



# **The Cambridge Housing Society Limited**

## **Financial Statements**

**For the year ended 31 March 2025**

Co-operative and Community Benefit number 10457R

Regulator of Social Housing number L0992

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## **BOARD MEMBERS**

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Chair

Martin Wheatley

Other members

Alex Colyer

Gareth Hillier

Heidi Allen

Resigned – 31 October 2024

Jacquie Taylor

Nick Brown

Philip David

Resigned – 30 September 2024

Phineas Hodson

Resigned – 30 September 2024

Shaidah Ramzan

Resigned – 13 April 2024

Tim Jennings

Anita Kaur Mobberley

Cara Jackson

James Prestwich

Appointed – 1 May 2024

Silvia Piva

Appointed – 1 April 2025

Andrew Ryde

Appointed – 1 April 2025

Janet Morris

Appointed – 1 April 2025

## **Executive officers**

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Chief Executive

Stephen Hills

Director of Finance

Jonathan Birkert

Company Secretary

Sue Knights

Director of Communities

Andrew Church

Director of Customers

Helen Tonks

Director of Corporate Services

Kathy Batey

Director of Homes

Tina Warren

## **Auditors and advisers**

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### ***External auditor:***

Beever and Struthers

150 Minories

London, EC3N 1LS

### ***Internal auditor:***

TIAA limited

Artiller House, Fort Fareham

Newgate Lane, Fareham, PO14 1AH

### ***Principal solicitors:***

Devonshires Solicitors LLP

Finsbury Circus

London, EC2M 7DT

### ***Bankers:***

Lloyds Bank Plc

25 Gresham Street

London, EC2V 7HN

## **Registered office**

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Endurance House

Chivers Way

Histon,

Cambridge, CB24 9ZR

## **Legal status**

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Co-operative and Community Benefit Society, No. 10457R

Regulator of Social Housing registration, No. L0992

## Statement from the Chair

Welcome to our Financial Statements for 2024-25.

The Group continues to deliver high quality services that customers and stakeholders value. Our strong geographic focus allows us to build local service partnerships offering stakeholders a broad and innovative range of services.

We began the year by adopting our new three-year Corporate Plan (2024 – 2027) developed in collaboration with staff and tenant groups. The Board also committed to the Together with Tenants Charter and approved a new Tenant and Customer Engagement Strategy. These initiatives will shape our service delivery over the next three years and support our compliance with the new Consumer Standards introduced by the Regulator of Social Housing in April 2024. Our first round of Tenant Satisfaction Measures shows a strong set, with performance in the upper quartile overall. We will now focus on areas where further improvement is needed.

To improve business efficiency, we approved a new ICT Strategy and Digital Strategy during the year. These strategies aim to enhance quality for tenants and customers, strengthen the use of business information in decision making and deliver better value for money through more efficient operations.

We are proud to have maintained our G1 rating for several years. To ensure we remain focused on strong governance, we carried out self-assessments against the Code of Governance and the new Housing Ombudsman Complaints Code.

We prioritised investment in our existing homes, delivering substantial programmes to improve thermal efficiency as part of our net zero commitments, supported by funding from the Social Housing Decarbonisation Fund (SHDF). We also focused on helping tenants manage cost of living challenges, enhancing fire safety measures and strengthening our approach to tackling damp and mould.

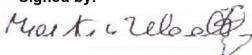
The Board approved a new housing Development Strategy that enables us to continue delivering much needed new affordable homes in our area, at least 130 over the next five years, while maintaining our strong financial position and viability regulatory grading.

During the year, the Board reviewed the strategic position of CHS and reaffirmed our commitment to remain an independent and locally focused housing association. To strengthen our social impact, the Board also approved an innovative Community Well-being Strategy, enabling us to better coordinate and measure the positive outcomes of our work.

The external economic environment remained challenging over the past year, with higher interest rates adding pressure to the ongoing “cost of living crisis”. In response, we will take a prudent approach to our growth aspirations, while continuing to improve the financial performance and social value of our support services, especially those reliant rely on local authority funding, where future increases may not keep pace with rising costs.

Our colleagues, Board members and s have been instrumental in our achievements over the past year, and I want to thank them for their dedication and commitment.

Signed by:



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Martin Wheatley

The Board presents its report and audited group financial statements for The Cambridge Housing Society Limited (“Society”) and its subsidiary undertakings (the “Group”) for the year ended 31 March 2025.

Our financial statements are also available on our website [www.chsgroup.org.uk](http://www.chsgroup.org.uk)

The Group’s principal activity is the management and development of affordable housing, with a focus on helping people and communities across Cambridgeshire to overcome challenges, take opportunities, and develop their ability to achieve their aspirations.

The key areas of operation are the provision of low-cost rented and shared ownership homes; residential and domiciliary care for older people; support for young people, parents, people experiencing homelessness or mental ill-health, or with learning disabilities. The registered care homes activity ceased on 17 September 2023, as part of plans to reduce the diversification within the Group. Community investment activities include providing money, debt and employment advice and computer training.

The Group also leases properties to other agencies, such as Mencap and Mind, to use in supporting their service users.

### **Business model**

We are independent and believe we have value as a locally based charity and geographically focussed service provider. This value lies in:

- Continuing to house and support low income residents;
- Being more accessible to our residents;
- Delivering a wide range of appropriate and relevant services to meet local needs and aspirations;
- Investing in people and communities;
- Providing services which are distinct from other housing and support providers;
- Having strong, and up to date understanding of local needs and markets;
- Having the capacity, knowledge and desire to engage with our stakeholders;
- Being prepared to develop new services to tackle particular local problems.

Although the Cambridge area is relatively wealthy and has relatively high economic growth, by some measures Cambridge is the most unequal city in the UK and the northern part of the County is relatively disadvantaged. We can make a significant contribution to tackling this inequality by listening to and working alongside customers and partners in an innovative, collaborative, and business-like way, achieving much more value, quality, and effectiveness than by working in isolation.

### **Our homes**

The Group houses more than 7,000 people in more than 3,000 homes. Most homes are in Cambridgeshire, the other homes being in neighbouring counties close to the Cambridgeshire border.

Around two-thirds of our homes are social housing providing rented homes for people and families who cannot afford to rent or buy on the open market. We have over 400 affordable low-cost home ownership and leasehold homes where residents buy a share in the equity (which they can increase when they choose) and pay rent on the remainder. 99.76% of our housing stock is fully compliant with the Decent Homes Standard, the 6 non compliant properties are due to be compliant early in the 2025-26 year following stock condition work identifying issues in the last quarter of 2024-25.

We have approaching 400 homes for residents requiring supported housing.

### **Group strategic objectives**

Our corporate plan is focused on the core housing and property services, looking to continually improve the service to our tenants by working to better understand their different needs and the work required to meet those needs.

The corporate objectives are broken down into six themes

- People (tenants and residents) – we will listen to our tenants and residents and provide support where needed. With a focus on continuing to work with them to provide effective two-way communication to enable them to influence services.
- Homes – will be a trusted provider of long term affordable, secure housing. Investment in our homes is a key focus and is supported by the award of Social Housing Decarbonisation Fund (SHDF) grant of nearly £1m that will supplement our works to improve their affordable warmth and environmental sustainability.
- Community – we will be entrepreneurial with a social purpose, developing local partnerships and looking for new opportunities to support Cambridgeshire communities.
- Staff – achieve recognition as an employer of choice, providing a rewarding place for staff to work and develop.
- Business – maintaining a viable long term business plan and ensuring value for money is core to the way services are delivered.
- Governance – seeking to deliver top quartile consumer standard performance and embedding excellent governance practices to ensure effective decision making and management of risk.

## **Group structure**

***The Cambridge Housing Society Limited (“Society”)***: the parent entity registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 and registered with the Regulator of Social Housing as a social housing provider. It is responsible for the strategic planning and direction of the Group. It owns or controls the entities below. The consolidated financial statements include all of these entities.

***Cambridge and County Developments Limited (“CandCD”)***: a company limited by shares, wholly owned by the Society, that undertakes the Group’s commercial activity, principally developing and selling residential property, providing services and advice as a development agent to the Society.

***Waters Almshouses***: The Society is the sole corporate trustee for Waters Almshouses, a registered charity with six properties rented to tenants meeting specific criteria.

In addition, the Society owns 50% of the shares in:

***Plantsilver Limited***: a 50% owned subsidiary company that administers and maintains a communal car park in Cambridge.

## Group performance summary

CHS continues to deliver strong operating performance. The operating margin for the year was xx% (2024: xx%). The 2025 performance includes increased operating expenditure reflecting increased investment in net zero and fire safety works, supported by grants.

The table below shows the Group's financial performance for the last three years:

	2025	2024	2023
<i>Statement of comprehensive income</i>	£'m	£'m	£'m
Turnover	29.8	30.1	31.6
Cost of sales	(0.6)	(1.0)	(1.7)
Operating costs	(20.4)	(18.6)	(20.0)
Other operating income	-	-	-
Surplus on disposal of tangible fixed assets	1.7	5.9	2.0
Operating surplus	10.5	16.4	11.9
Net interest payable	(6.1)	(6.3)	(6.8)
Surplus for the year before taxation	4.4	10.1	5.1

The Group's operating turnover and surplus will fluctuate over the years as it is materially impacted by continuing growth of the core social housing side of the business in accordance with our Growth Policy, and by the volume and performance of the Group's shared ownership first tranche sales programmes. This year's overall operating surplus has decreased. The operating surplus on social housing lettings has remained consistent at £8.4m. The operating surplus from shared ownership first tranche sales has decreased by £0.2m, and the operating surplus from the sale of fixed assets and non-social housing activities decreased to £1.7m, due to the impact of the sale of the Care Homes made in 2024.

The Statement of Financial Position shows that CHS is financially strong, with total fixed assets of £249.9m and reserves of £59.9m. These reserves are invested in improving homes or in providing new affordable housing. This strength enables CHS to borrow finance from the private sector on competitive terms to support the development strategy.

	2025	2024	2023
<i>Financial position at the year-end</i>	£'m	£'m	£'m
Housing properties less depreciation	243.8	242.7	243.0
Other fixed assets and investments	6.1	6.2	6.9
Net current assets / (liabilities)	(20.0)	18.7	11.8
Loans due after one year	(91.1)	(131.1)	(133.0)
Other long-term liabilities and provisions	(78.9)	(81.4)	(82.4)
Reserves	59.9	55.1	46.3

The net book value of housing properties at historical cost increased to £243.8m (2024: £242.7m). The cost of schemes completed during the year was £2.8m (2024: £7.1m), and properties under construction were £0.7m (2024: £0.7m) at the year-end.

Net current assets include properties being developed for sale of £1.0m (2024: £1.0m). Cash and cash equivalents at the year-end were £23.8m (2024: £22.4m), the statement of cash flows on pages 32-33 contains further detail.

The total of loans and bonds drawn-down, net of issue costs, remained consistent at £131.1m (2024: £131.1m), with £40.1m of loans becoming due for repayment within 12 months. The group are currently engaged in an exercise to refinance these loans.

The Group's reserves increased to £59.9m (2024: £55.1m). The surplus of £4.3m for the year was increased by actuarial gains on the Group's defined benefits pension scheme of £0.4m (disclosed in other comprehensive income).

#### **Investment in existing homes**

During the year CHS invested £5.472m (2024: £3.052m) in improving the quality of existing homes. The amount of these works capitalized in the Statement of Financial Position was £2.264m (2024: £2.549m).

The planned investment is programmed on a rolling basis over several years, informed by a programme of stock condition surveys which enable us to take a dynamic approach to asset management, which includes the sale of properties that are uneconomical and their replacement with properties that are better for both CHS and its customers.

CHS was awarded £948k from the Social Housing Decarbonisation Fund (SHDF) to improve the EPC ratings for 107 properties over two years, with works progressing well in 2025 in the first year of the programme.

#### **Investment in new homes**

CHS seeks to invest in new affordable housing and continues to plan for future development opportunities to address the shortage of affordable housing.

Our development aims are to:

- Develop at the optimum sustainable and risk appropriate capacity supported by our business plan;
- Increase affordable housing in Cambridgeshire, particularly in and close to Cambridge, and close to the Group's existing housing in neighbouring counties;
- Give priority to developing homes for people on lower incomes or who are at the top of the local housing needs register;
- Meet local need and demand both in terms of types and tenures of housing and its affordability to the occupiers;
- Set rents and service charges that are affordable with reference to the limits at which they can be covered by state benefits for people who need them;
- Deliver sustainability, quality and satisfaction to residents;
- Use our assets to maximise either their social or financial return or to optimise the balance between the two.

#### **Development during the year**

Number of properties	2025		2024	
	General Needs Affordable Housing	LCHO: Shared Ownership	General Needs Affordable Housing	LCHO: Shared Ownership
New starts onsite	8	8	15	7
Handed over	7	7	25	7
Onsite at 31 March	6	6	5	5

#### **Future development programme**

Our affordable housing development programme in 2025-26 plans to start 25 homes and thereafter our plan is to deliver the 37 homes in the current pipeline. The development strategy is due to be approved by the Board in 2024/25 alongside a review of the future development funding capacity.

#### **First tranche low-cost home ownership sales**

There were 7 sales during the year compared to 9 in the previous year. Due to a decrease in percentage sold the average surplus per sale, before holding interest costs, decreased to £60.85k (2024: £67.4k).

#### **Low-cost home ownership staircasing sales**

There were 13 staircasing sales during the year contributing a surplus of £508k (2024: 8 sales for a surplus of £555k).

#### **Social Housing Lettings**

		<b>2025</b>	<b>2024</b>
Income	£'000	25,417	22,190
Operating surplus	£'000	8,443	8,889
Operating margin	%	33.2	40.1
Investment in existing homes	£'000	2,549	2,549
Properties managed	No.	2,987	2,987

Social housing lettings activities contribute £8,443k (2024: £8,889k) to the Group's operating surplus with a margin of 40.4% (2024: 40.1%).

There are a number of different social housing lettings activities the Group participates in (see below). Supported housing and Housing with Care activities are traditionally low-margin activities and contribute 22.57% (2024: 12.6%) of social housing lettings income. The operating margin is therefore negatively influenced by these activities.

#### **General needs homes**

Our general needs homes consist primarily of social rented homes but with an increasing number of affordable rent homes. These general needs homes are those providing rented housing for people and families who cannot afford to rent or buy on the open market. Our general needs social rents are set in accordance with the Regulator of Social Housing's Rent Standard. Social rents are generally significantly lower than Affordable Rents as the latter are tied to a proportion of market rents.

General needs income makes up 68% (2024: 68%) of total social housing lettings income.

During the year, the Group invested £1,716k (2024: £2,549k) in existing homes principally replacing kitchens, bathrooms, windows, doors, and heating components.

14 new Affordable rent and Low-cost home ownership properties were completed and handed over during the year (2024: 32).

#### **Supported housing and sheltered housing**

The Group provides accommodation and support services for a range of people including: young people that are homeless or threatened with homelessness, Looked After Children, women at risk of homelessness either because of mental ill health or because they are fleeing domestic abuse, people with learning disabilities, adults with mental health needs, and we work in partnership with other charities to provide housing with support to people who have experienced street homelessness.

The Group also owns and operates three sheltered (retirement) housing schemes that consist of self-contained accommodation with a 24-hour emergency alarm.

#### **Housing with Care schemes**

The Group owns and operates three Housing with Care schemes. These are designed to provide independence and choice to older adults with varying levels of care and support needs, enabling them to rent a self-contained flat designed to meet their personal and social needs. Tenants also have the security of knowing that our highly trained and caring on-site staff are available for emergencies 24 hours a day, 7 days a week via a community alarm system.

### **LCHO: Shared ownership homes**

Shared ownership is primarily aimed at first-time buyers who can sustain home ownership but who are unable to afford a suitable property on the open market. Buyers initially purchase a share of the property using a deposit and mortgage, to become a leaseholder who pays rent on the unpurchased share. In future years, the leaseholder can purchase further shares in the property (staircasing) or sell the share owned for its market value at the time.

### **Other Social Housing Activities**

In addition to low-cost home ownership first tranche sales, the Group undertakes a number of other activities that are reported as Other Social Housing Activities.

		<b>2025</b>	<b>2024</b>
<b>Housing with Care spot hours and community services</b>			
Income	£'000	942	991
Operating surplus/(deficit)	£'000	(74)	80
Operating margin	%	(7.9)	8.1
<b>Residential care homes</b>			
Income	£'000	-	3,104
Operating surplus	£'000	-	1,082
Operating margin	%	-	34.9
<b>Community investment activities</b>			
Income	£'000	536	601
Operating deficit	£'000	(116)	(193)
Operating margin	%	(21.6)	(32.1)
<b>Other activities</b>			
Income	£'000	833	1,237
Operating surplus	£'000	(15)	142
Operating margin	%	(1.8)	11.5

### **Community support services**

The Group runs a wide range of care and support services for several different client groups and with a number of specialist partners. Many of these services are commissioned or spot purchased by our local authorities. The Group is committed to meeting the needs of these very vulnerable groups but continuing public spending cuts and increasing costs have put the margins on some of these services under pressure. We are constantly reviewing services and over the recent year have reconfigured some services to improve financial performance and reduce risk.

### **Community investment activities**

We run a comprehensive range of community investment services. Where external funding is available this is for the benefit of the wider community, not just our own residents. We specialise in developing partnerships with other charitable and public sector organisations to access larger funding streams, pool resources, share knowledge and therefore help more people. This also helps us to provide a wider range of services to our own residents while significantly reducing the cost of these services to CHS. Our partnerships have also enabled us to find solutions by reinventing services to provide the maximum social benefit with limited funding. An example of this would be the Cambridgeshire Local Assistance Scheme where we run the service on behalf of the County Council. The service is the provider of last resort for people who do not have the money to afford essential furniture, white goods, or food. Overall, these activities traditionally operate at a loss, but the Group is of the opinion that these are important services.

The value for money report contains further detail on how the Group adds social value through its community investment activities.

### Non-social housing activities

The Group has three significant non-social housing activities, Property sales, Office lettings, and Looked after Children:

#### Property sales

	2025			2024		
	Sales	Turnover	Surplus / (Deficit)	Sales	Turnover	Surplus / (Deficit)
	No.	£'000	£'000	No.	£'000	£'000
LCHO: Staircasing sales	13	1,359	508	8	706	555
Other property sales	21	1,287	1,182	112	12,438	5,373

#### Other property sales

There were 21 other property sales in the year consisting of 3 asset disposals of housing properties (2024: 3), 0 Right To Acquire sales (2024: 0). This figure also includes any surplus the group makes when a shared ownership home is resold by its owner, in 2025 there were 18 of these transactions (2024: 22).

#### Office lettings

The Group has spare office capacity that it lets on the open market. Income for the year of £390k (2024: £286) yielded a surplus of £258k (2024: £188k).

#### Looked after children

The Group operates a care home for 8 vulnerable children, income for the year of £479k (2024: £486k) yielded a deficit of -£40k (2024: surplus £70k).

#### Treasury policy

Each year the Board reviews the treasury policy and approves the annual treasury management strategy. The treasury policy addresses funding and liquidity risks, covenants compliance and investment policy. The policy was reviewed, and the findings reported to the Board during the year to ensure it remains relevant and fit for purpose. The treasury management activities are monitored by the Group Audit and Risk Committee which meets at least four times per year.

Borrowings are in sterling and do not carry any currency risk. All loans are secured by fixed charges over the Group's housing properties.

At 31 March 2025 the Society had undrawn and available funding facilities of £40.0m (2024: £40.0m).

#### Financing activity

During the year, no new financing was drawn down. A total of £2.0m of loans were repaid in the year.

#### Loan covenant compliance

The Finance team monitors covenant compliance at all times and is required to report on covenant compliance to the Group Audit and Risk Committee on a quarterly basis. Monthly monitoring is done internally at the Corporate Management Team. As at 31 March 2025, the Group complied with all its covenants and is forecasted to comply for the forthcoming twelve months and the period covered by the approved business plan.

## Value for Money Introduction

Value for Money is integrated into the organisation's operations in a number of ways:

**Governance** – Board members' duties include reviewing performance and efficiency and ensuring compliance with the regulator's requirements. Managers and staff are encouraged to question how we work and find ways of providing a better and more efficient service.

**Financial** – VfM is an integral part of our annual budget, business planning and corporate planning processes that set targets that seek to produce improvements to the service and better use of the resources available.

**Business unit review** – The Corporate Management Team (CMT) focusses on the operating margins for each key business unit during the year and as part of the budget setting and business plan process.. The aim is to improve the viability of the Group by setting targets for each business unit. Specifically, the review aims to:

- Ensure we are better informed about the income or funding streams and the cost structure of each business unit;
- Help better understand the gross operating surplus, future viability and return on housing assets for the individual business units;
- Set overall Group standard and business unit targets in terms of minimum gross operating margin, contribution and return on assets;
- Agree improvement targets and plans in order to address the low performing areas;
- Identify and objectively measure the social return from each business unit as part of considering risk vs return.

**Planning process** – Our corporate plan and business plan set out our key aims not only to improve services and increase residents' satisfaction, but also to allow us to invest in services and responsible growth. Investment in digital technologies and systems are planned to deliver better value for money in term of cost as well as quality.

**Resident focus** – Improvement in residents' satisfaction with an emphasis on VfM is one of our key corporate objectives. Our scrutiny panel meets regularly to challenge the Value for Money obtained by some of our current practices.

### Benchmarking and peer group review

The metrics below are defined by the Regulator of Social Housing as set out in the Value for Money Standard (2018) accompanied by the Code of Practice (2018).

### Peer group selection

On an annual basis, we undertake a formal review of our VfM metrics against a range of peers.

The Group undertakes a range of activities that are so diverse for an organisation of our size that we are not able to identify directly comparable peers at local or national level. To obtain the nearest peer groups possible, we have identified two different groups.

One peer group consists of 11 other housing associations all based in the East of England. They range from 1,400 to 17,500 units.

The other peer group consists of 10 housing associations with between 2,500 to 5,500 units based anywhere in England (national). They are associations with a relatively large income from other social housing activities and LCHO first tranche sales, attributes that we feel more closely relate to ours. Two of these national associations are also based in the East of England and are also included in the East of England peer group.

Data for both peer groups has been extracted from the Regulator of Social Housing's global accounts for 2023/24. The ranking in the peer group tables below is our ranking compared to the other associations in the respective peer groups.

**Peer group: East of England (local)**

			2026	2025		2024		
No.	Metric		Target	Actual	Target	Actual	Peers	Rank (of 12)
1	Operating margin - social housing	%	30.2	33.2	35.6	40.1	26.4	2
2	Operating margin - overall	%	31.1	29.6	33.6	34.8	27.0	2
3	Reinvestment	%	3.9	2.1	3.30	4.1	6.6	10
4	Return on capital employed	%	4.1	4.6	4.3	6.1	3.3	1
5	Gearing	%	45.0	44.0	45.2	45.6	55.3	4
6	EBITDA MRI interest cover	%	123.4	131.6	144.4	147.7	140	5
7	Headline social housing cost per unit	£	6,570	6,343	6,100	5,939	5,416	10
8	New supply delivered - social	%	0.0	1.0	0.36	1.0	1.2	7
9	New supply delivered - non-social	%	0.0	0.0	0.0	0.0	0.0	5

**Peer group: National**

			2026	2025		2024		
No.	Metric		Target	Actual	Target	Actual	Peers	Rank (of 12)
1	Operating margin - social housing	%	30.2	33.2	35.6	40.1	15.5	1
2	Operating margin - overall	%	31.1	29.6	33.6	34.8	16.0	1
3	Reinvestment	%	3.9	2.1	3.30	4.1	4.8	8
4	Return on capital employed	%	4.1	4.6	4.3	6.1	2.7	1
5	Gearing	%	5.0	44.0	45.2	45.6	45.3	7
6	EBITDA MRI interest cover	%	123.4	131.6	144.4	147.7	110	2
7	Headline social housing cost per unit	£	6,570	6,343	6,100	5,939	5,866	7
8	New supply delivered - social	%	0.0	1.0	0.36	1.0	1.1	7
9	New supply delivered - non-social	%	0.0	0.0	0.0	0.0	0.0	2

2026 targets are based on the 2025 Business Plan.

**Current performance**

*Business health (metrics 1 and 2)*

The operating margin demonstrates the profitability of operating assets before exceptional items are taken into account.

Overall operating margin decreased versus the previous year and was below target, principally due to the one off sale of the Care Homes in 2023-24 and increased investment in the stock in 2024-25. The Group compares favourably with national peers who are all around the same size as the Group. The local peer group contains a number of larger associations who will be able to achieve economies of scale not available to the Group.

*Asset management (metrics 3 and 4)*

Reinvestment (metric 3) is the investment in properties (existing stock and new supply) as a percentage of the total properties held. Return on capital employed (metric 4) compares the operating surplus to total assets less current liabilities.

Investment in new stock was lower than anticipated due to delays to some of the schemes in our pipeline. Capital Investment in existing stock with regard to replacing components decreased slightly versus the previous year, but was slightly higher than planned leading to the actual being above target.

*Funding (metrics 5 and 6)*

Gearing (metric 5) measures how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. EBITDA MRI (Earnings Before Interest, Tax, Amortisation, Major Repairs Included – metric 6) measures the level of surplus generated compared to interest payable avoiding any distortions stemming from the depreciation charge.

The net effect of the funding activity during the year shows a slight reduction in the Group's gearing, due to the regular repayment of loans.

*Social housing lettings (metric 7)*

Headline social housing cost per unit measures total property costs (including capital expenditure) per property owned or managed and shows an increase to £6,343 in 2025 from 2024 (£5,939) reflecting some investment in fire safety remediation works and the programme of Social Housing Decarbonisation Fund work.

Due to the diverse range of services and activities undertaken by the Group, specifically in relation to our Other Social Housing activities, we believe the headline social housing cost per unit metric is not an adequate basis for assessing VfM and for benchmarking against peers. Therefore, to enable more comparable benchmarking and provide greater transparency of our VfM effectiveness and efficiencies we have calculated this metric for the Group by business stream. In the following table we have summarised the calculation to show the metric by each business stream as reported in Note 3 to the Financial Statements.

The headline social housing cost per unit VfM Metric by business stream for 2025 are:

	Units in management at 31 March 2025 Units	Total costs 2025 £'000	Cost per unit 2025 £	Cost per unit 2024 £
<b>Social housing lettings</b>				
General needs and affordable rent	2,144	9,960	4,646	3,885
Supported and sheltered housing	253	3,567	14,099	9,379
Housing with care lettings	121	2,130	17,603	13,678
Shared ownership lettings	443	984	2,221	1,858
<b>Other social housing activities</b>				
Housing with care spot hours and community services	-	1,016	n/a	n/a
Residential care	-	-	-	252,750
Community investment activities	-	652	n/a	n/a
<b>Other activities:</b>				
Development	-	260	n/a	n/a
Community Support and Rough Sleepers	59	587	9,949	18,559

Headline social housing cost per unit	3,020	19,156	6,343	5,939
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The table shows the elements required to be included in the metric calculation for the headline social cost per unit. There are a number of care or support activities with high employment costs that are not directly related to units in management which increases the metric significantly. There has been significant investment in our stock as part of the Social Housing Decarbonisation Fund (SHDF) works (£1.3m) and one-off fire safety remediation works (£1.8m) increasing the costs in 2025.

Housing with care and Supported Housing are also expensive relative to the provision of general needs housing. These business streams therefore also have a significant adverse effect on the overall headline social housing cost per unit metric.

This analysis demonstrates that when looking solely at the Group activities classified as General Needs and Affordable Rent within Social Housing Lettings, the 2025 headline social housing cost per unit is £4,646 which is a better comparison against the overall 2024 global accounts median of £5,136 and just above the upper quartile of £4,495.

#### *Development (metrics 8 and 9)*

The new supply metrics set out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at the year-end.

The development of new housing stock in 2024-25, reflects the decision to review our development strategy following the consolidation of the business with only approved schemes progressing..

#### **Focus on 2025-26 and beyond**

VfM targets are embedded in our business plan having been set to drive continuous improvement across all areas and to reflect the balance required between the Group's commitment to delivering social value, whilst ensuring both social and commercial activities are viable and sustainable.

The key aspects of our strategy to improve value for money are:

- Setting challenging but achievable minimum gross operating margin targets to be achieved for each of our diversified activities whilst continuing to deliver social value;
- Reshaping services to reduce risk where margin improvements are very difficult because of the service's reliance on public funding;
- Undertaking a robust rolling programme of procurement tenders to ensure optimal price, quality, and customer satisfaction are delivered;
- Managing and monitoring actual performance to deliver effective and efficient services

In the short to mid-term, we expect our ranking to remain lower than peers for the EBITDA, gearing and headline social housing cost per unit VfM metrics. This is due to the combination of:

- Our comparatively lower number of general needs homes owned compared to many of our peers, which reduces the economies of scale achievable.
- As demonstrated earlier in this report, the Group's very diversified range of activities, that we undertake to deliver social value, where operating margins are lower than social housing but costs per unit are much higher.

## Tenant satisfaction

In 2023 the Regulator of Social housing introduced a new suite of Tenant Satisfaction measures for social landlords to measure. The results from the most recent surveys are summarised in the table below against the benchmark result.

	2025	2024	Benchmark
Overall satisfaction	81.7%	79.2%	71.3%
Satisfaction with repairs in the last 12 months	70.7%	72.4%	72.3%
Satisfaction with time to complete repairs	70.1%	69.8%	67.4%
Well maintained home	77.1%	73.2%	70.8%
Home that is safe	80.3%	81.0%	76.7%
Listens to my views	68.3%	66.6%	60.4%
CHS keeps me informed about things that matter	73.4%	70.2%	70.3%
CHS treats me fairly and with respect	80.7%	82.4%	76.8%
Satisfaction with Complaints handling	47.2%	43.8%	34.5%
Communal areas well maintained	66.0%	60.7%	65.1%
CHS makes a positive contribution to the neighbourhood	58.1%	57.4%	63.1%
Satisfaction with handling of ASB	54.5%	50.9%	57.8%

## Social Value

As a social purpose organisation, we want to be as responsive as possible to the local communities in which we work while considering the risks that may be involved in delivering a range of services. To help us better understand the social value or impact of our services we use three primary tools to measure different aspects of social value.

- Social Value – a tool developed by the Housing Associations Charitable Trust (HACT). This approach monetises outcomes that are related to increases in people’s wellbeing as a result of using our services. The advantage of using this methodology is that it is nationally recognised as a credible way of measuring social impact. CHS uses HACT’s Social Value Wellbeing Valuation Approach for some of our services.
- Economic value – the Local Multiplier Effect tool initially developed by the New Economics Foundation which estimates the local economic benefits of housing association spending.
- Cost Benefit Analysis – initially developed by HM Treasury and New Economy Manchester to assess the value for money impact of public service programs. CHS has used a variation of this tool to assess some of its preventative work and to demonstrate its value to wider stakeholders e.g., to support the work of the County Council in assessing the value of (and continued funding for) the Cambridgeshire Local Assistance Scheme (CLAS).

CHS has brought together its work on Social Value to inform strategic decisions about the balance of diversified activity and core activity and how we might best contribute to tackling local social issues. We have developed a ‘Business on a Page’ methodology which assesses projects and services in a holistic way by taking account of their gross operating margins, risk, Social Value, and strategic relevance.

### **Community Investment and Community Support Services**

In the year, applying the HACT approach we delivered the following Social Value in these service areas:

<b>Service Area</b>	<b>Overall Social Impact 2025</b>	<b>Overall Social Impact 2024</b>	<b>Overall Social Impact 2023</b>
Money and employment advice, community development <sup>1</sup>	£502,378	£297,161	£465,565
Housing Related Support Services <sup>2</sup>	£1,069,434	£1,365,474	£1,273,789
Cambridgeshire Local Assistance Scheme	£859,060	£1,780,720	£1,853,050

Our analysis is that the decline in Social Value for CLAS is primarily due to the rising cost of living and the wider economic landscape, which have had the most significant impact on low-income households (CLAS clients). Consequently, fewer people report an improvement in their wellbeing even after support has been provided.

In addition, we delivered:

- £454k extra in tenants' pockets through provision of money advice e.g. welfare benefits, tax credits or grants; and £890,155m to the wider community by working in partnership with local Citizens Advice Bureau as part of CLAS.
- Support to 47 tenants through our When it's Needed (WIN) and Employment Support initiatives. WIN's purpose is to step in with the kind of support typically provided by family and friends.

### **General needs and affordable housing**

To demonstrate economic value, CHS has used research by the Hyde Group and Bates Wells Braithwaite (The Value of a Social Tenancy, (August 2018)) to assess the social value of its tenancies. This builds on the work of the Local Multiplier Effect tool and is applied specifically to housing associations. In its work Hyde Group split the value created into three categories:

- Social value per tenancy.
- Economic impact arising from construction per tenancy.
- Economic impact arising from maintenance activity per tenancy.

Added together these provide a figure for the total social value per tenancy. The total value calculation makes allowance for 'deadweight' and things that would have happened anyway without a social tenancy to arrive at the final figure of £19,906 per tenancy. Using this methodology it can be estimated that the total value of (2,512) social housing tenancies for CHS, is £50m.

### **In our Older People's Services**

- CHS provides an aids and adaptations service for our tenants, research has shown that appropriate adaptation/equipment can delay admission to residential care by around 4 years.
- Our Housing with care scheme kitchens provide meals to local volunteer-run lunch clubs, and to residents in our sheltered schemes, these events reduce social isolation amongst the elderly.
- Our schemes act as a community hub for NHS services such as 'flu' jab and memory clinics, chiropody, and wellness therapies.
- Our Day Centre Service offers respite to family carers to take breaks and extends the time families can continue supporting those living with dementia at home.
- Our Housing with care schemes are Wi-Fi enabled to facilitate digital inclusion and includes the use of assistive technology where appropriate.

### **Looking ahead**

Over the year ahead we intend to develop our understanding of our Social Impact further by applying appropriate Social Value methodologies to produce a statement which captures our contribution across the following themes:

- Home – improved housing conditions
- Environmental sustainability.
- Health and wellbeing.

- Community - assisting and supporting people.
- Staff development & welfare
- Governance, including the tenant voice

We intend to frame our approach under an environmental, social and governance (ESG) heading and using the Sustainability Reporting Standard for Social Housing (SRS) to ensure that the links between social value, environmental sustainability and the quality and inclusiveness of decision making are clear.

This project forms part of the 2024-2027 Corporate Plan and links to other strategies including, the Asset Management Strategy and Zero Carbon Project, the Customer Engagement Strategy, the Well-Being Strategy and the Communication Strategy. The delivery of Social Value goals is therefore embedded in the core actions planned for the coming 12 – 24 months.

## **Members of the Board**

Board members in office during the period are listed on page 2.

All Board members held one share in the Society throughout their period of office, as defined in the Society's rules.

## **Corporate Governance**

The Board is committed to integrity and accountability in the stewardship of the Society's affairs and considers that the Society has complied throughout the year under review with the provisions of the National Housing Federation's ("NHF") Code of Governance (2020 edition) in all respects, and the Regulator of Social Housing's Regulatory Standards. The Society completes annual self-assessment against the NHF's updated 2020 Code of Governance. The Society also follows the NHF's Code of Conduct (2022).

The Society exercises control over its subsidiaries by nominating the members of the Board/Corporate Management Team and receiving quarterly reports on their performance. In addition to the above, within CandCD the shareholders exercise their vote as directed by the Society.

## **Composition and role of the Board**

The Board currently comprises twelve non-executive members. The Board's maximum capacity is twelve members, but it would normally aim for 10 members in a period of no change in members. The Board normally meets at least six times a year. It has a formal schedule of matters reserved for its decision, including strategy, allocation of financial resources, annual budgets, long term business plans, annual results, monitoring performance, treasury policy, risk management and effectiveness of the Group's internal control systems, review of the Board's strengths and weaknesses and to ratify decisions made by Committees. Responsibility for the Group's day-to-day operations is delegated to the Chief Executive and the Corporate Management Team.

## **Committees**

The following are the principal committees supporting the Board:

### **Group Audit and Risk Committee**

The Group Audit and Risk Committee is constituted formally as a standing committee of the Board and comprises of at least three members of the main Board. The Committee has precise terms of reference delegated by the Board.

The objectives of the Group Audit and Risk Committee include overseeing and reporting to the Board on the financial reporting process, the external audit, risk management, treasury, the accounting and internal control systems, and the internal audit function.

The Group Audit and Risk Committee makes recommendations to the Board on matters which include a review of the external auditor's audit findings report, internal auditor's annual report and effectiveness of internal controls and the risk management systems.

### **Customer & Home Committee**

The Customer and Home Committee is constituted formally as a standing committee of the Board and comprises at least three members of the main Board, one of which will be a tenant board member. The committee also includes the Chairs of the Tenant Committee, and the Tenant scrutiny panel. The Committee has precise terms of reference delegated by the Board. The Committee's main purpose is to take responsibility on behalf of the Board for the effective delivery of services to the Group's customers and the operational performance.

### **HR, Remuneration & Governance Committee**

The HR, Remuneration & Governance Committee is constituted formally as a standing committee of the Board and comprises at least three members of the main Board. The Committee has precise terms of reference delegated by the Board. The Committee's main purpose is to take responsibility on behalf of the Board for ensuring an effective approach to staff reward, development, and management. The Committee is also responsible on behalf of the Board for detailed scrutiny of governance-related matters.

### **Development sub group**

The Development sub group is a standing committee of the Board and comprises at least three members of the main Board. The Committee has precise terms of reference delegated by the Board. The Committee's main purpose is to ensure delivery of development to deliver growth.

Relevant executive directors and officers also attend Committee meetings and other members of the Board have the right to attend.

### **Chief Executive and Corporate Management Team**

The members of the Corporate Management Team during the year are listed on page 2.

The Corporate Management Team holds no interest in CHS's share capital. They act as executives and directors within the authority delegated by the Board. The detailed scrutiny of performance, the development of policies and procedures and expenditure approvals within budget are carried out by the Management Team. The Management Team meets regularly for these purposes.

### **Going Concern**

The Board has a reasonable expectation that adequate resources exist for the Group and the Society to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Board approves the Group long-term financial plan and budget annually. The long-term plan has been tested under various stress scenarios and demonstrates compliance with lender covenants and long-term viability. The output from the financial plan, in the form of Financial Forecast Return (FFR), is submitted to the Regulator of Social Housing. The Board is of the opinion that the Group remains viable. For these reasons, it continues to adopt the going concern basis in preparing the financial statements.

### **Third party indemnity provisions**

Qualifying third party indemnity provision was in place for the benefit of all Board members and officers.

### **Health and Safety**

The Board is aware of its responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies and provides staff training and education on health and safety matters. There is a system of regular monitoring and reporting as well as internal audits in this area.

### **Effects of material estimates and judgements upon performance**

Preparation of the financial statements requires management to make significant judgements and estimates. Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses are shown in note 2 of the financial statements.

### **Board's responsibilities in respect of the financial statements**

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

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Society and of the statement of comprehensive income for the period of account.

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

- Select suitable accounting policies and then apply them consistently.

- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Society and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Society Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Group and Association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the Societies' website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Risk management**

Risk management is integral to the Group's overarching governance arrangements and the achievement of our corporate objectives.

The Group's approach to managing risk is set out in our Risk Management Policy and Framework, which is reviewed and approved at least biennially by the Group Board. It recognises the importance of effective identification, evaluation, and management of all key strategic and operational risks. As part of the risk management framework the Group Board also at least biennially reviews our Growth Policy, which assesses the risk appetite and sets out the total amount of risk that can be taken by the Group and clarifies our attitude to risk, reward and growth for each business unit and service. The risk appetite is set to ensure that the Group remains comfortably compliant with lenders covenants, legal and regulatory requirements and remains attractive to both current and potential future lenders. Our approach is supported by working with a leading risk consultancy that undertakes an annual independent review of our risk register and provides a specialist risk software system, within which risks are scored in terms of probability and impact.

The scenario planning and stress testing carried out on the Group's long-term financial plan provides assurance on the financial robustness of the Group and on other key aspects of risk management. The Group Board considers what might go wrong with our plans and ensures that the consequences have been identified in terms of our ability to achieve our objectives, and that we have considered the controls, indicators, and mitigating actions we need to prevent, or limit the impact of these consequences.

To ensure the effective implementation of the Risk Management Policy, clear roles and responsibilities for the Risk Management process have been established.

The Group Board has overall responsibility for ensuring the effectiveness of this framework. Each quarter the Group Board considers a summary of the Corporate Risk Register, that focuses on the highest scoring risks. Annually the Board undertakes a full review of the risk register and considers the independent risk consultant's report and recommendations.

The Board has delegated authority to the Group Audit and Risk Committee to regularly review the effectiveness of risk management, by considering the full detailed risk register each quarter. The Board then receives minutes, recommendations and update reports from the Group Audit and Risk Committee.

The Corporate Management Team are responsible for ensuring that the agreed Risk Policy and Risk Framework is effectively implemented and supported by the appropriate level of monitoring, reporting and management of risks. The risk management system requires a detailed risk register to be kept for each area of the business. Managers are required to undertake an ongoing and structured review of risks in their respective areas and to provide updates including any new and emerging risks.

The Group Board and Corporate Management Team considered the risks identified here as the Group's top scoring risks at this financial year end.

<b>Risk</b>	<b>Assessment and risk mitigation</b>
Performance failure by a major contractor	<ul style="list-style-type: none"> <li>The group review contractors financial wellbeing, ahead of initial appointment and on an ongoing basis.</li> </ul>
Non-compliance with fire safety regulations	<ul style="list-style-type: none"> <li>The group are conducting comprehensive fire risk assessments.</li> <li>Where required, remedial works are being undertaken to ensure our properties remain compliant.</li> </ul>
Cyber Security breach resulting in loss of customer data, or disruption to business operations	<ul style="list-style-type: none"> <li>CHS are continually investing in their Cyber Security defences and staff training at all levels to reduce the risks facing the organisation.</li> </ul>
Social Housing Pension Scheme costs are greater than planned	<ul style="list-style-type: none"> <li>CHS are considering a range of mitigation options, and have requested actuarial advice to assess our position.</li> </ul>
Failure to achieve the planned volume and Gross Operating Surplus from LCHO Shared Ownership First Tranche sales.	<ul style="list-style-type: none"> <li>Affordability test incorporated into scheme appraisal process.</li> <li>Assumed sales values scrutinised prior to project appraisal.</li> <li>Minimise sales times by selling off plan.</li> </ul>
Planned environmental and energy efficiency works not delivered.	<ul style="list-style-type: none"> <li>Contracts are managed to ensure the selected contractors complete the projects on time and to the required standard.</li> </ul>
Cost of borrowing is greater than planned	<ul style="list-style-type: none"> <li>High interest rates can mitigate the Groups ability to borrow money to complete its obligations.</li> <li>The group mitigates this by borrowing on fixed term rates</li> <li>If interest costs were to increase rapidly then the group could be in breach of its loan covenants.</li> </ul>
Financial failure of a major contractor.	<ul style="list-style-type: none"> <li>Recurring Independent check on financial well-being of major contractors using the Dunn &amp; Bradstreet alert system.</li> <li>Legal advice is sought prior to entering into significant development and maintenance contracts.</li> <li>Close working relationships with main repairs and maintenance contractors including regular liaison meetings and sharing of key performance data.</li> </ul>

## **Internal controls assurance**

### **Identification and evaluation of key risks**

A detailed database of all the risks to which the Group is exposed has been prepared and is updated quarterly. A methodology has been developed to quantify the potential impact of these risks, and controls to eliminate, mitigate or reduce these risks have been developed. Management responsibility for the identification, evaluation and control of significant risks has been clearly defined with quarterly reporting of changes to the overall risk profile as well as individual significant risks being made to the Board.

In addition, the risk database is reviewed annually by the Board as part of the annual business plan review to ensure that it provides a comprehensive and up to date representation of the strategic risks faced by the Group. Business risk assessments are carried out at department and business unit level and for new business opportunities. Cambridge and County Developments Limited, the group's main subsidiary, has its own risk database where its risk register is updated and reported to the Board quarterly.

The Corporate Management Team considers reports on the significant risks facing the group and the Company Secretary is responsible for reporting to the Board any significant changes affecting key risks or breakdowns of internal control. A process designed to further embed risk awareness throughout the Group is ongoing. The Board completed the latest biennial review and update of the risk management policy and framework in November 2024.

### **Monitoring and corrective action**

As part of the risk management process Directors carry out control evaluation relating to key risks in their areas and record if key controls are in place and working effectively or require improvements. Actions arising from identified control weakness are documented in the risk assessment. Management reporting on control provides hierarchical assurance to successive levels of management and to the Board. A process of corrective action to be taken in relation to any material control issues arising from independent internal and external audit reports is in place and subject to regular monitoring. The annual reports from the auditors are received by the Board.

The internal audit function carries out risk-based internal audits across the Group. The Group Audit and Risk Committee approve the audit plan and receive an annual report and assurance statement on internal control effectiveness. The Board receives a copy of this report in support of the Group Audit and Risk Committee's annual report to the group.

### **Control environment and control procedures**

The Board retains responsibility for a defined range of matters covering strategic, operational, financial, and compliance issues. The Board has adopted and disseminated to all employees a Code of Conduct for Employees. This sets out the Group's policies with regard to the quality, integrity, and ethics of its employees. It is supported by a framework of policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection, and fraud detection and prevention.

### **Fraud**

The Group's Anti-fraud policy covers the prevention, detection and reporting of fraud, including the recovery of assets, and reporting of incidents of fraud to the Regulator of Social Housing and the police. The Group maintains a register of actual and attempted frauds which the Board has reviewed as part of its annual review of the effectiveness of the Group's system of internal control. The Anti-fraud policy was last updated in August 2023.

### **Information and financial reporting**

The Group has developed a 30-year business model to inform the strategic planning and decision-making process of the Board. Financial reporting procedures include the preparation of detailed annual budgets with monthly management reviews of progress and quarterly reporting including analysis of significant variances to the Group Audit and Risk Committee and the Board. The Board also regularly reviews key performance indicators to assess progress towards the achievement of business objectives, targets, and outcomes.

### **Internal Audit**

The internal control framework and the risk management process are subject to on-going and regular review by internal audit. An ongoing process of internal audit inspections of key aspects of the internal controls system of the Group has been carried out by the internal auditors. The internal auditors report to the Group Audit and Risk Committee at each of their quarterly meetings. As well as identifying areas for improvement, the internal audit reports include a timetable for action. At each quarterly meeting of the Group Audit and Risk Committee reports on progress against the timetable for action are presented by management.

The Board has received a report from the Chief Executive and the Executive Directors of the Society and the Group on the system of internal controls in place, their operation over the period and their effectiveness. The Board has reviewed the system of internal controls in the light of the risks facing the organisation and the strategic objectives of the Group.

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

### **Public Benefit Entity**

As a public benefit entity, the Society has applied the public benefit entity 'PBE' prefixed paragraphs of Financial Reporting Standard 102.

### **National Housing Federation Code of Governance**

The Board has adopted the National Housing Federation's Code of Governance 2020 and complies with all aspects of the Code.

### **Compliance with Governance and Financial Viability Standard**

The Board confirms that the Group has met the regulatory expectations in the governance and financial viability standard.

### **Details of post statement of financial position events**

There have been no significant events between the year-end date and the date of approval of these financial statements which would require an adjustment to the financial statements.

### **Information for Auditors**

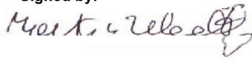
The Board members who held office at the date of approval of this Strategic Report confirm that, so far as they are each aware, there is no relevant audit information of which the Association's auditors are unaware; and each Board member has taken all the steps that they ought to have taken as a Board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

Beever and Struthers have expressed their willingness to continue in office as the Group's auditors. Accordingly, a resolution to re-appoint them as auditors will be proposed at the forthcoming Annual General Meeting.

## **Statement of Compliance**

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in paragraph 4.7 of the 2018 SORP for Registered Social Housing Providers.

The Report of the Board was approved on 2<sup>nd</sup> September 2025 and signed on its behalf by:

Signed by:  
  
D27C318A6D644A5...

Martin Wheatley  
Chair

Date: 2 September 2025

Registered address:  
Endurance House  
Chivers Way  
Histon  
Cambridge  
CB24 9ZR

## **Opinion**

We have audited the financial statements of The Cambridge Housing Society Limited (the Society) and its subsidiaries (the Group) for the year ended 31 March 2025 which comprise the Consolidated and Society Statement of Comprehensive Income, Consolidated and Society Statement of Financial Position, Consolidated Statement of Changes in Reserves, Society Statement of Changes in Reserves, Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. 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 Society's affairs as at 31 March 2025 and of the Group's income and expenditure and the Society's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Society 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 the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other information**

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

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

We have nothing to report in this regard.

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

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

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

## **Responsibilities of the Board**

As explained more fully in the Statement of Board's Responsibilities set out on page 20, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

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

- We obtained an understanding of laws and regulations that affect the Group and Society, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

## **Use of our report**

This report is made solely to the Society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Society 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 Society for our audit work, for this report, or for the opinions we have formed.



### **Beever and Struthers, Statutory Auditor**

150 Minories  
EC3N 1LS  
London

Date 23 September 2025  
.....

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Statement of comprehensive income**

			Group			Group	
		2025	2025	2025	2024	2024	2024
		Continuing	Discontinued	Total	Continuing	Discontinued	Total
	Note	operations	Operations		operations	Operations	
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Turnover</b>	3-4	<b>29,768</b>	-	<b>29,768</b>	27,077	3,104	30,181
Cost of sales	3-4	(626)	-	(626)	(1,034)	-	(1,034)
Operating costs	3-4	(20,343)	-	(20,343)	(16,618)	(2,022)	(18,640)
Other operating income	3-4	-	-	-	-	-	-
Surplus on disposal of fixed assets	6	1,690	-	1,690	5,928	-	5,928
<b>Operating surplus</b>		<b>10,489</b>	-	<b>10,489</b>	15,353	1,082	16,435
Interest receivable	7	926	-	926	865	-	865
Interest payable and financing costs	8	(7,037)	-	(7,037)	(7,180)	-	(7,180)
<b>Surplus before tax</b>	10	<b>4,378</b>	-	<b>4,378</b>	9,038	1,082	10,120
Taxation	11	-	-	-	-	-	-
<b>Surplus for the year</b>		<b>4,378</b>	-	<b>4,378</b>	9,038	1,082	10,120
<b>Other comprehensive income</b>							
Actuarial (losses)/gains in respect of pension scheme	14	396	-	396	(1,184)	-	(1,184)
<b>Total comprehensive income for the year</b>		<b>4,774</b>	-	<b>4,774</b>	7,854	1,082	8,936

The Consolidated and Society's results do not relate wholly to continuing activities. The distribution is shown above. The notes on pages 36 to 73 form an integral part of these financial statements.

The financial statements on pages 27 to 73 were approved and authorised for issue by the Board on 2<sup>nd</sup> September 2025 and were signed on its behalf by:

Signed by:  
  
D27C318A6D644A5...

Signed by:  
  
3192FCBAFF95413...

Signed by:  
  
F32DD3D7EFD041D...

Martin Wheatley Chair

Alex Colyer Board Member

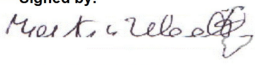

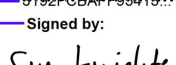
Sue Knights Company Secretary

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Statement of comprehensive income**

		Society			Society		
		2025	2025	2025	2024	2024	2024
		Continuing	Discontinued	Total	Continuing	Discontinued	Total
	Note	operations	Operations		operations	Operations	
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Turnover</b>	3-4	<b>29,739</b>	-	<b>29,739</b>	27,065	3,104	30,169
Cost of sales	3-4	(621)	-	(621)	(1,079)	-	(1,079)
Operating costs	3-4	(20,422)	-	(20,422)	(16,930)	(2,022)	(18,952)
Other operating income	3-4	-	-	-	-	-	-
Surplus on disposal of fixed assets	6	1,690	-	1,690	5,928	-	5,928
<b>Operating surplus</b>		<b>10,386</b>	-	<b>10,386</b>	14,984	1,082	16,066
Interest receivable	7	1,025	-	1,025	948	-	948
Interest payable and financing costs	8	(7,037)	-	(7,037)	(7,180)	-	(7,180)
<b>Surplus before tax</b>	10	<b>4,374</b>	-	<b>4,374</b>	8,752	1,082	9,834
Taxation	11	-	-	-	-	-	-
<b>Surplus for the year</b>		<b>4,374</b>	-	<b>4,374</b>	8,752	1,082	9,834
<b>Other comprehensive income</b>							
Actuarial (losses)/gains in respect of pension scheme	14	396	-	396	(1,184)	-	(1,184)
<b>Total comprehensive income for the year</b>		<b>4,770</b>	-	<b>4,770</b>	7,568	1,082	8,650

The Consolidated and Society's results do not relate wholly to continuing activities. The distribution is shown above. The notes on pages 36 to 73 form an integral part of these financial statements.

The financial statements on pages 27 to 73 were approved and authorised for issue by the Board on 2<sup>nd</sup> September 2025 and were signed on its behalf by:

Signed by:  
  
 .....D27C318A6D644A5.....  
 Signed by:  
  
 .....8192FCBAFF95418.....  
 Signed by:  
  
 .....F32DD3D7EFD04TD.....

Martin Wheatley Chair

Alex Colyer Board Member

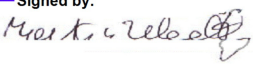
Sue Knights Company Secretary

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Statement of financial position**


		Group		Society	
	Note	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Fixed assets</b>					
Housing properties	16	<b>243,647</b>	242,729	<b>244,035</b>	243,111
Other tangible fixed assets	17	<b>5,888</b>	5,998	<b>5,888</b>	5,998
Investment property	18	<b>240</b>	240	<b>240</b>	240
		<b>249,775</b>	248,967	<b>250,163</b>	249,349
<b>Current assets</b>					
Stock	19	<b>1,017</b>	994	<b>408</b>	398
Trade and other debtors	20	<b>1,736</b>	2,951	<b>2,311</b>	3,482
Cash and cash equivalents	21	<b>23,778</b>	22,446	<b>23,683</b>	22,367
		<b>26,531</b>	26,391	<b>26,402</b>	26,247
<b>Creditors: amounts falling due within one year</b>	22	<b>(46,426)</b>	(7,721)	<b>(46,360)</b>	(7,631)
<b>Net current assets / (liabilities)</b>		<b>(19,895)</b>	18,670	<b>(19,958)</b>	18,616
<b>Total assets less current liabilities</b>		<b>229,880</b>	267,637	<b>230,205</b>	267,965
<b>Creditors: amounts falling due after more than one year</b>	23	<b>(167,117)</b>	(208,368)	<b>(167,076)</b>	(208,326)
<b>Provision for liabilities</b>					
Pension - defined benefit liability	15	<b>(2,910)</b>	(4,190)	<b>(2,910)</b>	(4,190)
<b>Total net assets</b>		<b>59,853</b>	55,079	<b>60,219</b>	55,449
<b>Reserves</b>					
Revenue reserve		<b>59,288</b>	54,514	<b>59,659</b>	54,889
Restricted reserves	30	<b>380</b>	380	<b>375</b>	375
Investment property revaluation reserve		<b>185</b>	185	<b>185</b>	185
<b>Total reserves</b>		<b>59,853</b>	55,079	<b>60,219</b>	55,449

The notes on pages 36 to 73 form an integral part of these financial statements.

The financial statements on pages 27 to 73 were approved and authorised for issue by the Board on 2<sup>nd</sup> September 2025 and were signed on its behalf by:

Signed by:  
  
D27C318A8D64A8.....

Martin Wheatley      Chair

Signed by:  
  
3192FC8A7FF95413.....

Alex Colyer      Board Member

Signed by:  
  
F32DD3D7EFD041D.....

Sue Knights      Company Secretary

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Statement of changes in reserves**

Group	Revenue reserve £'000	Restricted reserve £'000	Investment property revaluation reserve £'000	Total equity £'000
<b>Balance at 1 April 2023</b>	<b>45,461</b>	<b>497</b>	<b>344</b>	<b>46,302</b>
Surplus from statement of comprehensive income	10,120	-	-	10,120
<b>Other comprehensive income:</b>				
Actuarial gains/(losses) in respect of pension scheme	(1,184)	-	-	(1,184)
<b>Reserves transfers:</b>				
Transfer of revenue reserve to restricted reserve	117	(117)	-	-
<b>Amenity funds:</b>				
Realised value of funds on disposal	-	-	(159)	(159)
	-	-	-	-
<b>Balance at 31 March 2024</b>	<b>54,514</b>	<b>380</b>	<b>185</b>	<b>55,079</b>
<b>Balance at 1 April 2024</b>	<b>54,514</b>	<b>380</b>	<b>185</b>	<b>55,079</b>
Surplus from statement of comprehensive income	4,378	-	-	4,378
<b>Other comprehensive income:</b>				
Actuarial (losses)/gains in respect of pension scheme	396	-	-	396
<b>Reserves transfers:</b>				
Transfer of revenue reserve to restricted reserve	-	-	-	-
Gain on disposal of revalued investment properties	-	-	-	-
<b>Amenity funds:</b>				
Realised value of funds on disposal	-	-	-	-
	-	-	-	-
<b>Balance at 31 March 2025</b>	<b>59,288</b>	<b>380</b>	<b>185</b>	<b>59,853</b>

The notes on pages 36 to 73 form an integral part of these financial statements.

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Statement of changes in reserves**

<b>Society</b>	<b>Revenue reserve £'000</b>	<b>Restricted reserve £'000</b>	<b>Investment property revaluation reserve £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 April 2023</b>	<b>46,122</b>	<b>492</b>	<b>344</b>	<b>46,958</b>
Surplus from statement of comprehensive income	9,834	-	-	9,834
<b>Other comprehensive income:</b>				
Actuarial gains/(losses) in respect of pension scheme	(1,184)	-	-	(1,184)
<b>Reserves transfers:</b>				
Transfer of revenue reserve to restricted reserve	117	(117)	-	-
<b>Amenity funds:</b>				
Realised value of funds on disposal	-	-	(159)	(159)
	-	-	-	-
<b>Balance at 31 March 2024</b>	<b>54,889</b>	<b>375</b>	<b>185</b>	<b>55,449</b>
<b>Balance at 1 April 2024</b>	<b>54,889</b>	<b>375</b>	<b>185</b>	<b>55,449</b>
Surplus from statement of comprehensive income	4,374	-	-	4,374
<b>Other comprehensive income:</b>				
Actuarial (losses)/gains in respect of pension scheme	396	-	-	396
<b>Reserves transfers:</b>				
Transfer of revenue reserve to restricted reserve	-	-	-	-
Gain on disposal of revalued investment properties	-	-	-	-
<b>Amenity funds:</b>				
Realised value of funds on disposal	-	-	-	-
	-	-	-	-
<b>Balance at 31 March 2025</b>	<b>59,659</b>	<b>375</b>	<b>185</b>	<b>60,219</b>

The notes on pages 36 to 73 form an integral part of these financial statements.

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Consolidated statement of cash flows**

	<b>2025</b>	2024
	<b>£'000</b>	£'000
<b>Net cash generated from operating activities (see note i)</b>	<b>11,689</b>	13,477
<b>Cash flow from investing activities</b>		
Proceeds from sale of housing properties	<b>2,691</b>	12,285
Proceeds from sale of other fixed assets	-	124
Sale of Investment properties	-	575
Purchase of housing properties	<b>(4,948)</b>	(9,863)
Purchase of other fixed assets	<b>(147)</b>	(274)
Receipt of grant	-	(1,157)
Interest received	<b>926</b>	865
<b>Net cash from investing activities</b>	<b>(1,478)</b>	2,555
<b>Cash flow from financing activities</b>		
Interest paid	<b>(7,013)</b>	(7,180)
Repayment of loans - bank	<b>(1,897)</b>	(1,784)
New Lease liability	<b>37</b>	-
Lease repayments	<b>(6)</b>	-
<b>Net cash from financing activities</b>	<b>(8,879)</b>	(8,964)
<b>Net change in cash and cash equivalents</b>	<b>1,332</b>	7,068
Cash and cash equivalents the beginning of the year	<b>22,446</b>	15,378
<b>Cash and cash equivalents at the end of the year</b>	<b>23,778</b>	22,446

<b>Note i</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cash flow from operating activities</b>		
Surplus for the year	<b>4,378</b>	10,120
<b>Adjustments for non-cash items:</b>		
Depreciation of housing properties	<b>2,488</b>	2,495
Depreciation of other fixed assets	<b>259</b>	210
Impairment of fixed assets	-	-
Amortised grant	<b>(898)</b>	(399)
Decrease in deferred grant	<b>(452)</b>	
Decrease in stocks	<b>516</b>	2,077
Decrease / (Increase) in trade and other debtors	<b>1,216</b>	(500)
(Decrease)/increase in trade creditors	<b>645</b>	106
Pension funding	<b>(884)</b>	(860)
Net fair value (gains) recognised	-	(159)
<b>Adjustments for investing or financing activities:</b>		
Movement on disposals and sales	<b>(1,690)</b>	(5,928)
Interest payable and finance cost	<b>7,037</b>	7,180
Interest receivable	<b>(926)</b>	(865)
<b>Net cash generated from operating activities</b>	<b>11,689</b>	13,477

The notes on pages 36 to 73 form an integral part of these financial statements.

## 1. Legal status

The Cambridge Housing Society Limited is incorporated in England and Wales under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Housing Association. The registered office is Endurance House, Chivers Way, Histon, Cambridge CB24 9ZR. The Cambridge Housing Society Group's principal activity is to provide social housing.

The Group comprises the following entities:

<b>Name</b>	<b>Incorporation</b>	<b>Registered/Non-registered with Regulator of Social Housing</b>
Cambridge and County Developments Limited	Companies Act 2006	Non-registered
Plantsilver Limited	Companies Act 2006	Non-registered
Waters Almshouses	Co-operative and Community Benefit Societies Act 2014	Registered

## 2. Accounting policies

### Basis of preparation

The Group's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018. The Group is required under the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969 to prepare consolidated Group financial statements.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of investments and are presented in sterling £'000 for the year ended 31 March 2025.

The Group's financial statements have been prepared in compliance with FRS 102. The Group meets the definition of a public benefit entity (PBE).

### Parent company disclosure exemptions

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

- No cash flow statement has been presented for the Parent Entity,
- Disclosures in respect of the Parent Entity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole, and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Entity as their remuneration is included in the totals for the Group as a whole.

### Basis of consolidation

The consolidated financial statements incorporate the results of The Cambridge Housing Society Limited and all of its subsidiary undertakings as at 31 March 2025 using the acquisition method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition, being the date the Group obtains control.

The Society controls Waters Almshouses by virtue of its appointment as corporate trustee. The results of Waters Almshouses have been consolidated in these financial statements.

### **Going concern**

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted in the business plan updated for 2024/25 and therefore we consider it appropriate to continue to prepare the financial statements on a going concern basis.

### **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- a. **Development expenditure.** The Group capitalises development expenditure in accordance with the accounting policy described on page 39. Initial capitalisation of costs is based on management's judgement that the development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
- b. **Categorisation of housing properties.** The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that market rented property and student accommodation are investment properties.
- c. **Impairment.** The Group considers whether indicators of impairment exist in relation to tangible assets. Indicators considered include external sources of information such as market value, market interest rates and returns on investment, actual or proposed changes to the technological, economic, or legal environment, obsolescence or damage to the asset, operational changes or internal reporting which indicates that the asset is performing worse than expected. The Group also considers expected future performance of the asset. See note 15 for more information. Any impairment loss is charged to the Statement of Comprehensive Income.

Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value less costs to sell or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

Following a trigger for impairment, the Group perform impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Group as the existing property. The cash flows are derived from the business plan for the next 5 years and do not include restructuring activities that the Group is not yet permitted to or significant future investments that will enhance the assets' performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

- d. **Pension and other post-employment benefits.** The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 14.

***Other key sources of estimation and assumptions:***

- a. **Tangible fixed assets.:** Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying value of tangible fixed assets at 31 March 2025 was £249.7m.
- b. **Revaluation of investment properties.** The Group carries its investment property at fair value and engages independent valuers when required to determine fair value using a valuation technique based on a discounted cash flow model. The calculated fair value of the investment property therefore uses assumptions, of which the most sensitive relate to the estimated yield and the long-term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 17. The carrying value of investment properties at 31 March 2025 was £240k.

**Turnover and revenue recognition**

Turnover represents rental income receivable, amortised capital grant, revenue grants from Local Authorities and Homes England, income from the sale of shared ownership and other properties developed for outright sale and other income.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. Supporting People Income is recognised under the contractual arrangements.

**Service charges**

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required, a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

**Loan interest costs**

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

**Loan finance issue costs**

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

## **Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in The Statement of Comprehensive Income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

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 Society's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits,
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- Where timing differences relate to interests in subsidiaries, associates and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## **Value Added Tax**

The Group charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the financial statements are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

## **Tangible fixed assets - housing properties**

Tangible fixed assets are stated at cost, less accumulated depreciation. Donated land/assets or assets acquired at below market value from a government source, i.e. Local Authority, are included as a liability in the Statement of Financial Position at the fair value less consideration paid.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction. For mixed tenure housing properties, costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure, costs are allocated on a floor area or unit basis depending on appropriateness for each scheme.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UEs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Group depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories. Shared ownership properties are not depreciated.

UEs for identified components are as follows:

- |   |           |
|---|-----------|
| • Structure                             | 100 years |
| • Roofs                                 | 60 years  |
| • Heating systems                       | 35 years  |
| • Bathrooms, windows, doors, and wiring | 30 years  |

- |                                  |          |
|----------------------------------|----------|
| • Solar Panels                   | 25 years |
| • Kitchens                       | 20 years |
| • Boilers, Air Source Heat Pumps | 15 years |

The Group depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

#### **Tangible fixed assets – non-housing**

Other tangible assets include those assets with an individual value in excess of £500.

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

- |  |               |
|--|---------------|
| • Freehold office buildings                                | 100 years     |
| • Furniture, fixtures and fittings, computers and software | 4 to 10 years |

#### **Low cost home ownership properties**

The costs of low-cost home ownership properties are split between current and tangible fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a tangible fixed asset and subsequent sales treated as sales of fixed assets/property sales in operating profit.

#### **Capitalisation of interest and administration costs**

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

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

#### **Property managed by agents**

Where the Group carries the majority of the financial risk on property managed by agents, income arising from the property is included in the Statement of Comprehensive Income.

Where the agency carries the majority of the financial risk, income includes only that which relates solely to the Group.

In both cases, the assets and associated liabilities are included in the Group's Statement of Financial Position.

#### **Investment property**

Investment property includes commercial and other properties not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by qualified valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location, or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive income. There are no restrictions on realisation or remittance of income or disposal proceeds.

#### **Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

#### **Current asset investments**

Current asset investments include cash and cash equivalents invested for periods of more than 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the Statement of Comprehensive Income.

### **Stock and properties held for sale**

Stocks of materials are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Properties developed for outright sale are included in current assets as they are intended to be sold at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

### **Short-term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

### **Non-government grants**

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as Turnover.

### **Social Housing and other government grants**

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

The Society received Social Housing Decarbonisation Fund (SHDF) grant from the government. This grant was for £949k intended to bring 119 properties owned by the Society to EPC C. £530k of this grant has been recognised in Turnover in 2024-25.

Grants received in advance of their performance obligations being completed are recognised in current liabilities.

### **Non-monetary government grant**

On disposal assets for which non-monetary government grants are held as liabilities in the Statement of Financial Position, the unamortised amount in creditors is derecognised and recognised as income in the Statement of Comprehensive Income.

### **Recycling of Capital Grant**

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

### **Holiday pay accrual**

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

### **Agreements to improve existing properties**

Where the Society has entered into agreements to purchase property from a third party and subsequently enters into a sub-contracting agreement to carry out improvement works to the properties, the related assets and liabilities are shown at gross values unless the right of net settlement exists.

### **Retirement benefits**

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

A liability for the Group's pension obligations is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Further details of the assumptions and the pension plans are in note 14.

### **Investment Property Revaluation Reserve**

The investment property revaluation reserve represents the difference between the fair value of properties held for investment and the historical cost carrying value.

### **Restricted Reserve**

The Group holds a restricted reserve of £380k which relates to Amenity funds. This reserve can only be utilised in accordance with the wishes of the funders. Movements in reserves are shown in the Consolidated Statement of Changes in Reserves and a further detail is in note 29.

### **Amenity and Bursary Funds**

Charitable funds are held for the benefit of residents of certain residential homes for older people and special needs projects or to establish a bursary fund to assist parents on low incomes to pay the fees of the pre-school nursery.

### **Financial Instruments**

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through the Statement of Comprehensive Income, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

- Debt instruments that meet the conditions in paragraph 11.8(b) or 11.8(bA) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.
- Commitments to receive or make a loan to another entity which meet the conditions in para 11.8(c) of FRS 102 are measured at cost less impairment.
- Investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are measured at:
  - Fair value with changes in fair value recognised in the Statement of Comprehensive Income if the shares are publicly traded or their value can otherwise be measured reliably, and
  - At cost less impairment for all other such investments.

Financial instruments held by the Group are classified as follows:

- Financial assets such as current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method, Cash is held at cost.
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method,
- Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method,
- Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment,

- An investment in another entity's equity instruments other than non-convertible preference shares and non-puttable ordinary and preference shares are held at fair value,
- Derivatives such as interest rate swaps are classified as financial assets or financial liabilities at fair value.

Financial assets and financial liabilities at fair value are classified using the following fair value hierarchy:

- a. The best evidence of fair value is a quoted price in an active market.
- b. When quoted prices are unavailable, the price of a recent transaction for an identical asset, adjusted to reflect any circumstances specific to the sale, such as a distress sale, if appropriate.
- c. Where there is no active market or recent transactions then a valuation technique is used to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

### **Loans**

All loans held by the Group are classified as basic financial instruments in accordance with FRS 102. They are measured at transaction price plus transaction costs initially, and subsequently at amortised cost using the effective interest rate method. Loans repayable within one year are not discounted.

### **Impairment of Financial Assets**

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income immediately.

The following financial instruments are assessed individually for impairment:

- a. All equity instruments regardless of significance; and
- b. other financial assets that are individually significant.

Other financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

- a. For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- b. For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in the Statement of Comprehensive Income immediately.

### **Sinking Funds**

The Group sets aside amounts for future major repairs expenditure on housing property. These are held in long-term creditors.

### **Discontinued operations**

In the year ended 2024 the group disposed of its residential care operations. In line with FRS 102 the statement of comprehensive income shows the profits from the discontinued operations separately.

### 3. Turnover, operating cost and operating surplus/(deficit)

Group					
	Turnover	Cost of	Operating	Surplus on	Operating
	2025	Sales	costs	disposal of	Surplus/
	2025	2025	2025	fixed assets	(Deficit)
	£'000	£'000	£'000	2025	2025
				£'000	£'000
<b>Social housing lettings (note 4):</b>					
General needs	17,358	-	(10,345)	-	<b>7,013</b>
Supported housing and sheltered housing	3,452	-	(3,396)	-	<b>56</b>
Housing with care lettings	2,285	-	(2,249)	-	<b>36</b>
Shared ownership	2,322	-	(984)	-	<b>1,338</b>
	25,417	-	(16,974)	-	<b>8,443</b>
<b>Other social housing activities:</b>					
First tranche low-cost home ownership sales	1,047	(621)	-	-	<b>426</b>
Housing with care spot hours and community services	942	-	(1,016)	-	<b>(74)</b>
Residential care	-	-	-	-	<b>-</b>
Community investment activities	536	-	(652)	-	<b>(116)</b>
Other Activities	833	-	(847)	-	<b>(14)</b>
	3,358	(621)	(2,515)	-	<b>222</b>
<b>Non-social housing activities:</b>					
Surplus on disposal of fixed assets (note 6)	-	(5)	2	1,690	<b>1,687</b>
Market rents	17	-	(2)	-	<b>15</b>
Office lettings	390	-	(132)	-	<b>258</b>
Other	527	-	(663)	-	<b>(136)</b>
	934	(5)	(795)	1,690	<b>1,824</b>
	<b>29,709</b>	<b>(626)</b>	<b>(20,284)</b>	<b>1,690</b>	<b>10,489</b>
<b>Other:</b>					
Net income from Amenity Funds	59	-	(59)	-	<b>-</b>
<b>Total</b>	<b>29,768</b>	<b>(626)</b>	<b>(20,343)</b>	<b>1,690</b>	<b>10,489</b>

There were no impairment charges during the year (2024: £nil). During the current year the Society was advised that the Looked After Children activities should be recognised under Non-Social housing activities. This has been adjusted for the current year financial statements, but remains under Other social housing activities in the prior year. The turnover in the current year was £479k (2024: £455K). Operating costs in the current year were £519k (2024: £416k) This contributed a deficit of -£40k (2024:£39k Surplus).

**Group**

	Turnover 2024 £'000	Cost of Sales 2024 £'000	Operating costs 2024 £'000	Surplus on disposal of fixed assets 2024 £'000	Operating Surplus/ (Deficit) 2024 £'000
<b>Social housing lettings (note 4):</b>					
General needs	15,110	-	(8,126)	-	6,984
Supported housing and sheltered housing	2,922	-	(2,517)	-	405
Housing with care lettings	2,062	-	(1,831)	-	231
Shared ownership	2,096	-	(827)	-	1,269
	22,190	-	(13,301)	-	8,889
<b>Other social housing activities:</b>					
First tranche low-cost home ownership sales	1,697	(1,079)	-	-	618
Housing with care spot hours and community services	991	-	(911)	-	80
Residential care	3,104	-	(2,022)	-	1,082
Community investment activities	601	-	(794)	-	(193)
Other Activities	1,237	-	(1,095)	-	142
	7,630	(1,079)	(4,822)	-	1,729
<b>Non-social housing activities:</b>					
Surplus on disposal of fixed assets (note 6)	-	45	(6)	5,928	5,967
Market rents	17	-	(2)	-	15
Nurseries	-	-	(5)	-	(5)
Office lettings	286	-	(98)	-	188
Other	46	-	(277)	-	(231)
	349	45	(388)	5,928	5,934
	30,169	(1,034)	(18,511)	5,928	16,552
<b>Other:</b>					
Net income from Amenity Funds	12	-	(129)	-	(117)
<b>Total</b>	<b>30,181</b>	<b>(1,034)</b>	<b>(18,640)</b>	<b>5,928</b>	<b>16,435</b>

**Society**

	Turnover 2025 £'000	Cost of Sales 2025 £'000	Operating costs 2025 £'000	Surplus on disposal of fixed assets 2025 £'000	Operating Surplus/ (Deficit) 2025 £'000
<b>Social housing lettings (note 4):</b>					
General needs	17,324	-	(10,317)	-	<b>7,007</b>
Supported housing and sheltered housing	3,452	-	(3,396)	-	<b>56</b>
Housing with care lettings	2,285	-	(2,249)	-	<b>36</b>
Shared ownership	2,322	-	(984)	-	<b>1,338</b>
	<b>25,383</b>	<b>-</b>	<b>(16,946)</b>	<b>-</b>	<b>8,437</b>
<b>Other social housing activities:</b>					
First tranche low-cost home ownership sales	1,047	(621)	-	-	<b>426</b>
Housing with care spot hours and community services	942	-	(1,016)	-	<b>(74)</b>
Residential care	-	-	-	-	<b>-</b>
Community investment activities	536	-	(652)	-	<b>(116)</b>
Other Activities	833	-	(847)	-	<b>(14)</b>
	<b>3,358</b>	<b>(621)</b>	<b>(2,515)</b>	<b>-</b>	<b>222</b>
<b>Non-social housing activities:</b>					
Surplus on disposal of fixed assets (note 6)	-	-	-	1,690	<b>1,690</b>
Market rents	17	-	(2)	-	<b>15</b>
Office lettings	390	-	(132)	-	<b>258</b>
Other	532	-	(768)	-	<b>(236)</b>
	<b>939</b>	<b>-</b>	<b>(902)</b>	<b>1,690</b>	<b>1,727</b>
	<b>29,680</b>	<b>(621)</b>	<b>(20,363)</b>	<b>1,690</b>	<b>10,386</b>
<b>Other:</b>					
Net income from Amenity Funds	59	-	(59)	-	<b>-</b>
<b>Total</b>	<b>29,739</b>	<b>(621)</b>	<b>(20,422)</b>	<b>1,690</b>	<b>10,386</b>

There were no impairment charges during the year (2024: £nil). During the current year the Looked After Children activities have been recategorised under Non-Social housing activities. This has been adjusted for the current year financial statements, but remains under Other social housing activities in the prior year. The turnover in the current year was £479k (2024: £455K). Operating costs in the current year were £519k (2024: £416k) This contributed a deficit of -£40k (2024:£39k Surplus).

**Society**

	Turnover 2024 £'000	Cost of Sales 2024 £'000	Operating costs 2024 £'000	Surplus on disposal of fixed assets 2024 £'000	Operating Surplus/ (Deficit) 2024 £'000
<b>Social housing lettings (note 4):</b>					
General needs	15,078	-	(8,094)	-	6,984
Supported housing and sheltered housing	2,922	-	(2,517)	-	405
Housing with care lettings	2,062	-	(1,831)	-	231
Shared ownership	2,096	-	(827)	-	1,269
	22,158	-	(13,269)	-	8,889
<b>Other social housing activities:</b>					
First tranche low-cost home ownership sales	1,697	(1,079)	-	-	618
Housing with care spot hours and community services	991	-	(911)	-	80
Residential care	3,104	-	(2,022)	-	1,082
Community investment activities	601	-	(794)	-	(193)
Other Activities	1,237	-	(1,095)	-	142
	7,630	(1,079)	(4,822)	-	1,729
<b>Non-social housing activities:</b>					
Surplus on disposal of fixed assets (note 6)	-	-	-	5,928	5,928
Market rents	17	-	(2)	-	15
Nurseries	-	-	(5)	-	(5)
Office lettings	286	-	(98)	-	188
Other	66	-	(627)	-	(561)
	369	-	(732)	5,928	5,565
	30,157	(1,079)	(18,823)	5,928	16,183
<b>Other:</b>					
Net income from Amenity Funds	12	-	(129)	-	(117)
<b>Total</b>	<b>30,169</b>	<b>(1,079)</b>	<b>(18,952)</b>	<b>5,928</b>	<b>16,066</b>

#### 4. Turnover, operating cost and operating surplus from social housing lettings

Group	General needs 2025 £'000	Supported and sheltered 2025 £'000	Housing with care lettings 2025 £'000	Shared ownership 2025 £'000	Total 2025 £'000	Total 2024 £'000
Income						
Rent receivable net of identifiable service charges	15,188	1,533	897	1,901	<b>19,519</b>	17,777
Service charges receivable	668	904	452	410	<b>2,434</b>	2,182
Amortised government grant	681	77	100	11	<b>869</b>	818
Other income	821	938	836	-	<b>2,595</b>	1,413
	17,358	3,452	2,285	2,322	<b>25,417</b>	22,190
Other operating income						
Total income from social housing lettings	17,358	3,452	2,285	2,322	<b>25,417</b>	22,190
Expenditure						
Management costs	(3,294)	(787)	(425)	(592)	<b>(5,098)</b>	(4,334)
Service costs	(544)	(968)	(496)	(392)	<b>(2,400)</b>	(1,899)
Support costs	-	(576)	(533)	-	<b>(1,109)</b>	(1,032)
Routine maintenance	(2,614)	(790)	(576)	-	<b>(3,980)</b>	(2,274)
Planned maintenance	(1,397)	(81)	(20)	-	<b>(1,498)</b>	(784)
Bad debts	(60)	1	(12)	-	<b>(71)</b>	(99)
Depreciation of housing properties	(2,189)	(176)	(161)	-	<b>(2,526)</b>	(2,625)
Other costs	(247)	(19)	(26)	-	<b>(292)</b>	(254)
Total expenditure on social housing lettings	(10,345)	(3,396)	(2,249)	(984)	<b>(16,974)</b>	(13,301)
Surplus on social housing lettings	<b>7,013</b>	<b>56</b>	<b>36</b>	<b>1,338</b>	<b>8,443</b>	8,889
Void losses	73	9	42	16	<b>140</b>	295

Other income includes £530k (2024: nil) of Social Housing Decarbonisation Fund Grant income received.

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Notes to the financial statements**

Society	General needs 2025 £'000	Supported and sheltered 2025 £'000	Housing with care lettings 2025 £'000	Shared ownership 2025 £'000	Total 2025 £'000	Total 2024 £'000
Income						
Rent receivable net of identifiable service charges	15,155	1,533	897	1,901	<b>19,486</b>	17,746
Service charges receivable	668	904	452	410	<b>2,434</b>	2,182
Amortised government grant	680	77	100	11	<b>868</b>	817
Other income	821	938	836	-	<b>2,595</b>	1,413
	17,324	3,452	2,285	2,322	<b>25,383</b>	22,158
Other operating income						
Total income from social housing lettings	17,324	3,452	2,285	2,322	<b>25,383</b>	22,158
Expenditure						
Management costs	(3,292)	(787)	(425)	(592)	<b>(5,096)</b>	(4,328)
Service costs	(531)	(968)	(496)	(392)	<b>(2,387)</b>	(1,886)
Support costs	0	(576)	(533)	0	<b>(1,109)</b>	(1,032)
Routine maintenance	(2,606)	(790)	(576)	0	<b>(3,972)</b>	(2,266)
Planned maintenance	(1,397)	(81)	(20)	0	<b>(1,498)</b>	(784)
Bad debts	(60)	1	(12)	0	<b>(71)</b>	(99)
Depreciation of housing properties	(2,184)	(176)	(161)	0	<b>(2,521)</b>	(2,620)
Other costs	(247)	(19)	(26)	0	<b>(292)</b>	(254)
Total expenditure on social housing lettings	(10,317)	(3,396)	(2,249)	(984)	<b>(16,946)</b>	(13,269)
Surplus on social housing lettings	<b>7,007</b>	<b>56</b>	<b>36</b>	<b>1,338</b>	<b>8,437</b>	8,889
Void losses	73	9	42	16	140	295

Void losses are rental income lost as a result of property not being let, although it is available for letting.

Other income includes £530k (2024: nil) of Social Housing Decarbonisation Fund Grant income received.

## 5. Accommodation owned, managed and in development

Group	At 31 March 2024	Additions	Disposals	Other transfers	At 31 March 2025
<b>Social housing accommodation</b>					
General needs:					
Social rent	1,815	-	(3)	(1)	1,811
Affordable rent	324	7	-	-	331
Intermediate market rent	2	-	-	-	2
	<b>2,141</b>	<b>7</b>	<b>(3)</b>	<b>(1)</b>	<b>2,144</b>
<b>Supported housing and housing for older people:</b>					
Supported housing	164	-	-	-	164
Housing for older people	205	-	-	5	210
	<b>369</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>374</b>
Low-cost home ownership	445	7	(9)	-	443
Leasehold	24	-	-	-	24
Care homes	8	-	-	(8)	-
<b>Total Social Housing units owned and managed</b>	<b>2,987</b>	<b>14</b>	<b>(12)</b>	<b>(4)</b>	<b>2,985</b>
<b>Non-Social Housing accommodation</b>					
Market Rent	1	-	-	-	1
Children's Home	-	-	-	8	8
<b>Total units owned and managed</b>	<b>2,988</b>	<b>14</b>	<b>(12)</b>	<b>4</b>	<b>2,994</b>
<b>Accommodation owned but managed by others:</b>					
Units leased to others	28	-	-	-	28
Units managed by others	31	-	-	-	31
	<b>3,047</b>	<b>14</b>	<b>(12)</b>	<b>4</b>	<b>3,053</b>
Housing units contracted in development	10				30

<b>Society</b>	<b>At 31 March 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Other transfers</b>	<b>At 31 March 2025</b>
<b>Social housing accommodation</b>					
General needs:					
Social rent	1,809	-	(3)	(1)	1,805
Affordable rent	324	7	-	-	331
Intermediate market rent	2	-	-	-	2
	<b>2,135</b>	<b>7</b>	<b>(3)</b>	<b>(1)</b>	<b>2,138</b>
<b>Supported housing and housing for older people:</b>					
Supported housing	164	-	-	-	164
Housing for older people	205	-	-	5	210
	<b>369</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>374</b>
Low-cost home ownership	445	7	(9)	-	443
Leasehold	24	-	-	-	24
Care homes	8	-	-	(8)	-
<b>Total Social Housing units owned and managed</b>	<b>2,981</b>	<b>14</b>	<b>(12)</b>	<b>(4)</b>	<b>2,979</b>
<b>Non-Social Housing accommodation</b>					
Market Rent	1	-	-	-	1
Children's Home	-	-	-	8	8
<b>Total units owned and managed</b>	<b>2,982</b>	<b>14</b>	<b>(12)</b>	<b>4</b>	<b>2,988</b>
<b>Accommodation owned but managed by others:</b>					
Units leased to others	28	-	-	-	28
Units managed by others	31	-	-	-	31
	<b>3,041</b>	<b>14</b>	<b>(12)</b>	<b>4</b>	<b>3,047</b>
Housing units contracted in development	10				30

## 6. Surplus on disposal of fixed assets

Group and Society	Other housing properties		Total 2025 £'000	Total 2024 £'000
	Staircasing	2025		
	2025 £'000	2025 £'000		
Proceeds of sales	1,359	1,287	<b>2,646</b>	13,144
Cost of sales	(845)	(76)	<b>(921)</b>	(6,876)
Selling costs	(6)	(29)	<b>(35)</b>	(340)
	508	1,182	<b>1,690</b>	5,928

## 7. Interest receivable

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Interest receivable from group undertakings	-	-	<b>99</b>	83
Other interest receivable	<b>926</b>	865	<b>926</b>	865
	<b>926</b>	865	<b>1,025</b>	948

## 8. Interest payable and financing costs

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Interest payable on loans at amortised cost	<b>6,799</b>	6,972	<b>6,799</b>	6,972
Net interest expense on net defined benefit liabilities	<b>179</b>	164	<b>179</b>	164
Amortisation of loan arrangement fees	<b>118</b>	118	<b>118</b>	118
Financing interest capitalised on development costs	<b>(59)</b>	(74)	<b>(59)</b>	(74)
	<b>7,037</b>	7,180	<b>7,037</b>	7,180

Interest has been capitalised at an average rate of 4.47% (2024: 4.88%) that reflects the weighted average effective interest rate on the Group's borrowings required to finance housing property developments.

## 9. Disposal of current asset investments

	Group		Society	
	2024	2024	2024	2024
	£'000	£'000	£'000	£'000
Disposal proceeds	-	-	-	-
Fair value at the beginning of the year	-	-	-	-
	-	-	-	-

## 10. Surplus for the year

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
This is stated after charging:				
<i>Auditor's remuneration (excluding VAT):</i>				
Audit of the Group financial statements	28	28	28	28
Audit of subsidiaries	6	6	-	-
In respect of taxation and other services	1			
Depreciation on housing properties	2,488	2,495	2,482	2,490
Depreciation on other fixed assets	258	211	258	211
Impairment of fixed assets	-	-	-	-
Impairment of properties held for sale	-	-	-	-

## 11. Taxation

### Analysis of the charge in the year:

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Current tax:</b>				
UK corporation tax charge for the year	-	-	-	-
Under/(over) provision in previous years	-	-	-	-
Total current tax	-	-	-	-
<b>Deferred tax:</b>				
Origination and reversal of timing differences	-	-	-	-
Tax on surplus on ordinary activities	-	-	-	-

**Factors affecting the tax charge for the year:**

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Surplus before taxation	<b>4,377</b>	10,120	<b>4,373</b>	9,834
Surplus multiplied by 25% (2024: 25%) the standard rate of UK corporation tax	<b>1,094</b>	2,530	<b>1,093</b>	2,459
Effects of:				
Tax exempt revenues	<b>(1,094)</b>	(2,530)	<b>(1,093)</b>	(2,459)
Current tax charge for the year	-	-	-	-

The Society operates under charitable rules and therefore is exempt from UK corporation tax.

## **12. Key management personnel remuneration**

Key management personnel comprise the executive and non-executive directors.

Remuneration for executive directors for the year ended 31 March:

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Salary and other benefits	<b>636</b>	699	<b>636</b>	699
Pension contributions	<b>51</b>	51	<b>51</b>	51
	<b>687</b>	750	<b>687</b>	750
Remuneration paid to the Chief Executive, who was also the highest paid director (excluding pension contributions)	<b>150</b>	144	<b>150</b>	144
Pension contributions	-	-	-	-
	<b>150</b>	144	<b>150</b>	144
Number of Executive Directors in the pension scheme	<b>5</b>	6	<b>5</b>	6

Non-executive Board Member remuneration for the year ended 31 March:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Heidi Allen – Resigned 31 October 2024	<b>1</b>	3
Nick Brown	<b>3</b>	2
Alex Colyer	<b>3</b>	3
Gareth Hillier	<b>3</b>	3
Phin Hodson – Resigned 30 September 2024	<b>1</b>	3
Tim Jennings	<b>3</b>	3
Gerhard Oberholzer – Resigned 11 July 2023	-	1
Shaidah Ramzan – Resigned 13 April 2024	-	3
Sam Scharf – Resigned 31 October 2023	-	1
Cara Jackson	<b>3</b>	1
Anita Mobberley	<b>3</b>	1
Jacquie Taylor	<b>3</b>	3
James Prestwich – Appointed 1 May 2024	<b>2</b>	-
Martin Wheatley	<b>8</b>	8
	<b>33</b>	35

### 13. Directors remuneration and management costs

Remuneration paid to the highest paid director, relative to the size of the landlord:

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Remuneration paid to the Chief Executive, who was also the highest paid director (excluding pension and NI contributions)	<b>149,684</b>	144,236	<b>149,684</b>	144,236
Total social housing units owned or managed at period end	<b>3,020</b>	3,022	<b>3,014</b>	3,016
Remuneration paid to the highest paid director, relative to the size of the landlord:	<b>49.5</b>	47.7	<b>49.6</b>	47.8

The aggregate remuneration paid to Directors, relative to the size of the landlord	Group		Society	
	2025	2024	2025	2024
Total aggregate directors remuneration (£)	<b>768,246</b>	836,580	<b>768,246</b>	836,580
Total social housing units owned or managed at period end	<b>3,020</b>	3,022	<b>3,014</b>	3,016
The aggregate remuneration paid to Directors, relative to the size of the landlord (£)	<b>254</b>	277	<b>255</b>	277

Total management costs, relative to the size of the landlord	Group		Society	
	2025	2024	2025	2024
Total Social Housing let management costs (£'000)	<b>5,098</b>	4,334	<b>5,096</b>	4,328
Total social housing units owned or managed at period end	<b>3,020</b>	3,022	<b>3,014</b>	3,016
Total management costs, relative to the size of the landlord (£)	<b>1,688</b>	1,434	<b>1,691</b>	1,435

## 14. Employee information

The average number of persons employed during the year expressed as full-time equivalents (35 hours per week) was:

	Group		Society	
	2025 No.	2024 No.	2025 No.	2024 No.
General needs	<b>24</b>	18	<b>24</b>	18
Community support services including nurseries	<b>27</b>	33	<b>27</b>	33
Older people services	<b>35</b>	69	<b>35</b>	69
Community investment	<b>1</b>	7	<b>1</b>	7
Development activities	<b>3</b>	3	<b>3</b>	3
Head office	<b>42</b>	37	<b>42</b>	37
	<b>132</b>	167	<b>132</b>	167

Staff costs (for the above persons) were:

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Wages and salaries	<b>5,744</b>	6,342	<b>5,744</b>	6,342
Social security costs	<b>565</b>	575	<b>565</b>	575
Pension costs	<b>1,186</b>	1,162	<b>1,186</b>	1,162
	<b>7,495</b>	8,079	<b>7,495</b>	8,079

Aggregate number of full-time equivalent staff whose remuneration (including compensation for loss of office) exceeded £60,000 in the period:

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>No.</b>	No.	<b>No.</b>	No.
£60,000 to £69,999	<b>1</b>	3	<b>1</b>	3
£70,000 to £79,999	<b>2</b>	2	<b>2</b>	2
£80,000 to £89,999	<b>2</b>	3	<b>2</b>	3
£90,000 to £99,999	-	1	-	1
£100,000 to £109,999	<b>3</b>	2	<b>3</b>	2
£110,000 to £119,999	<b>1</b>	-	<b>1</b>	-
£120,000 to £129,999	<b>1</b>	1	<b>1</b>	1
£130,000 to £139,999	-	-	-	-
£140,000 to £149,999	<b>1</b>	1	<b>1</b>	1
£210,000 to £219,999	-	-	-	-

There were no loans due from employees at the year-end (2024: £nil). No new loans were given to employees during the year (2024: £nil).

## **15. Pension obligations**

### **TPT Retirement Solutions – Social Housing Pension Scheme**

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

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with 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 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.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

***Present values of defined benefit obligation, fair value of assets and defined benefit asset / (liability):***

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of plan assets	<b>16,919</b>	17,837
Present value of defined benefit obligation	<b>19,829</b>	22,027
Deficit in plan	<b>(2,910)</b>	(4,190)
Unrecognised surplus	-	-
<b>Net defined benefit liability to be recognised</b>	<b>(2,910)</b>	<b>(4,190)</b>

***Reconciliation of opening and closing balances of the defined benefit obligation:***

	<b>£'000</b>
Defined benefit obligation at start of period	22,027
Current service cost	3
Expenses	28
Interest expense	1,052
Member contributions	131
Actuarial losses/(gains) due to scheme experience	275
Actuarial losses/(gains) due to changes in demographic assumptions	-
Actuarial losses/(gains) due to changes in financial assumptions	(2,440)
Benefits paid and expenses	(1,247)
<b>Defined benefit obligation at end of period</b>	<b>19,829</b>

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

	<b>£'000</b>
Fair value of plan assets at start of period	17,837
Interest income	873
Experience gain/(loss) on plan assets (excluding amounts included in interest income)	(1,769)
Employer contributions	1,094

Member contributions	131
Benefits paid and expenses	(1,247)

<b>Fair value of plan assets at end of period</b>	<b>16,919</b>
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The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£896,000).

***Defined benefits costs recognised in the statement of comprehensive income (SOCl):***

	£'000
Current service cost	2
Expenses	28
Net interest expense	179
<b>Defined benefit costs recognised in statement of comprehensive income (SOCl)</b>	<b>210</b>

***Defined benefit costs recognised in Other Comprehensive Income:***

	£'000
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(1,769)
Experience gains and losses arising on the plan liabilities - gain (loss)	(275)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	2,440
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain (loss)	396
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain (loss)	-
<b>Total amount recognised in other comprehensive income - gain (loss)</b>	<b>396</b>

**THE CAMBRIDGE HOUSING SOCIETY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Notes to the financial statements**

<b>Assets:</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Global Equity	1,895	1,777
Absolute Return	-	696
Distressed Opportunities	-	629
Credit Relative Value	-	584
Alternative Risk Premia	-	566
Liquid Alternatives	3,137	-
Emerging Markets Debt	-	231
Risk Sharing	-	1,044
Insurance Linked Securities	52	92
Property	848	716
Infrastructure	3	1,802
Private Equity	15	15
Real Assets	2,025	-
Private Debt	-	702
Opportunistic Illiquid Credit	-	697
Private Credit	2,071	-
Credit	647	-
Investment grade credit	521	-
High Yield	-	3
Cash	230	352
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	5	115
Secured Income	282	533
Liability Driven Investment	5,124	7,259
Currency Hedging	27	(7)
Net Current Assets	37	31
<b>Total assets</b>	<b>16,919</b>	<b>17,837</b>

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:**

	<b>2025</b>	<b>2024</b>
	<b>% per annum</b>	<b>% per annum</b>
Discount Rate	5.82%	4.90%
Inflation (RPI)	3.10%	3.15%
Inflation (CPI)	2.79%	2.78%
Salary Growth	3.79%	3.78%
Allowance for commutation of pension for cash at retirement (as a % of maximum allowance)	75%	75%

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

	Life expectancy at age 65 (years)
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

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## 16. Housing properties

Group	Social housing properties for letting completed £'000	Social housing properties for letting under construction £'000	Low cost home ownership properties completed £'000	Low cost home ownership properties under construction £'000	Total housing properties £'000
<b>Cost:</b>					
At 1 April 2024	237,666	615	36,981	65	275,327
Additions	2,264	995	-	1,689	<b>4,948</b>
Schemes completed in the year	1,285	(1,285)	1,552	(1,552)	-
Transfer to current assets	-	-	(539)	-	<b>(539)</b>
Disposals	(619)	-	(665)	-	<b>(1,284)</b>
At 31 March 2025	240,596	325	37,329	202	<b>278,452</b>
<b>Depreciation:</b>					
At 1 April 2024	(32,599)	-	-	-	<b>(32,599)</b>
Charge for the year	(2,488)	-	-	-	<b>(2,488)</b>
Eliminated in respect of disposals	282	-	-	-	<b>282</b>
At 31 March 2025	(34,805)	-	-	-	<b>(34,805)</b>
<b>Net Book Value 31 March 2024</b>	<b>205,791</b>	<b>325</b>	<b>37,329</b>	<b>202</b>	<b>243,647</b>
Net Book Value 31 March 2024	205,067	615	36,981	65	242,728

<b>Society</b>	<b>Social housing properties for letting completed £'000</b>	<b>Social housing properties for letting under construction £'000</b>	<b>Low cost home ownership properties completed £'000</b>	<b>Low cost home ownership properties under construction £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
At 1 April 2024	237,982	615	36,981	65	275,643
Additions	2,264	995	-	1,689	<b>4,948</b>
Schemes completed in the year	1,285	(1,285)	1,552	(1,552)	-
Transfer to current assets	-	-	(539)	-	<b>(539)</b>
Disposals	(619)	-	(665)	-	<b>(1,284)</b>
At 31 March 2025	240,912	325	37,329	202	<b>278,768</b>
<b>Depreciation:</b>					
At 1 April 2024	(32,533)	-	-	-	<b>(32,533)</b>
Charge for the year	(2,482)	-	-	-	<b>(2,482)</b>
Eliminated in respect of disposals	282	-	-	-	<b>282</b>
At 31 March 2025	(34,733)	-	-	-	<b>(34,733)</b>
<b>Net Book Value 31 March 2025</b>	<b>206,179</b>	<b>325</b>	<b>37,329</b>	<b>202</b>	<b>244,035</b>
Net Book Value 31 March 2024	205,449	615	36,981	65	243,110

The net book value of housing properties may be further analysed as follows:

	<b>Group</b>		<b>Society</b>	
	<b>2025 £'000</b>	<b>2024 £'000</b>	<b>2025 £'000</b>	<b>2024 £'000</b>
Freehold	<b>229,504</b>	228,310	<b>229,892</b>	228,692
Leasehold	<b>14,333</b>	14,419	<b>14,333</b>	14,419
	<b>243,837</b>	242,729	<b>244,225</b>	243,111

Cost of properties includes:

Additions to housing properties in the course of construction during the period include capitalised interest of £59k (2024: £74k) and capitalised development costs of £149k (2024: £144k). Capitalised interest has been charged at an average rate of 4.47% for the year (2024: 4.88%).

Works to existing properties:

Expenditure on existing properties, other than on routine and planned maintenance, was as follows:

	<b>Group</b>		<b>Society</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Capitalised enhancements	<b>2,264</b>	2,549	<b>2,264</b>	2,549
Major repairs expensed	-	-	-	-
	<b>2,264</b>	2,549	<b>2,264</b>	2,549

The carrying value of assets with restricted title or held as security against liabilities at 31 March 2025 was £216m (2024: £206m).

The group considers individual schemes to represent separate cash generating units when assessing for impairment in accordance with the requirements of FRS 102 and SORP 2018. During the current year, there were no recognised impairment losses (2024: £nil) on housing properties.

## 17. Other tangible fixed assets

<b>Group and Society</b>	<b>Land &amp; Buildings £'000</b>	<b>Furniture, Fitting &amp; Equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>			
At 1 April 2024	6,771	3,460	<b>10,231</b>
Additions	-	147	<b>147</b>
Disposals	-	(2)	<b>(2)</b>
At 31 March 2025	6,771	3,605	<b>10,376</b>
<b>Depreciation:</b>			
At 1 April 2024	(1,408)	(2,825)	<b>(4,233)</b>
Charge for the year	(56)	(201)	<b>(257)</b>
Disposals	-	2	<b>2</b>
At 31 March 2025	(1,464)	(3,024)	<b>(4,488)</b>
<b>Net Book Value 31 March 2025</b>	<b>5,307</b>	<b>581</b>	<b>5,888</b>
Net Book Value 31 March 2024	5,363	635	5,998

Furniture, fittings, and Equipment include assets with a carrying amount of £37k (2024: £nil) which are held on a lease basis

## 18. Investment property

	Group		Society	
	2024	2024	2024	2024
	£'000	£'000	£'000	£'000
At 1 April	<b>240</b>	815	<b>240</b>	815
Revaluation in year	-	-	-	-
Disposal in year	-	(575)	-	(575)
	<b>240</b>	240	<b>240</b>	240
Historical cost net book value	<b>55</b>	55	<b>55</b>	55

Investment properties were last revalued on 31 March 2018 by an independent qualified RICS Chartered Surveyor by undertaking a desktop review. At 31 March 2025, investment properties consisted of one office. In the Directors' opinion, there is no indication that the value of the offices was materially different to its value at 31 March 2018, consequently no independent qualified valuation was undertaken at 31 March 2025.

## 19. Stock

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>1st tranche shared ownership properties:</b>				
Completed	<b>271</b>	344	<b>271</b>	<b>344</b>
Work in progress	<b>137</b>	54	<b>137</b>	<b>54</b>
<b>Outright sale properties (land only):</b>				
Completed	-	-	-	-
Work in progress	<b>609</b>	596		
	<b>1,017</b>	994	<b>408</b>	<b>398</b>

## 20. Trade and other debtors

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Due within one year:</b>				
Rent and service charge arrears	997	830	997	830
Less: provision for doubtful debts	(427)	(409)	(427)	(409)
	570	421	570	421
Amounts owed by group undertakings	-	-	593	548
Trade debtors	749	1,170	749	1,170
Other debtors	38	197	32	192
Taxes and social security	1	-	-	-
Prepayments and accrued income	378	1,163	367	1,151
	<b>1,736</b>	<b>2,951</b>	<b>2,311</b>	<b>3,482</b>

Debtors are all due within one year.

## 21. Cash and cash equivalents

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Cash at bank and in hand	23,778	22,446	23,683	22,367
Cash and cash equivalents per statement of cash flows	23,778	22,446	23,683	22,367

The Group and Society overdraft was not in use at year end (2024: £nil)

## 22. Creditors: amounts falling due within one year

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank overdrafts	-	-	-	-
Bank loans (note 26)	40,093	1,874	40,093	1,874
Amounts owed to group undertakings	-	-	-	-
Rents and service charges paid in advance	536	728	536	728
Trade creditors	1,792	1,033	1,790	1,031
Taxes and social security	220	201	220	195
Accruals and deferred income	3,200	2,924	3,183	2,898
Recycled capital grant fund	-	-	-	-
Finance leases	12	-	12	-
Other creditors	573	961	526	905
	46,426	7,721	46,360	7,631

## 23. Creditors: amounts falling due after more than one year

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans	31,720	71,987	31,720	71,987
Private placement bond	60,000	60,000	60,000	60,000
Total housing loans	91,720	131,987	91,720	131,987
Net issue premium	(667)	(818)	(667)	(818)
<b>Total loans measured at amortised cost (note 26)</b>	<b>91,053</b>	<b>131,169</b>	<b>91,053</b>	<b>131,169</b>
Finance leases	24	-	24	-
Deferred capital grants (note 24)	74,180	73,022	74,139	72,980
Recycled capital grant fund (note 25)	684	3,068	684	3,068
Leaseholder sinking funds	1,176	1,109	1,176	1,109
	167,117	208,368	167,076	208,326

## 24. Deferred capital grant

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At the start of the year	<b>90,368</b>	92,135	<b>90,321</b>	92,088
<i>Grants received during the year:</i>				
Housing properties	-	-	-	-
Other deferred grants	<b>419</b>		<b>419</b>	
Recycled Capital Grant Fund	<b>1,672</b>	-	<b>1,672</b>	-
<i>Grants recycled during the year:</i>				
Retained on disposal	-	(1,157)	-	(1,157)
Recycled Capital Grant Fund	<b>(35)</b>	(610)	<b>(35)</b>	(610)
Amortised Grant	<b>(18,244)</b>	(17,346)	<b>(18,238)</b>	(17,341)
<b>At the end of the year</b>	<b>74,180</b>	73,022	<b>74,139</b>	72,980
Amount due to be released in less than one year	-	-	-	-
Amount due to be released after one year	<b>74,180</b>	73,022	<b>74,139</b>	72,980

The gross amount of grant received by the group prior to amortisation as at 31 March was £92,303 (2024: £90,368). The gross amount of grant received by the Society prior to amortisation as at 31 March was £92,255 (2024: £90,321). The Society received a grant from the Social Housing Decarbonisation Fund of £949k during the year, intended to bring 119 properties to EPC C. Of this £949k, at the year end £530k has been recognised in Turnover, leaving a balance of £419k deferred.

## 25. Recycled capital grant fund

	Group		Society	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At the start of the year	<b>3,068</b>	2,320	<b>3,068</b>	2,320
<i>Inputs to fund:</i>				
Grants recycled	<b>35</b>	610	<b>35</b>	610
Interest credited	<b>125</b>	138	<b>125</b>	138
<i>Recycling of grant:</i>				
New build	<b>(1,672)</b>	-	<b>(1,672)</b>	-
Approved use for Fire Safety works	<b>(872)</b>		<b>(872)</b>	
Repayment of grant to Homes England	-	-	-	-
<b>At 31 March</b>	<b>684</b>	3,068	<b>684</b>	3,068

Amounts 3 years old or older where repayment may be required.

	-	2,028	-	2,028
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## 26. Loans and borrowings

Maturity of debt:

Group	Private placement			Private placement		
	Loans	bond	Total	Loans	bond	Total
	2025	2025	2025	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Within one year	40,093	-	40,093	1,874	-	1,874
One to two years	2,393	-	2,393	40,093	-	40,093
Two to five years	9,870	-	9,870	9,811	-	9,811
More than five years	19,457	60,000	79,457	22,083	60,000	82,083
Issue costs	(369)	(298)	(667)	(508)	(311)	(818)
	<b>71,444</b>	<b>59,702</b>	<b>131,146</b>	<b>73,353</b>	<b>59,689</b>	<b>133,043</b>

Society	Private placement			Private placement		
	Loans	bond	Total	Loans	bond	Total
	2025	2025	2025	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Within one year	40,093	-	40,093	1,874	-	1,874
One to two years	2,393	-	2,393	40,093	-	40,093
Two to five years	9,870	-	9,870	9,811	-	9,811
More than five years	19,457	60,000	79,457	22,083	60,000	82,083
Issue costs	(369)	(298)	(667)	(508)	(311)	(818)
	<b>71,444</b>	<b>59,702</b>	<b>131,146</b>	<b>73,353</b>	<b>59,689</b>	<b>133,043</b>

Housing loans are repayable in instalments at varying rates of interest and are secured by specific charges on housing properties.

The bond is repayable in 2048 and is secured by specific charges on CHS's housing properties. It is recognised as basic in accordance with Section 11 of FRS 102.

The weighted average cost of all interest was 4.47% (2024: 4.88%).

All loans and borrowings are measured at amortised cost, including those that have embedded derivative financial instruments attached to them whereby the embedded derivative is deemed to be closely related to the host contract.

At 31 March 2025 the Group and Society had undrawn loan facilities of £40.0m (2024: £40.0m).

## 27. Analysis of changes in net debt

	At beginning of the year £'000	Cash flows £'000	Non-cash movements £'000	At end of the year £'000
<b>Group</b>				
Housing loans due within one year	1,874	(1,874)	40,093	<b>40,093</b>
Bonds due within one year	-	-	-	-
Housing loans due after one year	71,479	(35)	(40,093)	<b>31,351</b>
Bonds due after one year	59,689	-	13	<b>59,702</b>
Cash and cash equivalents	(22,446)	(1,332)	-	<b>(23,778)</b>
	<b>110,596</b>	<b>(3,241)</b>	<b>13</b>	<b>107,368</b>
<b>Society</b>				
Housing loans due within one year	1,874	(1,874)	40,093	<b>40,093</b>
Bonds due within one year	-	-	-	-
Housing loans due after one year	71,479	(35)	(40,093)	<b>31,351</b>
Bonds due after one year	59,689	-	13	<b>59,702</b>
Cash and cash equivalents	(22,367)	(1,316)	-	<b>(23,683)</b>
	<b>110,675</b>	<b>(3,225)</b>	<b>13</b>	<b>107,463</b>

## 28. Financial instruments

	Group		Society	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Financial assets:</b>				
<i>Measured at cost:</i>				
Cash and cash equivalents	<b>23,777</b>	22,445	<b>23,683</b>	22,367
<i>Measured at amortised cost:</i>				
Trade receivables	<b>1,319</b>	1,591	<b>1,319</b>	1,591
Other receivables	<b>440</b>	1,383	<b>992</b>	1,891
<b>Total financial assets</b>	<b>25,536</b>	25,419	<b>25,994</b>	25,849
<b>Financial liabilities:</b>				
<i>Measured at amortised cost:</i>				
Trade payables	<b>1,792</b>	1,033	<b>1,790</b>	1,031
Other payables	<b>4,713</b>	4,808	<b>4,655</b>	4,726
Loans payable	<b>71,444</b>	73,353	<b>71,444</b>	73,353
Defined benefit pension scheme liabilities	<b>2,910</b>	4,190	<b>2,910</b>	4,190
<b>Total financial liabilities</b>	<b>80,859</b>	83,384	<b>80,799</b>	83,300

## 29. Share capital

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

	2025	2024
Shares of £1 each, issued and fully paid	£	£
At 1 April	11	12
Issued in the year	1	2
Cancelled in the year	(4)	(3)
<b>At 31 March</b>	<b>8</b>	<b>11</b>

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on winding up.

## 30. Restricted reserves

Group	Waters Almshouses £'000	Amenity funds £'000	Total £'000
Balance at 1 April 2024	5	375	380
Income	-	59	59
Expenditure	-	(59)	(59)
Realised on sale of investments	-		
<b>Balance at 31 March 2025</b>	<b>5</b>	<b>375</b>	<b>380</b>

Society	Amenity funds £'000	Total £'000
Balance at 1 April 2024	375	375
Income	59	59
Expenditure	(59)	(59)
Realised on sale of investments		
<b>Balance at 31 March 2025</b>	<b>375</b>	<b>375</b>

Waters Almshouses funds consist of contributions to a cyclical maintenance reserve for external decoration of properties.

Amenity funds are held for the benefit of residents of certain residential homes for older people and supported housing services. There is also a bursary fund to assist parents on low incomes to pay the fees for pre-school nursery.

### 31. Capital commitments

	Group		Society	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Capital expenditure:</b>				
Contracted for but not provided for	5,289	1,267	5,289	1,267
Approved but not yet contracted for	-	8,469	-	8,469
	<b>5,289</b>	<b>9,736</b>	<b>5,289</b>	<b>9,736</b>
<b>Expected to be funded as follows:</b>				
Social housing grant	-	-	-	-
Surpluses and borrowings	5,289	9,736	5,289	9,736
	<b>5,289</b>	<b>9,736</b>	<b>5,289</b>	<b>9,736</b>

### 32. Grant and financial assistance

	Social housing grant		Other grants	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Group</b>				
<i>The total accumulated government grant and financial assistance received or receivable at 31 March:</i>				
Held as deferred capital grant	73,761	421	74,180	73,022
Recognised as income in Statement of Comprehensive Income in the current period	1,118	872	1,990	2,420

	Social housing grant		Other grants	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Society</b>				
<i>The total accumulated government grant and financial assistance received or receivable at 31 March:</i>				
Held as deferred capital grant	73,720	419	74,139	72,980
Recognised as income in Statement of Comprehensive Income in the current period	1,118	872	1,990	2,420

### 33. Related party transactions

In accordance with FRS 102 Related Party Disclosures, Section 33.1A the Group has not disclosed transactions entered into between two or more members of the Group, where each party to the transaction is 100% owned.

The Group entered into the following related party transactions in the year ended 31 March 2025:

#### Tenant Board Members

The Board had one tenant member during the year who held tenancy agreements on normal terms and cannot use their position to their advantage. Rent and services charged to the tenant board members were £6,732 (2024: £6,266). There were no arrears at the reporting period end (2024: £nil).

#### Transactions with registered and non-registered elements of the business

In accordance with the Accounting Direction 2022 transactions between private registered providers and other non-registered entities in the Group are disclosed as follows:

	CandCD		Waters Almshouses	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Payable to the Society:</b>				
Turnover	5	20	-	-
Interest receivable	99	83	-	-
<b>Payable by the Society:</b>				
Turnover	-	-	-	-
Interest payable	-	-	-	-
<b>Balances due to the Society:</b>				
Development loans	1,467	1,332	-	-
Other debtors	120	116	5	-
<b>Balances owed by the Society</b>				
Other creditors	-	-	-	-

The Society provides administration services to CandCD and charges a fee.

There is a loan agreement between the Society and CandCD that allows CandCD to borrow a maximum of £6m to fund the development of land for sale on the open market. The Society has committed to continue to maintain this loan agreement so that CandCD can meet its obligations for the next 12 months. Interest is charged on the loan at a rate higher than the average interest rate the Society pays for its own finance.

There is no exchange of services with Waters Almshouses (2024: £nil). For administrative reasons, the Society collects rents on behalf of Waters Almshouses and carries out repairs and maintenance on their behalf. Re-charges are made accordingly at cost. The balance of £5,000 at year end represents services procured on behalf of Waters Almshouses, currently not yet recharged.

There are no transactions or balances with Plantsilver Limited (2024: £nil). For administrative reasons, the Society makes payments to Plantsilver limited to cover costs of grounds maintenance. These are covered at cost.

There are no qualifying charitable donation payments between group companies in respect of the year (2024: £nil).