



ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2025



Annual Report 2024-25:

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Strategic report

Strategic report:

Our purpose, vision and values

Who we are

We are a leading housing association in the Southwest of London **owning 8,011 homes** and **managing a further 3,168 homes**, with a **total of 11,179 homes** within our group.

Our purpose



Providing safe, secure homes – opening the door to life opportunities.

Our purpose is why we exist. It's what drives us to provide our customers with homes they can be proud of and services they can trust.

Our vision



Our vision is to be trusted as a socially responsible housing provider which is high-performing, community-connected and values-based.

Our vision describes our long-term aspirations and ultimately where we want our work to lead us.

Our values

We know our stuff



We build trust and confidence by being experts in what we do. Our knowledge and skills enable us to get the most important stuff right – providing an excellent service and keeping our customers, our homes and each other safe. We embrace change and recognise when we need to adapt, learn and develop new skills.

We make it happen



We show accountability, energy and passion for finding speedy resolutions and people will trust that we'll do what we say we will. We'll use collaboration and creativity to work together to find better ways of doing things. We don't stand on the side-lines and get involved in a way that's meaningful for us. We find joy in what we do and have fun along the way.

We care



We care about providing an amazing service to our customers and each other. We treat people as individuals and show empathy by putting ourselves in their shoes. We really listen, being present for both customers and colleagues – making them feel in safe hands. We care about what happens today and tomorrow for our people, communities, homes and the planet.

Our strategic pillars



Socially responsible:

providing safe, secure homes in a way that's environmentally sustainable. Investing in housing for those who cannot access the private market. Exploring strategic partnerships and growth opportunities to enable us to add value and protect homes for local communities.



High-performing:

delivering efficient, reliable services. A proactively managed, commercially astute business, which maximises value and reduces waste. A reputation for knowing our stuff and making it happen.



Community-connected:

strongly connected to communities, whether local, or through a common purpose. A positive presence working with similar-minded organisations. Understanding our customers, their individual and collective needs, and using our influence to voice their priorities.



Values-based:

guided by our values in our decision-making. Working with customers to deliver outcomes which matter. Creating an environment where talented people who care can make a difference. An ethical and inclusive organisation which people love working with and for.

Strategic report:

What we do and where we are

What we do

RHP Group's focus is on providing safe and secure homes in our core areas of operation. 88% of the Group's income is derived from social housing lettings.

We do not distribute our profits to shareholders. All surpluses from our core social housing activities are used to improve our services and provide capacity for us to build more new homes for current and future generations and to service debt.

All profits that we make from commercial activities such as the letting of office space, shops and garages and surpluses from the sale of tranches of shared ownership properties are invested in improvements in our existing stock and to subsidise our development of new, affordable homes for rent and shared ownership.

During the year we invested £21.3m in improving existing homes, £26m in delivering new homes and £15.1m on repairing homes.

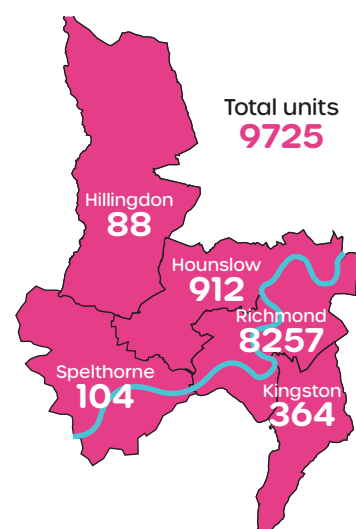


Where we are

RHP operates principally in the London Boroughs of Richmond upon Thames, Kingston upon Thames, Hounslow and Hillingdon and Spelthorne Borough in Surrey. We entered the Spelthorne Borough in the year, expanding our operating area, whilst remaining close to our existing stock in Richmond, Hounslow, Kingston, and Hillingdon.

The map illustrates the spread of our existing properties for the parent company only in our areas of operation. The Group also owns one office building, 18 shops, 4 halls and 917 garages.

Co-op Homes owns and manages 1,454 homes across West London, Slough and Reading.



Housing properties owned or managed at year end	2025	2024	2023	2022	2021
Total social housing stock owned or managed at year end (number of dwellings) Including 217 shared ownership properties (2024: 208)	7,757	7,422	7,376	7,298	7,283
Leaseholder properties serviced	1,968	1,963	1,962	1,984	1,990
Total Association	9,725	9,385	9,338	9,282	9,273
Co-op Homes owned or managed units	1,454	1,420	1,804	1,722	1,548
Total Group	11,179	10,805	11,142	11,004	10,821

Strategic report:

Chair and Chief Executive's Report



Sarah Thomas
Chief Executive

We're pleased to present our annual report and audited financial statements for the year ended 31 March 2025.

The past year has been pivotal for us, as we launched our new three-year strategy at the beginning of April 2024.

The strategy sets out our plan for achieving our vision of being a socially responsible housing provider which is high-performing, community-connected and values-based.

We have made good progress against much of what we set out to achieve in year one of the strategy.

This included continuing our development programme by building 52 accessible and sustainable homes for local people, including more much needed family size homes.

We also started the construction of our Ham Close regeneration programme which will deliver 452 new affordable and private sale homes, along with two new community facilities and a range of public green spaces.

We've achieved growth and expanded our social impact too, by acquiring 305 homes through two stock transfers across Richmond, Hounslow, and Spelthorne.

We have also seen a significant reduction in empty homes throughout the year, and a considerable reduction in re-let times. This has resulted in improving the availability of affordable homes in our area, enabling us to let a total of 406 homes throughout the year to local people. There has also been a drive to increase the quality of our homes too, ensuring that they meet our high-quality lettable standard, with neutral decor throughout and carpeted living rooms.

During the year we invested £36.4m in maintaining and improving our existing homes, and have received positive feedback about our kitchen, bathroom, and roof replacement programmes.

As part of our commitment to sustainability we started a major retrofit programme which will enhance the energy efficiency of 191 homes in South West London. The initiative, which is backed by £2.6 million of funding from the government's Social Housing Decarbonisation Fund, will incorporate key sustainability measures, to improve living conditions for residents while reducing carbon emissions.

Keeping our customers and their homes safe continues to be our top priority. We have strong compliance performance with gas, electrical, asbestos, lifts, and water treatment, and have continued to invest in our dedicated damp and mould team.

"Keeping our customers and their homes safe continues to be our top priority"

Strategic report:

Chair and Chief Executive's Report

During the year, we're proud to have become more connected to the communities we serve. This is largely down to the introduction of our new Community Engagement Team who have been hosting regular drop-ins across our neighbourhoods, as well as working on estate improvement plans. As part of this work, we also opened a new community hub on one of our largest estates, to provide a place for residents to easily connect with us and other local services.

We've also expanded the ways customers can have their say and help shape our services. This has included setting up a new Customer Experience Committee to provide lived experience and expertise directly from customers, influencing the way we do things.

There have been challenges throughout the year too. These have mainly been connected to the delivery of our responsive repairs service, which has also had a knock-on impact on the level of complaints we received. We have been working throughout the year with our repairs partner Kier Places on a service improvement plan. Although this has led to an 8% increase in satisfaction with repairs, the service is still not at the standard we aspire to deliver.

We have made the mutual decision to end our current repairs partnership with Kier Places by the end of 2025, and are working on plans to bring our repairs service in-house, which will increase control, accountability, and service standards.

We have received an updated Governance and Viability rating of G2/V1 from the Regulator of Social Housing. The regrade of our governance rating is largely down to the challenges with our repairs service. We're confident that the steps we are taking will further strengthen our service delivery and outcomes for tenants.

Maintaining a viability rating of V1, and our strong credit rating of A with a negative outlook, reflects our continued financial strength and stability.

Our employees truly care about doing the best for our customers, and are highly committed to working with us to make the necessary improvements to our service. This is reflected in their continued high levels of engagement, with 86% of them satisfied working for us, and a healthy turnover of 11%.

We have also maintained a strong employer brand, gaining certification from the Top Employers Institute for the third consecutive year, and receiving gold accreditation in the Mind Workplace Wellbeing Index for the second time. During 2024/25 we were also recognised as a Disability Confident Employer, which reflects our commitment to inclusive recruitment practices.

Looking ahead

Our key focus for the year ahead is to use customer insight to develop and launch a new in-house repairs model which best fits the needs of our residents and their homes.

Alongside this, we'll continue to improve our approach to complaints, reducing the number we receive, and resolving the ones we get quickly and effectively.

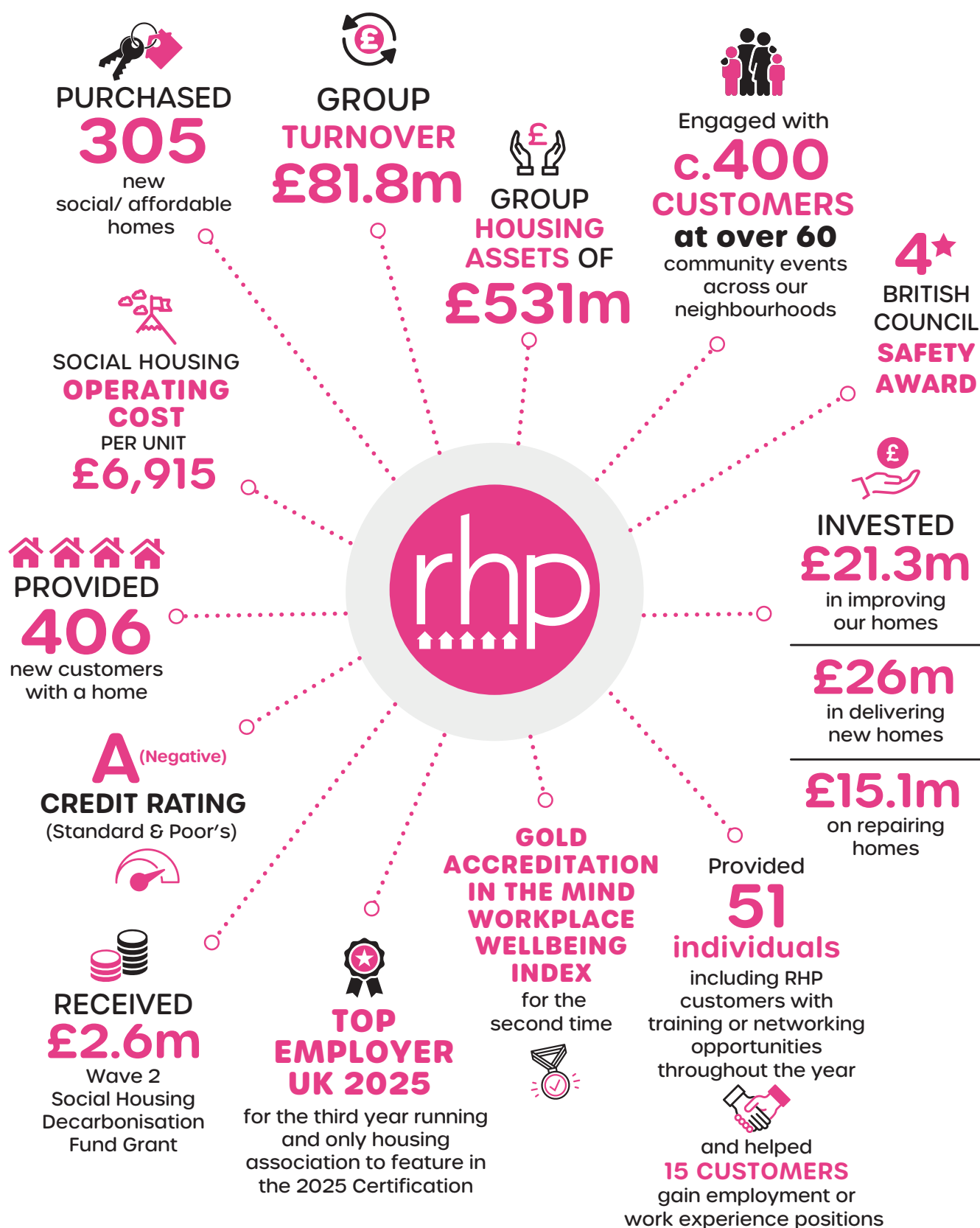
We'll be delivering the second year of our Customer Engagement Strategy, providing more ways for residents to have their say, and to enable us to hear from a broader range of people both on and offline. Our Equality, Diversity, and Inclusion Strategy will help us better meet individual needs, alongside our new more accessible website.

In line with our purpose, we'll continue to provide more safe, secure homes for local people, whilst also investing in existing ones.



Strategic report:

Key achievements in year 2024-25



Strategic report:

Strategic Report of the Board

Review of the business

The RHP Board presents its strategic report and the Group's audited financial statements for the year ended 31 March 2025.

We have set out what progress we made in year one of our three-year strategy corporate strategy (2024 - 2027). We have reviewed performance against our delivery plan's strategic outcomes for 2024 - 25, and against our strategic pillars which reflect the four areas of focus in our vision.

- ▶ Socially responsible
- ▶ High-performing
- ▶ Community-connected and
- ▶ Values-based.

Our corporate delivery plan (2024/25)

Key areas of focus for year one of the delivery plan included: improving our Tenant Satisfaction Measures; meeting the requirements of the Consumer Standards and Building Safety Act; taking action to increase our visibility in our local communities and connection with customers; investing in existing homes and building more accessible and sustainable homes; improving the quality of our data so we can better tailor our services; exploring partnership opportunities to grow our business; and building our brand to be an employer of choice.

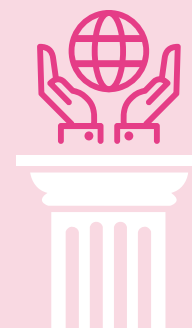


Strategic report:

Delivery against our corporate delivery plan and strategic pillars: **Socially responsible**

Socially Responsible

Providing safe, secure homes in a way that's environmentally sustainable. Investing in housing for those who cannot access the private market. Exploring strategic partnerships and growth opportunities to enable us to add value and protect homes for local communities.



Targets

Our key priorities against this strategic pillar for the year were:

- ▶ Build as many new, sustainable homes as we can, focusing on local peoples' needs and affordability
- ▶ Invest in our existing homes so that they meet the decent homes and energy standards.
- ▶ Keep customers and their homes safe by meeting building safety regulations and statutory measures in property compliance.
- ▶ Deliver our regeneration programme so that these sites contribute as much as possible to meeting housing needs in local areas.
- ▶ Explore opportunities to expand our social impact through strategic partnerships, acquisitions, or teaming up with other housing providers to protect homes and communities.
- ▶ Sustain long-term financial stability and high standards of governance to safeguard the social benefit

Performance

KPIs	Target for 24-25	Actuals 24-25
Homes completed	35	52
Homes signed into contract	70	0
Stock investment programme delivered	£19.2m	£16.5m
Meet Building Safety Act requirements	Delivered	Partially Complete
100% compliance with gas, electricity, water, lifts, fire and asbestos (the big 6)	Delivered	4/6 at 100%
Automate compliance Tenant Satisfaction Measures	Delivered	Complete
Ham Close foundations built	60 properties	Complete
Regeneration opportunities evaluated	2	Complete
Opportunities to grow our business	Delivered	Complete
Rent collected as a % of due	98.8%	98.9%
V2 and G1 compliance	Delivered	100%

Strategic report:

Delivery against our corporate delivery plan and strategic pillars: Socially responsible

Performance (continued)

We delivered 52 new homes during 2024/25, celebrating completion of 24 homes at our regenerated retirement scheme, Somerville House, and 28 new homes for rent at Staines Road. We considered several new opportunities, however in the currently inflated market, we did not enter any contracts for new homes.

In the year, we have extended our reach and economies of scale through growth by completing a stock purchase of 305 homes, with increased density in an existing borough and expanded our area of operations to an adjacent borough. The stock from the acquisition contributed over £1m to our turnover in the year, positively impacting our financial metrics. Our focus continues to be on general needs and affordable properties in the outer London boroughs, which continue to sustain high property prices and levels of demand for affordable housing. Customer engagement has been pivotal in our few first months of ownership, ensuring that our new customers benefit from our community based service offering and pride in the condition of our estates.

Compliance performance was as follows: gas safety (100%), communal electrical safety (100%), domestic electrical safety (99.92%), asbestos safety (100%), fire safety (100%), lift safety (90%), and water safety (100%).

We have six high rise buildings that are within scope of the building safety act and while we have progressed compliance in this area well, we commissioned Savills to undertake a building and fire safety gap analysis to provide external assurance. This audit identified some improvements which we are putting in place and while we are confident that our customers are safe in these buildings, we do need to strengthen our procedures.

"This flagship project will be delivering over 450 new high-quality and sustainable homes in Ham for affordable rent and private sale"

Our Ham Close regeneration project (in partnership with our development partner The Hill Group) is progressing well, with 'golden brick' (where foundations are laid) being achieved on Phase 1. This flagship project will be delivering 450 new high-quality and sustainable homes in Ham for affordable rent and private sale. The new homes will provide all residents with access to outdoor space: either a garden, patio, terrace or balcony. Green spaces with bird and bat boxes are also planned for the regeneration project, and we believe it will provide a significant biodiversity gain for the site.

During the year, our existing homes have been improved through the delivery of:

- ▶ 216 doors
- ▶ 136 kitchens
- ▶ 78 roofs
- ▶ 72 solar panels
- ▶ 68 bathrooms.

We engaged with our customers in Barnes, on our net-zero retrofit programme and secured £2.62m in Wave 2.2 Department for Energy Security and Net Zero (DESNZ) funding, with a further £0.6m awarded from Wave 3.



Strategic report:

Delivery against our corporate delivery plan and strategic pillars: Socially responsible

Performance (continued)

Throughout the year we have made our approach to dealing with reports of damp and mould even more person centred by ensuring all cases are triaged, considering the needs of individual households regarding support and in rare extreme cases, temporary accommodation is provided for the period it takes to complete the works. We have also added capacity to our response by increasing the number of case workers and expanding contractor capacity. In line with good practice, all employees have undertaken e-learning to understand more about the causes and types of damp and mould. We continue to prepare for the implementation of Awaab's Law ensuring emergency works are actioned within 24 hours and are working towards non-emergency damp and mould cases receiving an appointment within 48 hours and being attended within 14 days. In 2025/26, our new in-house maintenance service and new technology will further improve reporting and oversight.

Despite the difficult economic environment, rent collection was above target with 98.9% of rent collected during the year, against a target of 98.8%. This achievement was despite year 2024/25 having a 53-week rent year where the Department for Work and Pensions do not pay the additional week.

Our welfare support service continued to offer financial support to new and existing residents helping households maximise their household income. We signposted residents to our external support services where they were helped with budgeting, money management, grants and claiming government benefits. Our weekly drop-in-support sessions were regularly attended by residents. Our focus for the next financial year will be to continue offering customers early intervention support and identifying customers with a high risk of financial exclusion and who are having difficulties in managing their arrears so that support can be provided.

Case study: Socially responsible

Spotlight on: the human impact of regeneration

Construction at Ham Close made strong progress in 2024/25, with foundations completed for the first 70 homes and two community facilities, ahead of their planned handover in spring 2026.

We've worked closely with customers throughout, listening to their needs and preferences through housing surveys. This engagement allowed us to provisionally allocate all new rented homes in phase one, setting the stage for our developer The Hill Group to begin phase two once relocations are complete.

After more than a decade of preparation, the regeneration is becoming real. A milestone moment came when the Regeneration Team hand-delivered allocation letters, developed in partnership with our Lettings Team, to ensure customers' preferences were reflected.

One customer, receiving news of a top-floor apartment (his first choice) was visibly moved when he received his letter. He thanked the team with genuine emotion, saying he hadn't dared believe it until the letter was confirmed.



A team member reflected:

"I've never seen someone so happy - like he'd won the lottery. He was bouncing with joy."

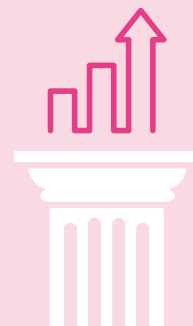
This moment captures what regeneration is all about: creating homes people are proud to move into, built around their needs and aspirations.

Strategic report:

Delivery against our corporate delivery plan and strategic pillars: High-performing

High performing

Delivering efficient, reliable services. A proactively managed, commercially astute business, which maximises value and reduces waste. A reputation for knowing our stuff and making it happen.



Targets

Our key priorities against this strategic pillar for the year were:

- ▶ Improve our repairs service and deliver our housing and estate management services to upper quartile performance for London-based organisations.
- ▶ Implement high quality case management to provide a better customer experience and reduce service failure.
- ▶ Maximise income and housing supply by reducing the time homes are empty.
- ▶ Provide customers with easier, more accessible services, and reduce waste, by evolving our technology and data to expand online services and shift to predictive asset and repair management.
- ▶ Understand and manage our assets to maximise value for money and social impact.
- ▶ Resolve complaints and disrepair claims efficiently and effectively to minimise impact on customers and cost to the organisation.

Performance

KPIs	Target for 24-25	Actuals 24-25
Meet consumer standards requirements	Delivered	100%
Repairs completed on target	Delivered	Emergency: 93.9% Non-emergency: 80.9%
Introduce case management standards	Delivered	100%
Void loss	£630k	£1.07m
Satisfaction with our communal areas	73.5%	69.9%
Move website platform	Delivered	100%
Satisfaction it is easy to request a repair through the online portal	85%	67.2%
Percentage of repairs raised online	35%	24.9%
New asset management system	Delivered	100%
Data platform phase one	Delivered	100%
Better management of core property and customer data	Delivered	80%
Average disrepair case duration	6.5 months	9.23 months
Percentage of complaints escalating to stage 2	10%	18.75%

Strategic report:

Delivery against our corporate delivery plan and strategic pillars: High-performing

Performance (continued)

We faced continued challenges throughout the year with the delivery of our repairs service due to a number of external and internal factors, which we have been addressing through a service improvement plan with our repairs partner, Kier Places.

We were pleased to see some progress throughout the year including an increase in satisfaction with repairs and time taken to complete a repair, however we are still not performing at the standards we aspire to deliver. This has also contributed to the higher than target percentage of escalations to stage 2.

Despite the challenges with our repairs service, our voids and lettings service has celebrated improved quality and reduced timescales to bring them back to our lettable standard. There was a drop in the number of empty homes, and we overcame the previously flatlined void performance. We saw a continued reduction of work in progress throughout March, aided by Co-op's void delivery supply chain. By the end of the year, the total number of empty homes stood at 87, from a high of 139 at the start of the year. We also completed 319 empty home refurbishments, compared to a budget of 280.

Focus on our improvement plan continues into 2025/26, however we have come to the mutual decision to end our partnership with Kier Places by December 2025.

We are working on plans to bring our repairs service in-house, which will increase control, accountability, and service standards.

Our caretakers continue to be a visible presence out in local neighbourhoods, keeping our estates safe, clean and tidy. This is coupled with a strong performance from our Grounds Maintenance contractor, who helps our green spaces to flourish.

Whilst our time taken in resolving disrepair cases is longer than we had hoped to achieve, we have undertaken a review of the way we deal with disrepair and again developed a more person focused approach which has resulted in a reduction in the number of cases resulting in court orders and action. Dealing with disrepair cases more effectively and working cooperatively with the customer rather than them having to resort to court action is a key objective for the disrepair team.

We have laid strong foundations to enable us to deliver more for our customers through technology. This includes introducing a new asset management system, developing a data platform, and building a new more user-friendly and accessible website. Our new website went live in April 2025.

Case study: High performing

Spotlight on our: a sustainable caretaking and grounds service

We're proud that our Caretaking and Grounds Maintenance Service, go above and beyond their basic requirements of keeping our estates safe, clean, and tidy.

The service also has sustainability at the heart of it, with our teams always looking for ways that we can protect the environment for the future and enable our neighbourhoods to flourish in the short and long term.

One way we do this, is through our partnering with Richmond Council on their Mega Skip Days. This is a free service where members of the local community can come along and dispose of unwanted household items.

For the events, we've also joined forces with local charity Richmond Furniture Scheme, who take away items to be upcycled and resold at reduced prices for people in need.

In 2024/25 our Caretakers supported 14 Mega Skip Days, giving up their time on a Saturday to attend.

In addition to our efficient grounds maintenance service which includes regular grass cutting and pruning, our Caretakers have carried out a large-scale planting programme, transforming a number of our estates with flowers and plants, creating vibrant borders and focal points.

We have also continued our tree planting programme, planting 82 trees across Richmond borough in 2024/25 (with 331 planted since 2022).

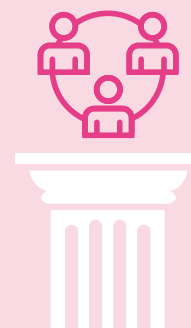


Strategic report:

Delivery against our corporate delivery plan and strategic pillars: **Community-connected**

Community-connected

Strongly connected to communities, whether local, or through a common purpose. A positive presence working with similar-minded organisations. Understanding our customers, their individual and collective needs, and using our influence to voice their priorities.



Targets

Our key priorities against this strategic pillar for the year were:

- ▶ Be a visible presence in our communities, building positive relationships with customers, local stakeholders and organisations.
- ▶ Develop our data and insight capabilities so we have a clear understanding of customer and neighbourhood needs and vulnerabilities, in order to sustain tenancies.
- ▶ Explore partnerships with organisations where together, we can deliver more value in our communities, than we could on our own.
- ▶ Optimise external communication to increase transparency, regain trust and build influence so we can be an advocate of customers' priorities.
- ▶ Provide employment, apprenticeship and training opportunities for people living in our communities.

Performance

KPIs	Target for 24-25	Actuals 24-25
Implement four estate plans	4	10
Satisfaction we make a positive contribution to the neighbourhood	62%	58.6%
Increase connection with customer with face-to-face hubs and a digital forum	Delivered	75%
Satisfaction with Anti Social Behaviour handling	55%	49.3%
Census of all tenants	Delivered	0%
Apprenticeships supported through partnerships	4	10
Hill Social Value fund year one	Delivered	100%
Customer communication strategy	Delivered	100%
Raise customer voices using our partnerships	Delivered	100%
Number of apprenticeships employed	5	5

During the year, we are proud to have become more connected to the communities we serve. The Community Engagement Team, established in June 2024, has made significant progress over the past year aiming to make a positive contribution to the neighbourhood. This has included 48 estate walkabouts and door-knocking exercises and created 39 Estate Improvement Plans (EIPs). Overall, in the year, the team engaged with over 750 customers, resolving long-standing estate issues and improving communal areas. We also held over 60 community hub events and drop-in sessions and in turn assisted around 400 customers, particularly those not digitally active.

Strategic report:

Delivery against our corporate delivery plan and strategic pillars: Community-connected

Performance (continued)

The team has built a strong community presence through various initiatives, fostering trust and improving the living environment for residents and will continue to build on this in the coming year.

In 2024/25, some of the initiatives carried out by the welfare service include:

- ▶ Developed cross team collaboration with Thameslink Credit Union, Richmond Foundation, Hampton Fund & Crosslight. Successfully applied for large grants that go towards clearing customers rent debt.
- ▶ Summer support campaign helping families struggling with food costs during summer holidays.
- ▶ Referred 53 customers for Crisis grants increasing household incomes by £22k.
- ▶ Autumn Winter Fuel support – providing 35 customers with energy vouchers for those not eligible for government support.
- ▶ Referring 78 customers to Citizens Advice service for Household support grant as well as 19 booked into specialist one-one support.
- ▶ Visiting our older customers living in retirement housing offering support and advice on managing food and energy costs.

As part of our Ham Close regeneration programme, our development partner, The Hill Group, committed an additional £250,000 a year for a period of eight years to invest in social value and sustainability to support and build stronger communities in the areas we serve. In line with our purpose of opening the door to life opportunities, this investment will contribute towards the improvement of the economic, social, and environmental wellbeing of our customers and communities. We have approved a number of bids so far, with funds allocated to a range of community initiatives.

Ham Close regeneration will also deliver two new community facilities and a range of public green spaces. Through our partnership with the developer, The Hill Group, the estate will receive two new community facilities, including a three-storey community centre complete with two outdoor terraces, a music studio, art room, meeting rooms, a lounge and kitchen, and more.

We continue to champion opportunities for local people who want to kick-start their careers through our Apprentice programme, employing 11 directly and through our partners.

Using insight from customers, we have developed a new Communication Strategy which is focused on increasing transparency and trust, through keeping customers informed and engaged. Key themes in the strategy include providing more targeted local content and increasing the accessibility of our communications.

Case study: Community-connected

Spotlight on RHP's Skills Academy at the Houses of Parliament

One of the goals under our 'Community-connected' strategic pillar is to provide employment, apprenticeship and training opportunities for people living in our communities.

A key way we're fulfilling this goal is through RHP's Skills Academy, which offers free, flexible courses designed to help individuals from our communities develop and achieve their goals, whether they're looking to learn something new or advance in their careers.

During the summer of 2024, we were excited to celebrate our customers who earned their Level 1 and 2 Diplomas in Practical Construction Practice and Knowledge Maintenance as part of our Skills Academy.

During the awards ceremony at the Terrace Pavilion in the Houses of Parliament, the now-qualified tradespeople received their certificates. Our proud Employment and Training Advisor Lauren went along too to see them receive their recognition.

They are now qualified to work in plumbing, electrics, brickwork, carpentry, and drainage, and one individual even received a job offer whilst at the ceremony!



Strategic report:

Delivery against our corporate delivery plan and strategic pillars: Values-based

Values-based

Guided by our values in our decision-making. Working with customers to deliver outcomes which matter. Creating an environment where talented people, who care, can make a difference. An ethical and inclusive organisation which people love working with and for.



Targets

Our key priorities against this strategic pillar for the year were:

- ▶ Work in partnership with customers through engagement activities to deliver outcomes which matter.
- ▶ Promote and protect an ethical and inclusive culture in which colleagues can be the best version of themselves and customers feel valued.
- ▶ Create and sustain an inspiring place to work, with leading employment practices which attract and retain talented people.
- ▶ Embed our values so that they are the DNA of the organisation and evident in our actions and decisions.
- ▶ Deliver skills and career development programmes which meet professional and legislative standards and have a long-lasting impact.

Performance

KPIs	Target for 24-25	Actuals 24-25
Satisfaction we listen to views and act	52%	47.3%
Refresh inclusion strategy	Delivered	100.0%
Colleague satisfaction	86%	86.03%
Voluntary turnover	15%	10.96%
Glassdoor rating	4.5 stars	4.5 stars
Employee representative groups	Delivered	100%
Develop workforce planning framework	Delivered	25%
Incorporate manager expectations into performance management framework	Delivered	50%
Agreement RHP has a lasting impact on career	80%	86.3%

Strategic report:

Delivery against our corporate delivery plan and strategic pillars: Values-based

Performance (continued)

We have delivered year one of our refreshed Customer Engagement Strategy which has increased the ways that customers can provide feedback and help shape our services. The Customer Scrutiny Group (CSG) is our main customer involvement group; they have actively contributed to shaping the strategy and provide operational feedback through quarterly meetings with RHP teams. Over the year, the CSG has outlined priorities for co-designing services and ensuring transparency, particularly in high-impact areas such as the repairs service. In addition to formal groups, customers have been involved at every stage of our website development, and have provided insight to shape our Communications and Equality, Diversity, & Inclusion strategies.

We have also set up a new Customer Experience Committee, which includes representatives from across our customer base to provide lived experience to influence the way we do things.

Internally, we have maintained good levels of engagement, with 86% of colleagues satisfied with working for RHP Group.

We also continue to have a strong employer brand, being recognised for our inclusive and inspiring employee experience through gaining certification from the Top Employers institute for the third year in a row, and being awarded Gold Accreditation through the Mind Workplace Wellbeing Index for the second time.

Our commitment to providing an inclusive recruitment experience was reflected in gaining Disability Confident status. This is a government scheme designed to encourage employers to recruit and retain disabled people and those with health conditions. To gain the badge, we needed to demonstrate our commitment to an inclusive and accessible recruitment process, providing reasonable adjustments to candidates and existing employees, supporting people with long term health conditions to stay in work, and carrying out activities that will make a difference to disabled people.

Case study: Values-based

Spotlight on: opening the door to career opportunities

As part of our values-based approach, we have a long-standing commitment to nurturing talent through our apprenticeship scheme, which has been running successfully for over 15 years. Apprenticeships offer an excellent opportunity for individuals to combine practical, on-the-job training whilst gaining a qualification.

Scarlett joined RHP in 2021 after leaving college, as an Apprentice in our Customer Contact Centre. After completing her two-year apprenticeship with us, she gained an NVQ in Customer Services (achieving a distinction). Scarlett was then successful in applying for a role in our Neighbourhoods and Communities Team where she's flourishing as an Administrator.

Scarlett says:

"I'd definitely recommend an Apprenticeship as you're earning whilst you're learning. It opened doors for me in RHP, gave me a head start in my career, and helped me gain a qualification".

As well as employing five Apprentices directly ourselves, we have agreements with our partners to employ a further six.



Strategic report:

Financial review and funding

(£'000)	2025	2024	2023 RESTATED
Turnover	81,806	70,612	66,884
Operating costs and cost of sales	(67,904)	(56,015)	(50,091)
Gain on sale of fixed assets	1,513	1,735	1,390
Operating surplus before impairment	15,415	16,332	18,183
Impairment	(12,747)	-	-
Operating surplus after impairment	2,668	16,332	18,183
Net interest charge and fair value adjustments	(8,233)	(6,719)	(7,010)
(Deficit)/surplus for the year	(5,565)	9,613	11,173
Operating margin before impairment	19%	21%	25%
Operating margin	1%	21%	25%
Social Housing Operating cost per unit	£6,915	£6,049	£5,007
Housing Properties at cost less depreciation	530,655	479,229	447,460
Net current liabilities/assets	(4,613)	14,381	36,639
Total net assets	157,001	161,951	153,304

Highlights

We are reporting a deficit of £5.6m (2024: surplus £9.6m) in the financial year as a result of a significant one off property impairment provision of £12.7m.

The impairment provision is primarily against one scheme under construction (£12.7m). Excluding the impairment provision of £12.7m, our underlying performance remains strong, even though operating costs have increased in the year by a higher rate than turnover. The increase in operating costs is primarily as a result of addressing our repairs service challenges, working with our external repairs contractor.

We have invested efforts to focus on improving our performance. We continue to invest in our existing homes and maintain a healthy pipeline for the development of new homes ensuring our financial strength going forward is secure.

Our turnover grew to £81.8m (2024: £70.6m) reflecting an increase in income from social housing lettings through annual rent reviews and additional income received from the stock acquisition in the year. We also sold 16 shared ownership properties in the year generating income of £3.6m (2024: £2.7m).

Our operating costs increased as we invested in our homes and services. The challenges we have faced with the repairs service led to knock on costs of dealing with complaints and disrepair claims.

Our operating surplus fell to £2.7m (2024: £16.3m). The significant reduction in operating surplus in 2025 is driven by the significant impairment provision of £12.7m made in the year. Excluding this one off impairment event, the underlying operating surplus is £15.4m, a reduction of £0.9m from the prior year's position.

We maintain a robust financial position, reflecting a strong statement of financial position and strong liquidity, with the latter discussed in our treasury section below. The net book value of our housing properties increased by £51m in the year, strengthening our housing assets base and demonstrating our commitment to investing in new homes, including the acquisition of 305 homes as well as our existing properties. We have undrawn loan facilities of £124.5m (2024: £152m) and cash of £12.6m (2024: £28m) which represents our liquidity.

£81.8m

Group turnover (2024: £70.6m)

£2.7m

Group operating surplus (2024: £16.3m)

Strategic report:

Financial review and funding

Funding and treasury management

Our Treasury Management Policy sets out the principles and objectives of our treasury management activities. It is reviewed annually to ensure we apply best practice.

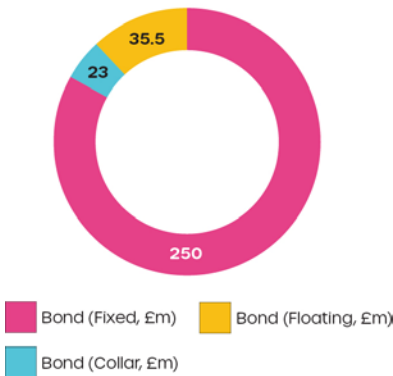
The following table shows a summary of RHP's total loan portfolio as at 31 March 2025:

Lender	Total Facility £m	Drawn £m	Available £m	Final Repayment Date
Lloyds RCF	120.0	20.5	99.5	Dec 2027
NatWest Term Loan	30.0	30.0	0.0	Feb 2038
RHP Finance PLC (Bond)	275.0	250	25	Feb 2048
Total Facility	425.0	300.5	124.5	-

Debt Profile

At 31 March 2025, we had total loan facilities of £425m (2024: £425m) of which £300.5m (2024: £273m) were drawn.

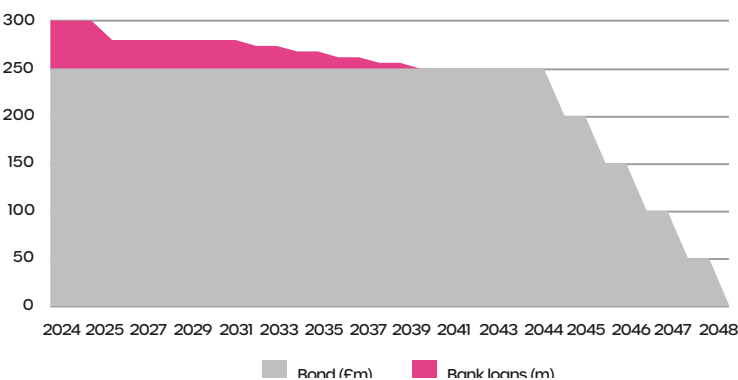
Debt Profile at 31 March 2025



Interest rate management

We manage our exposure to fluctuations in interest rates with a view to achieve an acceptable level of certainty in our net interest costs. As at 31 March 2025, 88% (2024: 100%) of our drawn debt was fixed. This is line with our treasury management policy which sets a fixed vs. variable interest rate criteria of 60% - 100% of debt at fixed rates.

Committed Debt Repayment Schedule

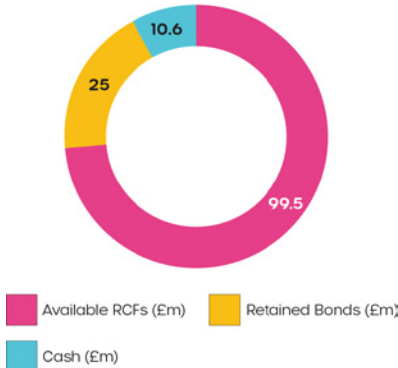


Liquidity

During the year our Treasury Management Policy required us to maintain a 12-month liquidity ratio of greater than 2.5x. Our liquidity ratio at the year-end was 3.2x. We are also required to maintain a minimum balance of available cash of £5m which was achieved throughout the year.

Our liquidity is represented by cash and available loan facilities as reflected in the chart below. At 31 March 2025, our available liquidity was £137.1m (2024: £180m) of which cash was £12.6m (2024: £28m) and available loan facilities was £124.5m (2024: £152m). The available loan facilities are Revolving Credit Facilities (RCFs) of £99.5m (2024: £97m) and Retained Bond of £25m (2024: £25m). These resources are sufficient to meet our contractual commitments.

Liquidity at 31 March 2025



RHP is fully funded until at least December 2027, when the Lloyds revolving credit facility expires. We are starting the process to refresh our revolving credit facility, which we aim to complete by the end of the financial year. At 31 March 2025, £138m (20%) of the Group's stock remained unencumbered.

Strategic report:

Financial review and funding

Covenant compliance

Our loan covenants are based upon interest cover, asset cover and gearing ratios. We monitor covenants compliance monthly and report to RHP Board on a quarterly basis. We agreed an interest cover covenant carve-out with our lenders, allowing for impairment charges of up to £15.1m for the 2024/25 financial year. We complied with all financial covenants for the year ended 31 March 2025.

Key treasury risks:

Funding and liquidity risk

Detailed 3 year rolling cashflow forecasts are prepared and reviewed each month and reviewed quarterly by our Group Investment Committee and the Board.

Longer term forecasts are also prepared in line with our business plan assumptions, and these are reviewed by the Board at least twice per year. At all times we hold a minimum of £5m in available liquidity.

Interest rate risk

At the year-end, 88% (2024: 100%) of the Group's borrowings including the listed bond were at fixed rates. The fixed rates of interest, including loan margin, for RHP range from 3.25% to 5.55% while the fixed rates for Co-op Homes range from 1.56% to 9.4%. RHP's effective cost of borrowing was 3.62% at the year-end (2024: 2.58%).

The Group entered into a loan-linked ISDA during the year with NatWest. In August 2024, an interest rate collar was executed on £15m of the £30m term facility, with a rate range of 3.26% to 4.25%. As a non-basic financial instrument, this is subject to Mark-to-Market (MtM) movements. At the year-end, the fair value of the collar was £15.1m (MtM: +£0.1m).

Counterparty risk

At 31 March 2025 all cash investments were held with counterparties who meet the criteria set out in our Treasury Management Policy which requires that the Group seeks to minimise the risk of financial loss or liquidity exposure resulting from the insolvency of any counterparty.

Counterparty risk from our development partners is actively monitored through checks with reputable agencies in addition to requiring various bonds and retentions depending on the contractor's profile.

Loan covenant compliance

The Group's loan covenants are based primarily on interest cover, asset cover and gearing ratios. Covenants are monitored monthly with performance reported to the Board quarterly and were comfortably met throughout the year and at the year-end for all loan facilities. We agreed a covenant carve out with our lenders for up to £15.1m of impairment charges in the 24/25 accounts.

Intragroup loans

The net proceeds from the 2015 bond issue, 2020 tap and retained bond sale have been on-lent by RHP Finance plc to RHP. At the year-end, RHP owed RHP Finance plc £269.9m (2024: £270.7m). This includes an amount of notional premium and capitalised issue costs of £19.9m, which are amortised annually and netted off against our annual financing costs.

RHP and its subsidiary Co-op Homes restated the intercompany revolving credit facility during the year, reducing the size from £11m to £8m. This took effect on 28 March 2025. At 31 March 2025, £4.45m (2024: £2.2m) of this loan was outstanding. This facility will expire on 28 March 2030.

RHP has also made available working capital facilities to its subsidiaries RHP Develop Ltd and RHP Home (Repairs) Ltd. RHP Develop Ltd has a working capital facility of £2m. At 31 March 2025, £0.5m of this facility was in use (2024: £1.25m). RHP Home (Repairs) Ltd has a working capital facility of £1m. At 31 March 2025, £0.5m of this facility was in use (2024: £0.5m).



Strategic report:

Value for money

Our Value for Money (VfM) Strategy defines our approach to delivering value for money across the business in order to meet our strategic goals. The VfM strategy is directly aligned with the overall business strategy and embedded into all levels of decision making across the business.

Our aim is to 'spend our customers' money wisely' in order to deliver our corporate strategy.

Although inflation is now lower than in recent years, the pressure on our finances and our customers' finances remains. We have previously held excess levels of cash, however following recent investments, we are closely monitoring our cash balances to ensure that we have the right level of funds available to minimise our cost of carrying the funds.

How we spend money as a business requires careful planning. As an organisation we have ambitions around investing in our existing homes, delivering an excellent service to our customers and building much needed new homes. We have to prioritise our spend in a way that maximises our ability to achieve these goals over the long term. Our effective use of resources is a crucial part of this planning process.

Spending our customers money wisely does not simply mean cutting our costs. It is also about freeing up resource to maximise our ability to make a positive impact for our customers and the communities we operate in. We will also explore the use of technological solutions to help reduce heavy administrative tasks.

To deliver value for money our strategy focuses on the following key objectives:

- ▶ Delivering efficient reliable services to our customers
- ▶ Maximising the value of our assets and resources and minimising waste to sustain our long term financial stability. Our long term maintenance plan will ensure homes remain safe and energy efficient, whilst we also manage repair and upgrade costs.
- ▶ Work with partners, contractors and suppliers to enhance the service that we can provide carrying out efficient procurement processes and managing our contracts effectively.

When considering VfM we assess our delivery against the following 4E's principle:

1. Economy

We use our resources carefully to save expense, time or effort. We ensure that we obtain competitive prices for quality goods and services

2. Efficiency

We ensure that we maximise our output, generating more from the resources we have and the investments we make.

3. Effectiveness

The outputs we deliver need to achieve the desired outcomes for the organization and for our customers.

4. Equity

Ensuring that the benefits of are expenditure are distributed fairly across our customers.

A fifth E, namely Environment, is also considered. Being a socially responsible organisation that works towards protecting our environment and providing sustainable homes for our customers helps us to deliver on our environmentally sustainable goals.

Strategic report:

Value for money

How have we delivered value for money

In this increasingly difficult economic climate, it can be challenging to evaluate our ability to provide VfM. With the high levels of inflation that we are experiencing, reducing our spend becomes harder and the emphasis on efficiency and effectiveness of services becomes vital.

A key method of measuring how we deliver on these factors is through benchmarking performance against our peer group.

Housemark provide benchmark data annually based on our VfM metrics. A summary of our performance is shown in the table below. We continue to benchmark our performance against peers with upper quartile performance to underline our ambition. The general trend for all indicators has been a downward one, however our performance against the benchmarks has strengthened. In particular our operating margin increased in the year which is contrary to our peer group.

Metric	Upper Quartile 23/24	RHP Actual 23/24	RHP Target 24/25	RHP Actual 24/25	RHP Actual 24/25 (excluding impairment)
1. Social Housing Cost per Unit	£6,166	£6,049	£6,396	£6,915	£6,915
2. Operating margin	20.2%	20.7%	24.9%	1.4%	17.0%
3. Operating margin (social housing lettings)	23.1%	23.6%	29.1%	20.0%	20.0%
4. Units Developed (as a % of units owned)	1.2%	1.6%	0.7%	0.6%	0.6%
5. Gearing	42%	55%	51%	58%	58%
6. Reinvestment %	7.8%	8.3%	8.5%	7.5%	7.5%
7. Return on Capital Employed (ROCE)	2.3%	3.2%	4.0%	0.5%	2.8%
8. EBITDA MRI interest cover	107%	137%	112%	(31%)	103%



Strategic report:

Value for money

How will we continue to deliver value for money?

RHP is committed to making sure that all decisions provide the best value for money in support of our strategic vision to maintain financial strength.

Whilst the board has overall responsibility for delivering Value for Money, everyone within the organisation is expected to play their part in keeping VfM at the heart of decision making. We will also involve our customers where appropriate in checking performance in order to drive value and ensure we obtain the best value and quality possible.



Investment in our services

Targeted investment illustrates our aim to blend the 4E's principle of VfM, by spending wisely to eliminate the current cost of failure demand. Specifically, within the 25/26 delivery plan we aim to:

- ▶ Reduce the % of complaints relating to repairs escalating from Stage 1 – Stage 2 to 10
- ▶ Reduce the cost of disrepair cases by 15% through better case management and achieving value for money with legal services.
- ▶ Reduce the cost of temporary accommodation by 15%.

Investment in systems and people

Additional investment in systems will help deliver long term savings by streamlining current processes. The plan for 25/26 includes:

- ▶ Invest in and implement a new customer rent payment system.
- ▶ Deliver the Asprey business information tool to utilise repairs data, informing better decision-making for future use of individual assets, and planned programmes.
- ▶ Launch our new web platform and customer portal to provide customers with easier more accessible services.
- ▶ Attract and retain talented people by maintaining a Glassdoor rating of at least 4.5 stars and building our employer brand to promote what makes us stand out from the crowd.

Investing in our properties

By investing in our properties, we will not only reduce the long term cost of maintaining them, we will also provide our customers with homes that are energy efficient and safe, helping us to reduce our costs, help our customers and help the environment. The 2025/26 plan includes:

- ▶ Complete the delivery of the retrofit programme in Barnes, bringing 208 homes up to Energy Performance Certificate rating of C.
- ▶ Invest up to £19m in existing homes to ensure they continue to meet the decent homes standard.
- ▶ Reduce cost of works to empty homes whilst maintaining current standards.

Strategic report:

Value for money

How will we measure our progress in achieving Value for Money?

In order to evaluate our achievements in attaining value for money, appropriate targets have been put in place to measure our performance. Our key performance indicators are reported and reviewed on a monthly basis and will continue to be benchmarked against our peer group on an annual basis.

Delivering VfM requires us to demonstrate delivery of strong customer satisfaction metrics but ensuring this is not at the detriment of metrics measuring the financial strength of our business.

We benchmark our performance using the Regulator of Social Housing VfM Metrics. Our targets have been set to align against the 25/26 budget for the Group as a whole.

Metric	Target 25/26
1. Headline Social Housing Cost per Unit	£6,621
2. Operating margin	22.9%
3. Operating margin (social housing lettings)	24.5%
4. Units Developed (as a % of units owned) - social	1.0%
5. Gearing	52%
6. Reinvestment %	7.8%
7. Return on Capital Employed (ROCE)	3.2%
8. EBITDA MRI interest cover	87%



Strategic report:

Internal Controls and Risk Management

Internal Controls Assurance

The Board has overall responsibility for the system of internal control and risk management across the Group and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. It can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Audit and Risk Committee (ARC) is responsible on behalf of the Board for monitoring the system of control and reporting on its effectiveness. It considers risk reports, internal audit reports, management assurances, the external audit management letter and specialist reviews take place in the year. Any material risk or control matters are reported by the ARC to the Board.



Key elements of the Group's internal control framework include:

- ▶ Board approved terms of reference and delegated authorities for Audit and Risk Committee, Development and Asset Management Committee, Governance and People Committee and Customer Experience Committee.
- ▶ Clearly defined management responsibilities for the identification, evaluation and control of significant risks. The Executive Directors regularly consider reports on these risks and the Chief Executive is responsible for reporting to the Group Board any significant changes affecting key risks.

The framework is made up of:

- ▶ Internal audit assurance. The Group's internal audit function is delivered through a specialist third party organisation which has a direct reporting line to the Audit and Risk Committee. The internal audit programme is designed to review key areas of risk.
- ▶ Regular review of risks and risk management processes at ARC and Board.
- ▶ Robust strategic and business planning processes, with detailed financial budgets and forecasts. These are reviewed and approved by the Board and actual performance versus budget/forecast is monitored throughout the year by the Executive Directors, the Board and the Development and Asset Management Committee.
- ▶ Regular reporting to the Executive Directors, the Development and Asset Management Committee, Customer Experience Committee and Board and Governance and People Committee on key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes. These reports and the outcomes of these reviews are reported to the Board at each meeting throughout the year.
- ▶ A standing item annually at ARC meetings for members to meet privately with the external auditors and internal auditors without executive or other staff members present.

Strategic report:

Internal Controls and Risk Management

- ▶ Formal recruitment, retention, training and development policies for all employees.
- ▶ Established authorisation and appraisal procedures for all significant new initiatives and commitments.
- ▶ A Treasury Management Policy, reviewed and approved by Board on an annual basis.
- ▶ Board approved Whistleblowing, Anti-Fraud, Anti-Bribery, Tax Evasion, Modern Slavery Act, Market Abuse and Anti-Money Laundering Policies, covering prevention, detection and reporting of fraud, and the recovery of assets. These policies are reviewed regularly.
- ▶ Maintaining a fraud register and related processes including the review of the register annually at ARC meetings.
- ▶ Policies on payments and expenses to employees and Board members.

The Board cannot delegate ultimate responsibility for the system of internal control but has delegated authority to the Audit and Risk Committee (ARC) to regularly review the effectiveness of the system of internal control. The ARC has received and reviewed assurance on the effectiveness of the system of internal control for the Group. The Board receives quarterly reports from the Audit and Risk Committee together with minutes. The ARC also reports its findings to the Board through an annual report.

Audit and Risk Committee and Board have received the Chief Executive's and Executive Directors' annual review of the effectiveness of the system of internal control for the Group, and the annual report of the internal auditor. In their annual report, the internal auditors confirmed that the Group's systems of internal control continue to demonstrate a satisfactory internal control environment.

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

Risk management

RHP recognises that effective risk management, embedded in our practices and behaviours is fundamental to achieving our strategic objectives. We consider risk management to be extremely important in ensuring the safety of our customers, our homes, our people and our business.

Risk is a standing item at all ARC and Board meetings. The Board and the committees, in particular ARC, continue to provide robust challenge to the Executive Team across all aspects of risk management. The pace of change of the external environment requires that proactive and strong risk management is of significant importance. This includes creative thinking, strong management and good visibility of potential and emerging risks and well considered mitigations. Emerging risks are reported to the Executive Team, ARC and Board for consideration and discussion, where oversight and challenge is provided.

We assess risks based on their potential impact before any actions are taken to reduce them (mitigations). We then reassess those risks after putting mitigations in place to manage them, helping us ensure they are being properly controlled. For each risk, we also set a target risk score that reflects the most realistic and manageable level, taking into account what we can directly control and, more broadly, what we can only influence.



Strategic report:

Risk and internal controls

Key strategic risks and how we are managing them:

Area of focus: Ensuring we are managing and maintaining our customers' homes.

Risk detail	Comments and Risk Mitigation
We place huge importance on ensuring the safety and good quality of our customers' homes. Events over recent years have spotlighted substantial areas for improvement across the housing sector including poor levels of fire and building safety, damp and mould and inadequate systems and processes for capturing and managing customer's concerns. Insufficient focus and controls in this area can cause customers significant harm and, in some cases, lead to death. Ensuring we are carefully listening to our customers when they raise concerns and having controls and processes in place to capture their feedback and that from customers who don't contact us is key to the success of our business and an increased focus of the Regulator through the Social Housing White Paper requirements. Failure to do so may result in harm to a customer but also regulatory consequences, reputational damage or fines. Additionally, our customer's homes are also our assets. Inadequate maintenance programmes will result in a reduction in asset value and longevity. A key risk across property portfolios is one of obsolescence of stock should maintenance and regeneration programmes be insufficiently funded. Poorly managed maintenance and safety programmes, such as not undertaking regular gas and electrical checks, insufficient investment in components within homes or insufficient data about our assets and their components can all result in harm to our customers' homes or our customers. We also need to carefully manage the neighbourhoods our customers live in. This includes understanding and sensitively managing anti-social behaviour.	In order to manage and monitor these risks, there are number of key areas of focus: ▶ Dedicated health and safety teams and close monitoring by the board of key metrics associated with our safety compliance activities. ▶ Detailed and regularly reviewed stock investment programmes based on stock condition surveys and a continual focus on improving our knowledge of our stock. ▶ Following detailed surveys of our stock, we are reassured that fire safety and cladding issues are not substantial, we have prioritised rectification programmes based on detailed surveys. ▶ An organisation wide data governance and improvement programme, designed to ensure our property data is accurate and is delivering good decision making and escalation of issues. ▶ Programmes in learning and development and monitoring to ensure our staff and contractors are mindful of health and safety requirements and the condition of our customer's homes and are focused on warning signs about issues with our homes. ▶ Increased focus across the board and our organisation on ensuring we are listening to and engaging with our customers. This includes our customer scrutiny group and detailed customer insight work as part of our redesign of our services. ▶ We are progressing with our detailed response to the Social Housing White Paper requirements, ensuring a transformed approach to our relationship with our customers. ▶ Additional investment in our support of customers and improvements in neighbourhoods to manage ASB. ▶ Regular internal and external audits on specialist areas.

Strategic report:

Risk and internal controls

Key strategic risks and how we are managing them:

Area of focus: Prudent and careful management of our finances and investment choices

Risk detail	Comments and Risk Mitigation
As more pressure is placed on our finances through fire safety work, the drive to net zero carbon emissions, inflation and the need to build more homes to ease the housing crisis, close management is required of our finances. Failure to do so may result in insufficient funding to support key areas of spend, of particular importance in keeping customers safe. In the worst scenario, inadequate management of our finances will result in foreclosure by the banks or intervention by the Regulator and our organisation no longer able to operate. As the economic environment in which we operate becomes more volatile, inflation and interest rates increase and cost of living increases, we anticipate an increased risk of our customers struggling with their rent payments and an increased uncertainty in our future cashflows. We also anticipate an increased risk of unsustainable cost increases or supplier insolvencies. Our financial capacity and investment choices are significantly influenced by government regulation. Changes in the rent regime and building safety requirements can require substantial changes to our investment focus and strategy. Increasing regulatory and environmental obligations put financial pressure on smaller organisations, requiring innovative partnerships and ways of working to ensure ongoing efficiencies.	Key areas of focus in financial management: ▶ Proactively considering with the board our investment choices to ensure continual reassessment of our strategic areas of focus and rebalancing between financial prudence and investment. ▶ Detailed action and resource plan to support our customers through the current economic uncertainty and inflationary environment to ensure we sustain tenancies wherever possible. ▶ Agility and flexibility in financial forecasting, stress testing, spending commitments and funding arrangements. ▶ Proactively managing our investors and credit rating agencies, providing transparent, regular information on our financial performance to sustain interest in our organisation as an investment. ▶ Reconsidering our areas of focus on delivery of value for money and effective procurement. ▶ Improvements in ways of working and contract management of our key partners. ▶ Ensuring a close eye on government regulation, changes and best practice relating to the sector and in particular, government policy direction is key to our agility in our strategy.

Strategic report:

Risk and internal controls

Key strategic risks and how we are managing them:

Area of focus: Long term strategic view of our technology portfolio.

Risk detail	Comments and Risk Mitigation
As technology advances quickly and customers' expectations as consumers grow, we need to be able to keep pace with these changes. Failure to do so will result in us not taking advantage of efficiencies in our operating model, frustrating our customers, and in severe scenarios, weakness in our technology resulting in cyber-attacks, full systems outages and inability to manage our business or our customer's homes. Lack of a well-considered, long term and agile approach to processes and procedures, technology and end to end data flows will prevent us from delivering efficient, value for money services and evolving them quickly with changing customer requirements and in worst case, lead to substantial and sustained disruption to our services to our customers and our ability to function as a business.	▶ We are progressing with a transformation programme to reduce the complexity of our technology portfolio, the number of systems interfaces and update both technology, processes and ways of working. ▶ This is an organisation wide programme, bringing risks in itself, and will be the beginning of a long-term continual rolling programme of improvement of our technology portfolio and ways of working. ▶ In parallel we have taken a fresh look at our disaster recovery planning to ensure we are able to adequately manage these worst-case scenarios should they occur. ▶ We continue to ensure up to date and effective working controls and systems to protect our operations and data from attacks.

Area of focus: Close and careful data management

Risk detail	Comments and Risk Mitigation
Poor management of our customer, property, or employee data can result in poor quality, inaccurate or missing data on either customers or our properties. There is a significant risk of both financial and reputational damage and in a worst-case scenario, serious detriment to our customers' health or lives as a result of inaccurate data, breaches in confidential data, for example, customer's bank account details or missing critical health and safety data.	▶ Although we currently operate with strong manual reconciliation and control processes, we are progressing with an organisation wide data governance and management improvement programme. This will enable us to improve and maintain confidence in the quality, accuracy and integrity of our data. ▶ We employ a data protection officer to support our improvement in data protection and deliver detailed programmes of training and continual improvement. ▶ Our technology improvement programme also includes a reduction in the number of systems and layers of integration or interfaces, thereby reducing the risks of data transfer or different 'versions of the truth'.

Strategic report:

Risk and internal controls

Key strategic risks and how we are managing them:

Area of focus: Ensuring we retain and attract the best people	
Risk detail	Comments and Risk Mitigation
We cannot deliver our core services without having strong talent aligned to our purpose, vision and strategy. We need to continue to focus on being an attractive organisation to work for in order to engage the best talent, and retain the excellent talent already in the organisation. A significant reduction in employee satisfaction and our attractiveness as an organisation will restrict our ability to recruit or retain the right skills and resources and therefore support our customers and manage our business. It could also result in escalating employee costs in order to pay for key roles in areas of shortage. Without a strong and diverse board and Executive Team, we are not ensuring strong governance of the organisation, with diversified, innovative thinking.	▶ We maintain excellent learning and development programmes including specific areas of focus on health and safety, management skills, and change management. ▶ We have a well-established approach to flexible working and extensive mental health support programmes. ▶ Our generous benefits package supports employees through challenges and significant changes in their life such as bereavement or maternity. ▶ We continue to focus on employee engagement and cultural strength to ensure we retain and develop the best people and have made good progress with our inclusion strategy to ensure we encourage diversity of thought in our organisation.



Strategic report:

Environmental, Social, Governance

At RHP, we believe in the need for sustainability, resilience and the importance of Environmental, Social, Governance (ESG) considerations in our investment decisions.

We are committed to growing in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of our communities.

Our commitment to ESG principles is central to how we operate and deliver value for the long term. We recognise that achieving sustainable financial performance requires responsible stewardship of both environmental resources and social outcomes, underpinned by strong governance. Our approach to the ESG components is essential to how we create a better business and a better society, and we believe in demonstrating excellence in not only what we do, but how we do it.

As a UK-based charitable society, we are driven by a clear social purpose: to support local communities by providing good quality social and affordable homes, and excellent landlord services. We serve individuals and families who are otherwise unable to access suitable housing in their local area, and we take seriously our responsibility to lead by example in advancing positive change for our customers, the communities we operate in and for the planet we live on.

Our long-term relationships with customers and stakeholders depend on our ability to maintain a resilient and sustainable business. As such, our ESG approach is integrated into our strategy and operations, reflecting our belief that how we achieve our goals is as important as the outcomes themselves.

Our approach to the ESG components is essential to how we create a better business and a better society, and we believe in demonstrating excellence in not only what we do, but how we do it.

To deliver environmental sustainability, our approach is to focus on developing green buildings, investing in renewable energy and improving energy efficiency in our homes and how we work.

Environmental

Our 3 key areas of focus with respect to the environmental impact that we have are:

1. Green buildings 	2. Renewable energy 	3. Energy efficiency 
▶ Development of green buildings which meet a minimum EPC Rating of B or above on: • construction of new homes • regeneration of communities ▶ Retrofit pilot in Barnes to deliver EPC "C" targets – £2.6m Wave 2 SHDF secured. ▶ Further £0.6m secured in Wave 3 ▶ BREEAM certified office building.	▶ Investing in projects aimed at integrating renewables into the energy system for buildings. This includes using photovoltaics to generate clean energy. ▶ Pitched roofing renewals programme including installation of photovoltaics by default.	▶ SMART technology: installation of energy saving technology aimed at delivering savings in residents homes and improving energy usage. ▶ Pool car fleet to all electric, trial of electric vehicle charging points on estates and installation of Solshare system.
7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION

As at 31 March 2025 86% of all of our homes had up to date Energy Performance Certificates (EPC) assessments.

Strategic report:

Environmental, Social, Governance

Social

Our core purpose is social, with the provision of social and affordable housing at the centre of what we do. Our purpose statement includes 'opening the door to life's opportunities' which is also demonstrated by the work we do to improve the socio-economic lives of our customers, employees and the communities we operate in. We provide initiatives to empower them so that they can advance their livelihoods in all areas.

Underpinning what we do is a foundation of good governance remonstrated by regulatory compliance. We have an enhanced governance framework and during the year we also strengthened our committee structure. We have in place comprehensive internal controls and risk management tools.

The following details our 2 key areas of focus in relation to social focus and our governance approach:

1. Affordable housing:



- ▶ Financing the construction of new Social and Affordable Housing. This also includes refinancing of existing Social or Affordable Housing. Homes comply with the Government definition of Social or Affordable Housing (including Shared Ownership with relevant income thresholds) and include other forms of supported or sheltered housing. As our rents are less than 50% of market value, our value to society is c. £98m.



2. Socio-economic advancement & empowerment:



- ▶ Support services aimed at enhancing the lives of our customers, employees and communities. This includes promoting equal opportunities, improving wellbeing and offering financial support to ensure healthy lives and promote wellbeing for all.
 - New Neighbourhood and Communities team (case study)
 - 5 apprentices directly employed in 24/25 – another 10 via social value clauses with repairs and compliance partners delivering real value to our local communities
 - Financial support services
 - Commercial & entrepreneurial support and work skills
 - Mental and physical health support



Governance

We have a strong approach to the governance of the organisation.

- ▶ Since our inception in 2000 we have retained a G1/VI governance and viability rating from the regulator (or equivalent), however due to our challenges in the last 2 years with our repairs service, we have at the end of April 2025 been moved to a G2/VI. The areas of improvement required to return to a G1 rating are already built into existing plans and we have already achieved an 8% improvement in our TSM scores for satisfaction with repairs.
- ▶ Revised Governance Framework adopted in 2024 with strengthened committee structure and clarity on oversight of subsidiaries.
- ▶ Strong controls including internal audit, continually improved stress testing and mitigation planning of business plan, and excellent health & safety management.

A photograph of a middle-aged Black man with a short beard and mustache, smiling warmly. He is seated in the driver's seat of a vehicle, looking slightly off-camera to the left. He is wearing a grey zip-up hoodie over a dark shirt. A red lanyard with the word "VISITOR" printed repeatedly in white is around his neck. The background shows the interior of the vehicle and a glimpse of the outside world through the window. The image has a soft, slightly desaturated color palette with a pinkish-red tint at the bottom.

The RHP Board's report

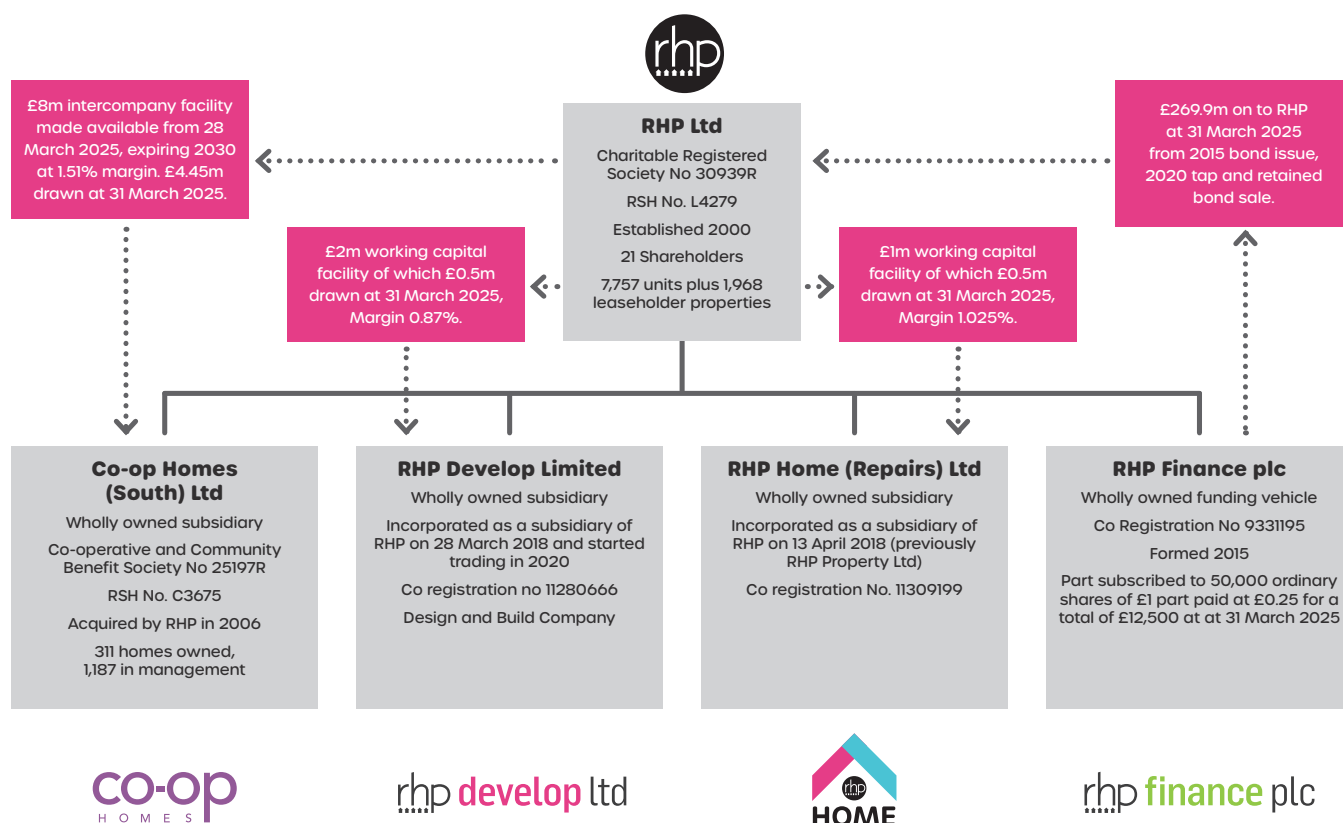
The RHP Board's report:

Our legal structure

The RHP Group consists of five entities. RHP (the parent Association) being a Registered Co-operative and Community Benefit Society (registration number 30939R) regulated by the Regulator of Social Housing (registration number L4279).

RHP has four subsidiaries::

1. Co-op Homes (South) Ltd, which is also a Registered Co-operative and Community Benefit Society, owns a small portfolio of homes and provides a comprehensive management service to co-ops predominantly in London and the South East.
2. RHP Finance plc, which was established to raise funds from the capital markets for the Group.
3. RHP Develop Limited which started trading in support of our development activities in 2020.
4. RHP Home (Repairs) Limited.



About us:

Registered office: 8 Waldegrave Road, Teddington, Middlesex, TW11 8GT

Statutory auditors:

PKF Littlejohn LLP, 15 Westferry Circus, London, E14 4HD

The RHP Board's report:

The RHP Board and Corporate Governance

The RHP Board, which is our ultimate governing body, sets the overall aims and objectives of the RHP Group and ensures that RHP and its subsidiaries are meeting these aims and objectives and keeping within their legal and ethical obligations. The board is also responsible for protecting and ensuring the financial wellbeing of the Group.



Code of Governance and compliance with relevant law, legislation, and standards

RHP has adopted the NHF 2020 Code of Governance and can confirm full compliance.

The Group Board also confirms that we have met the economic and consumer standards as set out in the Regulator of Social Housing's Regulatory framework for registered providers of Social Housing. The Group Board has carried out an assessment, made enquiries and gained appropriate assurance that we comply with all regulatory standards.

We were rated G1/V1 at 31 March 2025, but the Regulator of Social Housing issued a regrading to G2/V1 on the 30 April 2025 following self-referrals on issues related to our repairs service.

The Group Board has also received assurance on the Group's compliance with all other relevant laws and guidelines including Anti-Fraud, Anti-Bribery, Modern Slavery, Anti-Money Laundering, GDPR, Market Abuse and tax evasion legislation.

The detailed arrangements by which RHP exercises control and oversight of Co-op Homes, RHP Finance plc and its other subsidiaries are set out in framework documents covering governance, controls, operational controls, financial controls and Group internal controls.

Auditor

At the AGM on 4 September 2024, PKF Littlejohn were re-appointed as auditors for the year. Their audit report can be found on pages 42 – 45.

Board Members

The Group's Board members are drawn from a wide background bringing together professional, commercial and local experience. Our Group Board is committed to RHP's culture, ethos, values and objectives. As at 31 March 2025, the Group Board comprised 12 members, including the Chief Executive, with all members selected based upon the skills and experience that they can contribute.

The RHP Board's report:

The RHP Board



KEITH JENKINS

(Chair)



SARAH THOMAS

(Chief Executive)



CHRISTOPHER LING



JENINE LANGRISH

(Senior Independent Director)



**MAAME-YAA
BEMPAH**

(appointed 10 July 2024)



NILAVRA MUKERJI

(appointed 10 October 2024)



SHABANA JAMIL



**MATTHEW
DRONFIELD**

(appointed 11 December 2024)



ANTONIO SHABBIR



FELICE WEBBE



SARAH WELLER



FAITH LOCKEN

Executive Team

- ▶ Sarah Thomas (Chief Executive)
- ▶ Julian Chun (Executive Director of Compliance & Investment)
- ▶ Annemarie Fenlon (Executive Director of Operations) (appointed 30 September 2024)
- ▶ Corinna Bishopp (Executive Director of Finance and Commercial Services and Deputy Chief Executive) (resigned 09 May 2025)
- ▶ Laura Awosile (Interim Executive Director of Finance and Company Secretary) (appointed 01 April 2025)
- ▶ Argiri Papathos (Executive Director of Corporate Services and Company Secretary) (resigned 17 April 2025)
- ▶ Noelle Brelsford (Interim Executive Director of Operations) (appointed 29 April 2024, resigned 1 October 2024)

The RHP Board's report:

The Committees

The work of the RHP Board is supported by committees, a structure which allows in-depth scrutiny of important strategic issues. A new Governance Framework was introduced during the year, when the committee names and terms of reference were also updated. A notable change is that treasury management, borrowing and investment activities are now overseen directly by the Board.

The committees are:

Audit and Risk Committee (previously Group Audit Committee) (4 meetings per year)

Chair: Christopher Ling

The committee's responsibilities include, but are not limited to the following matters:

- ▶ Oversight of the integrity of RHP's financial statements and review of the clarity and completeness
- ▶ Oversight of risk management and internal control arrangements
- ▶ Oversight of compliance with legal and regulatory requirements
- ▶ Oversight of the external auditor's performance, objectivity, qualifications and independence; the approval of non-audit services; recommendation to the board of the nomination of the external auditors for shareholder approval and approval of their fees
- ▶ Review of the programme and performance of internal auditors



The RHP Board's report:

The Committees

Customer Experience Committee (previously Service Delivery and Transformation Committee)

(4 meetings per year)

Chair: Shabana Jamil

The committee's responsibilities include, but are not limited to the following matters:

- ▶ Providing assurance to the board on the performance, quality and value for money of all services provided to the Group's current and future customers.
- ▶ Ensuring compliance with the RSH's Regulatory Framework Consumer Standards (including monitoring of reforms), housing and estate services, customer services, customer engagement, investment works and responsive repairs; and compliance with commitments made during the stock transfer.
- ▶ Scrutinising service delivery performance against KPIs (including Tenant Satisfaction Measures) and delivery plans, and reports on complaints and complaints handling, to ensure that lessons are learnt to improve service delivery.
- ▶ Ensuring that the Group provides opportunities for customers to influence and be involved in the formulation of the Group's strategies, housing-related policies and service standards.



Governance and People Committee (previously Group Governance and Reward Committee)

(3 meetings per year)

Chair: Jenine Langrish

The committee's responsibilities include, but are not limited to the following matters:

- ▶ Ensuring effective and best practice governance arrangements including development and review of policies and procedures.
- ▶ Reviewing compliance with regulatory requirements.
- ▶ Reviewing reward and engagement strategies for RHP Group.
- ▶ Reviewing the Chair's performance and the effectiveness of the board.

Development and Asset Management Committee (previously Group Investment Committee)

(2 meetings per year)

Chair: Suzanne Avery (retired 30 June 2024), Faith Locken (from September 2024)

The committee's responsibilities include, but are not limited to the following matters:

- ▶ Reviewing the Group's overall strategies on development, asset management, sustainability and monitoring their delivery.
- ▶ Scrutinising development performance by any members of the Group and recommending and approving proposals relating to development or regeneration.
- ▶ Approval of investment in the Group's properties informed by the latest stock condition information and the requirements of the Sustainability Strategy and the Decent Homes Standard.
- ▶ Oversight and review of asset compliance and relevant KPIs.
- ▶ Monitoring and identifying risks relating to asset compliance and building safety, including obtaining assurance on the implementation of relevant legal, regulatory and policy changes.

The RHP Board's report:

Inclusion

Equality, diversity and inclusion (EDI) are integral to us achieving our purpose and vision:

1. To be community-connected we need to understand our customers and their individual and collective needs, so that we deliver our services in a tailored way to meet those needs.
2. Making decisions guided by our values means practicing equality, celebrating diversity, and being inclusive in everything we do for customers and colleagues.



Our commitment to inclusion

It is important to RHP that whether you are a customer, colleague, or any other stakeholder, you feel valued, respected, appreciated, and free to be who you are - regardless of your background, identity, or any other aspect which forms your identity.

Our Inclusion strategy has three main goals:

1. Develop and sustain an inclusive organisation
2. Recruit, retain and advance a diverse organisation
3. Integrate diversity, equity and inclusion into what we do



The RHP Board's report:

Inclusion

Progress made in 2024/25

Goal 1: Develop and sustain an inclusive organisation

- ▶ Refreshed our Inclusion Network to help drive positive change, raise awareness, and open up conversations.
- ▶ Rolled out the next stage of our Inclusion training, with a particular focus on neurodiversity.
- ▶ Continued our journey to become a 'Fertility friendly' and 'Menopause friendly' organisation.
- ▶ 89% of employees feel that they are treated fairly regardless of their age, disability, race, ethnic origin, sex or sexual orientation.
- ▶ 92% of employees believe that RHP Group would make reasonable adjustments to support their individual needs if necessary.

Goal 2: Recruit, retain and advance a diverse organisation

- ▶ Use of diverse jobs boards and recruitment agencies – leading to increase in diversity of applicants.
- ▶ Further increased diversity at board level.
- ▶ Increased the information we send out pre-interview, including offering the option to send questions in advance.
- ▶ 29.2% of employees who were promoted in 2024/25 are Black, Asian and Global Ethnic ethnicity.



Goal 3: Integrate diversity, equity and inclusion into what we do

- ▶ Launched our refreshed Customer Engagement Strategy which provides more ways for a diverse range of customers to provide feedback.
- ▶ Developed a new website which meets WCAG (Web Content Accessibility Guidelines) 2.2.
- ▶ Improved our systems and processes to enable us to collect more customer data on vulnerabilities, enabling us to better meet individual needs.
- ▶ Developed our Vulnerable Customer Policy that is aligned to the Ombudsman Spotlight report on Relationship of Equals.
- ▶ Gained customer insight to develop our new website and various strategies.

Gender Pay Gap

Our mean gender pay gap is 4.32% in favour of women. We are confident that our approach to pay is fair and transparent. We place huge importance on providing equity across the Group.

In addition, we're proud that women make up:

- ▶ 51% of our workforce
- ▶ 80% of our Exec Team
- ▶ 58% of our Leadership Team
- ▶ 55% RHP's Board
- ▶ 75% of internal transfers and promotions

Looking ahead

We understand that our commitment to inclusion is something that we need to constantly work on and seek to improve. We have therefore spent the latter half of 2024/25, developing a new Equality, Diversity, & Inclusion Strategy.

The strategy, which has been informed by customer and colleague insight, will be launched in the first half of 2025/26.

Statement of the Responsibilities of the board

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

The Co-operative and Community Benefit Society Act 2014 requires the board to prepare financial statements for each financial year. Under that law the board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) including the financial reporting standard 'FRS 102'.

Under the Co-operative and Community Benefit Society Act 2014 the board must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Group and Association for that period. In preparing these financial statements, the board is required to:

- ▶ Select suitable accounting policies and then apply them consistently.
- ▶ Make judgements and accounting estimates that are reasonable and prudent.
- ▶ State whether applicable UK Accounting Standards and the Housing SORP 2018, Statement of Recommended Practice Registered Housing for registered social housing providers, have been followed, subject to any material departures disclosed and explained in the financial statements.
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

The board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The board is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on RHP's website in accordance with UK legislation governing the preparation and dissemination of financial statements. This may vary from legislation in other jurisdictions. The Group Board's responsibilities extend to the maintenance and integrity of the corporate and financial information included on the Group's website.

Going concern

The board reviews RHP Group's business plan at least every 6 months and have been content that these plans are affordable and that the financial statements should be prepared on a going concern basis.

The current volatile and uncertain economic environment has meant that the Executive Team and board have been reviewing revised financial plans for the next five years more frequently reflecting updated economic information to ensure RHP Group can remain a going concern. Our modelling included significant reductions in rent collected, caps on inflation in rent increases, impact of major cyber-attacks, significant cash requirements for failing developments or other supplier support and substantial slowdowns in development and sales programmes.

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities, totalling £99.5m plus retained bonds of £25m, the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Group's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

The Group Board approves the RHP Group financial plan which is submitted annually to the Regulator in the form of a Financial Forecast Return (FFR).

The Group Board is satisfied that the plan is robust and can maintain covenant compliance throughout. The plan can withstand composite risk events occurring without breaching lender covenants which confirms the future viability of the Group.

By order of the RHP Board



Keith Jenkins: Group Chair

Date: 30 July 2025

Independent auditors report to the members of Richmond Housing Partnership Limited

Opinion

We have audited the financial statements of Richmond Housing Partnership Limited (the ‘parent association’) and its subsidiaries (the ‘group’) for the year ended 31 March 2025 which comprise the Consolidated and Parent Association Statements of Comprehensive Income, the Consolidated and Parent Association Statements of Financial Position, the Consolidated and Parent Associations Statements of Changes in Reserves, the Consolidated and Parent Association Statements 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 and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent auditors report to the members of Richmond Housing Partnership Limited

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 group and parent association financial statements does not cover the other information and, 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 course of 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- ▶ a satisfactory system of control over transactions has not been maintained; or
- ▶ proper accounting records have not been kept by the parent association; or
- ▶ the parent association's financial statements are not in agreement with the books of account; or
- ▶ we have not obtained all the information and explanations we required for our audit.

Responsibilities of the board

As explained more fully in the Statement of the Responsibilities of the Board, the board is responsible for the preparation of the group and parent association financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent association financial statements, the board is responsible for assessing the group's and the parent 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 board either intend to liquidate the group or the parent association or to cease operations, or have no realistic alternative but to do so.

Independent auditors report to the members of Richmond Housing Partnership Limited

Auditor's responsibilities for the audit of the financial statements

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

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 group and parent association and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research, application of cumulative audit knowledge and experience of the sector.
- ▶ We determined the principal laws and regulations relevant to the group and parent association in this regard to be those arising from the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, employee legislation, tax legislation, and health and safety laws and regulations.

- ▶ We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent association with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes, review of legal correspondence and communications with the Regulator.
- ▶ We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to indicators of impairment of tangible assets; allocation of costs between first and subsequent shared ownership tranches sales; useful economic lives of assets; and assumptions within the calculation of pension liabilities. We addressed these risks through challenging the underlying assumptions made by management to ensure that these were appropriate and in line with our understanding and expectations. We also identified risks in revenue recognition which were addressed through agreeing income back to tenancy agreements and testing of revenue before and after the year end to ensure correct recognition.
- ▶ As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent auditors report to the members of Richmond Housing Partnership Limited

Auditor’s responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

Use of our report

This report is made solely to the association’s members as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. 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.



PKF Littlejohn LLP
Statutory auditor
8 September 2025

15 Westferry Circus
Canary Wharf
London E14 4HD



Financial statements

Statement of Comprehensive Income

For the year to 31 March 2025

	Note	GROUP		ASSOCIATION	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Turnover	2	81,806	70,612	78,119	67,035
Cost of sales	2	(3,506)	(2,366)	(3,506)	(2,366)
Operating costs (excluding impairment)	2	(64,398)	(53,649)	(61,533)	(50,847)
Gain on sale of fixed assets	2,5	1,513	1,735	1,513	1,735
Operating surplus before impairment charge		15,415	16,332	14,593	15,557
Impairment charge	12	(12,747)	-	(12,747)	-
Operating surplus	2	2,668	16,332	1,846	15,557
Interest receivable and other income	7	526	1,164	849	1,375
Interest payable	8	(8,579)	(6,752)	(8,620)	(6,716)
Movement in fair value of investment properties	15	(252)	(1,131)	(252)	(1,131)
Movement in fair value of financial instruments	21	72	-	72	-
(Deficit)/surplus before tax		(5,565)	9,613	(6,105)	9,085
Gift aid and donations		-	-	-	8
Taxation	11	-	-	-	-
(Deficit)/surplus for the year		(5,565)	9,613	(6,105)	9,093
Actuarial gain/(loss) on pension	9	615	(966)	602	(884)
Total comprehensive income for the year		(4,950)	8,647	(5,503)	8,209

The results relate wholly to continuing activities.

The notes on pages 52 to 91 form part of these financial statements.

Statement of Financial Position

As at 31 March 2025

FIXED ASSETS	Note	GROUP		ASSOCIATION	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Tangible fixed assets - housing properties	12	530,655	479,229	506,178	455,603
Other tangible fixed assets	13	6,365	6,243	6,349	6,235
Intangible fixed assets	14	5,266	4,484	5,266	4,484
Investment properties	15	5,591	5,738	5,591	5,738
Investment in subsidiaries	16	-	-	13	13
		547,877	495,694	523,397	472,073
CURRENT ASSETS					
Properties held for sale	17	268	3,724	268	3,724
Trade and other debtors	18	10,117	8,470	14,217	11,874
Short term investments		-	-	-	-
Cash and cash equivalents		12,652	27,933	10,559	25,985
		23,037	40,127	25,044	41,583
Creditors: amounts falling due within one year	19	(27,650)	(25,746)	(26,985)	(25,144)
Net current (liabilities)/assets		(4,613)	14,381	(1,941)	16,439
Total assets less current liabilities		543,264	510,075	521,456	488,512
Creditors: amounts falling due after more than one year	20	(384,174)	(344,678)	(374,728)	(335,099)
Provision for liabilities	26	(15)	(94)	-	-
Net pension liability	9	(2,074)	(3,352)	(1,736)	(2,918)
Total net assets		157,001	161,951	144,992	150,495
RESERVES					
Share capital	27	-	-	-	-
Income and expenditure reserve		157,001	161,951	144,992	150,495
Total reserves		157,001	161,951	144,992	150,495

The notes on pages 52 to 91 form part of these financial statements.

The financial statements were approved and authorised for issue by the board of directors on 30 July 2025 and signed on its behalf by:



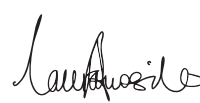
Keith Jenkins
Chair of the
RHP Board



Christopher Ling
Chair of Group
Audit Committee



Sarah Thomas
Chief Executive



Laura Awosile
Company Secretary

Statement of Changes in Reserves

For the reporting date to 31 March 2025

GROUP	Income and Expenditure Reserve £'000
Balance at 31 March 2023	153,304
Surplus for the year	9,613
Actuarial loss on defined benefit pension scheme	(966)
Balance at 31 March 2024	161,951
Surplus for the year	(5,565)
Actuarial gain on defined benefit pension scheme	615
Balance at 31 March 2025	157,001

ASSOCIATION	Income and Expenditure Reserve £'000
Balance at 31 March 2023	142,286
Surplus for the year	9,093
Actuarial loss on defined benefit pension scheme	(884)
Balance at 31 March 2024	150,495
Surplus for the year	(6,105)
Actuarial gain on defined benefit pension scheme	602
Balance at 31 March 2025	144,992

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 £'000	2024 £'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus for the year	2,668	16,332
Depreciation charges and impairment	22,656	9,421
Decrease in properties for sale	3,115	2,871
(Increase)/decrease in debtors	(1,647)	945
Difference between net pension expense and cash contribution	(955)	(905)
Release of social housing grant	(524)	(468)
Increase/(decrease) in creditors	1,414	(1,373)
Dilapidations provision released	(79)	-
Sale of housing properties	1,689	976
Net cash generated from operating activities	28,337	27,799
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase and improvement of housing properties	(74,220)	(37,405)
Social Housing grant received	13,864	332
Purchase of other fixed assets	(2,253)	(1,693)
Disposal of short term investment	-	5,000
Cash used in investing activities	(62,609)	(33,766)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest received	526	1,164
Interest paid	(8,942)	(7,831)
Drawdown of loans	30,000	-
Repayments of borrowings	(2,500)	(20)
Loan arrangement fees	(93)	(93)
Cash used in financing activities	18,991	(6,780)
Net change in cash and cash equivalents	(15,281)	(12,747)
Cash and cash equivalents at the beginning of the year	27,933	40,680
Cash and cash equivalents at the end of the year	12,652	27,933

Notes to the Financial Statements for the reporting date 31 March 2025

LEGAL STATUS

RHP is a Public Benefit Entity, registered in the United Kingdom under the Co-operative and Community Benefit Societies Act 2014 (No IP030939) and with the Regulator of Social Housing (L4279) as a social housing provider.

1a. Accounting Policies

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for RHP includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland," the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, the Accounting Direction for Private Registered Providers of Social Housing 2019.

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

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

The board is satisfied that the current accounting policies are the most appropriate for the Group.

The financial statements are presented in Sterling (£).

PARENT COMPANY DISCLOSURE EXEMPTIONS

In preparing the financial statements of the parent company, the Association has taken advantage of the following disclosure exemptions available under FRS 102:

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

The following principal accounting policies have been applied consistently.

BASIS OF CONSOLIDATION

The Group financial statements are the result of the consolidation of the financial statements of RHP and its subsidiaries. Intercompany transactions and balances between companies are eliminated in full.

GOING CONCERN

The board reviews RHP Group's business plan at least every 6 months and have been content that these plans were affordable and that the accounts should be prepared on a going concern basis.

Whilst the economic environment remains volatile and unpredictable the Executive Team and board have continued to review revised financial plans for the next five years more frequently to reflect updated economic information and ensure RHP Group can remain a going concern. The modelling included significant reductions in rent collected, caps on rent increases, sustained periods of high interest, significant cash requirements for failing developments or other supplier support and substantial slow downs in development and sales programmes.

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities, totalling £100m, the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Group's ability to continue as a going concern for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed.

We are confident therefore to prepare the accounts on a going concern basis.

TURNOVER

Turnover comprises rental and service charge income receivable in the year, net of rent and service charge losses from voids, proceeds from shared ownership first tranche sales measured at the fair value of the consideration received or receivable, sales of properties built for sale and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year and revenue grants receivable in the year.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met.

Government grants are accounted for using the accrual method and non-government grants are accounted for using the performance method. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

1a. Accounting Policies (continued)

OPERATING SEGMENTS

There are publicly traded securities within the Group and therefore a requirement to disclose information about the Group operating segments under IFRS8. Segmental information is disclosed in note 3 and as part of the analysis of housing properties in note 12. Information about income, expenditure and assets attributable to material operating segments are presented on the basis of the nature and function of housing assets held by the Group rather than geographical locations. As permitted by IFRS 8 this is appropriate on the basis of the similarity of the services provided, the nature of the risks associated, the type and class of customer and the nature of the regulatory environment across all of the geographical locations in which the Group operates. The Group Board do not routinely receive segmental information disaggregated by geographical location.

TAX

The tax expense for the period comprises current and deferred tax. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred tax is provided on timing differences which 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.

VAT

RHP, RHP Home (Repairs) Ltd and Co-op Homes are registered as a VAT group. A large proportion of RHP's income comprises rental income, which is exempt for VAT purposes and gives rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT. Recoverable VAT arising from partially exempt activities is credited to the consolidated Statement of Comprehensive Income. RHP Develop Limited is registered with HMRC for VAT and sits outside the RHP VAT Group and the VAT is fully recoverable.

DEFINED CONTRIBUTION PENSION PLANS

The Group operates a defined contribution plan for its employees under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are shown as an operating expense in the year that they are due.

DEFINED BENEFIT PENSION PLANS

The Group participates in two funded multi-employer defined benefit schemes, the Social Housing Pension Scheme (SHPS) and the Wandsworth Council Pension Fund (WCPF) (Previously London Borough of Richmond Pension Fund (LBRPF)).

The schemes provided by SHPS, final salary defined benefit and career average (CARE) are closed to future accrual.

RHP was part of the London Borough of Richmond Upon Thames Pension Fund which has now merged with the Wandsworth Council Pension Fund, and so Richmond Housing Partnership participates in the merged Wandsworth Council Pension Fund. The WCPF is now closed to future accrual.

For financial years ending on or after 31 March 2019, sufficient information is available to account for the obligations in SHPS on a defined benefit basis. The defined benefit schemes provided by SHPS and WCPF are accounted for using defined benefit accounting.

Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. Under defined benefit accounting, the current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

HOLIDAY PAY ACCRUAL

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the financial year end and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

1a. Accounting Policies (continued)

HOUSING PROPERTIES

Housing properties which are either constructed or acquired are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs, interest capitalised during the development period, directly attributable administration costs and expenditure incurred in improving or reinvesting in existing properties.

Housing properties for rent are split between land, structure and major components with a substantially different economic life. Housing properties in the course of construction are stated at cost and are not depreciated. They are transferred to completed properties when they are ready for letting or sale.

Shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset. The fixed asset portion is split between land and structure as the rights and obligations towards improving the property reside with the resident.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Only the direct overhead costs associated with new developments or improvements are capitalised. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

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

Interest on borrowings is capitalised to housing properties during the course of construction up to the date of completion of each scheme. Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated. For the period ending 31 March 2025, interest has been capitalised at an average rate of 3.40% (2024: 3.11%) which reflects the weighted average effective interest rate on the Group's borrowing.

DEPRECIATION OF HOUSING PROPERTIES

Freehold land is not depreciated on account of its indefinite useful economic life. Depreciation is charged on a straight-line basis over the expected economic useful lives of each component part of housing properties.

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

The Group's housing properties held on leases are amortised over the life of the lease or their estimated useful lives in the business if shorter. Housing properties are split between the structure and the major components which require periodic replacement.

The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life on a straight-line basis as follows:

Structure	100 years
Kitchens and doors	20 years
Bathroom and windows	30 years
Central Heating and sprinklers	15 years
Electrical and water tanks	40 years
Lifts	25 years
Roofs	50 years

DONATED LAND

Land and other assets donated by local authorities and other government sources are added to cost at the fair value of the land at the time of the donation.

1a. Accounting Policies (continued)

OTHER TANGIBLE FIXED ASSETS

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

Depreciation is provided on a straight-line basis on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives which are as follows:

Office Building	95 years
Furniture, fixtures and fittings	8 years
Computers and office equipment	3 to 7 years
Motor vehicles	3 years

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus / deficit for the year.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are capitalised software costs and are stated at cost less amortisation. Amortisation is provided on a straight-line basis on the cost of software to write them down to their estimated residual values over the expected useful lives of 3 to 7 years.

INVESTMENT PROPERTIES

Investment properties consist of commercial properties (shops) and other properties (rental space in main office building) not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised as non-operating income or expenditure as a reflection of the nature of the investment.

Under the original section 16, FRS102 required the Association to account for the floor space that its subsidiary, Co-op Homes (South) Limited, occupies at 8 Waldegrave Road as a tangible fixed asset. RHP has elected to account for the floor space as a tangible fixed asset in both the Association and Group accounts and to use the historical cost and depreciate as if the amount was always held at cost in both the Association and Group financial statements.

INVESTMENT IN SUBSIDIARIES

Investments in subsidiaries are measured at cost less accumulated impairment. RHP holds 50,000 £1 ordinary shares in RHP Finance Plc, part subscribed at 25p. RHP holds 1 £1 ordinary share in RHP Develop Limited and RHP Home (Repairs) Limited. RHP holds 1 £5 ordinary share in Co-op Homes (South) Limited.

PROPERTIES FOR SALE AND STAIRCASING

Under low cost home ownership arrangements, the Group disposes of a long lease on low cost home ownership housing units for a share ranging between 25% and 75% of value. The Buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element, "staircasing element", is classed as Property Plant and Equipment and included in completed housing property at cost less any provision for impairment.

Sales of subsequent tranches are treated as a part disposal of property and included in operating surplus. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

FINANCE COSTS

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

1a. Accounting Policies (continued)

FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial Instruments are initially recorded at transaction price less issue costs. Subsequent measurement depends on the designation of the instrument as follows: Bonds, loans, short term borrowings and overdrafts are held at amortised cost where they meet the relevant criteria of section 11 of FRS102.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at the undiscounted value of amounts expected to be received. Any losses arising from impairment are recognised in the income statement in other operating expenses.

The bond is classified as a basic financial instrument as per Section 11, Financial Reporting Standard 102 (FRS 102). The bond will be held long term, is non-speculative, and has a positive fixed interest rate.

After the amounts are recognised at the initial transaction price, these loans are measured at amortised cost. The 2020 bond transactions were sold at a premium. This premium is held as a notional amount of loan on the balance sheet and amortised annually.

SHORT TERM INVESTMENTS

Short term investments comprise notice deposit accounts maturing within 3 to 12 months.

CASH

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, and deposits accounts with notice periods up to 3 months that form an integral part of the Group's cash management.

SOCIAL HOUSING AND OTHER GOVERNMENT GRANTS

Social housing grant (SHG) received for housing properties are recognised as income over the useful life of the housing property structure and, where applicable, its individual components (excluding land).

SHG due or received in advance is included as a current asset or liability. SHG becomes recyclable at the point the related property is sold and is transferred to a recycled capital grant fund until future reinvestment or repayment. If there is no requirement to recycle or repay grant on disposal any unamortised grant remaining as a creditor is released as income within the statement of comprehensive income.

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

OTHER GRANTS

Other grants include grants from local authorities. Grants in respect of revenue expenditure are credited to the statement of comprehensive income when performance conditions are met, or entitlement occurs.

PROVISIONS

The Group recognises provisions where a present obligation has arisen as a result of a past event. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date.

Co-op Homes leases for temporary social housing properties contain repair covenants relating to the upkeep of the properties. These lease covenants can give rise to dilapidation works or claims during or at the end of the related lease. Co-op Homes accounts for these costs in accordance with FRS 102 (provisions and contingencies) which requires a provision to be recognised when there is an obligation at the reporting date regarding works or repairs at the related property.

CONTINGENT LIABILITIES

A contingent liability is recognised 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 of the amount cannot be made.

1b. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

IMPAIRMENT

In considering whether there is an impairment of the Group's tangible and intangible assets, factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of larger cash generating unit, the viability and expected future performance of that unit.

Management have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. Management have also considered impairment based on their assumptions to define cash or asset generating units.

IMPAIRMENT (CONTINUED)

The impairment calculation is carried out on the units according to their tenure as this was the smallest identifiable group of assets within the scheme (each tenure deemed to be a cash generating activity in accordance with FRS102). The recoverable amount of an asset is considered by FRS102 to be the higher of its value in use and its fair value less costs to sell.

Management identify any impairment indicators which may affect any homes or schemes. Such triggers include increasing void losses, government policy changes, any significant damage or repairs required to any homes or any material change to the costs of a development.

The termination of contract due to non-performance of the build contractor at our Roselands scheme was identified as an indicator of impairment. Based on the current valuation of the scheme and the cost of additional work required, an impairment provision of £12.7m has been made. The impairment of £12.7m, which has impacted our financial results and metrics primarily relates to a legacy development scheme where RHP entered into contract in 2017, and started on site in 2018. There were delays to the project, initially due to planning, then Covid, as well as issues with labour and materials following Brexit. We terminated the developer's contract due to non-performance. We have impaired the scheme as subsequent assessment concluded that the building may need to be reconstructed to comply with current building safety act regulations, which were not in place when the planning application was submitted and approved in 2017/18.

A provision of £0.1m has been made for the scheme at Informer House which consists of 21 shared ownership units and 1 leasehold unit. The provision has been made to reflect a reduction in value identified as part of a staircasing completed in the year.

The scheme cost for Onslow Mills reduced by £0.1m compared to previous forecasts. First tranche sales for all 24 units completed in the year for which an impairment provision of £1.1m was held. The current provision for the scheme stands at £2.3m (2024: £3.5m)

A review was carried out on other development schemes where costs have increased. The scheme at Staines Road has resulted in a provision of £1.8m (2024: £1.8m). The current provision is still necessary but deemed adequate.

The impairment provision is shown separately on the face of the Statement of Comprehensive Income in recognition of the size of the provision so as to allow a more meaningful year on year comparison of operational efficiency.

USEFUL LIVES OF DEPRECIABLE ASSETS

Management reviews its estimates of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent home standards which may require more frequent replacement of key components.

FAIR VALUE MEASUREMENT - INVESTMENT PROPERTIES

Applying section 16.2 Financial Reporting Standard 102 (FRS 102), sub-leases with tenants at the head office and the small portfolio of commercial units are classified as investment properties.

After recognising the properties at their initial cost, each reporting period requires the properties to be measured at fair value. Management instructs a reputable valuation firm to carry out their assessment of value with any movement being recognised in other comprehensive income. The fair value of investment properties was £5.6m at 31 March 2025 (2024: £5.7m).

SHARED OWNERSHIP

Our shared ownership viability assessments assume a first tranche portion based on affordability and expected sales forecasts. We complete a sensitivity analysis on each property to ensure that the homes are affordable. This means that in higher value areas we may need to reduce the assumed first tranche sale percentage in order to ensure that the homes meet the affordability criteria of the relevant local authority or the GLA's income caps. The resulting reduction in income is modelled to ensure that the scheme remains viable within RHP's approved financial parameters. If not, we will amend our offer for the scheme prior to submission to the developer or landowner.

RECOVERY OF PROPERTIES DEVELOPED FOR SALE

Properties developed for sale are carried on the statement of financial position at the lower of cost or net realisable value. Cost is taken as the production cost which includes an appropriate proportion of attributable overheads. Net realisable value is based on estimated sale proceeds after allowing for further costs to completion and selling costs.

PENSIONS

Key judgements have been made in respect of the critical underlying assumptions in relation to the estimate of the SHPS and LGPS defined benefit scheme obligations such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. The assumptions used are consistent with those used by qualified actuaries in their valuation of fund assets and liabilities. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

Notes to the Financial Statements (continued)

2. Particulars of turnover, cost of sales, operating expenditure and operating surplus

GROUP 2025	Turnover £'000	Cost of sales £'000	Operating costs £'000	Gain on sale of fixed assets £'000	Operating surplus/(deficit) £'000
Social housing lettings (note 3)	71,729	-	(57,415)	-	14,314
Other social housing activities					
First tranche shared ownership sales	3,601	(3,506)	-	-	95
Development	-	-	(238)	-	(238)
Impairment	-	-	(12,747)	-	(12,747)
Management fees	1,244	-	(1,241)	-	3
Gain on sale of fixed assets	-	-	-	1,513	1,513
Total social housing activities	76,574	(3,506)	(71,641)	1,513	2,940
Non-social housing activities					
Leasehold services	2,655	-	(2,964)	-	(309)
Leasehold major repairs	866	-	(1,452)	-	(586)
Garages	1,090	-	(283)	-	807
Commercial	546	-	(676)	-	(130)
Other	75	-	(129)	-	(54)
	5,232	-	(5,504)	-	(272)
Total	81,806	(3,506)	(77,145)	1,513	2,668

GROUP 2024	Turnover £'000	Cost of sales £'000	Operating costs £'000	Gain on sale of fixed assets £'000	Operating surplus/(deficit) £'000
Social housing lettings (note 3)	60,886	-	(46,488)	-	14,398
Other social housing activities					
First tranche shared ownership sales	2,701	(2,366)	-	-	335
Development	-	-	(371)	-	(371)
Impairment	-	-	-	-	-
Management fees	1,235	-	(1,259)	-	(24)
Gain on sale of fixed assets	-	-	-	1,735	1,735
Total social housing activities	64,822	(2,366)	(48,118)	1,735	16,073
Non-social housing activities					
Leasehold services	3,034	-	(3,064)	-	(30)
Leasehold major repairs	1,049	-	(1,519)	-	(470)
Garages	1,101	-	(358)	-	743
Commercial	579	-	(457)	-	122
Other	27	-	(133)	-	(106)
Total	70,612	(2,366)	(53,649)	1,735	16,332

Notes to the Financial Statements (continued)

2. Particulars of turnover, cost of sales, operating expenditure and operating surplus

ASSOCIATION 2025	Turnover £'000	Cost of sales £'000	Operating costs £'000	Gain on sale of fixed assets £'000	Operating surplus/(deficit) £'000
Social housing lettings (note 3)	68,949	-	(55,424)	-	13,525
Other social housing activities					
First tranche shared ownership sales	3,601	(3,506)	-	-	95
Development	155	-	(436)	-	(281)
Impairment	-	-	(12,747)	-	(12,747)
Management Fees	211	-	(211)	-	-
Gain on sale of fixed assets	-	-	-	1,513	1,513
Total social housing activities	72,916	(3,506)	(68,818)	1,513	2,105
Non-social housing activities					
Leasehold services	2,655	-	(2,964)	-	(309)
Leasehold major repairs	866	-	(1,452)	-	(586)
Garages	1,090	-	(283)	-	807
Commercial	587	-	(676)	-	(89)
Other	5	-	(87)	-	(82)
	5,203	-	(5,462)	-	(259)
Total	78,119	(3,506)	(74,280)	1,513	1,846

ASSOCIATION 2024	Turnover £'000	Cost of sales £'000	Operating costs £'000	Gain on sale of fixed assets £'000	Operating surplus/(deficit) £'000
Social housing lettings (note 3)	58,394	-	(44,847)	-	13,547
Other social housing activities					
First tranche shared ownership sales	2,701	(2,366)	-	-	335
Development	-	-	(401)	-	(401)
Management Fees	109	-	(109)	-	-
Gain on sale of fixed assets	-	-	-	1,735	1,735
Total social housing activities	61,204	(2,366)	(45,357)	1,735	15,216
Non-social housing activities					
Leasehold services	3,034	-	(3,064)	-	(30)
Leasehold major repairs	1,049	-	(1,519)	-	(470)
Garages	1,101	-	(358)	-	743
Commercial	620	-	(457)	-	163
Other	27	-	(92)	-	(65)
Total	67,035	(2,366)	(50,847)	1,735	15,557

Notes to the Financial Statements (continued)

3. Income and expenditure from social housing lettings

GROUP	General needs housing £'000	Affordable housing £'000	Key workers £'000	Temporary housing £'000	Supported housing £'000	Shared ownership £'000	2025 £'000	2024 £'000
Rents receivable net of identifiable service charges	47,543	11,315	655	20	2,589	1,343	63,465	56,195
Service and other charges receivable	5,183	550	83	-	1,546	319	7,681	4,168
Charges for support services	-	-	-	-	60	-	60	57
Amortised government grants	282	153	3	-	49	36	523	466
Turnover from social housing lettings	53,008	12,018	741	20	4,244	1,698	71,729	60,886
Management	(11,649)	(1,595)	(252)	(52)	(757)	(389)	(14,694)	(12,905)
Service charge costs	(8,172)	(1,143)	(180)	(11)	(1,336)	(244)	(11,086)	(10,454)
Rents payable	(12)	-	-	(9)	-	-	(21)	(17)
Routine maintenance	(7,528)	(1,016)	(160)	19	(498)	(88)	(9,271)	(6,581)
Planned maintenance	(4,702)	(637)	(101)	-	(304)	(98)	(5,842)	(5,008)
Major repairs expenditure	(6,036)	(864)	(136)	-	(419)	(148)	(7,603)	(3,673)
Bad debts	(425)	(61)	(10)	(5)	(29)	(6)	(536)	(507)
Depreciation	(5,562)	(1,598)	(68)	-	(702)	-	(7,930)	(7,232)
Accelerated depreciation	(396)	(37)	(1)	-	(26)	-	(460)	(164)
Other costs	28	-	-	-	-	-	28	53
Operating costs on social housing lettings	(44,454)	(6,951)	(908)	(58)	(4,071)	(973)	(57,415)	(46,488)
Operating surplus/(deficit) from social housing lettings	8,554	5,067	(167)	(38)	173	725	14,314	14,398
Void losses	(690)	(236)	(8)	(22)	(115)	(2)	(1,073)	(1,388)

Notes to the Financial Statements (continued)

3. Income and expenditure from social housing lettings (continued)

ASSOCIATION	General needs housing £'000	Affordable housing £'000	Key workers £'000	Supported housing £'000	Shared ownership £'000	2025 £'000	2024 £'000
Rents receivable net of identifiable service charges	45,088	11,315	655	2,589	1,343	60,990	53,990
Service and other charges receivable	5,010	550	83	1,546	319	7,508	4,014
Charges for support services	-	-	-	60	-	60	57
Amortised government grants	150	153	3	49	36	391	333
Turnover from social housing lettings	50,248	12,018	741	4,244	1,698	68,949	58,394
Management	(11,153)	(1,595)	(252)	(757)	(389)	(14,146)	(12,477)
Service charge costs	(8,054)	(1,143)	(180)	(1,336)	(244)	(10,957)	(10,334)
Routine maintenance	(7,097)	(1,016)	(160)	(498)	(88)	(8,859)	(6,225)
Planned maintenance	(4,452)	(637)	(101)	(304)	(98)	(5,592)	(4,689)
Major repairs expenditure	(6,036)	(864)	(136)	(419)	(148)	(7,603)	(3,673)
Bad debts	(428)	(61)	(10)	(29)	(6)	(534)	(494)
Depreciation	(5,105)	(1,598)	(68)	(702)	-	(7,473)	(6,828)
Accelerated depreciation	(196)	(37)	(1)	(26)	-	(260)	(127)
Operating costs on social housing lettings	(42,521)	(6,951)	(908)	(4,071)	(973)	(55,424)	(44,847)
Operating surplus from social housing lettings	7,727	5,067	(167)	173	725	13,525	13,547
Void losses	(657)	(236)	(8)	(115)	(2)	(1,018)	(1,359)

Notes to the Financial Statements (continued)

4. Units of housing stock

Accommodation in management for each class of accommodation in the Group and the Association was as follows:

GROUP	Opening balance	Additions	Disposals	Change in use	2025 Closing balance
Social housing - managed directly					
General needs housing	6,094	275	(28)	13	6,354
Affordable housing	841	67	-	-	908
Keyworkers	135	-	-	(4)	131
Supported housing	390	2	-	-	392
Shared ownership	208	13	(4)	-	217
Market - non-social	9	-	-	-	9
Total units in ownership	7,677	357	(32)	9	8,011
Accommodation managed on behalf of others	1,124	38	-	-	1,162
Accommodation managed on our behalf	41	-	-	(3)	38
Total units managed or owned	8,842	395	(32)	6	9,211
Leasehold	1,963	11	-	(6)	1,968
Total units in management (including Leasehold)	10,805	406	(32)	-	11,179

ASSOCIATION	Opening balance	Additions	Disposals	Change in use	2025 Closing balance
Social housing - managed directly					
General needs housing	5,794	275	(24)	13	6,058
Affordable housing	826	67	-	-	893
Keyworkers	135	-	-	(4)	131
Supported housing	390	2	-	-	392
Shared ownership	208	13	(4)	-	217
Market - non-social	9	-	-	-	9
Total units in ownership	7,362	357	(28)	9	7,700
Accommodation managed on behalf of others	19	-	-	-	19
Accommodation managed on our behalf	41	-	-	(3)	38
Total units managed or owned	7,422	357	(28)	6	7,757
Leasehold	1,963	11	-	(6)	1,968
Total units in management (including Leasehold)	9,385	368	(28)	-	9,725

Notes to the Financial Statements (continued)

5. Surplus On Sale Of Fixed Assets

GROUP & ASSOCIATION 2025	Shared ownership staircasing £'000	Right to buy £'000	Right to acquire £'000	Lease extensions £'000	Other £'000	2025 Total £'000
Disposal proceeds	982	2,149	832	733	26	4,722
Amounts payable to LBRuT		(1,441)	-	-	-	(1,441)
Cost of disposals	(1,026)	(636)	(93)	-	(11)	(1,766)
Write back of amortised grant	(2)	-	-	-	-	(2)
Surplus/(loss)	(46)	72	739	733	15	1,513

GROUP & ASSOCIATION 2024	Shared ownership staircasing £'000	Right to buy £'000	Right to acquire £'000	Lease extensions £'000	Other £'000	2024 Total £'000
Disposal proceeds	1,014	-	878	828	-	2,720
Cost of disposals	(902)	-	(75)	-	-	(977)
Write back of amortised grant	(8)	-	-	-	-	(8)
Surplus	104	-	803	828	-	1,735

Right to buy disposals are accounted for in accordance with London Borough of Richmond upon Thames (LBRuT) clawback agreement. Funds from other disposals of properties transferred from LBRuT are held in a Trust Deed Account in equal parts for RHP and LBRuT. Trust Deed Account funds can be used by RHP for future Affordable Housing developments.

Notes to the Financial Statements (continued)

6. Operating surplus

This is arrived at after charging:

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Depreciation of housing properties	7,930	7,238	7,473	6,834
Accelerated depreciation on component replacements	460	164	260	127
Depreciation of other tangible fixed assets	378	301	375	298
Amortisation of intangible fixed assets	868	1,719	868	1,719
Impairment of housing properties	12,747	-	12,747	-
Operating lease rentals				
- Land and buildings	14	14	-	-
- Vehicles	60	74	60	74
- Office equipment and computers	80	53	80	53
Auditors' remuneration (Excluding VAT)				
- For audit of statutory accounts	99	95	81	78
- For service charge audit	11	11	11	11

7. Interest receivable & other similar income

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest receivable and other similar income	526	1,164	849	1,375

8. Interest payable

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Loans and bank overdrafts	9,103	7,973	9,094	7,957
Interest on RCGF	15	12	15	12
Interest charge on pensions	146	130	127	110
Amortised finance costs	243	224	243	224
	9,507	8,339	9,479	8,303
Interest capitalised on construction of housing properties (Note 12, 17)	(928)	(1,587)	(859)	(1,587)
Total	8,579	6,752	8,620	6,716

Notes to the Financial Statements (continued)

9. Employees

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Average monthly number of employees expressed in full time equivalents:				
Administration	116	122	76	82
Development	13	12	13	12
Housing, support and care	189	181	189	181
Maintenance operatives	21	21	-	-
Total	339	336	278	275

Full time equivalents are calculated based on a standard working week of 36 hours.

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
EMPLOYEE COSTS				
Wages and salaries	14,889	13,340	12,331	11,049
Social security costs	1,526	1,377	1,241	1,142
Other pensions costs	1,187	1,109	981	917
Total employee costs	17,602	15,826	14,553	13,108

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
PENSIONS COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME				
Actuarial gain/(loss) on SHPS pension	536	(966)	523	(884)
Actuarial gain on WCPF pension	79	-	79	-
Total actuarial gain/(loss) on pensions	615	(966)	602	(884)

Notes to the Financial Statements (continued)

9. Employees (continued)

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
SHPS pension net defined liability	2,144	3,352	1,806	2,918
WCPF pension net defined asset	(70)	-	(70)	-
Net pension liability	2,074	3,352	1,736	2,918

The Association's employees are members of the Social Housing Pension Scheme (SHPS) or of the Wandsworth Council Pension Fund (WCPF) (formerly London Borough of Richmond Pension Fund (LBRPF)). The employees of our subsidiary are members of the SHPS. Further information on each scheme is given below.

The SHPS liability on scheme benefit review recognises the potential additional liabilities to arise as a result of the upcoming court case to review and compare the changes that have been made to the benefits provided to scheme members, with the requirements of the scheme documentation. The provision has been made in accordance with estimated figures produced by the scheme actuary.

Social Housing Pension Scheme

DEFINED CONTRIBUTION PENSION SCHEME

Employer contributions in respect of this scheme are charged to the Statement of Comprehensive Income as incurred.

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Employer contributions	1,070	1,005	981	917

DEFINED BENEFIT PENSION SCHEME

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

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

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

Notes to the Financial Statements (continued)

9. Employees (continued)

	GROUP	ASSOCIATION
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION	2025 £'000	2025 £'000
Defined benefit obligation at start of period	17,415	15,103
Current service cost	-	-
Expenses	25	21
Interest expense	842	732
Contributions by plan participants	-	-
Actuarial losses due to scheme experience	410	314
Actuarial gains due to demographic assumptions	-	-
Actuarial gains due to changes in financial assumptions	(2,364)	(2,143)
Benefits paid and expenses	(596)	(476)
Defined benefit obligation at end of period	15,732	13,551

	GROUP	ASSOCIATION
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS	2025 £'000	2025 £'000
Fair value of plan assets at start of period	14,063	12,185
Interest income	696	605
Loss on plan assets (excluding amounts included in interest income)	(1,418)	(1,306)
Contributions by the employer	843	737
Contributions by plan participants	-	-
Benefits paid and expenses	(596)	(476)
Fair value of plan assets at end of period	13,588	11,745

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£701k) (2024: (£473k)) (Association) and (£722k) (2024: (£485k)) (Group).

Notes to the Financial Statements (continued)

9. Employees (continued)

	GROUP	ASSOCIATION
DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME	2025 £'000	2025 £'000
Current service cost	-	-
Expenses	25	21
Net interest expense	146	127
Defined benefit costs recognised in statement of comprehensive income (SoCI)	171	148

	GROUP	ASSOCIATION
DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME	2025 £'000	2025 £'000
Loss on plan assets (excluding amounts included in net interest cost)	(1,418)	(1,306)
Experience losses arising on the plan liabilities	(410)	(314)
Gains arising from changes in the demographic assumptions	-	-
Gains arising from changes in the financial assumptions	2,364	2,143
Total gain recognised in other comprehensive income	536	523

Notes to the Financial Statements (continued)

9. Employees (continued)

ASSETS	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Absolute return	-	549	-	476
Alternative risk premia	-	447	-	387
Credit relative value	-	461	-	399
Distressed opportunities	-	496	-	430
Emerging markets debt	-	182	-	158
Global equity	1,522	1,401	1,316	1,214
Infrastructure	2	1,421	2	1,231
Insurance-linked securities	42	73	36	63
Private Equity	12	12	10	10
Liability driven investment	4,116	5,724	3,558	4,959
Liquid alternatives	2,520	-	2,178	-
Long lease property	4	91	3	79
Net current assets	29	24	25	21
Opportunistic Illiquid credit	-	549	-	476
Private credit	1,663	-	1,438	-
Private debt	-	553	-	479
Property	680	564	588	489
Real assets	1,627	-	1,406	-
Risk sharing	-	823	-	713
Secured income	227	420	196	364
High yield	-	2	-	2
Cash	184	277	159	240
Credit	519	-	449	-
Investment grade credit	419	-	362	-
Currency Hedging	22	(6)	19	(5)
Total assets	13,588	14,063	11,745	12,185

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

KEY ASSUMPTIONS	2025 %	2024 %
Discount rate	5.90	4.92
Inflation (RPI)	3.06	3.11
Inflation (CPI)	2.80	2.79
Salary growth	3.80	3.79
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

Notes to the Financial Statements (continued)

9. Employees (continued)

Mortality assumptions adopted at 31 March 2024 imply the following life expectancies at the age of 65:

	2025
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

WANDSWORTH COUNCIL PENSION FUND (WCPF)

The Wandsworth Council Pension Fund is a multi-employer scheme, which is administered by Wandsworth Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. RHP was part of the London Borough of Richmond Upon Thames Pension Fund which has now merged with the Wandsworth Council Pension Fund, and so Richmond Housing Partnership participates in the merged Wandsworth Council Pension Fund. This scheme is now closed to future accrual with a deficit management agreement in place with the scheme which enables RHP's share of the deficit to be managed without triggering a termination debt. We have used our office building as security to effectively manage future deficit contributions.

	2025 %	2024 %
Rate of increase in pensions in payment	2.95	2.90
Discount rate	5.75	4.85

FAIR VALUE OF EMPLOYER ASSETS:	2025 £'000	2024 £'000
Equities	7,961	8,124
Other bonds	2,071	2,099
Property	1,887	1,792
Cash	535	489
Multi asset fund	1,433	1,414
Total fair value of employer assets	13,887	13,918

Notes to the Financial Statements (continued)

9. Employees (continued)

LIFE EXPECTANCY FROM AGE 65 (YEARS):	2025 £'000	2024 £'000
Retiring today		
Males	20.7	20.8
Females	23.3	23.3
Retiring in 20 years		
Males	22.0	22.0
Females	24.7	24.7

The post retirement mortality tables adopted are the S3PA tables with a multiplier of 110%. These base tables are then projected using the CMI 2023 model allowing for long term rate of improvement of 1.25%, smoothing parameter of 7.0 and a 2023 weighting of 15%.

NET PENSION ASSET/(LIABILITY) AS AT:	2025 £'000	2024 £'000
Present Value of funded liabilities	(9,821)	(10,929)
Fair value of employer assets (bid value)	13,887	13,918
Surplus	4,066	2,989
Impact of asset ceiling	(3,996)	(2,989)
Net defined asset	70	-

THE AMOUNTS RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME ARE AS FOLLOWS:	2025 £'000	2024 £'000
Net interest on the defined pension liability	-	1
Admin expenses	9	8
Total charged to current year Statement of Comprehensive Income	9	9

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION	2025 £'000	2024 £'000
Opening defined benefit obligation	10,929	11,093
Experience gain/(loss) on defined benefit obligations	(29)	44
Interest cost	519	519
Change in financial assumptions	(1,098)	(1)
Change in demographic assumptions	(26)	(147)
Estimated benefits paid	(474)	(579)
Closing defined benefit obligation	9,821	10,929

Notes to the Financial Statements (continued)

9. Employees (continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF EMPLOYER ASSETS	2025 £'000	2024 £'000
Opening fair value of employer assets	13,918	12,691
Estimated benefits paid	(474)	(579)
Interest on assets	664	595
Admin expenses	(9)	(8)
Return on assets less interest	(212)	1,219
Closing fair value of employer assets	13,887	13,918

The total return on the fund assets for the year to 31 March 2025 is £452k (2024: (£1,814k)).

RECONCILIATION OF ASSET CEILING	2025 £'000	2024 £'000
Opening impact of asset ceiling	2,989	1,598
Interest on impact of asset ceiling	145	77
Actuarial losses/(gains)	862	1,314
Closing impact of asset ceiling	3,996	2,989

Notes to the Financial Statements (continued)

10. Board members and executive directors (continued)

The executive directors are the key management personnel for RHP and the Group. Their emoluments (salaries, bonuses, and benefits in kind) are disclosed below together with those of non-executive board members.

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Executive directors' emoluments	989	739	989	739
Pension contributions in respect of services as directors	97	74	97	74
Amounts paid to non-executive directors	94	105	77	82
Total	1,180	918	1,163	895

The highest paid director in the year was not the Chief Executive. Emoluments received by the highest paid director in the year were £264k (2024: £195k, the highest paid director was the Chief Executive). The pension entitlement of the highest paid director is identical to those of other members.

Ex gratia payments totalling £111k were made in the year to 5 employees.

The full time equivalent number of employees who received remuneration (including directors) earning over £60k (including salaries, bonuses and benefit in kind but excluding pension contributions) is shown below

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
£60,000 - £69,999	18	15	12	13
£70,000 - £79,999	10	9	10	8
£80,000 - £89,999	7	3	7	3
£90,000 - £99,999	1	4	1	4
£100,000 - £109,999	4	1	3	-
£110,000 - £119,999	1	2	1	2
£120,000 - £129,999	2	-	2	-
£140,000 - £149,999	-	1	-	1
£150,000 - £159,999	-	1	-	1
£160,000 - £169,999	1	1	1	1
£170,000 - £179,999	1	-	1	-
£190,000 - £199,999	-	1	-	1
£210,000 - £219,999	1	-	1	-
£260,000 - £269,999	1	-	1	-

11. Taxation

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
UK CORPORATION TAX				
Deficit/(surplus) on ordinary activities before tax	(5,565)	9,613	(6,105)	9,085
Surplus on ordinary activities multiplied by the effective rate of:				
Corporation tax in the UK of 25% (2024: 25%)	(1,391)	2,403	(1,526)	2,271
Exempt from corporation tax	1,391	(2,403)	1,526	(2,271)
Current tax charge for the year	-	-	-	-

Notes to the Financial Statements (continued)

12. Tangible fixed assets - housing properties

GROUP	PROPERTIES HELD FOR LETTING		SHARED OWNERSHIP PROPERTIES		Total £'000
	Completed £'000	Under construction £'000	Completed £'000	Under construction £'000	
Historic cost					
At 1 April 2024	461,445	59,245	42,982	4,459	568,131
Works to existing properties	13,720	-	2	-	13,722
Additions	33,522	21,349	863	4,659	60,393
Schemes completed	16,629	(16,629)	-	-	-
Transfer from properties held for sale	137	-	-	-	137
Reclassifications	319	-	(319)	-	-
Disposals	(917)	-	(1,026)	-	(1,943)
Disposals - components	(2,145)	-	-	-	(2,145)
At 31 March 2025	522,710	63,965	42,502	9,118	638,295
Depreciation					
At 1 April 2024	85,041	-	40	-	85,081
Depreciation charged in year	7,929	-	-	-	7,929
Released on disposal	(249)	-	(5)	-	(254)
Released on disposal - components	(1,754)	-	-	-	(1,754)
At 31 March 2025	90,967	-	35	-	91,002
Impairment					
At 1 April 2024	1,503	-	2,318	-	3,821
Transfer from properties held for sale	20	-	-	-	20
Schemes Completed	-	-	-	-	-
Charge for the year	-	12,753	113	-	12,866
Released in the year	-	-	(69)	-	(69)
At 31 March 2025	1,523	12,753	2,362	-	16,638
Net Book Value					
At 31 March 2025	430,220	51,212	40,105	9,118	530,655
At 31 March 2024	374,901	59,245	40,624	4,459	479,229

The impairment relates to the social rented and shared ownership units at, Onslow Mills, Staines Road, Informer House and Roselands and is detailed in note 1b significant judgements and estimates.

Notes to the Financial Statements (continued)

12. Tangible fixed assets - housing properties (continued)

ASSOCIATION	PROPERTIES HELD FOR LETTING		SHARED OWNERSHIP PROPERTIES		Total £'000
	Completed £'000	Under construction £'000	Completed £'000	Under construction £'000	
Historic cost					
At 1 April 2024	432,502	59,241	42,982	4,459	539,184
Works to existing properties	13,074	-	2	-	13,076
Additions	33,522	20,557	863	4,659	59,601
Schemes completed	16,635	(16,635)	-	-	-
Transfer from properties held for sale	137	-	-	-	137
Reclassification	319	-	(319)	-	-
Disposals	(917)	-	(1,026)	-	(1,943)
Disposals - components	(1,882)	-	-	-	(1,882)
At 31 March 2025	493,390	63,163	42,502	9,118	608,173
Depreciation					
At 1 April 2024	79,720	-	40	-	79,760
Depreciation charged in year	7,473	-	-	-	7,473
Released on disposal	(249)	-	(5)	-	(254)
Released on disposal - components	(1,622)	-	-	-	(1,622)
At 31 March 2025	85,322	-	35	-	85,357
Impairment					
At 1 April 2024	1,503	-	2,318	-	3,821
Transfer from properties held for sale	20	-	-	-	20
Schemes Completed	-	-	-	-	-
Charge for the year	-	12,753	113	-	12,866
Released in the year	-	-	(69)	-	(69)
At 31 March 2025	1,523	12,753	2,362	-	16,638
Net book value					
At 31 March 2025	406,545	50,410	40,105	9,118	506,178
At 31 March 2024	351,279	59,241	40,624	4,459	455,603

The impairment relates to the social rented and shared ownership units at Onslow Mills, Staines Road, Informer House and Roselands and is detailed in note 1b significant judgements and estimates.

Notes to the Financial Statements (continued)

12. Tangible fixed assets - housing properties (continued)

HOUSING PROPERTIES	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Freehold	493,735	442,606	471,555	421,277
Long leasehold	36,920	36,623	34,623	34,326
Total housing properties	530,655	479,229	506,178	455,603

INTEREST CAPITALISATION	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest capitalised in the year	928	1,457	859	1,457
Cumulative interest capitalised to date	11,818	10,778	11,637	10,778
Effective interest rate used on interest capitalised in the year	3.40%	3.11%	3.40%	3.11%

Notes to the Financial Statements (continued)

13. Other fixed assets

GROUP	Freehold office £'000	Temporary social housing improvements £'000	Furniture, fixtures & fittings £'000	Computers, office equipment & vehicles £'000	Total £'000
Cost					
At 1 April 2024	7,071	100	2,902	1,075	11,148
Additions		-	287	212	499
At 31 March 2025	7,071	100	3,189	1,287	11,647
Depreciation & Impairment					
At 1 April 2024	1,808	95	2,209	793	4,905
Charged in the year	30	-	161	186	377
At 31 March 2025	1,838	95	2,370	979	5,282
Net book value					
At 31 March 2025	5,233	5	819	308	6,365
At 31 March 2024	5,263	5	693	282	6,243

ASSOCIATION	Freehold offices £'000	Furniture, fixtures & fittings £'000	Computers, office equipment & vehicles £'000	Total £'000
Cost				
At 1 April 2024	7,071	2,798	993	10,862
Additions	-	277	212	489
At 31 March 2025	7,071	3,075	1,205	11,351
Depreciation & Impairment				
At 1 April 2024	1,808	2,076	743	4,627
Charged in the year	30	159	186	375
At 31 March 2025	1,838	2,235	929	5,002
Net book value				
At 31 March 2025	5,233	840	276	6,349
At 31 March 2024	5,263	722	250	6,235

Notes to the Financial Statements (continued)

14. Intangible fixed assets

GROUP & ASSOCIATION	Computer software £'000
Cost	
At 1 April 2024	10,122
Additions	1,650
At 31 March 2025	11,772
Amortisation	
At 1 April 2024	5,638
Charged in the year	868
At 31 March 2025	6,506
Net book value	
At 31 March 2025	5,266
At 31 March 2024	4,484

15. Investment properties

GROUP & ASSOCIATION	£'000
At 1 April 2024	5,738
Transferred to other fixed assets	-
Additions	105
Movement in fair value	(252)
At 31 March 2025	5,591

RHP's investment properties are the commercial element of the office building and a small portfolio of shops. These were valued as at 31 March 2025 by Savills, professional external valuers. The full valuation of properties was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors.

In valuing the commercial element of 8 Waldegrave Road, the investment method was adopted with the Net Initial Yield assumed at 5.36% and the Equivalent Yield assumed at 13.8%. This reflects a capital value of around £165 psf. The valuation represents a reduction in the year that reflects current levels of demand in the South East commercial rental market.

The remaining commercial properties have been valued on the basis of the existing commercial use, and a variety of capitalisation rates have been adopted dependent upon the characteristics of the individual assets. These are described in the relevant sections of the valuation report prepared by Savills.

Notes to the Financial Statements (continued)

16. Investments

The financial statements consolidate the results of RHP Finance Plc and Co-op Homes (South) Limited (a Registered Provider), RHP Develop Ltd and RHP Home (Repairs) Ltd.

The Association has the right to appoint members to the boards of the four subsidiaries and thereby exercise control over them. RHP is the ultimate parent undertaking.

The Association exerts control over Co-op Homes (South) Limited by nature of its intercompany loan agreements and governance arrangements. As at 31 March the Association held one £5 share in Co-op Homes (South) Limited.

RHP Finance Plc raises finance for the use of RHP and its subsidiaries. It is a company limited by shares with 100% shares held by the Association. As at 31 March 2025, the Association had part-subscribed to all 50,000 £1 shares for £0.25p a share for a total of £12,500.

RHP Home (Repairs) Ltd was incorporated on 13 April 2018 and commenced trading in June 2023. The Company provides repairs for RHP managed properties. As at 31 March the Association held one £1 share in the Company.

RHP Develop Ltd was incorporated on 28 March 2018 and started trading in 2020. The Company provides development services for the Group. As at 31 March the Association held one £1 share in the Company.

ASSOCIATION	2025 £'000	2024 £'000
Investment in RHP Finance Plc	13	13
Investment in RHP Home (Repairs) Limited	-	-
Investment in RHP Develop Limited	-	-
Investment in Co-op Homes Limited	-	-
Total	13	13

17. Properties held for sale

GROUP & ASSOCIATION	2025 £'000	2024 £'000
Shared ownership properties:		
Work in progress	268	313
Completed properties held for sale	-	4,820
Impairment	-	(1,409)
At 31 March	268	3,724
Capitalised interest included in the above	10	224

The impairment relates to units at Onslow Mills and Staines Road and is detailed in note 1b significant judgements and estimates.

Notes to the Financial Statements (continued)

18. Trade and other debtors

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Debtors receivable within one year				
Rent and service charges receivable	3,583	3,660	3,366	3,343
Less: provision for bad and doubtful debts	(968)	(1,016)	(773)	(818)
	2,615	2,644	2,593	2,525
Other debtors	4,085	2,442	2,737	1,870
Amount owed by subsidiary undertakings	-	-	5,599	4,199
Prepayments and accrued income	3,417	3,384	3,288	3,280
Total Debtors	10,117	8,470	14,217	11,874

The Association provided Co-op Homes (South) Limited with a revolving loan facility of £8m following a restatement of the agreement taking effect on 28 March 2025 and expiring in 2030. This is secured via a floating charge over Co-op Homes' assets. At 31 March 2025, £4.45m had been drawn down.

Notes to the Financial Statements (continued)

19. Creditors: amounts falling due within one year

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loans (Note 21)	-	42	-	-
Trade creditors	2,633	397	2,446	309
Rent and service charges received in advance	1,968	2,113	1,968	1,959
Recycled capital grant fund (Note 22)	8	35	8	35
Deferred capital grant (Note 23)	550	559	416	425
Amounts owed to subsidiary undertakings	-	-	3,840	2,114
Other creditors	5,222	3,116	3,767	2,447
Accruals and deferred income	17,269	19,484	14,540	17,855
Total	27,650	25,746	26,985	25,144

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

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loans and borrowings (Note 21)	319,391	292,621	49,434	21,794
Recycled Capital Grant Fund (Note 22)	344	227	344	227
Amount owed to subsidiary undertaking	-	-	269,878	270,748
Deferred temporary social housing grant	3	3	-	-
Deferred income	2,480	2,979	2,480	2,979
Deferred capital grant (Note 23)	61,872	48,760	52,508	39,263
Commercial deposits	84	88	84	88
Total	384,174	344,678	374,728	335,099

Notes to the Financial Statements (continued)

21. Loans and borrowings

GROUP 2025	Bank loans £'000	2048 Bond £'000	Total £'000
In one year or less, or on demand	-	-	-
In more than one year but not more than two years	1	-	1
In more than two years but not more than five years	20,503	-	20,503
More than five years	30,002	250,000	280,002
	50,506	250,000	300,506
Capitalised finance costs	(993)	-	(993)
Capitalised bond premium and issue costs	-	19,878	19,878
Total loans and borrowings	49,513	269,878	319,391

GROUP 2024	Bank loans £'000	2048 Bond £'000	Total £'000
In one year or less, or on demand	42	-	42
In more than one year but not more than two years	1	-	1
In more than two years but not more than five years	23,003	-	23,003
More than five years	75	250,000	250,075
	23,121	250,000	273,121
Capitalised finance costs	(1,206)	-	(1,206)
Capitalised bond issue costs	-	20,748	20,748
Total loans and borrowings	21,915	270,748	292,663

Notes to the Financial Statements (continued)

21. Loans and borrowings (continued)

ASSOCIATION 2025	Bank loans £'000	Loan from RHP Finance Plc £'000	Total £'000
In one year or less, or on demand	-	-	-
In more than one year but not more than two years	-	-	-
In more than two years but not more than five years	20,500	-	20,500
More than five years	29,927	250,000	279,927
	50,427	250,000	300,427
Capitalised finance costs	(993)	-	(993)
Capitalised bond premium and issue costs	-	19,878	19,878
Total loans and borrowings	49,434	269,878	319,312

ASSOCIATION 2024	Bank loans £'000	Loan from RHP Finance Plc £'000	Total £'000
In one year or less, or on demand	-	-	-
In more than one year but not more than two years	-	-	-
In more than two years but not more than five years	23,000	-	23,000
More than five years	-	250,000	250,000
	23,000	250,000	273,000
Capitalised finance costs	(1,206)	-	(1,206)
Capitalised bond issue costs	-	20,748	20,748
Total loans and borrowings	21,794	270,748	292,542

Loans are secured by specific charges on the housing properties of the Group.

The 2048 bond was issued by RHP Finance Plc with the proceeds on-lent to RHP under the terms of a loan agreement at a coupon rate of 3.25%. In respect of the listed bond, the amount drawn reflects the net proceeds received. The premium received is held as a loan obligation and released to income annually until maturity.

We have a revolving credit facility with Lloyds for £120m which expires in December 2027, of which £20.5m is currently drawn. We have a £30m term loan facility with NatWest maturing in 2038. £15m of the NatWest facility is hedged and considered to be a non-basic financial instrument, and therefore held at fair value.

At 31 March 2025 the Group had undrawn fully secured loan facilities of £99.5m (2024: £127m) plus £25m of retained bonds which could be sold to investors.

Notes to the Financial Statements (continued)

22. Recycled capital grant fund

GROUP	2025 £'000	2024 £'000
At 1 April	262	235
Grant recycled on disposals (Note 23)	101	144
Repaid in the year	(26)	(59)
Utilised in the year	-	(70)
Interest accrued in the year	15	12
Balance at 31 March	352	262

ASSOCIATION	2025 £'000	2024 £'000
At 1 April	262	165
Grant recycled on disposals (Note 23)	101	144
Repaid in the year	(26)	(59)
Utilised in the year	-	-
Interest accrued in the year	15	12
Balance at 31 March	352	262

Notes to the Financial Statements (continued)

23. Deferred capital grant

	GROUP £'000	ASSOCIATION £'000
At 1 April 2024	49,319	39,688
Grant received in the year	13,890	13,890
Write back of amortised grant	4	4
Grant recycled on disposals (Note 22)	(101)	(101)
Released to income in the year	(524)	(391)
Other transfers	(166)	(166)
At 31 March 2025	62,422	52,924
Due within one year	550	416
Due after more than one year	61,872	52,508
At 31 March 2025	62,422	52,924

Other transfers relate to Trust Deed Account funds held in grant in the prior year that has subsequently been credited to housing property costs.

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Total accumulated social housing grant received or receivable at 31 March	68,295	54,672	56,193	42,570

Notes to the Financial Statements (continued)

24. Financial assets and liabilities

Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition, less principal repayments and plus or minus any amortised original premium or discount (calculated using the effective interest rate method).

BOND

The bond is accounted for as a basic financial instrument. Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

INTERCOMPANY LOAN

Co-op Homes have an £8m revolving facility at a margin of 1.51%. RHP has issued a working capital loan to RHP Develop Ltd of £500k at a margin of 0.87%. RHP has also issued a working capital loan to RHP Home (Repairs) Ltd of £500k at a margin of 1.025%.

FINANCIAL RISKS

The Group has a variety of controls in place to manage liquidity risk, credit risk, and exchange risk and minimise financial loss. The most important aspects are:

- ▶ For investments, where viable, all counterparties must meet the Group's minimum credit rating of A-1 long term and P-1 short term.
- ▶ There is no speculative use of derivatives, currency or other instruments.

The debt maturity profile is shown in note 21.

The fixed rate financial liabilities have a weighted average interest rate of 3.25% at 31 March 2025 (2024: 2.58%).

LIQUIDITY RISK

A detailed action plan for arrears and Universal Credit is being delivered. We continue to adopt a flexible approach for customers unable to pay their rent due to the challenging economic conditions currently faced. Our focus continues on cost reduction and liquidity management in order to mitigate these risks as far as possible.

A robust process of cashflow forecasting is in place which covers the short, medium and long term requirements in order that liquidity requirements can be actively managed. We have carried out additional stress testing as a result of the current economic situation. Our treasury management policy requires cash or available loan facilities for committed activities to be in place 12-18 months in advance of anticipated need with cashflow forecasts being reported monthly to the Executive Group and quarterly to the board.

FOREIGN CURRENCY RISK

Other than short-term debtors, the Group's financial assets comprise cash held in deposit accounts and cash at bank. They are sterling denominated and attract interest at rates that vary with bank rates.

CAPITAL RISK MANAGEMENT

All our debt agreements (bond and loan agreements) contain financial and information-based covenants which we are obliged to comply with. The bond contains financial covenants relating to asset cover whilst the loan agreements contain interest cover, gearing and asset cover-based covenants.

Compliance with funder covenants is closely monitored and are reported within the monthly management accounts and quarterly reports to the Group Investment Committee. We are not anticipating any breach in banking covenants as a result of the recent economic uncertainty.

Our debt portfolio and minimum cash balance requirements ensure that we have sufficient liquidity at low rates of interest to deliver our committed development ambitions and keep our business safe. The Group is fully funded until at least December 2027.

Our strong underlying credit rating and broader investor base now provide greater diversification of funding options for the organisation going forward. We have been scenario modelling frequently as a result of the recent economic turbulence and do not anticipate any breach of our loan covenants in any of the realistic scenarios considered.

INTEREST RATE RISK

The Group has minimal exposure to interest fluctuations due to 88% of its debt being at fixed rates (£250m bond and £20.5m fixed rate loan). The Group also has variable loans of £30m of which £15m is hedged via an interest rate collar.

Notes to the Financial Statements (continued)

25. Net debt reconciliation

GROUP	1 April 2024 £'000	Cash flows £'000	Non Cash Movements £'000	31 March 2025 £'000
Cash and cash equivalents:				
Cash and cash equivalents	27,933	(15,281)	-	12,652
	27,933	(15,281)		12,652
Borrowings:				
Loans due within one year	(42)	42	-	-
Loans due after one year	(23,079)	(27,500)	73	(50,506)
Bond finance	(250,000)	-	-	(250,000)
Loan and bond arrangement fees	2,410	31	(296)	2,145
Bond discount	1,012	-	(42)	970
Bond premium	(22,964)	-	964	(22,000)
	(292,663)	(27,427)	699	(319,391)
Total net debt	(264,730)	(42,708)	699	(306,739)

Notes to the Financial Statements (continued)

26. Provision for liabilities

PROVISION FOR END OF LEASE DILAPIDATIONS COSTS	GROUP £'000
Brought forward	94
Paid in year	(79)
At 31 March 2025	15

Provisions relate to costs associated with the upkeep of properties under repair covenants entered by Co-op Homes. Co-op Homes accounts for these costs in accordance with FRS 102 (provisions and contingencies) which requires a provision to be recognised when there is an obligation at the reporting date regarding works or repairs at the related property.

27. Share capital

The Association is a charitable registered society and therefore has no equity share capital. Each member agrees to contribute £1 in the event of the Association winding up.

NUMBER OF MEMBERS	2025	2024
At 1 April	20	21
Joining during the year	3	2
Leaving during the year	(4)	(3)
At 31 March	19	20

Notes to the Financial Statements (continued)

28. Leases

Operating lease payments amounting to £126k (2024: £141k) are due within one year.

The leases to which this relates are as follows:

GROUP	2025	2025	2025	2024	2024	2024
	Land & buildings £'000	Vehicles, office equipment & computers £'000	Total £'000	Land & buildings £'000	Vehicles, office equipment & computers £'000	Total £'000
Lease payments						
Within one year	15	109	124	9	132	141
One to five years	19	99	118	5	113	118
Beyond five years	6	-	6	-	-	-
Total	40	208	248	14	245	259

ASSOCIATION	2025	2025	2025	2024	2024	2024
	Land & buildings £'000	Vehicles, office equipment & computers £'000	Total £'000	Land & buildings £'000	Vehicles, office equipment & computers £'000	Total £'000
Lease payments						
Within one year	-	109	109	-	132	132
One to five years	-	99	99	-	113	113
Beyond five years	-	-	-	-	-	-
Total	-	208	208	-	245	245

Notes to the Financial Statements (continued)

29. Capital commitments

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Commitments contracted but not yet provided for:				
Construction or purchase of housing properties	78,670	89,291	73,570	84,291
Commitments approved by the board but not yet contracted for:				
Construction or purchase of housing properties	13,827	13,442	13,827	13,442
Total capital commitments	92,497	102,733	87,397	97,733
Capital commitments for the Group and Association will be funded as follows:				
Social Housing Grant	21,951	35,349	21,951	35,349
Cash and cash equivalents	12,652	25,985	10,559	25,985
Borrowings	57,894	41,399	54,887	36,399
Total capital commitments	92,497	102,733	87,397	97,733

Notes to the Financial Statements (continued)

30. Contingent liabilities

In 2017, 195 housing properties were acquired from another housing association. These properties have been accounted for using the performance model as required by SORP 2018. The associated grant of £6.033m has been recognised as a contingent liability to RHP. This contingent liability will be realised if the assets to which the grant relates are disposed and will be recycled appropriately.

The company participates in the Social Housing Pension Scheme (SHPS), a multiemployer scheme which provides benefits to some 500 non-associated employers. SHPS is administered by The Pensions Trust (TPT) who have undertaken an historical review of the application of benefits and have concerns about the application of changes in inflation on payments and revaluation and have applied to the courts for a review of their historical approach. At this stage we do not have certainty on the potential outcome of this court case, however early indications suggest a potential additional liability for RHP Group of £697k (£545k Association only). We have provided for this amount in our pension liability on the statement of financial position.

31. Related parties

During the year there was one tenant, Felice Webbe and one leaseholder, Shabana Jamil, who were members of the board. Ms Webbe paid £154.66 per week (2024: £140.85 per week) and had no amounts outstanding to RHP at 31 March 2025. Ms Jamil paid service charges of £55.47 (2024: £2,641.21) and had no amounts outstanding to RHP at 31 March 2025. The tenancies and lease are on normal commercial terms and neither of these individuals were able to use their position to their advantage.

Co-op Homes (South) Limited and RHP are both regulated by the Regulator of Social Housing.

TRANSACTIONS WITH UNREGULATED SUBSIDIARIES

RHP Finance Plc is an unregulated subsidiary of the Group. In 2015 RHP invested £12.5k in the share capital of its non-regulated subsidiary and received a £138.6m loan from this entity at a coupon rate of 3.25%. Audit fees of £6k and other administrative expenses of RHP Finance Plc are borne by RHP the immediate and ultimate parent undertaking.

RHP Home (Repairs) Ltd was incorporated as a subsidiary of RHP on 13 April 2018 and started trading in June 2023. As at 31 March the Association held one £1 share in the Company. RHP Home (Repairs) Ltd has a working capital facility of £1m agreed with its parent, RHP Ltd. At 31 March 2025, £500k had been utilised (2024: £500k). Interest is payable quarterly at 0.87% margin plus 3-month compounded SONIA plus 0.1193% credit adjustment spread.

RHP Develop Ltd was incorporated as a subsidiary of RHP on 28 March 2018 and started trading in 2020. As at 31 March the Association held one £1 share in the Company. RHP Develop Ltd has a working capital facility of £2m agreed with its parent, RHP Ltd. At 31 March 2025, £500k had been utilised (2024: £1,250k). Interest is payable quarterly at 0.87% margin plus 3-month compounded SONIA plus 0.1193% credit adjustment spread.

