over the term of each loan.

As at the year end, £602.0m (2024: £613.8m) of the group's variable debt had its interest rate hedged by stand-alone interest rate swaps. As at the year-end £42.0m (2024: £42.0m) of the group's fixed debt had its interest rate hedged by stand-alone swaps. As at the year end, ¥5bn (2024: ¥5bn) of the group's debt has been hedged into £28m (2024: £28m) by a currency swap.



## Note 21 - Loans (continued)

Note 5 has an analysis of the anticipated contractual cash flows including interest payable for the group's financial liabilities on an undiscounted basis. Interest is calculated on drawn debt held as at 31 March 2025.

As at 31 March 2025, the group is exposed to risks arising from interest rate benchmark using sterling overnight interbank average rate (SONIA).

The group has applied the amendments to FRS 102: interest rate benchmark reform (phase 1 and phase 2). Applying the practical expedient introduced by the amendments, when the benchmark affecting the group's loans are replaced, the adjustments to the contractual cash flows will be reflected as an adjustment to the effective interest rate. Therefore, the replacement of the loan's benchmark interest rate will not result in an immediate gain or loss recorded in the profit or loss, which may have been required if the practical expedient was not available or adopted. As at 31 March 2025, all of the group's bank loans had transitioned to alternative interest rate benchmarks.

## Note 22 - Provisions for liabilities and charges

Group	Short-term leases total £m	Resident provisions £m	Major works obligation provision £m	London Living Wage and welfare provision £m	Total £m
At 1 April 2024	1.1	2.5	71.4	0.7	75.7
Additional provisions	1.2	3.7	16.3	-	21.2
Payments made during year	-	(0.8)	(10.6)	(0.1)	(11.5)
Release of provision	(1.2)	(1.0)	-	(0.4)	(2.6)
<b>At 31 March 2025</b>	<b>1.1</b>	<b>4.4</b>	<b>77.1</b>	<b>0.2</b>	<b>82.8</b>

NHG	Short-term leases total £m	Resident provisions £m	Major works obligation provision £m	London Living Wage and welfare provision £m	Total £m
At 1 April 2024	1.0	1.9	84.3	0.7	87.9
Additional provisions	1.2	3.7	15.1	-	20.0
Payments made during year	-	(0.8)	(6.7)	(0.1)	(7.6)
Release of provision	(1.2)	(1.0)	-	(0.4)	(2.6)
<b>At 31 March 2025</b>	<b>1.0</b>	<b>3.8</b>	<b>92.7</b>	<b>0.2</b>	<b>97.7</b>

We continue to face building defect challenges in the estate, which leads to disruption and inconvenience for the residents. As a result, we continue to assess and set aside a provision to compensate the residents. During the year £0.8m (2024: £4.4) was paid to residents.

A provision for major works obligations in respect of works in relation to fire safety and other major works has been identified as either legally required or for which the group has a constructive obligation. The provision is calculated using a best estimate derived from detailed cost break-downs, having completed a fire risk assessment. Also, in NHG £24.0m (2024: £24.0m) of fire remediation works was set aside in respect of Paragon. In the group, this amount is included in impairment of housing asset and it was set aside in 2023.

	2023 £m	2024 £m	2025 £m	TOTAL £m
Analysis of Building Safety				
Revenue expenditure / provisions	12.6	92.5	29.0	134.1
Capital expenditure	5.7	5.7	5.8	17.2
Total gross expenditure	18.3	98.2	34.8	151.3
Recoveries	(4.4)	(22.0)	(16.3)	(42.7)
<b>Net expenditure</b>	<b>13.9</b>	<b>76.2</b>	<b>18.5</b>	<b>108.6</b>

## Note 23 - Called-up share capital

	2025 £	2024 £
At 1 April	97	103
Issued during the year	3	4
Redeemed during year	(3)	(10)
<b>At 31 March</b>	<b>97</b>	<b>97</b>

The shares are non-transferable and do not carry a right to interest or dividends and are cancelled on death or withdrawal from NHG. The shares do not have any redemption value, and on cancellation the amount paid becomes the property of NHG.

## Note 25 - Reconciliation of operating surplus to net cash inflow from operating activities

Group	2025 £m	2024 £m
Operating surplus	5.5	33.0
Surplus on sale of properties	(45.9)	(29.0)
Fair value losses/(gains) on investment	119.2	5.5
Fair value losses/(gains) on financial instruments	(0.6)	(6.7)
Depreciation	79.5	70.1
Impairment charge/(reversal)	42.2	10.9
Amortisation of loan set-up costs	1.1	1.0
Amortisation of intangible assets	4.5	5.0
Amortisation of social housing grant	(9.4)	(14.2)
Other assets amounts written off	0.3	5.5
Joint venture income	(1.9)	(10.0)
(Increase)/decrease in properties and other assets in the course of sale	(19.6)	(32.0)
(Increase)/decrease in debtors	71.4	(39.8)
Increase in creditors	27.2	20.2
<b>Net cash inflow from operating activities at 31 March</b>	<b>273.5</b>	<b>19.5</b>

## Note 24 - Reserves

General reserves reflects accumulated surpluses for the group which can be applied at its discretion for any purpose.

The revaluation reserve relates to the transition to deemed cost for housing properties (see note 9).

The cash flow hedge reserve is used to record transactions arising from the group's cash flow hedging arrangements.

## Note 26 - Reconciliation of net cash flow to movement in net debt

Group	2025 £m	2024 £m
(Increase)/decrease in cash	59.1	(35.0)
Cash flow from increase/(decrease) in debt and lease finance	49.2	278.8
Non cashflow changes	(10.7)	(4.4)
<b>Total changes in net debt for the year</b>	<b>97.6</b>	<b>239.4</b>
Net debt at 1 April	3,519.3	3,279.9
<b>Net debt at 31 March</b>	<b>3,616.9</b>	<b>3,519.3</b>

## Note 27 - Analysis of debt

	1 April 2024 £m	Cash flow £m	Non cash £m	31 March 2025 £m
Cash at bank and in hand	95.2	(59.1)	-	36.1
<b>Loans</b>				
Short-term loans	(29.9)	-	(18.2)	(48.1)
Long-term loans	(3,555.1)	(31.6)	-	(3,586.7)
Interest rate swap liability	(37.6)	-	7.4	(30.2)
Interest rate swap asset	8.1	-	5.3	13.4
<b>Changes in net debt</b>	<b>(3,519.3)</b>	<b>(90.7)</b>	<b>(5.5)</b>	<b>(3,615.5)</b>

## Note 28 - Pension obligations

The group's employees and past employees are active members, deferred members or pensioners of four pension schemes operated by the group. These include the Notting Hill Genesis 2023 Pension Scheme (NHG 2023 PS), the Notting Hill Genesis Pension Scheme (NHGPS), the PCHA 2001 scheme, the LPFA scheme (collectively, the "plans"). All the plans are closed to new entrants. Further information on the plans is provided below

### NHG 2023 PS

NHG 2023 PS is a defined benefit scheme transferred from the multi-employer scheme in November 2023. This scheme is closed to future accrual. There is a separate trustee administered fund holding the pension scheme assets to meet long-term liabilities. A full actuarial valuation is carried out on a periodic basis by a qualified actuary, independent of the scheme's sponsoring employer.

### NHGPS and PCHA schemes

The NHGPS and PCHA schemes are defined benefit schemes operating in the UK. These schemes are closed to future accrual. There is a separate trustee-administered fund holding the pension scheme assets to meet long-term liabilities. A full actuarial valuation is carried out on a periodic basis by a qualified actuary, independent of the scheme's sponsoring employer. The group has agreed to pay the scheme expenses and pension protection fund (PPF) levies separately.

### LPFA scheme

The LPFA scheme is a defined benefit scheme operating as a public sector scheme in the UK. This scheme is open to future accrual. There is a separate administering authority holding the pension scheme assets to meet long-term liabilities. The scheme is operated in line with the Local Government Pension Scheme (LGPS) regulations. A full actuarial valuation is carried out on a periodic basis by a qualified actuary, independent of the scheme's sponsoring employer. The scheme expenses are incorporated in this valuation (and so are not payable separately).

The movement in the scheme surpluses/deficits other than cash contributed by the group are split between operating charges, finance items and actuarial gains or losses in the statement of other comprehensive income.

The carrying value of any resulting pension scheme asset is restricted to the extent that the group is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Name of pension scheme	Date of last full actuarial valuation	Deficit in valuation £m	Agreed deficit contributions per annum (year to 31 March 2025) £m	Period of commitment for contributions
NHG 2023 PS	30 September 2024	25.7	5.2 (increasing at the rate of 5.5% pa)	Until 31 March 2029
NHGPS	30 September 2022	6.1	2 (increasing at the rate of 3% pa)	Until 1 November 2025 (subject to review in 30 September 2025 valuation)
PCHA	30 September 2022	-	-	(subject to review in 30 September 2025 valuation)
LPFA	31 March 2022	-	-	(subject to review in 30 September 2025 valuation)
<b>Total</b>		<b>31.8</b>	<b>7.2</b>	



## Note 28 - Pension obligations (continued)

Further disclosures on the plans

As permitted by section 28 of FRS 102, the group has aggregated the financial information in respect of the defined benefit schemes (the "plans") in which it participates for presentation purposes:

Pension scheme liabilities recognised in the statement of financial position

Pension obligations recognised as defined benefit schemes	2025 £m	2024 £m
Notting Hill Genesis 2023	20.7	22.3
Notting Hill Genesis	-	2.6
PCHA 2001	-	-
LPFA	-	-
	<b>20.7</b>	<b>24.9</b>

The Pensions Trust (TPT) advised us that due to uncertainty about the benefits that have been paid to members of SHPS, the trustees have received legal advice that it should ask the court to provide clarity. If the court case goes against TPT, there will be a potential additional liability at an estimated 4.0% of total liabilities. Therefore, in the case of NHG this is estimated at £6.5m.

Principal actuarial assumptions at the financial position date (expressed as a range)	2025	2024
Discount rate	5.70-5.85%	4.85-5.11%
Inflation (RPI)	2.78-3.30%	3.15-3.19%
Inflation (CPI)	2.76-2.95%	2.75-2.93%
Salary growth	2.00-3.95%	3.20-3.51%
Allowance of commutation of pension for cash at retirement	75% of max	75% of max

### The mortality assumptions applied at 31 March 2025 imply the following life expectancies

Life expectancy at age 65 (years)

Male retiring in 2025	20.3-21.9
Female retiring in 2025	23.3-24.2
Male retiring in 2045	22.0-23.5
Female retiring in 2045	25.0-25.7

### Amounts recognised in the income statement

2025  
£m

2024  
£m

Net interest on defined benefit liability	0.9	1.1
Expenses paid	0.5	0.4
<b>Total expenses</b>	<b>1.4</b>	<b>1.5</b>

### Amounts recognised in other comprehensive income

2025  
£m

2024  
£m

Actual return on the assets held in the plans	(21.5)	(13.5)
Return on assets included in net interest	-	2.9
<b>Asset gain</b>	<b>(21.5)</b>	<b>(10.6)</b>
Effects on changes in assumptions underlying the present value of the plans' liabilities	24.8	1.9
Effects of change in amount of surplus that is not recoverable	(0.4)	0.7
Effects of changes in demographic changes	(4.0)	0.1
Experiences gains arising on the plans' liabilities	(2.5)	(0.3)
<b>Actuarial (loss) recognised</b>	<b>(3.6)</b>	<b>(8.2)</b>

## Note 28 - Pension obligations (continued)

Statement of financial position	Group and NHG	
	2025 £m	2024 £m
Fair value of the plans' assets	177.6	192.5
Effect of asset ceiling	(5.9)	(4.5)
Pension exit costs	-	0.2
Present value of funded retirement benefit obligations	(192.4)	(213.1)
<b>Net liability</b>	<b>(20.7)</b>	<b>(24.9)</b>

Reconciliation of movements on the defined benefit obligation	2025 £m	2024 £m
<b>Defined benefit obligation at the start of the period</b>	<b>213.1</b>	<b>214.5</b>
Adjust for pension scheme exit	(3.8)	-
Adjustment for asset ceiling in opening obligation	(1.4)	0.9
Interest cost	10.0	10.2
Actuarial (gains)/losses due to scheme experience	2.5	(2.5)
Actuarial (gains)/losses due to changes in demographic assumptions	4.0	(1.6)
Actuarial (gains)/losses due to changes in financial assumptions	(24.8)	(0.4)
Experience loss/gain on defined benefit obligation	-	-
Expenses	-	-
Effect of asset ceiling/unrecognised surplus	1.4	-
Benefits paid	(8.6)	(8.0)
<b>Defined benefit obligation at the end of the period</b>	<b>192.4</b>	<b>213.1</b>

The actuarial gain in LPFA and PCHA 2001 (2024: PCHA 2001) plans have been excluded from the value of funded benefit obligations.

Reconciliation of movements on the fair value of the plans' assets	2025 £m	2024 £m
<b>Fair value of the plans' assets at the start of the period</b>	<b>192.5</b>	<b>196.6</b>
Adjust for pension scheme exit	(3.6)	-
Interest income	9.2	9.3
Expenses	(0.5)	(0.4)
Return on assets excluding interest income	(19.0)	(13.4)
Benefits paid	(8.6)	(8.0)
Contributions by employer	7.6	8.4
<b>Fair value of the plans' assets at the end of the period</b>	<b>177.6</b>	<b>192.5</b>

The fair values of each main class of assets held by the plans and the expected rates of return for the ensuing year are set out in the following table.

	2025		2024	
Categories of assets held by the plans are as follows:	£m	% Holding	£m	% Holding
Bonds	36.5	21%	20.6	11%
Equity	18.2	10%	23.1	12%
Property and infrastructure	12.6	7%	14.2	7%
Other	27.8	16%	18.5	10%
Absolute return	-	0%	-	0%
Alternative risk premia	-	0%	-	0%
Insurance linked securities	-	0%	-	0%
Cash	2.8	2%	9.2	5%
LDI	50.5	28%	71.0	37%
Private credit	11.2	6%	16.0	8%
Liquid alternatives	18.0	10%	19.9	10%
	<b>177.6</b>	<b>100%</b>	<b>192.5</b>	<b>100%</b>

## Note 29 - Employee information

The number of full-time equivalent persons (including part-time staff) employed on a weekly average basis of a 35-hour week, 37.5-hour week or a 40-hour week depending on their respective contract for the whole year is shown below:

	Group and NHG	
	2025 No.	2024 No.
Staff engaged in managing or maintaining housing stock	883	835
Staff providing other housing services	234	140
Staff engaged in developing or selling housing stock	84	137
Staff providing central administration services	326	337
Staff providing care and support	40	49
Staff delivering other services	13	-
	<b>1,580</b>	<b>1,498</b>

Staff costs for the above persons	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Wages and salaries	77.9	73.5	71.6	64.3
Social security costs	8.4	8.0	7.7	7.0
Other pension costs	9.4	8.9	8.8	7.8
	<b>95.7</b>	<b>90.4</b>	<b>88.1</b>	<b>79.1</b>

Redundancy payments of £2,910,040 (2024: £1,076,160) were made during the year.

Salary range	2025 £'000	2024 £'000
Lowest paid employee	25	19
Highest paid employee	316	310

Remuneration banding for employees earning over £60,000 is set out below.

	Group and NHG	
£'000	2025 No.	2024 No.
60-70	124	144
70-80	105	94
80-90	62	52
90-100	25	30
100-110	25	34
110-120	21	14
120-130	2	3
130-140	3	2
140-150	5	7
150-160	6	5
160-170	8	9
210-220	-	1
220-230	1	2
230-240	2	1
250-260	2	-
300-310	-	1
340-350	1	1



## Note 30 - board and executive directors' emoluments

The payments to current non-executive board members represents 0.03% (2024: 0.03%) of turnover.

The remuneration of the members of the board, the committees and the executive directors was:	2025 £'000	2024 £'000
Fees for members of the board	207	202
Fees for committee members	42	48
Management services of executive directors (including pension contributions and benefits in kind)	1,787	1,644
Remuneration for management services (excluding pension contributions) includes the amount paid to the highest paid director	316	310

Non-executive board member remuneration	2025 £'000	2024 £'000
Ian Ellis	38.0	38.0
Elaine Bucknor	8.0	16.0
Alexander Phillips	12.5	25.0
Stephen Bitti	-	14.2
Fred Angole	20.0	20.0
Arike Oke	-	16.0
Richard Powell	20.0	20.0
Claire Kober OBE	22.6	20.0
Ingrid Osborne	20.0	20.0
Courtney Huggins	18.1	7.0
Emma-Louis Stewart	21.0	8.4
Leann Hearne	2.9	-
Will Sprunt	8.2	-
Swil Symmie	15.9	-

Executive board member remuneration	Salaries £'000	Pension costs £'000	2025 Total £'000
Patrick Franco, chief executive	316	32	348
John Hughes, group director of development and sales and deputy chief executive	123	15	138
Katie Bond, chief operating officer	214	23	237
Vipul Thacker, group director of central services / chief organisational effectiveness officer	199	21	220
Rajiv Peter, chief information officer	215	23	238
Matthew Cornwall-Jones, group director of assets and sustainability / chief homes officer	233	25	258
Mark Smith, chief financial officer	240	16	256
Craig Wilcockson, chief people officer	63	6	69

## Note 31 - Capital commitments

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
Capital expenditure that has been contracted for but has not been provided for in the financial statements	556.4	592.9	139.2	123.8
Capital expenditure that has been authorised by the board but has not yet been contracted for:	42.1	108.7	42.1	66.8

Capital commitments will be funded by a combination of social housing grant of £178.1m, sales receipts of £365.8m and existing loan facilities of £54.6m

## Note 32 - Operating leases

The payment which the group and NHG is committed to make in the next year under operating leases is as follows.

	2025 £m	2024 £m
Temporary housing leases less than one year	39.3	22.5

These leases can be cancelled within 28 days' notice. The amount shown is the full payment for the year

Other operating lease payments under non-cancellable operating leases for properties are set out below:

	2025 £m	2024 £m
Not later than one year	7.1	6.9
Later than one year and not later than five years	30.6	29.7
Later than five years	187.3	194.8

The group's social housing properties are held under operating leases and are tenanted under cancellable operating lease conditions. Typical tenant break clauses exist requiring a notice period of a month. Rents fluctuate in accordance with the rent standard and are affected by the Welfare Reform and Work Act 2016. Shared ownership properties may be purchased (stair-cased by its leaseholder) at any time at the pro-rata market rate. Ongoing lease payments will be adjusted according to the share of ownership retained by the group. Certain properties are available to purchase via right to buy by the existing tenant.

## Note 33 - Incorporation, subsidiaries and joint ventures

Notting Hill Genesis is incorporated in England under the Co-operative and Community Benefit Society Act 2014 and is required by statute to prepare group financial statements. NHG is a registered housing provider as defined by the Housing and Regeneration Act 2008 and is the ultimate parent.

NHG and its subsidiaries have throughout the year held balances with each other. These balances relate to normal trading transactions between each of the entities.

All shares held as investments are held as ordinary shares with the exception of shares held in:

- Notting Hill Commercial Properties Limited - ordinary shares, redeemable ordinary shares and redeemable preference
- Project Light Development 1 Limited - ordinary shares, ordinary-A and ordinary-B shares
- Project Light Development 2 Limited - ordinary shares and ordinary-A shares
- Notting Hill Developments Limited - ordinary and redeemable preference shares

## Note 33 - Incorporation, subsidiaries and joint ventures (continued)

Company (subsidiaries)	Principal activity	Parent	Country of registration
Notting Hill Home Ownership Limited	Performs the activities of a registered housing association	NHG owns one of eight shares and controls the board. The remaining seven shares are held in trust for NHG.	England and Wales
Springboard 2 Housing Association Limited	Registered provider Manages shared ownership properties	NHG - 100% shares	England and Wales
Folio London Limited	Rents properties at market rent	NHG - 100% shares	England and Wales
GenFinance 2 plc	Incorporated for the £250 million bond issue	NHG - 100% shares	England and Wales
Notting Hill Community Housing Limited	Rents properties at sub-market prices	NHG - 100% shares	England and Wales
Notting Hill Commercial Properties Limited	Develops and lets commercial properties	NHG - 100% shares	England and Wales
Notting Hill Developments Limited	Develops and sells properties	Notting Hill Commercial Properties Limited - 100% shares	England and Wales
Folio Treasury Holdings Limited	Incorporated for bond issue	Folio London Limited - 100% shares	England and Wales
Folio Treasury Limited	Incorporated for bond issue	Folio Treasury Holdings Limited - 100% shares	England and Wales
Folio Buildings Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio Porter's Edge Limited	Rents properties at market rent	Project Light Market Rent Limited - 100% shares	England and Wales
Folio Bakersfield Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio City Park West Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio Sterling Place Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio New Garden Quarter Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio St James Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Folio New Hendon Village Limited	Rents properties at market rent	Folio Treasury Limited - 100% shares	England and Wales
Project Light Development 1 Limited	Develops and sells properties	Notting Hill Commercial Properties Limited - 100% shares	England and Wales
Project Light Development 2 Limited	Develops and sells properties	Notting Hill Commercial Properties Limited - 100% shares	England and Wales
Project Light Market Rent Limited	Rents properties at market rent	Project Light Development 1 Limited - 100% shares	England and Wales
Choices for Grahame Park Limited	Develops and sells properties	NHG - 100% shares	England and Wales
Canonbury Developments Limited	Develops and sells properties	Notting Hill Home Ownership Limited	England and Wales
Walworth Homes Limited	Develops and sells properties	Notting Hill Commercial Properties Limited - 100% shares	England and Wales
TLD Kidbrooke LLP	To invest in the Kidbrooke scheme and provide business manager services to Kidbrooke LLP	Notting Hill Commercial Properties Limited - 99% control	England and Wales
Touareg Trust	Provides student accommodation	NHG is sole guarantee member and controls the board	England and Wales
Goat Wharf Limited	Develops and sells properties	Notting Hill Home Ownership Limited - 100% shares	England and Wales
Igloo Insurance Protected Captive Cell NOT6	Provides insurance services	NHG - 100% shares	Guernsey
Genesis Purchasing Limited	Procures contracting and consulting services on behalf of the group	NHG - 100% shares	England and Wales



## Note 33 - Incorporation, subsidiaries and joint ventures (continued)

Company (subsidiaries)	Principal activity	Parent	Country of registration
Genesis Oaklands Limited	Develops and sells properties	NHG - 100% shares	England and Wales
GenInvest Limited	Develops and sells properties	NHG - 100% shares	England and Wales
Stoke Quay New Homes Limited	Develops and sells properties	NHG - 100% shares	England and Wales
Central Chelmsford Development Agency Limited	Develops and sells properties	NHG - 100% shares	England and Wales
GenFinance Limited	Responsible for managing loan facilities	NHG - 100% shares	England and Wales
Notting Hill Genesis Community Foundation Limited	A charity formed to run community and social regeneration projects	NHG - 100% shares	England and Wales
Presentation Market Rent Limited (dormant)	Rents properties at market rents (dormant)	NHG - 100% shares	England and Wales
European Urban St Pancras 2 Limited (dormant)	Develops and sells properties	NHG - 100% shares	England and Wales
Pathmeads Residential Limited (dormant)	Develops and sells properties	NHG - 100% shares	England and Wales

Folio Residential Finance No 1 plc is a special purpose entity (SPE) as defined in FRS102 and, as members of the NHG group have the rights to obtain the majority of the benefits of the SPE, that is, the proceeds of the debt issued by the company. It is deemed, for the purposes of FRS102, to be controlled by the group. The respective obligations are included in the consolidated financial statements of the group.

Notting Hill Home Ownership Limited has a joint venture investment in Triangle London Developments LLP, registered in England and Wales.

Notting Hill Commercial Properties Ltd also has a joint venture investment in Brenley Park LLP, Chobham Farm North LLP, Spray Street Quarter LLP, Armada 1 Development LLP, Gallions 2A Developments LLP, Gallions 2B Development LLP, Kidbrooke Partnership LLP and Rainham and Beam Park Regeneration LLP. During the year, it exited its investment in Rainham and Beam Park Regeneration LLP.

Notting Hill Developments Limited holds a joint venture interest in Spray Street Quarter LLP, in partnership with Notting Hill Commercial Properties Ltd.

The group's investment in joint venture projects amounted to £15.2m (2024: £29.5m). Details of these investments are shown on page 113.

The group owns 19% of the voting rights of an associate, LINQ Housing plc. It also owns 63.17% of economic shares. On 31 March 2025 the investment amounted to £9.2m (2024: £9.2m).

Joint venture and associate income is shown as follows:

	Group		NHG	
	2025	2024	2025	2024
Fair value increase in LINQ Housing plc	-	4.9	-	-
Joint venture income	1.9	14.6	-	0.5
	<b>1.9</b>	<b>19.5</b>	<b>-</b>	<b>0.5</b>

## Note 33 - Incorporation, subsidiaries and joint ventures (continued)

### Joint ventures

Name	Nature of business	Share of capital commitment	Proportion of holding	Year ended	Net assets/ liabilities 2025 £m	Members' interests/ contributions 2025 £m	Net assets 2024 £m	Members' interests 2024 £m
Brenley Park LLP	Development of 169 shared ownership, permanent rented, affordable keyworker and private for sale residential accommodation.	Nil	50%	31 December	0.1	(0.1)	0.1	(0.1)
Chobham Farm North LLP	Development of 478 shared ownership, permanent rented, affordable keyworker and private for sale residential accommodation.	Nil	50%	31 March	0.0	(0.0)	-	-
Kidbrooke Partnership LLP	To develop site adjacent to Kidbrooke station. The scheme will comprise 10 blocks	Nil	51%	31 March	9.7	(9.7)	18.7	(18.7)
Armada 1 South Developments LLP	To develop phase 1 of the Gallions Quarter sites.	Nil	50%	31 March	0.2	(0.2)	0.2	(0.2)
Gallions 2A Developments LLP	To develop phase 2 of the Gallions Quarter sites.	Nil	50%	31 March	1.6	(1.6)	1.7	(1.7)
Gallions 2B Development LLP	To develop phase 3 of the Gallions Quarter sites.	Nil	50%	31 March	0.1	(0.1)	-	-
Rainham and Beam Park Regeneration LLP	To acquire and develop site in Rainham and Beam Park in the London Borough of Havering. The scheme will consist of 744 units of mixed tenure.	Nil	50%	31 March	-	-	2.5	(2.5)
Triangle London Developments	Established to bid for Transport for London sites.	Nil	50%	31 May	-	-	0.1	(0.1)
Gallions new LLP	To acquire completed commercial units for rental on open market. It is operating as a commercial letting business.	Nil	50%	31 March	(0.1)	0.1	(0.1)	0.1
					<b>11.7</b>	<b>(11.7)</b>	<b>23.2</b>	<b>(23.2)</b>
Spray Street Quarter LLP	To acquire and develop site in Woolwich town centre to construct 612 residential units and 8,770 square metres of non-residential space.	Nil	100%	31 March	3.6	(3.6)	12.8	(12.8)
					<b>3.6</b>	<b>(3.6)</b>	<b>12.8</b>	<b>(12.8)</b>

## Note 34 - Transactions with related parties

In 2023/24, there was a member on the board, Stephen Bitti, who had a tenancy with NHG. His tenure as a non-executive director ended on 21 September 2023. The tenancy agreements have been granted on the same terms as for all other tenants, and the housing management procedures, including those relating to management of arrears, have been applied consistently to these tenants.

In 2024/25, there was a member on the board, Arike Oke, who had a lease with NHG. Her tenure as a non-executive director ended on 31 March 2024. The lease had been granted on the same terms as for all other leases and the housing management procedures, including those relating to management of arrears, had been applied consistently to the leaseholder. During the year ended 31 March 2024 rents and service charges of £9,838 were charged and credit balance of £(288) remained at 31 March 2024.

In 2024/25, there was a member on the board, Emma-Louise Stewart who had a tenancy with NHG. The tenancy agreements have been granted on the same terms as for all other tenants, and the housing management procedures, including those relating to management of arrears, have been applied consistently to these tenants. During the period, rents of £8,780 (2024: £7,726) were charged. The credit balance of £(59) (2024: £202) was outstanding at year-end.

In 2024/25, there was a member on the board, Symmie Swil, who had a lease with NHG. Her tenure as a non-executive director began on 01 April 2024. The lease has been granted on the

same terms as for all other leases and the housing management procedures, including those relating to management of arrears, have been applied consistently to the leaseholder. During the year rents and service charges of £1,644 were charged. A credit balance of £(1,335) was outstanding at year-end.

### Chobham Farm North LLP

During the year NHHO charged Chobham Farm North LLP, a joint venture of Notting Hill Commercial Properties Limited, a subsidiary of NHG and Telford Homes plc £nil (2024: £14,570) in respect of administration costs. At the year ending 31 March 2025 £nil (2024: £nil) was owed to NHHO. During the year the joint venture sold £nil (2024: £nil) properties in the course of construction to NHHO.

During the year the LLP distributed £nil (2024: £2,900,000) to its joint venture partners.

### Armada 1 South Development LLP

During the year NHHO charged Armada 1 South Development LLP, a joint venture of Notting Hill Commercial Properties Limited, subsidiary of NHG and Telford Homes plc £nil (2024: £nil) in respect of administration costs. At the year ending 31 March 2025 £nil (2024: £ nil) was owed to NHHO. At 31 March 2025 the amount receivable from NHHO was £nil (2024: £nil). During the year the joint venture sold £nil (2024: £nil) properties in the course of constructions to NHHO and its group undertakings.

During the year members of Armada 1 South Development LLP received £nil as profit share (2024 £700,000).

### Spray Street Quarter LLP

During the year NHHO charged Spray Street Quarter LLP, a joint venture of Notting Hill Commercial Properties Limited, subsidiary of NHG and Notting Hill Developments Limited, a subsidiary of NHG £1 (2024: £1) in respect of administration costs. At the year ending 31 Mar 2025 £nil (2024: £nil) was owed to NHHO.

During the year the members of Spray Street Quarter LLP contributed a total of £800,000 (2024: £4,698,752) into the members' capital.

### Gallions 2B Development LLP

During the year NHHO charged Gallions 2B Development LLP, a joint venture of Notting Hill Commercial Properties Limited, subsidiary of NHG and Gallions Limited £88,477 (2024: £81,399) in respect of administration costs. At the year ending 31 March 2025 £nil (2024: £nil) was owed to NHHO. During the year the joint venture sold £ 2,680,874 (2024: £12,210,615) properties in the course of constructions to NHG and its group undertakings.

During the year the members of Gallions 2B Development LLP received total income of £nil as (2024: £4,572,113).



# Note 34 - Transactions with related parties (continued)

## Kidbrooke Partnership LLP

During the year TLD Kidbrooke LLP charged Kidbrooke Partnership LLP, a joint venture of Notting Hill Commercial Properties Limited, subsidiary of NHG and Transport for London plc £151,962 (2024: £651,861) in respect of administration costs. At the year ending 31 March 2025 £6,951 (2024: £nil) was owed to TLD Kidbrooke LLP.

During the year the joint venture sold £37,366,110 (2024: £27,759,595) properties in the course of constructions to NHG and its group undertakings.

## Rainham and Beam Park Regeneration LLP

During the year Notting Hill Commercial Properties Limited, subsidiary of NHG, divested its investment in Rainham and Beam Park and wrote off part of its investment to the tune of £2,379,000.

## Gallions 2A Developments LLP

During the year Gallions 2A Developments LLP, a joint venture of Notting Hill Commercial Properties Limited, a subsidiary of NHG and Vistry partnership Limited, reimbursed capital of £nil (2024: £3,027,820) to the members.

During the year Gallions New LLP, a joint venture of Gallions 2A Developments LLP and Gallions Commercial Limited owed Gallions 2A Developments LLP £2,329,054 (2024: £2,512,372).

During the year the joint venture sold £178,166 (2024: £nil) properties in the course of constructions to NHHO and its group.

NHG had investment equity in the following subsidiaries.

	2025 £m	2024 £m
Notting Hill Commercial Properties Limited	221.6	209.0
Folio London Limited	264.9	264.9
Igloo Insurance Protected CaptiveCell NOT 6	0.7	0.7
Gen Finance 2	0.1	0.1
Pathmeads Property Services Limited	-	0.8
Genesis Oaklands Limited	0.1	0.1
Choices for Grahame Park Limited	2.0	2.0
<b>At 31 March</b>	<b>489.4</b>	<b>477.6</b>

## Note 34 - Transactions with related parties (continued)

NHG had invested the following loans in its non-regulated subsidiaries.

	2025 £m	2024 £m
Notting Hill Developments Limited	30.6	28.7
Folio London Limited	73.1	23.8
Touareg NHG	57.9	38.0
Notting Hill Community Housing	172.2	138.1
Canonbury Developments Limited	-	-
Genesis Oaklands Limited	-	-
Choices for Grahame Park Limited	57.5	51.5
Folio Porter's Edge Limited	0.5	0.5
Folio Bakersfield Limited	0.2	0.2
Folio City Park West Limited	0.3	0.3
Folio Sterling Place Limited	0.3	0.3
Folio New Garden Quarter Limited	0.1	0.1
Folio St James Limited	0.2	0.2
Folio Buildings Limited	0.3	0.3
Folio New Hendon village Limited	0.1	0.1
Walworth Homes Limited	20.3	35.1
<b>At 31 March</b>	<b>413.6</b>	<b>317.2</b>

Details of other transactions between NHG and its non-regulated subsidiaries during the year are shown here.

The transactions relate to: Notting Hill Commercial Properties Limited, Notting Developments Limited, Canonbury Developments Limited, Folio London Limited, Touareg Trust, Goat Wharf Limited, Notting Hill Community Housing, Walworth Homes Limited, Igloo Insurance Protected Captive Cell NOT6, Choices for Grahame Park Limited, Genfinance Limited, GenFinance 2plc, Genesis Purchasing Limited, Genesis Oaklands Limited, Genesis Community Foundation, Stoke Quay New Homes Limited, Central Chelmsford Development Agency Limited, Folio Treasury Limited and Folio New Hendon Village Limited.

In accordance with the treasury policy, excess cash held by subsidiaries is invested in NHG to manage interest charges.

Purchases relate to invoices that are charged to NHG but relate to other group companies. They include temporary staff costs, utility bills and courier charges.

Overhead recharges are recharges made by NHG to the rest of the group based on the budget taking into account staff numbers, floor space and turnover per subsidiary.

Payroll relates to payroll costs for specific staff who work directly for the said subsidiaries.

Service charges relate to invoices that are charged to NHG but relate to other group companies.

Transfers of housing stock were made between various entities to reflect the correct entity ownership.

Gift aid relates to adjustment to gift aid in various subsidiaries after the group accounts were signed.

Merger balance relates to transfer of balances from dormant intercompany accounts.

Other inter-company transactions	2025 £m	2024 £m
Excess cash invested	(33.4)	(24.6)
Purchases	0.8	0.8
Overhead recharges	2.8	1.9
Payroll	2.4	2.6
Interest	7.6	19.7
Service charges	-	1.6
Transfer of housing stock	2.3	1.2
Gift aid	3.2	2.6
VAT	(1.2)	-
Grant	4.9	-
NHCP	(3.6)	-
Merger balance	-	9.6
<b>At 31 March</b>	<b>(14.2)</b>	<b>15.4</b>

## Note 35 - Financial instruments and risk management

Group	Financial assets at fair value		Financial assets at amortised cost	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Financial assets that are debt instruments measured at amortised cost</b>				
Current asset investments	-	-	80.4	69.3
Cash	-	-	36.1	95.2
Debtors	-	-	97.2	170.4
Debtors falling due after one year	-	-	8.4	8.7
<b>Financial assets measured at fair value through the statement of comprehensive income</b>				
Interest rate swaps fixed to float	13.4	8.4	-	-
Designated currency hedge	-	-	-	-
<b>Total</b>	<b>13.4</b>	<b>8.4</b>	<b>222.1</b>	<b>343.6</b>

NHG	Financial assets at fair value		Financial assets at amortised cost	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Financial assets that are debt instruments measured at amortised cost</b>				
Current asset investments	-	-	21.2	15.8
Cash	-	-	28.4	80.3
Debtors	-	-	708.3	582.4
Debtors falling due after one year	-	-	427.9	406.2
<b>Financial assets measured at fair value through the statement of comprehensive income</b>				
Interest rate swaps fixed to float	14.3	11.4	-	-
<b>Total</b>	<b>14.3</b>	<b>11.4</b>	<b>1,185.8</b>	<b>1,084.7</b>

All financial assets or liabilities at fair value are calculated using measurements based on inputs that are observable for the asset/liability either directly or indirectly from prices. The valuation techniques used to measure the above interest rate swaps financial instruments maximise the use of market data where available. For all other financial instruments where fair value cannot be measured reliably, the fair value is considered to approximate to the carrying value of the instrument at historic cost less impairment.

Credit risk is assessed on all financial instruments in the tables above and an adjustment is made to the valuation to reflect the credit risk associated with each counterparty.



## Note 35 - Financial instruments and risk management (continued)

Group	Financial liabilities at fair value		Financial liabilities at amortised cost	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Financial liabilities that are measured at amortised cost</b>				
Trade and other payables	-	-	322.0	333.3
Public bonds	-	-	2,288.9	2,289.0
Loans and borrowings	-	-	1,345.9	1,296.0
Other long-term creditors	-	-	1,182.9	1,232.1
<b>Financial liabilities that are measured at fair value through the statement of comprehensive income</b>				
Cancellable interest rate swaps	0.1	0.1	-	-
Designated cross currency hedge	1.4	0.3	-	-
Interest rate swaps float to fixed	5.6	3.7	-	-
Designated interest rate hedges	24.5	33.8	-	-
<b>Total</b>	<b>31.6</b>	<b>37.9</b>	<b>5,139.7</b>	<b>5,150.4</b>

NHG	Financial liabilities at fair value		Financial liabilities at amortised cost	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Financial liabilities that are measured at amortised cost</b>				
Trade and other payables	-	-	403.9	387.7
Public bonds	-	-	2,040.1	2,040.6
Loans and borrowings	-	-	1,097.8	1,039.1
Other long-term creditors	-	-	1,053.2	1,011.7
<b>Financial liabilities that are measured at fair value through the statement of comprehensive income</b>				
Cancellable interest rate swaps	0.1	0.1	-	-
Interest rate swaps float to fixed	10.0	10.6	-	-
Designated interest rate hedges	24.5	33.8	-	-
<b>Total</b>	<b>34.6</b>	<b>44.5</b>	<b>4,595.0</b>	<b>4,479.1</b>

## Note 35 - Financial instruments and risk management (continued)

Group	2025		2024	
	Book value £m	Fair value £m	Book value £m	Fair value £m
<b>A comparison of the book value to the fair value of the group's long-term borrowings at 31 March</b>				
Current portion of long-term debt	48.1	48.1	29.9	29.9
Long-term debt	3,586.7	3,586.7	3,555.1	3,555.1
<b>Total</b>	<b>3,634.8</b>	<b>3,634.8</b>	<b>3,585.0</b>	<b>3,585.0</b>

NHG	2025		2024	
	Book value £m	Fair value £m	Book value £m	Fair value £m
<b>A comparison of the book value to the fair value of NHG's long-term borrowings at 31 March</b>				
Current portion of long-term debt	38.5	38.5	21.5	21.5
Long-term debt	3,099.4	3,099.4	3,058.2	3,058.2
<b>Total</b>	<b>3,137.9</b>	<b>3,137.9</b>	<b>3,079.7</b>	<b>3,079.7</b>

### Risk

The main risks arising from the group's financial instruments are interest rate risk, credit risk and liquidity risk.

### Interest rate risk

The group finances its development through a mixture of retained surplus, grant and borrowings. The group's interest rate management

ensures that a minimum of 40% of its drawn funds should be fixed on a long-term basis and the remaining 60% is either hedged or kept at variable rates depending on prevailing market conditions and requirements of the business.

The group has entered into interest rate swap agreements to hedge exposure to the variability in cash flows attributable to movements in interest rates. This is documented in

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Gains in respect of financial derivatives held at fair value through the statement of comprehensive income</b>				
Gains in respect of financial derivatives	0.6	8.7	0.9	14.8
	<b>0.6</b>	<b>8.7</b>	<b>0.9</b>	<b>14.8</b>

	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>(Losses)/gains in respect of financial derivatives held at fair value through the statement of other comprehensive income</b>				
Gains in respect of financial derivatives	10.7	(3.2)	11.8	(0.7)
	<b>10.7</b>	<b>(3.2)</b>	<b>11.8</b>	<b>(0.7)</b>

the treasury policy and allows the group to enter into contracts where the group agrees to pay interest at a fixed rate and receives interest at a floating rate. The interest rate swaps are designated as a hedge of the variable debt interest payments which are linked to changes in the benchmark interest rate (LIBOR) which is the quoted price in an active market. This method reflects the risk management objective of the hedging relationship that swaps

a series of future variable cash flows to a fixed rate. The interest rate swap agreements which do not meet the hedging tests contained in FRS102 are accounted for through the statement of comprehensive income.

The cash flows from the interest rate swaps are expected to occur monthly, quarterly or on a semi-annual basis dependent on each contract.

## Note 35 - Financial instruments and risk management (continued)

### Hedge accounting

Where the group hedges its exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt, or future currency payment on debt denominated in a foreign currency) or a highly probable forecast transaction and that transaction could affect profit or loss, the hedging relationship is designated as a cash flow hedge.

The tables above indicate the periods in which cash flows associated with cash flow hedging instruments are expected to occur.

The key assumption used in valuing the interest foreign currency derivatives is the GBP:JPY forward exchange rates.

Hedge accounting is discontinued where the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged instrument is derecognised or the hedging instrument is terminated.

A cash flow hedge is accounted for as follows:

The proportion of the gain or loss on the hedging instruments that is determined to be an effective hedge are recognised directly in equity and the ineffective portion of the gain or loss on the hedging instrument is taken to the statement of comprehensive income.

Where the forecast transaction results in a financial asset or financial liability, only gains or losses previously recognised in the statement of comprehensive income are reclassified to the statement of comprehensive income in the same period as the asset or liability affects income or expenditure. Where the forecasted transaction or commitment results in a non-financial asset or a non-financial liability, any gains or losses previously deferred in the statement of comprehensive income are included in the cost of the related asset or liability. If the forecasted transaction or commitment results in future income or expenditure, gains or losses deferred in the statement of comprehensive income are transferred to the statement of comprehensive income in the same period as the underlying income or expenditure.

### Liquidity risk

The group has a policy to maintain sufficient liquidity in cash and lending facilities to cover 18 months of operational activity. At the year-end, 69% of the group's borrowings were due to mature in more than five years. The liquidity risk of each group entity is managed centrally by the group treasury function on a monthly basis to adhere to group policy.

### Hedge of variable interest rate risk arising from bank loan liabilities

As disclosed in note 21, the group has applied the amendment to FRS 102: interest rate benchmark reform (phase 1 and phase 2). The amendments provide relief in applying the requirements of hedge accounting to certain hedges, including allowing the group to assume that interest rate benchmarks on which hedged cashflows are based (e.g. LIBOR) will not be altered as a result of interest rate benchmark reform. Consequently, hedging relationships that may have otherwise been impacted by interest rate benchmark reform have remained in place and no

additional ineffective portion of the hedge has been recognised. The group has taken advantage of these amendments in relation to the LIBOR interest rate noted above.



# Note 36 - Contingent liability

## Contingent liabilities

A contingent liability is disclosed for a possible obligation for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources, or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate if the amount cannot be made. This includes a contingent liability reflecting the potential future obligation to repay social housing grant where properties are disposed of.

Contingent liabilities for social housing grant	Group		NHG	
	2025 £m	2024 £m	2025 £m	2024 £m
At 1 April	1,550.8	1,541.5	1,422.7	1,409.5
Realised on disposal	(5.9)	(5.3)	(3.6)	(1.6)
Additions	12.9	14.2	14.5	13.8
Transfers to other registered provider	(2.9)	0.4	(5.2)	1.0
At 31 March	1,554.9	1,550.8	1,428.4	1,422.7

Contingent liabilities relate to grant recognised in general reserves under the performance method upon transition to deemed cost.

## GLA contingent liability note

NHG bought the land at Mildmay Hospital from the GLA in March 2007, and a funding agreement was entered into in March 2007, with subsequent variation in March 2016. Included in the funding agreement, and as revised with the subsequent variations, was an overage provision that creates an obligation on NHG to pay 25% of a sum above a predetermined value threshold contingent on NHG changing the use or the sale of the market homes within a specified period of 15 years. The contingent liability at 31 March 2025 was £5,185,949.

The overage is arrived at using the agreed formula of 25% x (A+B+C+D)-E. Where:

A - means the total aggregate of all the proceeds arising from the disposals (whether by the developer or GSPV) of each of the private residential units and the commercial unit prior to the specified date (whether received or receivable by the developer or GSPV);

B - means the market value on the specified date of all the estate and interests in the market sale units and each and every part thereof then remaining vested in the developer and/or GSPV including (without limitation) the market value of the unencumbered freehold interest in market sale units which have not then been the subject of a disposal and the market value of any freehold reversion of any market sale units in respect of which any lease or tenancy has previously been granted in accordance with this agreement;

C - means the market value on the specified date of the freehold estate and interest in the PRSI units and each and every part then vested in the developer or GSPV assuming the PRSI units are not subject to any lease or tenancy other than assured shorthold tenancies and that they are subject to the restrictions contained in paragraph 7.3 of schedule 2 but only for the unexpired residue of the relevant period;

D - means the market value on the specified date of all the estate and interests in the commercial unit and each and every pat1 thereof then remaining vested in the developer;

E - means twenty-three million six hundred thousand pounds (£23,771,904).

67 units are developed and let as private rental sector units by an associate member (Linq Housing Plc) of the group with a current estimated value of £44,515,698.

Therefore, the contingent liability is calculated as follow:

$$25\% \times (£0+£0+£44,515,698+£0) - £23,771,904 = £5,185,949.$$

# Note 37 - Exceptional items

There were no exceptional costs to report in the 2025 period.

The 2024 exceptional costs related to one-off costs rising from normal activity but were much larger than usual. Included below are the notes from last years annual report detailing the category of costs that were included:

## Derecognition of financial asset

The income from variable service charges is determined by the year's budget, with adjustments made to account for unders and overs recognised in the following year. Our residents will receive the clarity they require faster thanks to the greatly improved 2023/24 account process. In making those improvements, we have examined all previous balances and adopted a resident-centric perspective on the robustness of the information. This has resulted in the decision to write-down a total of £21.2 million as a one-time expense rather than seek recovery of significant historical (pre-2023/24) amounts.

## Major repairs, impairment and stock write-downs

The group has a diverse portfolio of properties which vary in age, tenure and type including a number of high-rise buildings. All properties were built in accordance with building regulations and accepted practices at the time of being built, however the group is committed to comply with the latest health and safety standards. Following fire safety assessments across the portfolio, required remediation works have been identified in order to comply with updated government regulation. The group provides for the costs of fire safety works to the extent that it has a legal or constructive obligation. Impairment and stock write-downs have also been assessed on some of the properties. In view of the unusually material number of write-offs, the amount has been classified an exceptional item.

## Recognition of increase in financial asset

During the year, the assessment of overage relating to the Greater London Authority's land at Mildmay resulted in it being a contingent liability. (See note 36). As a result, the long-term creditor was transferred to the statement of comprehensive income in the amount of £6.4million (2023: £nil).

## Exit from pension scheme

During the year the group withdrew from the multi-employer scheme provided by the Social Housing Pension Scheme (SHPS). This was done to achieve flexibility of investment decisions and to manage exposure to the SHPS cell.

Detailed breakdown for last financial year 2024 is shown below

	Group	NHG
	2024	2024
	£m	£m
Recognition of increase in financial asset	(6.4)	(6.4)
Derecognition of financial asset	21.2	13.3
Recognition of building safety liabilities	53.7	52.4
Impairment of building safety (capital)	10.1	10.0
Impairment of stock and housing properties	19.2	9.4
Exit from pension scheme	3.7	3.7
Total	101.5	82.4









# Annual report and financial statements

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