



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Building financial resilience and ensuring we are fit for the future

East End Homes Limited Financial Statements For the Year Ended 31 March 2025

Registered Company number 4516155

Contents

Introduction: East End Homes at a Glance **6**

Section 1 **10** Strategic Report – Introduction and Overview

Chair's Statement	12
Interim Chief Executive's Statement	16
Serving Tower Hamlets Community	18
20 years – Key Achievements	26
Local Partnerships – Case Studies	28
Governance Changes	30

Section 2 **32** Strategic Report – Finance

Financial Performance Highlights	34
Overview of Financial Performance	36
Summary of Operating Surplus	37
Performance by Activity	38
Development of New Homes at Eric Street	40
Treasury	43
Asset Management	44
Looking Ahead	47

Section 3 **48** Strategic Report – Value For Money

Defining and Delivering VFM	50
VFM Key Metrics	52
Commentary on VFM Key Metrics	53
EEH Internal Specific VFM Performance Indicators	56
Plans to Deliver Increased VFM in Future	58

Section 4 **60** Strategic Report – Governance

Board Membership	62
Executive Management Team	64
Board and Committees	66
Governance Recovery	68
Risk	69
Regulatory Standards	70
Statement of the Board's Responsibilities	71

Section 5 **74** Statutory Report and Notes

Report of the Independent Auditors	76
Statement of Comprehensive Income	82
Statement of Financial Position	84
Statement of Changes in Reserves	86
Statement of Cash Flows	88
Notes to the Financial Statements	90
Board, Executive and Key Advisors	128

East End Homes at a Glance

A year at East End Homes



We operate from five local offices and run four community centres.



Based in the London Borough of
Tower Hamlets



Registered as a **social landlord** in **2005**, the same year that Mile End residents voted for us to be their landlord.



We own and manage over

3,900
homes.



20

years of operating as a housing association based on the principle of choice.

94.4%

of emergency repairs completed within the target time scale.



We are **locally based** and **community-led**.



Investment of **over £260m** over the past **20 years**.







Provision of a range of mechanisms for resident feedback and involvement.



430

new homes for social housing and home ownership delivered.

100%

record for fire and legionella risk assessments and gas safety checks.



Strategic Report – Introduction and Overview

Chair’s Statement	12
Interim Chief Executive’s Statement	16
Serving Tower Hamlets Community	18
20 years – Key Achievements	26
Local Partnerships – Case Studies	28
Governance Changes	30

Chair's Statement

A challenging and rewarding year



Over the past year, our primary objective has been to make sure we deliver the quality homes and services that residents expect and deserve.

2024/25 has been both a challenging and rewarding year at East End Homes. We have continued to focus on strengthening our governance. We have put residents at the heart of all that we do and are building financial resilience to ensure that we are fit for the future. We have commenced a transformation programme to modernise our services.

Over the past year, our primary objective has been to make sure we deliver the quality homes and services that residents expect and deserve. We've focused our attention on improving existing homes alongside continuing to offer our estate-based local service.

2024/25 was the final year of our previous Corporate Plan, which concentrated on completing the regeneration projects we promised residents, the final one of which at Holland Estate is now on site. Our largest development project was to build new flats on top of existing buildings in Mile End. This project was started some years ago and has proved very challenging. We took the decision to bring this back under our control at the end of this financial year and to take a substantial impairment write-down.

It has also been a year during which we have strived to put insights from residents at the heart of East End Homes' service improvement plans to amplify the resident voice. Our Corporate Plan 2025-28 has been co-produced with residents. Following our regulatory downgrade to G3 in 2023, the journey back to a compliant G2 grading and ultimately to a G1 Governance rating is well under way with robust resident representation and scrutiny factored in.



We've focused our attention on improving existing homes alongside continuing to offer our estate-based local service.

As part of the journey back to G1, we have made changes at Board and Executive Team level as we bring in the skills needed to help us to meet our objectives. We welcomed Sandra Fawcett, Keziah Halliday, Pradeep Jeyaratnam-Joyner, Hilary Milne and Dewbien Plummer this financial year. Collectively they bring additional governance, audit and operations experience.

Thanks also go to our interim team, who have supported both staff and the Board to move forward with the transformation of East End Homes. The foundations are now in place upon which our new CEO, Daniel Killian, will be able to build a stronger, more financially resilient organisation. Daniel's governance credentials stand him in good stead to lead our improvement programme from the front.



East End Homes continues to undergo a period of transformation, but the emphasis on delivering quality services for residents remains a constant.

Strong leadership will be instrumental in the restoration of a G1 Governance rating and the Board will play its part in holding East End Homes to account for delivery on its promises. Furthermore, the Board and I have every confidence that implementing the improvements needed to make East End Homes a fit for the future housing association will present a wealth of opportunities for staff and residents alike.

Finally, I would like to use this opportunity to thank our staff for their hard work and dedication over the last 12 months. East End Homes continues to undergo a period of transformation, but the emphasis on delivering quality services for residents remains a constant.



The foundations are now in place upon which our new CEO, Daniel Killian, will be able to build a stronger, more financially resilient organisation.



Interim Chief Executive's Statement

Ensuring we are fit for the future



My primary focus has been to move us back to a compliant position with the Regulator.

I joined the organisation in November 2024 during a period of significant change. I am pleased to see that much progress has been made in completing the recovery plan, and we have worked closely and positively with the Regulator as we move towards compliance.

In a challenging environment, with Regulatory and Legislative changes, alongside a cost of living crisis impacting many residents, we have improved performance in several areas of customer service. This is not yet being felt by residents and will be a priority in the coming year. All staff have attended Customer First training to give them the tools and skills needed to help us achieve that.

We have embarked on a large transformation programme that aims to put those Customer First principles in place, to ensure that it is easy to do business with us and to improve satisfaction with our services. To do that, we have started modernising our services and processes to ensure we are fit for the future. We have been working hard to build our financial resilience so that we have the capacity to manage changes around building and fire safety, invest in homes and enable us to do more in future.

As we look to the future with a new permanent Chief Executive and Executive Director of Finance and Resources, the organisation is in a much stronger position to deliver the new Corporate Plan.



All staff have attended Customer First training to give them the tools and skills needed.

Serving Tower Hamlets Community

Community-led, locally based

East End Homes is a community-led and locally based housing association in the London Borough of Tower Hamlets, the fastest-growing borough in the UK. We were established as part of the Tower Hamlets Housing Choice programme and were registered as a social landlord in 2005.



We operate from local offices in the heart of each community, owning over 4,700 homes and four community centres.



Between 2005 – 2007 the estates of Mile End, Island Gardens, St George's, Holland and Glamis transferred to us from Tower Hamlets Council following a vote by residents. We operate from local offices in the heart of each community, owning over 4,700 homes and four community centres.

Tower Hamlets has one of the most diverse populations in the country. It's also the most densely populated borough in England. According to 2021 census data, the Bangladeshi community accounts for 34.6% of the population, the largest in the UK. At 39.9%, the borough also has the largest Muslim population for England and Wales. Based on the demographic information that we hold for East End Homes, 36% of residents are of Bangladeshi origin, mirroring the borough population (34.6%).

Over the past 20 years we've been working with residents to deliver high-quality homes and services as well as developing opportunities for local communities to thrive. In tandem with the strategic objectives we set out in our Corporate Plan 2025-28, we've updated our vision, mission and values to reflect our intention to work even more closely with residents. As we focus on returning to a G1 Governance rating we're building a more financially resilient organisation while ensuring that diversity, equity and inclusion are at the forefront of all aspects of our activities.

The Bangladeshi community accounts for

34.6%

of the population – the largest in the UK

Source: 2021 Census

The borough also has the largest Muslim population for England and Wales at

39.9%

Our vision,

Our vision is to provide quality homes and thriving communities that enrich residents’ lives.



We believe that having a safe, warm, quality home is vital for people to fulfil their ambitions. It gives them a strong base to achieve their goals.



Tower Hamlets is a vibrant and diverse borough where people have built thriving communities that they are proud to call home. There is a strong sense of community amongst residents, and a key aim for East End Homes needs to be the development of opportunities that help communities continue to thrive.

our mission

Our mission is to provide local services that meet the needs and aspirations of residents.



Residents want us to provide quality services that are locally based, easily accessible, resolve their issues quickly, provide opportunities for them to achieve and enable them to get on with their lives.



We need to ensure that our services meet their needs and aspirations, that they act as a springboard and not a hindrance to them achieving their ambitions.

and our values

We want our values to resonate with residents and demonstrate our commitment to ensuring that we have a respectful and responsive culture. We have identified four key values that will direct our culture:



We are listening

We value residents’ views and listen and act on them. We listen to our colleagues’ opinions, ensuring they are heard.



We are trusted

We take responsibility and are accountable for the quality of our services. We take responsibility to resolve issues and keep our promises to residents and colleagues.



We are caring

We care about residents and colleagues. We are kind, respectful and empathetic to their needs.



We are improving

We encourage a culture of continuous improvement and learn lessons when we get it wrong. We encourage curiosity among colleagues to ask questions and make suggestions.

As a housing association with a social purpose, we've benefited hugely from the Bangladeshi community's commitment to supporting their neighbours, especially those from disadvantaged backgrounds.

In collaboration with Bangladeshi residents, we run weekly food banks at Aldgate and Mile End that provide a vital service as the cost of living crisis continues to impact people's lives. Our Bangladeshi friends also organise cultural events in partnership with us that bring people together to promote and enhance community cohesion. The annual Mohila Ongon fruit festival takes place at Southern Grove Community Centre in Mile End with our support. It brings people from diverse ethnic backgrounds together in a celebration of the fruits and culinary culture of Bangladesh.

During summer we host garden parties on each estate that are supported by volunteers from Morgan Stanley, who also assist us with gardening duties. These lunchtime events are aimed at older residents, but everyone is welcome to spend time relaxing and catching up with family, friends and neighbours. To mark the 20th anniversary of East End Homes we held a summer of celebrations on four of our estates (combining Glamis and St George's).

Events like these help to us to improve our visibility on the estates and develop good relationships with residents. They also serve to bring family, friends and neighbours together in a safe, welcoming environment. As well as providing volunteering opportunities for our corporate partners, we deliver social value through our relationships with contractors.



To mark the 20th anniversary of East End Homes we held a summer of celebrations on four of our estates (combining Glamis and St George's).



For example, Morgan Sindall Property Services runs work experience sessions for younger residents and offers informal advisory sessions on basic repairs at our community events.

Over the past year we have continued to apply our locally based approach to managing homes and delivering services. We're passionate about creating a welcoming experience for residents who visit our local offices for advice. Through formal and informal engagement mechanisms we make sure that we are listening to residents and improving services based on resident feedback. We actively break down barriers to inclusion by involving residents in shaping service provision, making sure that the full range of voices are heard and listened to. We're particularly mindful of meeting the needs of older residents and those with additional support needs.

Through our Customer First programme we're creating a cultural shift within the organisation to put residents at the heart of everything we do. We're introducing a new telephony service that will make it easier for us to manage external calls and provide an even better experience for residents.



We're particularly mindful of meeting the needs of older residents and those with additional support needs.

Our estates across East London

 Holland Estate



 St George's Estate



 Glamis Estate



 Mile End Estate



 Island Gardens



20 Years – Key Achievements

Celebrating 20 years of EEH

In 2025, we're proud to celebrate 20 years of providing local services that meet the needs and ambitions of residents above and beyond managing homes.



2015

highlights from the first ten years of homes, community and connection



Investment of over £120 million.



Built 281 new, affordable homes.



98 overcrowded families rehoused.



Facilitated the provision of 800 homes available for sale.



Residents benefit from new kitchens and bathrooms.



Southern Grove and Bernie Cameron Community Centres open.



Safe and Well Strategy launched to support residents with additional needs.

2025

highlights from the next ten years of homes, community and connection



The transformation of five estates.



New homes built for affordable rent and homeownership including accessible family homes.



Refurbishment programme to bring tenants' homes up to the Decent Homes standard.



Cleaner, greener and safer neighbourhoods.



Four community centres and a local housing service on each estate.



Locally based and community-led services with meaningful and impactful resident involvement.



Access to a range of advice and support services for both tenants and leaseholders.



Worked with thousands of residents to create award winning neighbourhoods that people are proud to call home.

Local Partnerships – Case Studies

Our resident team

Our partnerships with residents who are passionate and dedicated to improving their communities have been integral to our success.



Jim Ford

Jim Ford has lived on the St George’s estate for decades. He first got involved with East End Homes by volunteering to help shape the Community Orchard on the St George’s estate.

Through the Orchard he discovered a passion for volunteering and has gone on to support many grassroot organisations and residents. Jim has also been closely involved in the Trees for Cities initiative to improve lives by planting trees. In 2025 he was named as Tower Hamlets Volunteer of the Year. Jim is a trustee of local charity, Society Links.



Forhana Begum

Forhana Begum lives on Bede estate in Mile End. She was an East End Homes Board and Resident Services Committee Member and is an active volunteer for Food for Aldgate and Mile End.

A passionate community ambassador, Forhana first got involved with East End Homes to address an ASB problem on her estate. She went on to join her local estate board. In 2024 she was awarded a Tower Hamlets Civic Award for her outstanding contribution to Tower Hamlets. Forhana is also a mainstay of Mohila Ongon, recognised as Women’s Group of the Year 2024 by Tower Hamlets.



Tania Nalywajko

Tania Nalywajko lives in Mile End and we have been fortunate to work closely with her since 2012.

Tania plays a vital role in being the voice for residents on issues related to the community and creating opportunities for people to get together. Church or mosque, young or old, business or resident, festival or green space, Tania is always happy to lend a hand.



Hilary Robinson

Hilary Robinson is Chair of the Estate Management Board (EMB) at Island Gardens and an active volunteer within her community. In addition to representing the views of residents on her estate, Hilary is a long-standing volunteer at the Christ Church food relief project.

Hilary takes an active interest in the wellbeing of her local elderly neighbours. As a community spirit champion, she has led street parties in her neighbourhood.

Governance Changes

Strengthening through change

The Governance Section of the Strategic Report sets out details of the many changes made to strengthen the Governance of East End Homes following the regulatory downgrade to G3 in May 2023.



At the AGM in September 2024 the Board was substantially strengthened, bringing in additional skills and social housing expertise...

At the AGM in September 2024 the Board was substantially strengthened, bringing in additional skills and social housing expertise, following which there were significant changes to the Executive Team.

The Board has committed significant energy in the past year to reinforcing good governance and to embedding robust arrangements at both Board and Executive levels. Changes have been made to address comments included in the Regulatory Judgement published by the Regulator of Social Housing, but also in line with recognising good practice and opportunities for improvements.

As well as strengthening the governance framework, there has been increased focus upon all aspects of the business model and operations, to ensure that East End Homes can strengthen its operating model and financial resilience. This has led to significant changes in the control over a large development at Mile End, as well as taking a critical look at assets and provisions to ensure that historic issues do not adversely impact in future years.





Strategic Report – Finance

Financial Performance Highlights	34
Overview of Financial Performance	36
Summary of Operating Surplus	37
Performance by Activity	38
Development of New Homes at Eric Street	40
Treasury	43
Asset Management	44
Looking Ahead	47

Financial Performance Highlights

Highlights of the year to 31 March 25

£23.1m

Non-recurring costs: £23.1m (2024: £nil)

£12.0m

Investment in new and existing homes: £12.0m (2024: £15.5m)

£29.9m

Turnover this year: £29.9m (2024: £28.9m)

£4.0m

Operating surplus from core activities: £4.0m (2024: £4.3m)

13.4%

Operating margin from core activities: 13.4% (2024: 14.9%)

£780.7m

Market value of housing properties: £780.7m (2024: £709.8m)



£8.1m

Total operating surplus: £8.1m (£4.1m)

£26.0m

Increase in investment property values: £26.0m (2024: decrease £0.5m)

£199.2m

Book value of housing properties: £199.2m (2024: 211.4m)

£100.0m

Long term debt funding: £100.0m (2024: £95.0m)

Overview of Financial Performance

Improving future financial performance

In the year to 31 March 2025 the Group has made significant progress to strengthen and modernise its finances and to improve its resilience.

The Group has generated an overall surplus after interest for the year of £5.0m (£0.9m). This includes an increased contribution from social housing lettings, but that is only one contributor to the overall result as there have been a lot of one-off items, both income and expense.

The newly appointed Board and Executive critically examined all aspects of operations and financial performance. The Group has taken a cautious and prudent approach to ensure that future financial performance will not be adversely impacted by historic decisions. Consequently, provisions totalling £23.1m have been made for substantial non-recurring costs (£6.1m), development impairment (£16.0m) and loan arrangement costs (£1.0m). The Group has also included its commercial property portfolio as investment properties for the first time resulting in an uplift of £25.4m.

As part of the review of operations and financial performance, the underlying performance of each activity has been analysed and this is discussed in more detail in the next sections.

The allocation of costs both to specific tenures and to different categories of expenditure was reconsidered and a new methodology was adopted which more accurately reflects the underlying performance of each activity. In overview, the conclusion was that too much cost had historically been attributed to non-social housing activities and too little cost to social housing. This has now been amended. Accordingly, to be consistent, the comparative figures for 2024 have also been amended though this does not change the overall surplus previously reported.

The Group have identified various opportunities to improve future financial performance. This is discussed in more detail within the Strategic Report - Value for Money on pages 13 to 18.

Summary of Operating Surplus

Summary of turnover costs					2024/25				2023/24			
Activity	Units	Turnover	Costs	Surplus / (deficit)	Units	Turnover	Costs	Surplus / (deficit)	Units	Turnover	Costs	Surplus / (deficit)
Details		£'000	£'000	£'000		£'000	£'000	£'000		£'000	£'000	£'000
Social Housing												
Social Housing lettings	2,367	20,922	(18,004)	2,918	2,370	19,208	(17,560)	1,648				
Shared Ownership first tranche		1,680	(979)	701		3,477	(2,035)	1,442				
		22,602	(18,983)	3,619		22,685	(19,595)	3,090				
Non Social Housing Activities												
Leasehold	1,494	3,626	(5,604)	(1,978)	1,490	2,880	(4,095)	(1,215)				
Commercial Lettings	84	1,836	(572)	1,264	84	1,623	(306)	1,317				
Other income	n/a	590	-	590	n/a	528		528				
Private rented	60	1,274	(750)	524	60	1,147	(574)	573				
		7,326	(6,926)	400		6,178	(4,975)	1,203				
Surplus from core activities								4,019				4,293
Margin on core activities								13.4%				14.9%
Other activities												
Non-recurring costs								(6,058)				-
Impairment of Eric Street development								(16,000)				-
Increase in value of investment properties								25,953				(475)
Other including surplus on disposal								136				278
Operating surplus								8,050				4,096

£5m

The Group has generated an overall surplus after interest for the year of £5.0m (£0.9m).

£23.1m

Provisions totalling £23.1m have been made.

£25.4m

The Group has also included its commercial property portfolio as investment properties for the first time resulting in an uplift of £25.4m.

Performance by Activity

Social Housing Lettings

The underlying result shows some improvement from 2024. Increases in income relating to rent rises and improved service charge income more than offset rises in operating costs.

As detailed in Note 2, there continues to be a shortfall in recovery from social housing tenants of potentially service chargeable costs of £0.8m (£1.4m). In part this is due to restrictions placed in tenancy agreements arising from transfer 20 years ago. As we move forward, we recognise that it is important to strike the right balance between the services we provide and the cost of those services. Also, although it did not impact on the charges to tenants, we identified that too much cost had historically been attributed to service charges and this cost has been reallocated in the comparatives.

Shared ownership first tranche sales

During the year 13 shared ownership properties were sold (2024: 26) resulting in a surplus of £0.7m (2024 £1.4m). There were no unsold properties at the year end.

Leasehold

About 38% of the total homes managed by the Group are owned by leaseholders. This has proved to be very challenging since over many years there has been a shortfall in recovery of costs from leaseholders. In the current year the deficit relating to leaseholders on core activities was £2.0m (2024: £1.2m) the majority of which relates to service chargeable costs.

In addition, we have identified that there were substantial old debts and costs incurred in relation to fire safety or other major works where there was doubt as to whether these could be recovered. In some cases, this was a result of a deliberate decision to prioritise fire safety works where assurances were given to leaseholders that they would not be recharged. This has resulted in £5.0m of historic non-recurring costs being written off.

Improved controls have been introduced since the 2025 year end, including improved S20 consultation and stronger credit control. Detailed analysis of service charges is also under way and expected to result in improved recovery, though this will only start to be seen from 26/27 onwards.

Commercial lettings

The commercial portfolio continues to perform well and has contributed a surplus of £1.3m (2024: £1.3m) to the overall group result. Most of the properties are retail units located underneath / alongside social housing units. As noted elsewhere, the commercial property portfolio has now been treated for the first time as investment properties and been externally valued at £25.4m. Some of these are managed by external agents and the Group are considering whether this is the most cost-effective way of managing in the future.

Other income

This relates to various income streams such as ground rents from the leasehold properties, charges to leaseholders for additional services, letting of community centres, revenue from film production location fees, and other matters. During the year this contributed £0.6m (2024: £0.5m) to surplus.

Private rented properties

The portfolio of 60 private rented properties are held as investment properties to generate income to support social housing activity, contributing £0.5m (2024: £0.6m) to surplus.

13

During the year 13 shared ownership properties were sold (2024: 26) resulting in a surplus of £0.7m (2024 £1.4m).

£2.0m

In the current year the deficit relating to leaseholders on core activities was £2.0m (2024: £1.2m)

Development of New Homes at Eric Street

Delivering much needed new homes

In 2019 the Group decided to go ahead with an airspace extension above five blocks of flats in Mile End. The intention was to deliver much needed new homes and the planning was granted on the basis that these would be a combination of different tenures including shared ownership. These five blocks are collectively referred to as “Eric Street”.

This development has proved very challenging from many perspectives – technical and financial. Cost challenges consistently arose over several years with the main contractor regularly looking to amend the contract and seeking increased sums. This was always going to be a complicated scheme, and in hindsight perhaps needed greater expertise to deliver.

There were particular problems with water ingress caused by the building works, which made many of the flats in the upper floors of the existing blocks uninhabitable and substantial remediation was required.

In addition, various additional works were identified as necessary that had not been allowed for in the original project plan, such as new mains risers, soil stacks and drains.

Following Board and Executive changes there was a critical re-evaluation of the project and experienced independent resource was brought in. It was clear that continuing with the project as it had been operating was not sustainable and the project was effectively mothballed for some months as it was re-evaluated.

Even though the project was stalled, by 31 March 2025 over £41m had already been invested into Eric Street. Having evaluated all options it was recognised that it was necessary to complete the development since that would provide the best outcome for existing tenants and leaseholders who had been badly affected, and it would minimise the eventual loss on the scheme. We now have in place independent consultants with the necessary expertise who will see the project through to completion.



Negotiations were entered into with the existing main contractor for them to step aside and for the Group to take direct control over completion of the project. This was concluded shortly after the year end, sub-contractors were remobilised and by end of June 2025 work was proceeding at pace. The decision was also taken to change all of the tenures of the new housing to social rented as there is a considerable shortage of social rented property in Tower Hamlets and this removes all sales risk.

Since the year end there has been regular and close engagement with all of the residents at Mile End who have been impacted by the development. The Interim Chief Executive has regularly met with residents and kept them fully informed and this will be continued under Daniel Killian’s leadership.



As part of this project re-evaluation, it was recognised that it would be necessary to take an impairment of the amount invested in the scheme and, after careful analysis of the costs to complete the project and the value at which this could be carried on an depreciated replacement cost basis, we have recognised an impairment of £16.0m in these financial statements.

Whilst the scheme has proved very challenging, ultimately it will deliver 105 high quality much needed new homes, of which 10 have already completed and the balance of 95 social rented homes will be completed between December 2025 and September 2026.



Treasury

Treasury Management

At 31 March 2025, East End Homes had agreed £116.0m of loan and overdraft facilities, comprising £50m with NatWest Bank, £45m with MandG Investments and £21m with Barclays Bank. Of the agreed facilities £100m has been drawn, consisting of £40m from the NatWest facility, £45m from the MandG facility, and £15m from the Barclays facility. These facilities are fully secured against the Group’s assets. The Board has approved a Treasury Management Policy to control the risks associated with its treasury activities. There is also an Annual Treasury Plan which is approved by the Board and against which activities and performance are monitored.

The Group was compliant with all loan covenants at 31 March 2025 and the Board has approved budgets and business plans which will ensure that the Group continues to be compliant.

Borrowings and Loan Profile

At 31 March 2025, East End Homes had a total loan debt balance of £100.0m comprising £85.0m on forward fixed interest rate arrangements and £15.0m on a variable SONIA-linked rate.

The Board has an agreed Treasury Management Strategy which underpins how East End Homes supports its Business Plan, and a Risk Appetite Statement which summarises the strategic appetite and approach to risk, setting ‘golden rules’ for the Board to assess performance. In keeping with the Board’s approach to risk, the debt profile has been managed such that forward fixed rate loans consistently form a majority of the loan portfolio. The group currently has a healthy amount of fixed rate debt (85%) thus providing a good hedge against interest rate risk and a relatively low weighted average cost of debt (WACD) of 3.95%, demonstrating the Board’s relatively low risk approach to pursuing its corporate objectives.

£116.0m

At 31 March 2025, East End Homes had agreed £116.0m of loan and overdraft facilities

£100.0m

At 31 March 2025, East End Homes had a total loan debt balance of £100.0m

85%

The group currently has a healthy amount of fixed rate debt (85%)

Asset Management

Homes in Management

East End Homes has an asset management strategy which aims to deliver homes and facilities which are in good condition, of suitable design, and in the right locations, to meet the aspirations of our communities.

The number of homes in management during the year was:

2024/25	No. at start (1 April 2024)	Additions	Disposals	No. at Year End (31 March 2025)
Social Rented	2,237	-	(3)	2,234
Intermediate Rent	88	-	-	88
Private Rented	60	-	-	60
Shared Ownership	45	-	-	45
Leasehold	1,490	4	-	1,494
Total	3,920	4	(3)	3,921

During the year 3 properties were sold under the preserved right to buy or right to acquire schemes.

One of these properties was subsequently divided into 2 separate homes and hence the addition of 4 leasehold homes.

Strategic Asset Management

In March 2023 the Board of East End Homes approved an Asset Management Strategy 2023-28, which updated and expanded the strategic approach to management and investment in our key assets. The strategy sought to address emerging and evolving challenges including delivery against targets for environmental performance and ‘net zero’ emissions, as well as strengthening our approach to collecting and managing data relating to the condition of our stock. The Board receives periodic updates on progress against the action plan associated with the five-year Strategy and in 2025 approved an updated five year plan as part of the 30 year Business Plan.

Under the terms of one of the funding agreements East End Homes is restricted in the amount that it can spend on major repairs and this has been factored into the spending plans.

East End Homes has introduced an asset management system to support comprehensive and active asset management and to develop our understanding of asset performance. The quality of data held is of critical importance in developing the business plan and understanding medium and long-term investment needs.

During 2024/25 the proportion of properties which had an up to date stock condition survey increased to 85% (2024: 80%). Inspection of the remaining balance will be completed on a rolling basis using in-house expertise and progress is reported regularly. Updating our information on stock condition provides assurance to the Board that the resources allocated for investment in property condition across the 30-year Business Plan are adequate for the needs of the organisation, both in maintaining properties to an appropriate level (with the anticipation on amendments to the Decent Homes Standard) and investing in environmental enhancements.

Active asset management also includes carrying out options appraisals for units where it may be uneconomic to bring the property up to the habitable standard, including environmental performance. East End Homes will assess units on a Net Present Value (NPV) basis for their contribution to the business plan but will also consider social performance and the contribution that such homes may make to delivering social value. For example, a large family-sized home may be more ‘valuable’ to local overcrowded households in terms of fulfilling unmet local needs. The options appraisal process will be a comprehensive process which considers all inputs and outcomes, in considering the relative merits of approaches such as renewal or disposal.

During the year some potential investments into existing units were turned down as they would not justify the investment.

The asset renewal programme includes replacement or renewal of all component failures which would cause non-decency under the current Decent Homes Standard, and investment in improving environmental performance for all units to reach 'C' grade under the EPC system by 2030. At 31 March 2025, 67.8% of social rented properties achieved a rating of EPC C or above.

East End Homes has developed a comprehensive Assets and Liabilities Register which compiles all the group's assets and liabilities, providing up to date information for stakeholders including the Board.

The Board recognises that completion of the Eric Street Development is the short-term priority and are not currently considering further specific developments. However, the Board recognises that for some poorly performing housing stock, regeneration and new delivery through densification may offer a better opportunity to deliver additional and more energy efficient housing, than continued investment in the existing homes. These schemes need to draw upon extensive expertise, necessarily are a long time in planning and will involve extensive consultation. In the meantime, keeping residents safe is absolute priority, but we will avoid over-investing in underperforming assets.



67.8%

At 31 March 2025, 67.8% of social rented properties achieved a rating of EPC C or above.

Looking Ahead

The Board recognise that a key priority is to improve financial performance and resilience.

Considerable insight has been gained during the year to 31 March 2025 and there are a variety of workstreams under way that will further inform future decisions. The Group will take an informed commercial view of all decisions. The Board recognise that it may be necessary to take some difficult decisions regarding priorities. However, as a local housing provider we are close to the communities that we serve and will listen to our residents and sympathetically seek to balance these priorities.



The Board recognises that it may be necessary to take some difficult decisions regarding priorities.



Strategic Report – Value for Money (VFM)

Defining and Delivering VFM	50
VFM Key Metrics	52
Commentary on VFM Key Metrics	53
EEH Internal Specific VFM Performance Indicators	56
Plans to Deliver Increased VFM in Future	58

Defining and Delivering VFM

East End Homes' approach to VFM remains as set out in its VFM Strategy, agreed by the Board in December 2020. This strategy describes how EEH seeks to deliver efficiency in pursuing its corporate objectives; the role of the Board; and EEH's strategic framework for monitoring VFM activity and delivering compliance with regulatory requirements.

The strategy for 2020-25 was updated to reflect the revised regulatory framework and code of practice; the increased emphasis on performance metric reporting; and developing challenges for the financial performance of the organisation such as expenditure on building safety. It also built upon the strategic objectives set out in the Corporate Plan for 2019-24.

This VFM Strategy continues with the same summary definition of VFM for EEH as:

The provision of homes and services, at the right cost, that are fit for purpose and of the right quality for the needs and aspirations of our residents and stakeholders.



The VFM Strategy sets out the key responsibilities of the Board and where these are delegated to Committees, maintaining an ongoing process of monitoring and review. These are categorised into three main strands:

- **Value for Money monitoring** – delivering the Vision, Mission and corporate objectives, matching the priorities set out and the commitments made in the Business Plan
- **Return on Assets** – processes for reviewing how physical and human resources are used; and ensuring that EEH's activities do not compromise its financial sustainability whilst delivering the resources to pursue its ambitions
- **Social Value** – identifying and reporting the additional benefits generated by EEH through its activities including the social, wider economic and environmental outputs.

VFM performance will be monitored through the reporting against the adopted strategic metrics – including those specified by the regulator and sector collaboration, and those specifically identified by the EEH Board to reflect its strategic priorities. Reporting of this performance also allows for comparison against appropriate sector peer groups, allowing the Board to assess the effectiveness of its approach and to understand differences, in the context of operational structures and decisions. In the wider context of performance, the Board will also consider satisfaction data which communicates the perspectives of stakeholders on the services and outcomes being delivered.



The VFM Strategy sets out the key responsibilities of the Board and where these are delegated to Committees, maintaining an ongoing process of monitoring and review.

VFM Key Metrics

	24/25 Actual	24/25 Actual Adjusted*	Peer Group 23/24**	23/24 Actual Restated
Reinvestment % (properties acquired + development of new homes + work to existing homes + capitalised interest +schemes completed)/GBV (costs)	4.6%	4.6%	5.4%	7.3%
New social housing supply delivered: (Total social housing units delivered or newly built units acquired / total housing units owned at period end)	-	-	0.3%	-
Gearing: (LT + ST loans + finance leases - cash and cash equivalents)/Housing properties at costs	37%	37%	48%	36%
EBITDA - MRI %: (Operating surplus - amortised gov't grants - grant taken into income + interest received - capitalised major repairs + total depreciation)/(interest and financing costs + capitalised interest)	155%	78%	43%	17%
Headline social housing cost per unit CPU (£)	7,752	7,490	8,207	8,603
- Management CPU	3,438	3,209	1,744	3,330
- Service charge CPU	989	989	1,681	1,115
- Maintenance CPU	1,542	1,510	2,118	1,101
- Major repairs CPU	172	172	2,813	306
Operating margin (social housing lettings) %: (Operating surplus from social housing lettings/ turnover from social lettings)	8.9%	13.9%	11.4%	8.6%
Operating margin %: (Operating surplus (overall)/ turnover (overall))	26.4%	13.4%	13.0%	12.4%
Return on capital employed %: (Operating surplus + gains on fixed asset disposal)/(total assets - current liabilities)	3.3%	1.7%	2.0%	1.8%

* adjusted excluding one off non recurring write offs, impairment and valuation movements in investment properties

** Peer Group is a group of medium sized and London based housing associations: Origin, Tower Hamlets Community Housing, Gateway, Hexagon, ISHA, Karibu, Look Ahead, Newlon, Phoenix, Poplar HARCA and Wandle

Commentary on VFM key metrics

Reinvestment – Growth

Reinvestment is a measure of our financial investment in new and existing properties in the year, shown as a percentage of our total financial investment in properties.

Our level of reinvestment was lower than the peer group average in 2024/25 and lower than the level in 23/24. As noted earlier, Eric Street which was the only development scheme underway, was effectively mothballed towards year end, reducing the expected spend. Some of the planned investment into existing stock took longer to get into contract than anticipated. There was a significant investment in fire safety work in 23/24 which partly explains the fall in the current year.

In 24/25, we continue to invest in component renewal and fire safety works.

New supply delivered

This metric measures the percentage of new social and non social housing units developed or acquired during the year. EEH did not deliver any new housing units during the year. the peer group’s average result was 0.3% in 23/24.

As of 31st March 25, there are 95 social housing units in development in Eric Street together with 23 units in Violet Road that are completed and are to be handed over in 26/27. In the medium / long term, EEH is committed to continue to build social housing units in the Borough of Tower Hamlets.

Gearing

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

From the table shown, our gearing ratio of 37% is significantly below the peer group average of 48% and in line with that of in 23/24. This low gearing is achieved despite the ongoing investment in major works and fire safety expenditure, which is not recoverable from leaseholders.

It is forecast that the gearing is expected to be around 30-40% in the next five years.

EBITDA – MRI

EBITDA- MRI interest cover reflects the level of surplus EEH generates compared to interest payable. It measures EEH’s ability to generate cash, excluding sales of existing assets, to meet interest payments.

One of our lenders measures EEH’s loan covenant on an EBITDA MRI basis. The EBITDA -MRI of 155% is significantly higher than the peer group’s 43% and also a significant improvement on 23/24 unadjusted performance. 23/24’s performance was impacted by the significant investment in fire safety works, if excluding this, the performance jumped to 134%.

There are a number of one off write down (£6m), impairment (16m) and favourable movement in the valuation of investment properties (£26m). If these one-off write downs are excluded, the EBITDA-MRI is 78% which is still comfortably above the peer group average.

Headline Social Housing Costs per unit (CPU)

EEH’s Headline Social Housing CPU is a key measure of cost efficiency. EEH CPU of £7,752 is a reduction of 10% compared to last year’s (£8,603) and well below peer group average of £8,207. The one-off non-recurring expenditure did not impact the CPU materially.

The 23/24 CPU figure has been amended as the expenditure had been reallocated between social and non-social housing activities to align with current year’s allocation and to reflect the true costs incurred in all activities.

The expenditure on core activities in 24/25 was £18m, an increase of 2.5% compared to the amended 23/24 of £17.6m. The main growth areas were overheads and routine maintenance offset by service charge related costs. Depreciation has increased significantly too, as a result of starting to charge depreciation in 24/25 on the housing properties refurbishment programme.

Operating Margin (Social Housing Lettings)

Social Housing Operating Margin is a key indicator of the financial health of our core social housing business. In common with many smaller associations operating in London the costs of delivering services tend to be relatively high reflecting age of homes, factors such as overcrowding putting a strain on assets, higher London staff costs and so forth. EEH also believes in delivering services at a local level through local estate based offices which has a cost impact.

EEH’s operating margin for social housing lettings was 8.9% which is line with 23/24’s 8.6%. If excluding the one-off non-recurring costs, the operating margin would be 13.9%, which is above the peer group’s 11.4%. The 23/24 operating margin was amended to ensure the allocation of expenditure is consistent with 24/25’s and truly reflected the costs incurred by tenure types.

The margin in 24/25 if we exclude non-recurring costs is significantly higher than in 23/24 is because the growth in social housing lettings income is 9.7% compared the growth in expenditure of 2.5% which demonstrates EEH’s cost control measures and improved efficiency.

Operating Margin (overall)

The overall operating margin has improved significantly from 12.4% in 23/24 to 26.4% in 24/25 and significantly ahead of the peer group’s average of 13%.

This improvement in overall operating margin is largely due to a £26.0m increase in the revaluation of the investment properties offset by the £16.0m impairment on the development and non-recurring costs of £6.1m.

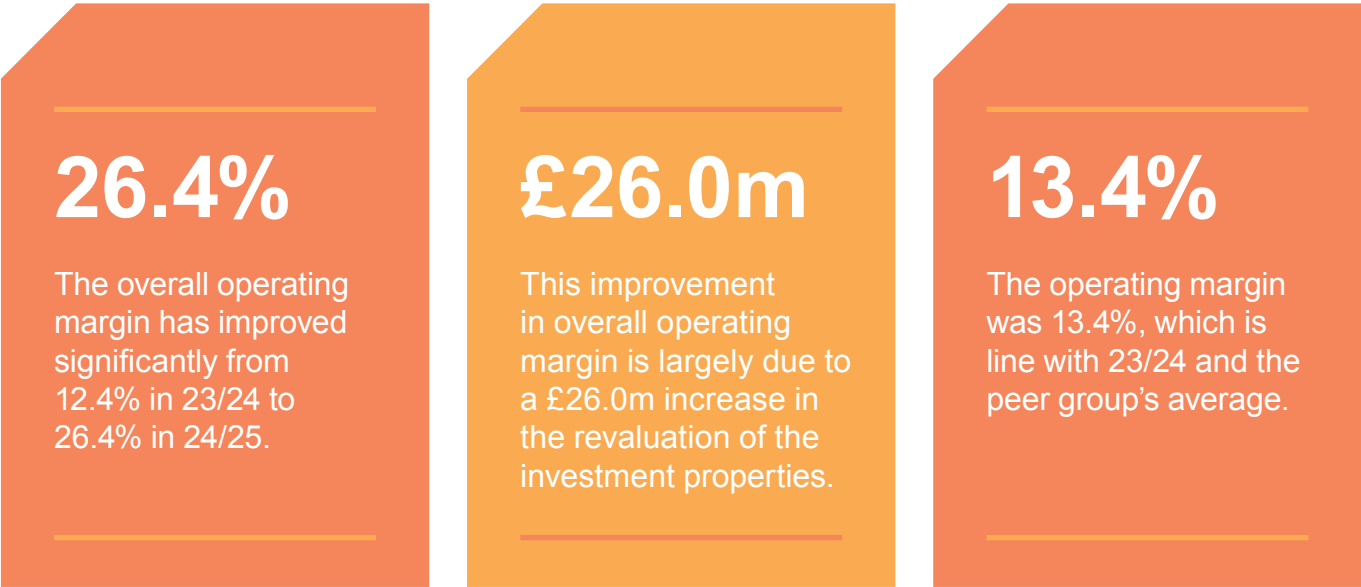
If we exclude the impact of the revaluation, impairment and the non-recurring costs, the operating margin was 13.4%, which is line with 23/24 and the peer group’s average.

Return on capital employed (ROCE)

The return on capital employed measures the efficient investment of capital resources by taking the operating surplus as a percentage of total assets, less current liabilities. In the 24/25 year, EEH achieved a Return on Capital Employed (ROCE) of 3.3%, an improvement from 1.7% in the previous year.

This positive trend indicates a steady enhancement in EEH’s efficiency in generating operating surplus from its capital employed, ahead of peer group’s average performance of 2.9%.

The improved ROCE is primarily driven by the improved surplus by cost control and increase in investment property valuation.



EEH Internal Specific VFM Performance Indicators

In addition to reporting against the nationwide sector metrics, the Board of East End Homes has identified a suite of performance measures to capture resident satisfaction and broader indicators of performance. These are shown below as the EEH Strategic metrics.

Overall tenant satisfaction has dropped from last year and well below the target. This is largely driven by the disruption caused by the Eric Street development and routine repairs. The disruption relating to damp and mould and leakage has been addressed by the Board and the management team since December 2024 and we expect the satisfaction to increase from 25/26. The development is scheduled to complete in 26/27.

The satisfaction for repairs is in line with 23/24 and significantly below the target. Analysis and feedback suggest that this is mostly related to lack of communication and the duration of repairs. This has been addressed by creating a dedicated customer service team to handle tenants and we have recruited a dedicated repairs manager to manage repairs.

The average re-let time has increased significantly from 23/24's 27.3 days to 50 days and substantially below the 20-day target. This is partly due to the fact that EEH took the opportunity to replace components, such as kitchens and bathrooms, to maintain decent home standards during voids repairs. In addition, EEH has overhauled the letting procedure and set up dedicated monitoring and reviewing process to discover and address the root causes.

The rent loss due to voids percentage is higher than 23/24 is also linked to the reasons above and with the dedicated resources and revamped lettings process, we expect the rent loss will reduce from 25/26.

The VFM satisfaction relating to leaseholders' data is not available as the STAR survey takes place every 2 years.

EEH Strategic Metrics

		25/26 Target	24/25 Actual	23/24 Actual
EEH 1	(Effectiveness) Tenant satisfaction with overall services (As per Tenant Satisfaction Measures Technical Requirements)	70%	58.20%	69%
EEH 2	(Effectiveness) Satisfaction with the quality of a repair: Transactional survey on job completion	98%	93.25%	93.65%
EEH 3	(Efficiency) Number of repairs completed per property: both in-dwelling and communal repairs, including repairs reported by ILH units	-	3.02	4.23
EEH 4a	(Efficiency) Void performance: Average re-let time (days)	20	50.3	27.3
EEH 4b	(Economy) Void performance: Rent loss due to void properties as a percentage of annual rent debit	-	1.09%	0.28%
EEH 5a	(Effectiveness) Value for Money Satisfaction: Tenants believing that rents represent value for money	-	63.40%	65.97%
EEH 5b	(Effectiveness) Value for Money Satisfaction: Leaseholders believing that service charges represent value for money (STAR) (every 2 years)	-	No data	29.84%

Plans to Deliver Increased VFM in Future

Continuing to improve and drive value for money

Since late 2024, the new Executive Management Team including the Interim Chief Executive and the Interim Finance Director have been in place, which has given an opportunity to review existing policies, processes and practices and to clear up and write off bad debts, agreed impairment on the ongoing development and revalued investment properties.

There has been analysis of the business model with particular focus upon poorly performing areas such as the shortfalls in recovery from leaseholders and from service charges. Post year end there has been a staffing restructure to improve operational delivery.

Post year end following the appointment of the permanent Chief Executive and Executive Director of Finance and Resources, and the finalisation of the restructure, we will continue to improve and drive value for money by the following measures:



1

Zero based budgeting has been introduced to critically challenge expenditure;

2



Finance business partnering has been introduced to work closely with the organisation to provide insight and challenge budget holders;

3

Reviewing and improving the service charge process to ensure correct recovery from social housing tenants and leaseholders;

4

Improving controls and consultations with leaseholders on major repairs;

5

Strengthened internal controls on agency staff usage, partnership working with IT providers and the usage of managing agents;

6



Reducing arrears by engaging with tenants on Universal Credit and supporting them to maximise their income and sustain their tenancy.

7

Developing policies to be a good employer to reduce staff turnover, sickness and provide training to equip and empower them to provide best service to tenants.

4

Strategic Report – Governance

Board Membership	62
Executive Management Team	64
Board and Committees	66
Governance Recovery	68
Risk	69
Regulatory Standards	70
Statement of the Board’s Responsibilities	71

Board Membership

Board, Executive and Key Advisers

A full listing of Board members, Executive Management, Key Advisers and Bankers is set out from page 130 at the end of the financial statements.

Board

During 2024/25 five new Board Members were appointed to strengthen the Board’s skills, experience and expertise in implementing governance improvements and striving to meet the strategic objectives of the organisation and the priorities of our stakeholders, particularly our residents.

All appointments to Board and Committee are made in line with the agreed policy which necessitates a skills-based approach driving appointments to meet the requirements identified in the Board Skills and Competencies Matrix.

The following were all appointed in September 2024, and contribute collectively to the Board’s performance and deliver individual strengths as set out opposite:



Sandra Fawcett

Sandra Fawcett is a housing professional with experience in several senior and Director roles with other Registered Providers including locally in Tower Hamlets. Sandra has taken on the role of Chair of Resident Services Committee.



Keziah Halliday

Keziah Halliday brings expertise in governance and related skillsets including data security. She is an experienced healthcare professional having worked in the public and private sectors, and serves on the People and Governance Committee. In February 2025 Keziah also took on the role of Senior Independent Director.



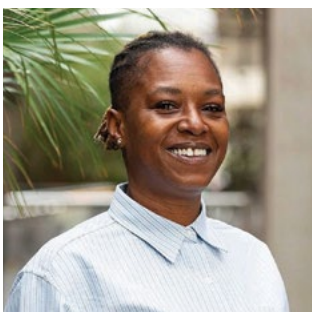
Pradeep Jeyaratnam-Joyner

Pradeep Jeyaratnam-Joyner is an experienced trustee and leader who has worked in the arts and as a business coach. He contributes expertise in governance and people management, and serves on the People and Governance Committee. Pradeep is also a leaseholder residents on the Isle of Dogs.



Hilary Milne

Hilary Milne is an experienced governance lead who has worked in senior roles at several Registered Providers. She acts as the Chair of the People and Governance Committee.



Dewbien Plummer

Dewbien Plummer is a housing professional with strong expertise in customer service, inclusion, and complaints management. She regularly shares her expertise at sector events as a public speaker. Dewbien is a member of the Resident Services Committee and is also the Member Responsible for Complaints.

5

During 2024/25 five new Board Members were appointed to strengthen the Board’s skills, experience and expertise.



Executive Management Team

The Board has also overseen the introduction of a revised Executive Management Team (EMT) structure and new appointments to fill key roles. The EMT now consists of a Chief Executive; a Chief Operating Officer; and a Director of Finance and Resources.

In October 2024 Chief Executive, John Henderson, left East End Homes after almost twenty years of service. John had been with East End Homes from inception, acting for many years as the Director of Housing, and playing a major role in establishing the organisation.

In December 2024, Steve Inkpen retired from his role as Director of New Business and Special Projects, following twenty years with East End Homes and a total of forty-five years working in Tower Hamlets. In December 2024, David Opoku left his role as Head of Finance after more than a decade.



2025

The Board was pleased to appoint Daniel Killian as Chief Executive in 2025.

The Board has acted decisively to introduce replacements into the key roles in the new EMT structure:

- In November 2024, Yvonne Arrowsmith joined as the interim Chief Executive, tasked with invigorating the momentum towards a compliant governance grading; and driving improvements in customer service through modernisation. Yvonne brought experience of interim appointments in challenging circumstances and has overseen progress in moving towards regulatory compliance and the introduction of a new Corporate Plan. The Board also undertook the recruitment exercise for a new permanent Chief Executive, and was pleased to appoint Daniel Killian in September 2025. Joining from Gravesham Council, Daniel brings over 25 years of housing and local government experience and is tasked with driving change and embedding a culture of openness, accountability, and excellence.
- In December 2024 the Board recruited Paul Gray to act as the interim Director of Finance. Paul has considerable experience in finance leadership roles inside and outside of the housing sector and has been briefed with modernising East End Homes’ financial processes and ensuring ongoing viability. The Board has also recruited to the permanent post in the structure, and Rhodri Morgan joined from Platform Housing Group in September 2025.

Decision making

In developing these Financial Statements and the Business Plan, the Board of East End Homes and the finance team have sought to modernise the financial reporting to provide greater clarity and transparency and to support improved decision making. As detailed in the Finance Section of the Strategic Report a series of improvements have been made to the presentation in these accounts.

As part of the overarching work to enhance governance arrangements the Board has also reviewed its control framework to satisfy itself that it has the appropriate assurance to support effective decision-making. Key decision points during the year are diarised to ensure that there is adequate time for scrutiny and transparency when agreeing key decisions. The Board considered the wider ramifications of its decisions, both in terms of the financial consequences for the organisation and its ongoing viability, but also the impacts on stakeholders. For example, an impact assessment models the impact of proposed decisions on rent increases so that the Board can make an informed decision. All recommendations proposed by officers for Board decision must identify the impacts on residents (and the resident voice on the topic), alongside considerations such as conformation to the agreed risk appetite.

Board and Committees

East End Homes agreed to restructure its governance structure including the committees in September 2023. This means that 2024/25 was the first full year in which the revised structure operated. During the past year the revised structure has been embedded, and the Board continues to consider the arrangements and how they may be optimised to meet evolving requirements and best practice.

During the year to 31 March 2025, the Board met on ten occasions, in addition to two away days and training sessions. There is a core set of functions which are the reserved responsibilities of the Board and cannot be delegated. Other responsibilities which are delegated to committees are identified as such in the Terms of Reference for each body, and the activities of each committee are transparently reported to the East End Homes Board.

Audit and risk committee

The Audit and Risk Committee (ARC) was Chaired by Simon Turek, an experienced ARC Chair, until 13 March 2025. For personal reasons it was necessary for Simon to step aside from his role as Chair and ARC was subsequently Chaired by John Wu on an interim basis, with a new Chair being recruited in Autumn 2025. The other members of this committee during the year included Tracey Gray (from February 2025); Hilary Milne (until February 2025); and Ken Beech (until his resignation from the Board in February 2025).

Key responsibilities of this committee, as identified in its Terms of Reference, include internal control and risk management; compliance and fraud reporting; financial reporting and narrative reporting; and overseeing the internal audit and external audit functions. The Committee has the capacity to meet independently with EEH auditors at their request to discuss audit findings. The Committee also scrutinises the completion of actions from previous audits to assure itself that agreed management actions are implemented.

People and governance committee

The People and Governance Committee is chaired by Hilary Milne. Other members during the year included Jacqui Bateson, Keziah Halliday, Pradeep Jeyaratnam-Joyner, Kevin Moore (until September 2024), Marek Wiluszynski (until September 2024), and Emma Palmer (until February 2025).

Key responsibilities of this committee include oversight of remuneration for the Board and the EMT; appraising the performance of Board Members and the EMT; keeping under review the composition of the Board and Committees and maintaining the adequate skills, including succession planning; and monitoring EEH's performance information on staffing matters.

Resident services committee

This Committee is chaired by Sandra Fawcett. Other members during 2024/25 included Forhana Begum, Dewbien Plummer, Carol Hinvest (until September 2024), Marek Wiluszynski (until September 2024), and Tracey Gray (until February 2025). David Edgar has also acted as an independent member of this committee. During Summer 2025 we recruited new resident co-opted members for the committee.

The key responsibilities of the committee include monitoring operational service delivery and performance, capture of the resident voice, reviewing complaints handling, agreeing some strategies and policies, and reviewing community investment and social value.

Finance and Investment Committee

During 2025/26 East End Homes is intending to introduce a Finance and Investment Committee, to support additional scrutiny over financial performance and performance reporting. However, overall responsibility for financial matters will remain with the Board.

10

During the year to 31 March 2025, the Board met on ten occasions, in addition to two away days and training sessions.

Governance Recovery

A major priority for the Board has been for the organisation to return to holding a compliant governance rating with the Regulator of Social Housing. The Governance Recovery and Improvement Plan (GRIP) was agreed by the Board in response to the Regulatory Judgement published in May 2023. This contained almost fifty identified actions to be taken to strengthen governance arrangements, organised into seven workstreams. The Board has considered progress against the identified actions regularly at its meetings.

Some of the actions which have been taken as part of the journey towards regulatory compliance are mentioned elsewhere in this report, including the introduction of a new risk management framework, and reviewing the skills requirements both of the Board members and staff.

With many of the actions on the GRIP nearing completion, in the summer of 2025 the Board agreed to commission an external assurance review of the GRIP by BDO LLP to determine the evidence for actions having been completed. Upon completion of this review, in August 2025 the Board was satisfied that no substantive further action was required, and took the decision to write to ask the Regulator of Social Housing to review the East End Homes governance grading.



Risk

The Board retains overall responsibility for the risk management framework, including the identification of strategic risks. The Audit and Risk Committee conducts some of the more intensive scrutiny including on operational matters which could develop into a strategic risk.

East End Homes operates a Risk Management Framework which includes having a Risk Appetite Statement with tailored risk appetites across key themes. For example, the Board has a lower risk appetite for Safety than it does for Development and Growth. The risk appetite assigned by the Board for each theme dictates the target risk scoring, and accordingly the level of mitigating actions which may need to be taken in seeking to reduce the exposure to the strategic risk to a level tolerable to the organisation.

At the time of this report, the Board of East End Homes is monitoring nine strategic risks. Some of these relate to issues identified in the current Regulatory Judgement, such as governance arrangements and data on stock quality. Others are identified by the Board through the ongoing process of risk monitoring and management, for example an entry relating to the Eric Street development.

There are several more entries on the Operational Risk Register, which is received by the Audit and Risk Committee. All risk entries are regularly reviewed by an Audit and Risk Panel constituted of key staff, before being reviewed at Committee and Board. Staff are expected to identify emerging risk areas as part of their regular meetings with managers to support early identification and mitigation of potential risks.

An element of the strategic approach to risk is to conduct regular stress testing of the Business Plan. Key strategic risks as identified in the register are modelled against the updated Business Plan to support the Board in understanding what the ramifications of a risk materialising would be for the ongoing viability of the organisation and the capacity to meet key strategic objectives. The Board also considers multi-variate scenarios which combine multiple risks, and develops mitigation strategies to maintain viability in such a scenario.

Regulatory Standards

The Board considers its compliance with the RSH's regulatory requirements routinely, and in assessing the compliance of the organisation seeks to assure itself that EEH has strong governance arrangements, is protecting valuable social housing assets, and is providing high quality services to residents. The Board takes its responsibilities seriously and is committed to open and transparent dealings with the RSH, including a commitment to reporting any material breaches of the standards if they are identified.

East End Homes believes that our local focus and connection to local communities puts us in a strong position to meet the expectations of the consumer standards, as refreshed by the RSH in 2024, and that providing a quality service including safe homes and neighbourhoods must not be overlooked whilst work is ongoing to strengthen governance and ensuring that EEH has a robust financial position. A review of the position against the consumer standards was commissioned through HQN, a leading housing consultancy, and the Board considered the findings at an away day with progress being monitored through the Resident Services Committee.

In its most recent self-assessment, the Board has not identified any areas of non-compliance with the Regulatory Standards. Actions required to maintain ongoing compliance are considered and monitored.

In addition to the regulatory supervision by the RSH, East End Homes must also comply with its responsibilities as a Registered Charity and completes all necessary submissions to the Charity Commission. All Board Members also act as trustees of the charity. EEH is also regulated by the Financial Conduct Authority for the limited purposes of providing extended repayment terms for leaseholders' Major Works contributions.



Statement of Board's Responsibilities

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

The Companies Act 2006 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 Company and of the income and expenditure of the Group and Association for that period. In preparing these financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 accounts on the going concern basis unless it is inappropriate to presume that the Group and Company 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 Company and enable it to ensure that the financial statements comply with the Companies Act 2006, 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 Company and to prevent and detect fraud and other irregularities.

We, the Board members, who are also the directors of the Company, who held office at the date of approval of these Financial Statements set out above, each confirm, so far as we are aware, that:

- there is no relevant audit of which the Group's and Company's auditors are unaware; and
- we have taken all the steps that ought to have been taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. In approving the Strategic Report of the Board of Management, we also approve the Strategic Report included therein, in our capacity as company directors.

Going concern

After making enquiries the Board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

In considering the financial position of the group the Board has reviewed the short-term cash flow forecast, available bank facilities and 30-year business plan.

Annual general meeting

The annual general meeting was held on 23 September 2025.

Auditors

Beever and Struthers Chartered Accountants have expressed their willingness to continue as external auditors and a resolution to re-appoint them shall be proposed at the annual general meeting.

Approved by the Board on 23 September 2025 and signed on its behalf by:



Jacqui Bateson
Chair



John Wu
Member



Keziah Halliday
Member





Statutory Reports and Notes

Report of the Independent Auditors	76
Statement of Comprehensive Income	82
Statement of Financial Position	84
Statement of Changes in Reserves	86
Statement of Cash Flows	88
Notes to the Financial Statements	90
Board, Executive and Key Advisors	128

Report of the Independent Auditors

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group’s and the Company’s affairs as at 31 March 2025 and of the Group’s and Company’s profit 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 Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Board is responsible for the other information. The other information comprises the information included in the Strategic Report of the Board of Management, other than the financial statements and our auditor’s report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report of the Board of Management for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report of the Board of Management has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report of the Board of Management.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the Board

As explained more fully in the Statement of the Board's responsibilities set out on page 24, 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's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, 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. This description forms part of our auditor's report.

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

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

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

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006, the Charities Act 2011, 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 legislations, 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 trustees 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 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Michael Tourville FCA
(Senior Statutory Auditor)

For and on behalf of:
Beever and Struthers
Chartered Accountants and Statutory Auditor
150 Minorities, London, EC3N 1LS

Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2025

	Notes	2025 £,000	2024 £,000
Turnover	2	29,928	28,863
Cost of sales	2	(979)	(2,035)
Operating expenditure	2	(46,988)	(22,763)
Increase / (decrease) in valuation of investment properties	11	25,953	(475)
Gain on disposal of property, plant and equipment (fixed assets)	5	136	506
Operating surplus	2	8,050	4,096
Interest receivable and similar income	6	600	706
Interest and financing costs	7	(3,660)	(3,912)
Surplus for the year before taxation	8	4,990	890
Taxation	9	-	-
Surplus for the year	21	4,990	890
Actuarial gain in respect of pension schemes	21	1,705	1,055
Pension surplus not recoverable		(2,493)	(9,105)
Total comprehensive income / (deficit) for the year		4,202	(7,160)

The results relate wholly to continuing activities. The notes on pages 90 to 129 form an integral part of these financial statements. The financial statements were approved and authorised for issue by the Board on 23 September 2025 and were signed on its behalf by:

Jacqui Bateson (Chair), John Wu (Member), Keziah Halliday (Member)

Association Statement of Comprehensive Income for the Year Ended 31 March 2025

	Notes	2025 £,000	2024 £,000
Turnover	2	29,845	28,588
Cost of sales	2	(979)	(2,035)
Operating expenditure	2	(46,984)	(22,710)
Increase / (decrease) in valuation of investment properties	11	25,953	(475)
Gain on disposal of property, plant and equipment (fixed assets)	5	136	506
Operating surplus	2	7,971	3,874
Gift aid received from subsidiary		231	253
Interest receivable and similar income	6	593	696
Interest and financing costs	7	(3,660)	(3,912)
Surplus for the year before taxation	8	5,135	911
Taxation	9	-	-
Surplus for the year after taxation		5,135	911
Actuarial gain in respect of pension schemes	21	1,705	1,055
Pension surplus not recoverable	21	(2,493)	(9,105)
Total comprehensive income / (deficit) for the year		4,347	(7,139)

The results relate wholly to continuing activities. The notes on pages 90 to 129 form an integral part of these financial statements. The financial statements were approved and authorised for issue by the Board on 23 September 2025 and were signed on its behalf by:

Jacqui Bateson (Chair), John Wu (Member), Keziah Halliday (Member)

Statement of Financial Position

Consolidated Statement of Financial Position
as at 31 March 2025

	Notes	2025 £,000	2024 £,000
Fixed assets			
Tangible fixed assets: housing properties	10	199,201	211,367
Investment properties	11	45,714	19,729
Tangible fixed assets: other fixed assets	12	1,191	1,156
		246,106	232,252
Current assets			
Stock	13	-	596
Trade and other debtors			
- due within one year	14	2,967	4,338
- due after one year	14	503	503
Cash and cash equivalents		3,412	4,685
		6,882	10,122
Less creditors			
Amounts falling due within one year	15	(7,651)	(8,153)
Net current assets / (liabilities)		(769)	1,969
Total assets less current liabilities		245,337	234,221
Creditors			
Amounts falling due after more than one year	16	(160,580)	(153,339)
Provision for liabilities and charges	21	(559)	(886)
Total net assets		84,198	79,996
Capital and reserves		29,899	3,946
Revaluation reserve			
Income and expenditure reserve		54,299	76,050
Total reserves		84,198	79,996

The notes on pages 90 to 129 form an integral part of these financial statements.
The financial statements were approved and authorised for issue by the Board on 23 September 2025 and signed on its behalf by:

Jacqui Bateson (Chair), John Wu (Member), Keziah Halliday (Member)

Association Statement of Financial Position as
at 31 March 2025

	Notes	2025 £,000	2024 £,000
Fixed assets			
Tangible fixed assets: housing properties	10	199,201	211,367
Investment properties	11	45,714	19,729
Tangible fixed assets: other fixed assets	12	1,191	1,156
		246,106	232,252
Current assets			
Stock	13	-	596
Trade and other debtors			
- due within one year	14	3,193	4,348
- due after one year	14	503	503
Cash and cash equivalents		3,009	4,358
		6,705	9,805
Less creditors			
Amounts falling due within one year	15	(7,561)	(8,068)
Net current assets / (liabilities)		(856)	1,737
Total assets less current liabilities		245,250	233,989
Creditors:			
Amounts falling due after more than one year	16	(160,580)	(153,339)
Provision for liabilities and charges	21	(559)	(886)
Total net assets		84,111	79,764
Capital and reserves			
Revaluation reserve		29,899	3,946
Income and expenditure reserve		54,212	75,818
Total reserves		84,111	79,764

The notes on pages 90 to 129 form an integral part of these financial statements.
The financial statements were approved and authorised for issue by the Board on 23 September 2025 and signed on its behalf by:

Jacqui Bateson (Chair), John Wu (Member), Keziah Halliday (Member)

Statement of Changes in Reserves

Consolidated Statement of Changes in Reserves for the Year Ended 31 March 2025

	Group Income and expenditure reserve £'000	Group Revaluation reserve £'000	Group Total reserves £'000
Balance at 1 April 2023	82,735	4,421	87,156
(Deficit) from Statement of Comprehensive Income	(7,160)	-	(7,160)
Transfer to/from revaluation reserve	475	(475)	-
Balance at 31 March 2024	76,050	3,946	79,996
Surplus from Statement of Comprehensive Income	4,202		4,202
Transfer to/from revaluation reserve	(25,953)	25,953	-
Balance at 31 March 2025	54,299	29,899	84,198

The notes on pages 90 to 129 form an integral part of these financial statements.

Association Statement of Changes in Reserves for the Year Ended 31 March 2025

	Income and expenditure reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 April 2023	82,482	4,421	86,903
(Deficit) from Statement of Comprehensive Income	(7,139)	-	(7,139)
Transfer to/from revaluation reserve	475	(475)	-
Balance at 31 March 2024	75,818	3,946	79,764
Surplus from Statement of Comprehensive Income	4,347		4,347
Transfer to/from revaluation reserve	(25,953)	25,953	-
Balance at 31 March 2025	54,212	29,899	84,111

The notes on pages 90 to 129 form an integral part of these financial statements.

Statement of Cash Flows

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	2025		2024	
	£'000	£'000	£'000	£'000
Net cash generated from operating activities (Note i)		1,761		11,639
Cash flow from investing activities				
Purchase of tangible fixed assets	(166)		(176)	
Acquisition and construction of housing properties	(7,543)		(15,080)	
Proceeds from sale of tangible fixed assets	793		636	
Interest Received	591		562	
Grant Received	1,706		1,260	
		(4,619)		(12,798)
Cash flow from financing activities				
Interest Paid	(3,415)		(3,134)	
New loans secured	5,000		-	
		1,585		(3,134)
Net change in cash and cash equivalents		(1,273)		(4,293)
Cash and cash equivalents at beginning of the year		4,685		8,977
Cash and cash equivalents at end of the year		3,412		4,684
Cash and cash equivalents comprise:				
Cash at bank		3,412		4,684
Note i				
Cash flow from operating activities				
Surplus for the year		4,202		(7,160)
Adjustments for non-cash items:				-
Depreciation of tangible fixed assets		4,193		3,786
Impairment of fixed assets		16,000		
(Increase)/ decrease in trade and other debtors		1,976		5,227
(Decrease)/ increase in trade and other creditors		542		304
Increase/ (decrease) in provisions		(327)		7,007
Carrying amount of tangible fixed asset disposals		(517)		20
Adjustments for investing or financing activities:				
Proceeds from the sale of tangible fixed assets		(793)		(636)
Interest payable		3,660		3,912
Interest received		(600)		(706)
Government grants amortised		(590)		(590)
Changes in value of Investment Properties		(25,985)		475
Net cash generated from operating activities		1,761		11,639

The notes on pages 90 to 129 form an integral part of these financial statements.

Association Statement of Cash Flows for the Year Ended 31 March 2025

	2025		2024	
	£'000	£'000	£'000	£'000
Net cash generated from operating activities (Note i)		1,725		11,597
Cash flow from investing activities				
Purchase of tangible fixed assets	(166)		(176)	
Acquisition and construction of housing properties	(7,543)		(15,080)	
Proceeds from sale of tangible fixed assets	793		636	
Interest Received	584		553	
Grant Received	1,706		1,260	
		(4,626)		(12,807)
Cash flow from financing activities				
Interest Paid	(3,415)		(3,134)	
New loans secured	5,000		-	
Repayment of borrowings	-	1,585	-	(3,134)
Net change in cash and cash equivalents		(1,316)		(4,344)
Cash and cash equivalents at beginning of the year		4,358		8,702
Cash and cash equivalents at end of the year		3,042		4,358
Cash and cash equivalents comprise:				
Cash at bank		3,042		4,358
Note i				
Cash flow from operating activities				
Surplus for the year		4,347		(7,139)
Adjustments for non-cash items:				
Depreciation of tangible fixed assets		4,193		3,786
Impairment of fixed assets		16,000		-
(Increase)/ decrease in trade and other debtors		1,760		5,202
(Decrease)/ increase in trade and other creditors		538		256
Increase/ (decrease) in provisions		(327)		7,007
Carrying amount of tangible fixed asset disposals		(517)		20
Adjustments for investing or financing activities:				
Proceeds from the sale of tangible fixed assets		(793)		(636)
Interest payable		3,660		3,912
Interest received		(593)		(696)
Government grants amortised		(590)		(590)
Changes in value of Investment Properties		(25,953)		475
Net cash generated from operating activities		1,725		11,597

The notes on pages 90 to 129 form an integral part of these financial statements.

Notes to the Financial Statements

1. Principle accounting policies

East End Homes Limited is a registered company limited by guarantee under the provisions of the Companies Act 2006 registered in England with registration number 4516155 and is registered as a charity in accordance with the Charities Act 2011 registration number 1107691. It is also registered with the Regulator of Social Housing as a Registered Provider of Social Housing under the provisions of the Housing and Regeneration Act 2008 registration number L4434. The registered office is 3 Resolution Plaza, London, E1 6PS.

Name	Incorporation	Registered/ Non-registered
East End Homes Limited	Companies Act 2006	Registered
Eric Street Development Limited	Companies Act 2006	Non-registered

On 9 May 2025 East End Homes (Community Development) Limited changed its name to Eric Street Development Ltd.

Basis of Accounting

The Group and Association’s financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP), the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers, the Companies Act 2006, the Charities Act 2011, 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 investment properties and pension fund assets and liabilities held at fair value and are presented in sterling £’000.

The Group and Association’s financial statements have been prepared in compliance with FRS 102. As a public benefit entity, East End Homes Limited has applied the public benefit entity ‘PBE’ prefixed paragraphs of FRS 102.

Parent company disclosure exemptions

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

- Disclosures in respect of the parent company’s financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

Basis of Consolidation

The consolidated financial statements incorporate the results of East End Homes Limited and its subsidiary undertaking Eric Street Development Limited, registered company number 05838745, 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. Intra-group transactions are eliminated on consolidation.

Turnover

Turnover represents rental income receivable, amortised capital grant, service charges, revenue grants from local authorities, the Greater London Authority and Homes England, management fees receivable and other income and are recognised in relation to the period when the goods and services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. All income is recognised on a receivable basis and sales of property are recognised at completion. Income is recognised on delivery of service. Intra-group charges are on an arm’s length basis and are eliminated on consolidation.

Sale of properties developed for outright sale are included in Turnover and Cost of Sales.

Housing properties

Housing properties are properties used in the provision of social benefit purposes or for wider community benefits. They include socially rented units.

East End Homes account for housing properties using the historical cost model. Housing properties are initially recognised at the cost of bringing them to their present condition. Such costs include the cost of acquiring land and the buildings, cost of construction, directly attributable administration costs and expenditure incurred in improving or reinvesting in existing properties.

Social housing properties during development are carried at their development costs to date less impairment. The approach to determining whether any impairment provision is required is set out in the estimation uncertainty section of the accounting policies under “Impairment of non-financial assets” on page 94.

Housing properties are stated in the Statement of Financial Position at cost less depreciation less impairment. Depreciation is charged on completed social housing properties, excluding freehold land on a straight-line basis over the useful economic life of the component from the date of practical completion.

Under SORP 2018, the costs of housing properties is split between their land and structure costs and a specific set of major components which require periodic refurbishment or replacement. The costs of refurbishment of or replacement of such components is capitalised and depreciated over the expected useful economic lives of the components as follows:

Component	Useful economic life (years)
Land	Not depreciated
Structure	100
Roof	30
Lift	50
Bathroom	30
Kitchen	25
Electrical	30
Heating systems	20
Windows	30
Doors	30

Major repairs expenditure is capitalised where the works undertaken increase the future economic benefit to be derived from the property. An increase in the future economic benefit can arise through either an increase in the rental income or a reduction in future maintenance costs or a significant extension in the life of the property. Where the works are either routine repairs or replacements with no incremental benefit then the costs are charged to the statement of comprehensive income in the period in which they are incurred.

Land and properties that are donated from local authorities or acquired at a discount to their fair values as a result of planning requirement under Section 106 Town and Country Planning Act 1990 are carried in the Statement of Financial Position at their fair value subject to the restrictions attached to those assets and not at the consideration paid by East End Homes. Donated land is also carried at the fair value at the time of the donation rather than at £nil value.

Sales of housing properties

Property sales are attributable to preserved Right to Buy or Right to Acquire sales. The gain or loss on disposal of housing properties is recognised in the Statement of Comprehensive Income at the date of transfer of title.

Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write the assets down to their residual values over their estimated useful economic lives, which are as follows:

Stock and properties held for sale

Assets	Useful economic life (years)
Motor vehicles	3
Office furniture and equipment	5
Computer equipment	3
Office buildings	50

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.

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.

Loan interest costs

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

Pensions

East End Homes participates in two pension schemes namely; Social Housing Pension Scheme (SHPS) and Local Government Pension Scheme (LGPS) with London Borough of Tower Hamlets (LBTH).

For both SHPS and LGPS, the operating costs of providing retirement benefits to participating employees are recognised in the accounting periods in which the benefits are earned. The related finance costs, expected return on assets and any other changes in fair value of the assets and liabilities, are recognised in the accounting period in which they arise.

A deficit on either of the two pension schemes is disclosed as a liability. If there is an asset surplus on either of the two pension schemes this will only be recognised if there is reasonable certainty of benefit being realised from that surplus, and otherwise will be restricted by application of an asset ceiling:

- The full pension deficit liability for the Social Housing Pension Scheme (SHPS) is disclosed as a liability.
- The pension asset surplus for the London Borough of Tower Hamlets (LBTH) LGPS has been restricted to £nil by the application of the asset ceiling.

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services. The disclosures in the financial statements follow the requirements of Section 28 of FRS 102 in relation to multi-employer funded schemes in which the Group has a participating interest.

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.

VAT

East End Homes Limited and Eric Street Development Limited are registered as a VAT group. A large proportion of East End Homes' income comprises rental income, which is exempt for VAT purposes and gives rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT. Recoverable VAT arising from partially exempt activities is credited to the Statement of Comprehensive Income.

Taxation

The Association has charitable status and therefore is not subject to Corporation Tax on surpluses derived from charitable activities.

Operating leases

Rental paid under operating leases is charged to the Statement of Comprehensive Income as incurred.

Provisions

East End Homes only provides for contractual liabilities and pension commitments which exist at the Statement of Financial Position date.

Rent Setting

East End Homes complies with the Regulator of Social Housing's Rent Standard as a key component of the Regulatory Framework.

Going Concern

The Board has reviewed the group's budget for the year to March 2026 and Business Plan for 2026 onwards and have also considered a detailed stress test analysis that showed the Group to be financially resilient. The stress tests consider wider economic and political factors as well as the principal risks identified and the availability of cash resources. Having taken steps to mitigate where possible the impact of these risks, the Board has concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge 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 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 and Association 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 Association as the existing property.
- The cash flows are derived from the business plan for the next 30 years and do not include significant future investments that will enhance the asset's 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.

Non exchange transactions

Non exchange transactions such as donations, grants from non-government sources and legacies are recognised in the comprehensive income statement when received or receivable and do not impose future performance related conditions. Where there are performance conditions the non-exchange transactions are recognised as liabilities until the performed conditions have been discharged.

Service Charge

Service charges are set at a level which should recover the cost of providing services at the schemes. Where costs have either been under or over recovered, the resulting surplus or deficit is recovered or repaid in future years. The Group operates variable service charges on a scheme-by-scheme basis in full consultation with the 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 recovered by a higher charge.

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised when development activity is in progress up to the date of the completion of the scheme and only when it is considered prudent to do so. If there is uncertainty about the scheme interest may not be capitalised until such uncertainty is resolved.

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

Investment properties

Investment property includes commercial and other properties not held for the social benefit of the Group and are measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure. Investment properties are included in the Statement of Financial Position at their fair value; where, fair value is the amount that willing and informed parties are able to transact. The fair value is determined in accordance with the guidance notes on the valuation of assets issued by the Royal Institution of Chartered Surveyors. Movements in the fair values of investment properties are recognised in the Statement of Comprehensive Income. No depreciation is provided.

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 income statement in other operating expenses.

Social Housing and other government grants

Government grants are grants from government sources such as local authorities and Homes England and they are accounted for under the accruals model. Government grants relating to assets are amortised over 100 years, or if the grant is allocated to a component or a building with a lease then it is amortised over the corresponding life. The unamortised element is treated in the Statement of Financial Position as deferred income.

Grants relating to revenue are recognised in income on a systematic basis over the period in which the social landlord recognises the related costs for which the grant is intended to compensate. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised as revenue in the period in which they become receivable.

Social Housing Grant (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 the Homes England and Greater London Authority. 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.

Other grants

Other grants are any grants other than government grants. They are held as deferred income and released to the Statement of Comprehensive Income in line with the revenue recognition criteria using the performance model. Revenue is recognised when the performance conditions attached to the other grants have been fully met.

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.

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.

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.

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

- The best evidence of fair value is a quoted price in an active market.
- 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.

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.

Significant accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Significant accounting judgements

Judgements are those management have made in applying the Group's accounting policies that have the most significant effect on the amounts recognised. The most significant judgements are as follows:

a. Development expenditure

The Group capitalises development expenditure in accordance with the accounting policy described on page 94.

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 and investment properties

The Group has undertaken a detailed review of the intending use of all housing properties. In determining the intending use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The purpose for which the commercial properties are held has changed over time and in the judgement of management these should now be treated as investment properties, and as discussed in Note 11, have been included at valuation for the first time in the 2025 financial statements.

The Group has determined that both private rented homes and commercial properties are investment properties.

c. Impairment

The Group has undertaken an Impairment Review of non-financial assets which concluded that both the existing homes and new homes at Eric Street were impaired; in determining the magnitude of the impairment charge there were various estimates applied as discussed in the section which follows.

d. Defined benefit pension scheme surpluses

Surpluses on defined benefit pension schemes are only recognised where the scheme rules do not restrict the right to repayment of the surplus upon wind-up, there are no factors that may restrict the recognition of any surplus, it is probable the Group will benefit from the surplus (such as reduced contributions), and that the resulting asset can be reliably measured. Judgements applied for the Local Government Pension Scheme with London Borough of Tower Hamlets were as follows:

- We understand that the administering authority has discretion over how the surplus will be applied. Further, following actuarial advice we believe it is likely that the net present value of future service costs will be lower than the net present value of future service contributions. These factors indicate the Group may not have access to any surplus, and will not benefit from reduced contributions. In the current year, the accounting valuation shows a surplus arising and therefore an asset ceiling has been applied of £2,493k (2024: £9,105k), and the scheme net assets are restricted to nil value.
- Notwithstanding that, based upon the 2022 actuarial scheme valuation, the LBTH LGPS is in surplus, the scheme administrators have requested additional secondary contributions from the Group of £1.445m per year for each of the three years 23/24, 24/25 and 25/26. Such contributions if made would be expected to further increase the scheme surplus which is subject to the asset ceiling. Following actuarial and legal advice we do not consider that such contributions are warranted, have disputed the valuation methodology applied and have rejected the request for such contributions. Accordingly, no payment or provision for payment has been made in these financial statements.

Estimation uncertainty

Estimates are those which contain key assumptions concerning the future, and other key sources of estimation uncertainty at the year-end, that have a risk of causing adjustments to the carrying amounts of assets and liabilities within the next financial year. The key areas of estimation are as follows:

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.

b. Revaluation of investment properties

The Group and Association carries its investment properties at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The Group and Association engaged independent valuation specialists to determine fair value at 31 March 2025. The valuer used a fair value technique as an estimate for which the asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction. The key assumptions used to determine the fair value of investment property are further explained in note 11.

c. 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.

d. Impairment of non-financial assets

In determining the impairment charge of £16.0m in relation to the Eric Street development, the key areas of estimation uncertainty were the costs to complete the project, including rectification to existing social housing and estimation of the extent to which it would be prudent to capitalise such costs and the depreciated replacement cost of the new homes.

2. Group turnover, operating costs and operating surplus

	2025					
	Turnover	Cost of sales	Operating Costs on core activities	Operating Surplus before non-recurring costs	Non-recurring costs (note i)	Operating Surplus
Social Housing Lettings	20,922	-	(18,004)	2,918	(1,053)	1,865
Other Social Housing Activities						
Shared Ownership first tranche sales	1,680	(979)	-	701	-	701
Sub-total	22,602	(979)	(18,004)	3,619	(1,053)	2,566
Non Social Housing Activities						
Leasehold	3,626	-	(5,604)	(1,978)	(4,989)	(6,967)
Commercial lettings	1,836	-	(572)	1,264	(16)	1,248
Other income	590	-	-	590	-	590
Private rented properties	1,274	-	(750)	524	-	524
Sub-total	7,326	-	(6,926)	400	(5,005)	(4,605)
Sub-total	29,928	(979)	(24,930)	4,019	(6,058)	(2,039)
Impairment of fixed assets						(16,000)
Increase /(decrease) in fair value of investment properties						25,953
New acquisitions/ development						-
Surplus on disposal of fixed assets						136
Operating Surplus						8,050
Operating expenditure summary:						
Core activities			(24,930)			
Impairment			(16,000)			
Non-recurring costs			(6,058)			
Total			(46,988)			

	2024		
	Operating Surplus (previously reported)	Reallocation of costs (note ii)	Reallocated Surplus
Social Housing Lettings	3,002	(1,354)	1,648
Other Social Housing Activities			
Shared Ownership first tranche sales	1,442	-	1,442
Sub-total	4,444	(1,354)	3,090
Non Social Housing Activities			
Leasehold	(2,129)	914	(1,215)
Commercial lettings	680	637	1,317
Other income	327	201	528
Private rented properties	743	(170)	573
Sub-total	(379)	1,582	1,203
Sub-total	4,065	228	4,293
Impairment of fixed assets			
Increase /(decrease) in fair value of investment properties	(475)	-	(475)
New acquisitions/ development	-	(228)	(228)
Surplus on disposal of fixed assets	506	-	506
Operating Surplus	4,096	-	4,096
Operating expenditure summary:			
Core activities	(22,763)	-	22,763
Impairment	-	-	-
Non-recurring costs	-	-	-
Total	(22,763)	-	(22,763)

Note i

As part of the improvements to governance arrangements during the year, the Group undertook a review of expenditure incurred in the year and of all balance sheet items to ensure that an increasingly cautious and prudent approach was taken in all cases.

The objectives of the review were to ensure:

- 1. that any exceptional non-recurring costs were identified so that the impact of these could be distinguished from the underlying performance of the core activities; and

- 2. there would be no impact on future years' results for any items where there might be doubt about recoverability or where it was not considered prudent to carry costs forward.

In particular, the review identified significant costs in relation to leaseholders where there were doubts about the recoverability of costs and/or where commitments had been made not to recharge. A summary of the exceptional non-recurring costs is set out in the table below:

Summary of exceptional non-recurring costs

	2025					
	Bad Debts provision	Fire Safety irrecoverable cost	Major Works irrecoverable costs	Professional costs (see below)	Staff costs (see below)	Damp and Mould costs
Social Housing Lettings	435	-	-	342	200	76
Leasehold	1,744	1,800	1,445	-	-	-
Commercial Lettings	16	-	-	-	-	-
Total	2,195	1,800	1,445	342	200	76

Legal, Professional and Board recruitment costs relating to return to compliance, included in management costs
Redundancy and related costs relating to return to compliance, included in management costs

Note ii

A review has been undertaken of how costs are allocated between different activities / tenures and between different categories of expenditure.

This has resulted in a reallocation of costs which more accurately reflects the underlying performance of each activity, and accordingly the comparative figures have been amended to adopt the same methodology, though this does not change the overall reported surplus across all tenures in total.

2b. Income and Expenditure from Social Housing Lettings

Income	2025					
	General Needs	Intermediate Rent	London Living Rent	Shared Ownership	Other*	Total
Rent net of voids	17,035	1,172	51	273	289	18,820
Service Charge	1,369	3	-	140	-	1,512
Grant Amortisation	590	-	-	-	-	590
	18,994	1,175	51	413	289	20,922
Operating Costs						
Management						
Core activities	6,900	395	21	279	-	7,595
Non-recurring costs	542	-	-	-	-	542
Subtotal Management	7,442	395	21	279	-	8,137
Service charge costs	2,337	2	-	-	2	2,341
Routine maintenance						
Core activities	2,385	31	16	2	(38)	2,396
Non-recurring costs	76	-	-	-	-	76
Subtotal Routine maintenance	2,461	31	16	2	(38)	2,472
Planned maintenance	1,177	1	-	-	-	1,178
Operating costs sub-total	13,417	429	37	281	(36)	14,128
Major works	402	4	-	2	-	408
Bad debts						
Core activities	117	3	-	5	-	125
Non-recurring costs	435	-	-	-	-	435
Subtotal Bad Debts	552	3	-	5	-	560
Depreciation of housing properties	3,739	142	5	75	-	3,961
Operating Costs	18,110	577	42	364	(36)	19,057
Operating Surplus	884	598	9	49	325	1,865
Void losses	231					231
*Other income includes income from car parking, garages and sheds						
Operating Expenditure						
Core Activities	17,057	577	42	364	(36)	18,004
Non-recurring costs	1,053	-	-	-	-	1,053
	18,110	577	42	364	(36)	19,057

Income	2024		
	Operating Surplus (previously reported)	Reallocation of costs	Reallocated Surplus
Rent net of voids	17,437	-	17,437
Service Charge	1,181	-	1,181
Grant Amortisation	590	-	590
	19,208	-	19,208
Operating Costs			
Management			
Core activities	2,505	5,374	7,879
Non-recurring costs			
Subtotal Management			
Service charge costs	4,844	(2,207)	2,637
Routine maintenance			
Core activities	4,105	(2,503)	1,602
Non-recurring costs			
Subtotal Routine maintenance			
Planned maintenance	461	543	1,004
Operating costs sub-total	11,915	1,207	13,122
Major works			
Bad debts			
Core activities	75	30	105
Non-recurring costs			
Subtotal Bad Debts			
Depreciation of housing properties	3,702	(91)	3,611
Operating Costs	16,206	1,355	17,561
Operating Surplus	3,002	(1,355)	1,647
Void losses	171		171

Association - Turnover, Operating Costs and Operating Surplus

	2025					
	Turnover	Cost of sales	Operating Costs on core activities	Operating Surplus before non recurring costs	Non recurring costs	Operating Surplus
Social Housing Lettings	20,922	-	(18,004)	2,918	(1,053)	1,865
Other Social Housing Activities						
Shared Ownership first tranche sales	1,680	(979)	-	701	-	701
Sub-total	22,602	(979)	(18,004)	3,619	(1,053)	2,566
Non Social Housing Activities						
Leasehold	3,626	-	(5,604)	(1,978)	(4,989)	(6,967)
Commercial lettings	1,702	-	(568)	1,134	(16)	1,118
Other income	641	-	-	641	-	641
Private rented properties	1,274	-	(750)	524	-	524
Sub-total	7,243	-	(6,922)	321	(5,005)	(4,684)
Sub-total	29,845	(979)	(24,926)	3,940	(6,058)	(2,118)
Impairment of fixed assets						(16,000)
Increase /(decrease) in fair value of investment properties						25,953
New acquisitions/ development						-
Surplus on disposal of fixed assets						136
Operating Surplus						7,971

	2024		
	Operating Surplus (previously reported)	Reallocation of costs	Reallocated Surplus
Social Housing Lettings	3,002	(1,354)	1,648
Other Social Housing Activities			
Shared Ownership first tranche sales	1,442	-	1,442
Sub-total	4,444	(1,354)	3,090
Non Social Housing Activities			
Leasehold	(2,129)	914	(1,215)
Commercial lettings	587	637	1,224
Other income	198	201	399
Private rented properties	743	(170)	573
Sub-total	(601)	1,582	981
Sub-total	3,843	228	4,071
Impairment of fixed assets	-	-	-
Increase /(decrease) in fair value of investment properties	(475)	-	(475)
New acquisitions/ development	-	(228)	(228)
Surplus on disposal of fixed assets	506	-	506
Operating Surplus	3,874	-	3,874

Summary of exceptional non - recurring costs

	2025						
	Bad Debts provision	Fire Safety irrecoverable costs	Major Works irrecoverable costs	Professional costs (see below)	Staff costs (see below)	Damp and Mould costs	Total
Social Housing Lettings	435	-	-	342	200	76	1,053
Leasehold	1,744	1,800	1,445	-	-	-	4,989
Commercial Lettings	16	-	-	-	-	-	16
Total	2,195	1,800	1,445	342	200	76	6,058

Legal, Professional and Board recruitment costs relating to return to compliance, included in management costs
Redundancy and related costs relating to return to compliance, included in management costs

2b. Income and Expenditure from Social Housing Lettings

	2025					
	General Needs	Intermediate Rent	London Living Rent	Shared Ownership	Other*	Total
Income						
Rent net of voids	17,035	1,172	51	273	289	18,820
Service Charge	1,369	3	-	140	-	1,512
Grant Amortisation	590	-	-	-	-	590
	18,994	1,175	51	413	289	20,922
Operating Costs						
Management						
Core activities	6,900	395	21	279	-	7,595
Non-recurring costs	542	-	-	-	-	542
Subtotal Management	7,442	395	21	279	-	8,137
Service charge costs	2,337	2	-	-	2	2,341
Routine maintenance						
Core activities	2,385	31	16	2	(38)	2,396
Non-recurring costs	76	-	-	-	-	76
Subtotal Routine maintenance	2,461	31	16	2	(38)	2,472
Planned maintenance	1,177	1	-	-	-	1,178
Operating costs sub-total	13,417	429	37	281	(36)	14,128
Major works	402	4	-	2	-	408
Bad debts						
Core activities	117	3	-	5	-	125
Non-recurring costs	435	-	-	-	-	435
Subtotal Bad Debts	552	3	-	5	-	560
Depreciation of housing properties	3,739	142	5	75	-	3,961
Operating Costs	18,110	577	42	364	(36)	19,057
Operating Surplus	884	598	9	49	325	1,865
Void losses	231					231
Operating Expenditure						
Core Activities	17,057	577	42	364	(36)	18,004
Non-recurring costs	1,053	-	-	-	-	1,053
	18,110	577	42	364	(36)	19,057

	2024		
	As originally stated	Reallocation	As reallocated
Income			
Rent net of voids	17,437	-	17,437
Service Charge	1,181	-	1,181
Grant Amortisation	590	-	590
	19,208	-	19,208
Operating Costs			
Management			
Core activities	2,505	5,374	7,879
Non-recurring costs			
Subtotal Management			
Service charge costs	4,844	(2,207)	2,637
Routine maintenance			
Core activities	4,105	(2,503)	1,602
Non-recurring costs			
Subtotal Routine maintenance			
Planned maintenance	461	543	1,004
Operating costs sub-total	11,915	1,207	13,122
Major works			
Bad debts			
Core activities	75	30	105
Non-recurring costs			
Subtotal Bad Debts			
Depreciation of housing properties	3,702	(91)	3,611
Operating Costs	16,206	1,355	17,561
Operating Surplus	3,002	(1,355)	1,647
Void losses	171		171

3. Directors’ emoluments – Group and association

The emoluments of the Chief Executive and Executive Management Team were, £875,778. (2024: £760,158) of which the emoluments (excluding pension contributions) of the Chief Executive were £176,304 (2024: £137,737) and Interim Chief Executive were £89,375 (2024: not applicable).

The amount of compensation paid to Directors in respect of loss of office for the period was £143,116.

Agency Costs of £38,350 were incurred relating to the provision of the Interim Chief Executive which are in addition to the emoluments disclosed above.

The Chief Executive was an ordinary member of London Borough of Tower Hamlets pension scheme. No enhanced or special terms apply. The Interim Chief Executive was not a member of a Group pension scheme.

Board Members

The remuneration paid to Board members in year to 31 March 2025 is set out below.

Board member	2025	2024
Jacqui Bateson (Chair)	7,818	2,425
Ken Beech (Resigned 25 February 2025)	3,540	2,058
Forhana Begum	3,900	2,058
Sandra Fawcett (Joined 23 September 2024)	2,830	n/a
Tracey Gray	5,207	1,748
Keziah Halliday (Joined 23 Sept 2024)	2,037	n/a
Carol Hinvest (Resigned 23 September 2024)	1,874	2,800
Pradeep Jeyaratnam-Joyner (Joined 23 September 2024)	2,037	n/a
Jahangir Mannan (Resigned 23 September 2024)	1,874	2,805
Hilary Milne (Joined 23 September 2024)	3,133	n/a
Kevin Moore (Resigned 23 September 2024)	4,565	5,574
Emma Palmer (Resigned 25 February 2025)	5,446	2,420
Dewbien Plummer (Joined 23 September 2024)	2,037	n/a
Simon Turek	6,000	2,239
Marek Wiluszynski (Resigned 23 September 2024)	1,874	2,058
John Wu	3,900	2,058

In addition, Board members are reimbursed for any expenses incurred in carrying out their duties and in attending Board and Committee meetings. Board expenses of £4,541 (2024: £1,742) were incurred in the year.

4. Employee information

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

	2025	2024
Full time	98	90
Part time	12	12
Total	110	102

Staff costs (for the above persons)

	Group 2025 £'000	Group 2024 £'000
Wages and salaries	5,354	4,699
Social security costs	582	501
Other pension costs	1,370	1,372
	7,306	6,572

Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000 in the period:

	2025	2024
£60,000 - £69,999	20	18
£70,000 - £79,999	9	10
£80,000 - £89,999	7	4
£90,000 - £99,999	1	3
£100,000 - £109,999	-	-
£110,000 - £119,999	1	1
£120,000 - £129,000	-	-
£130,000 - £139,999	-	1
£140,000 - £149,999	1	-
£150,000 - £159,999	-	-
£160,000 - £169,999	-	-
£170,000 - £179,999	-	-
£180,000 - £189,999	-	-
£190,000 - £199,999	1	-
£200,000 - £209,999	-	-
£210,000 - £219,999	-	-
£220,000 - £229,000	-	1
£230,000 - £239,999	1	-

5. Gain on disposal of property, plant and equipment (fixed assets)

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Proceeds of sales	792	636	792	636
Less: Costs of sales	(656)	(130)	(656)	(130)
Surplus	136	506	136	506

6. Interest receivable and similar income

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deposit interest receivable from short-term investment of surplus cash balances	158	377	151	367
Interest on Local Government Pension Scheme	442	329	442	329
	600	706	593	696

7. Interest payable and similar charges

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Interest payable	3,938	3,788	3,938	3,788
Loan amortisation	134	124	134	124
Accelerated Loan Amortisation	1,000	-	1,000	-
Interest payable capitalised on housing properties under construction	(1,412)	-	-	-
	3,660	3,912	3,660	3,912

As discussed earlier in Note 2, during the year the Group reviewed all balance sheet items. Loan arrangement fees and associated costs previously capitalised have been

expensed, resulting in an acceleration of loan amortisation costs shown above and a fall in the costs carried forward detailed in Note 16.

8. Surplus on ordinary activities is after charging

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Auditors remuneration excluding VAT				
In their capacity as auditors	41	42	39	40
In respect of other services	3	4	2	3
Operating lease rentals				
Land and building	-	-	-	-
Office equipment	10	10	10	10
Depreciation				
Depreciation of housing properties	4,062	3,702	4,062	3,702
Depreciation of other tangible fixed assets	131	84	131	84

9. Taxation

The Association has charitable status on income and gains falling within section 478 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects and therefore has no liability for corporation tax for the year.

Taxable profits of the subsidiary company are gift aided to the charitable parent to minimise the corporation tax liability for the group.

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
UK corporation tax	-	-	-	-

10. Tangible fixed assets – Housing properties – Group and association

	Housing Properties		Shared Ownership		Total
	Housing Properties Completed	Housing Properties under Dev	Housing Properties Completed	Housing Properties under Dev	
	£'000	£'000	£'000	£'000	£'000
Costs					
At 1 April 24	205,299	35,758	8,359	1,770	251,186
Additions	2,958	8,186	-	-	11,144
Fire safety	853	-	-	-	853
Disposals	(883)	-	(308)	-	(1,191)
Leaseholder costs not recoverable					
- Fire Safety incurred pre 1 April 2024	(1,777)	-	-	-	(1,777)
- Fire Safety incurred during the year	(86)	-	-	-	(86)
- Major works incurred pre 1 April 2024	(866)	-	-	-	(866)
- Major works incurred during the year	(516)	-	-	-	(516)
Schemes completed in year	276	(276)	-	-	-
Transfer to Investment Properties	(33)	-	-	-	(33)
At 31 March 25	205,225	43,668	8,051	1,770	258,714
Depreciation					
At 1 April 24	(39,669)	-	(150)	-	(39,819)
Charge in the period	(3,989)	-	(73)	-	(4,062)
Release on disposal	368	-	-	-	368
At 31 March 25	(43,290)	-	(223)	-	(43,513)
Impairment					
Charge for period	-	(16,000)	-	-	(16,000)
At 31 March 25	-	(16,000)	-	-	(16,000)
Net Book Value					
At 1st April 24	165,630	35,758	8,209	1,770	211,367
At 31 March 25	161,935	27,668	7,828	1,770	199,201

Priority has been given to pressing forward with fire safety related work to ensure that those we house are kept safe, even if this meant that the costs could not be recovered from leaseholders, and consequently some costs have been written off.

Some major works costs incurred related to leaseholders which have been capitalised have subsequently been assessed as non-recoverable and accordingly these have been written off.

2025
£'000

2024
£'000

Housing properties at cost comprise:		
Freeholds	258,714	251,186

At 31 March 2025 the Board estimated the vacant possession open market value of East End Homes housing properties to be £780.7 million (2024: £709.8 million).

11. Investment properties

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At start of year	19,729	20,204	19,729	20,204
Additions	32	-	32	-
Gain (Loss) from adjustment in value of private rented homes	513	(475)	513	(475)
Gain (Loss) from valuation of of commercial properties	25,440	-	25,440	-
	45,714	19,729	45,714	19,729

East End Homes has to date invested in 60 (2024: 60) properties for private rent, together with 84 commercial units (2024: 84) which together generate additional surpluses for reinvestment into the core business activities. Both private rented homes and commercial units are treated as investment properties.

As discussed in the Significant Accounting Judgements section of the Accounting Policies in Note 1, the purpose for which the commercial properties are held has changed over time and in the judgement of management these should now be treated as investment properties by the Group and accordingly are recognised at their market values for the first time.

The Investment properties were valued at 31 March 2025. The commercial properties were valued by JLL, and the private rented homes by McDowalls Surveyors Ltd, both firms of professionally qualified surveyors. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors

(RICS) Red Book of the basis of fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The private rented homes valuations were derived using the comparable method and market approach methodologies.

The commercial property valuations adopted a rent capitalisation methodology (i.e. rent and yield approach) coupled with an assessment of what an owner-occupier might pay, in order to arrive at taking account of respective rental and capital value market data / sentiment. The valuation took account of yield, capital value and rental data from commercial agents, auction sale data and commercial property databases.

At 31 March 2025 there were no contractual obligations in respect of the investment properties (2024: none).

12. Other tangible fixed assets – Association and group

	Office buildings	Computer equipment	Office furniture and equipment	Motor vehicles	Total association and group
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	1,411	1,370	722	178	3,681
Additions	-	149	12	8	169
Disposals	-	-	-	(5)	(5)
At 31 March 2025	1,411	1,519	734	181	3,845
Depreciation					
At 1 April 2024	(412)	(1,243)	(702)	(168)	(2,525)
Charged in year	(29)	(79)	(12)	(13)	(133)
Disposals	-	-	-	4	4
At 31 March 2025	(441)	(1,322)	(714)	(177)	(2,654)
Net book value					
At 1 April 2024	999	127	20	10	1,156
At 31 March 2025	970	197	20	4	1,191

13. Stock

	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Stock				
Shared ownership properties				
Work in progress	-	596	-	596

14. Debtors

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Rental debtors	2,202	1,105	2,202	1,105
Provision for bad and doubtful debts	(622)	(564)	(622)	(564)
	1,580	541	1,580	541
Shop rental debtors	444	200	444	200
Provision for bad and doubtful debts	(137)	(53)	(137)	(53)
	307	147	307	147
Leasehold debtors	2,514	2,771	2,514	2,771
Provision for bad and doubtful debts	(2,109)	(353)	(2,109)	(353)
	405	2,418	405	2,418
Other debtors	60	687	60	687
Prepayments and accrued income	615	545	616	500
Amounts due from other group entities	-	-	223	55
	675	1,232	901	1,242
Amounts due within one year	2,967	4,338	3,193	4,348
Amounts falling due after more than one year:				
LBTH pension debtor	503	503	503	503
	3,470	4,841	3,696	4,851

15. Creditors: Amounts falling due within one year

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	554	1,336	553	1,336
Other creditors including other taxes social security and pensions	672	507	670	502
Rents and service charges received in advance	1,228	935	1,228	935
Accruals and deferred income	4,607	4,785	4,520	4,705
Deferred capital grant	590	590	590	590
	7,651	8,153	7,561	8,068

16. Creditors: Amounts falling due after more than one year

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deferred capital grant	61,247	60,131	61,247	60,131
Housing loans	100,000	95,000	100,000	95,000
Loan arrangement fees	(667)	(1,792)	(667)	(1,792)
	160,580	153,339	160,580	153,339

See Note 7 for explanation on loan arrangement fees.

17. Deferred capital grant and financial assistance – Group and Association

	2025	2024
	£'000	£'000
Balance at 1 April	60,721	60,052
Grant received in the year	1,706	1,259
Released to income in the year	(590)	(590)
Balance at 31 March	61,837	60,721
Amount due to be released <1 year (Note 14)	590	590
Amount due to be released >1 year (Note 15)	61,247	60,131
The total accumulated government grant and financial assistance received or receivable at 31 March	61,837	60,721

18. Housing loans

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Repayable				
Within one year or on demand	-	-	-	-
Between one and two years	9,500	-	9,500	-
Between two and three years	10,500	9,500	10,500	9,500
Between three and four	-	10,500	-	10,500
Between four and five	-	-	-	-
After more than five years	80,000	75,000	80,000	75,000
	100,000	95,000	100,000	95,000
Loan arrangement fees	(667)	(1,792)	(667)	(1,792)

The Association has an existing £115.0 million loan facility, comprising £50.0 million with NatWest Bank, £45.0 million with M&G Investments and £20 million with Barclays Bank plc. In addition, the Group has access to a £1m overdraft facility.

At 31 March 2025, £100.0 million (2024: £95.0 million) loans had been drawn down at an average rate of interest (plus margin) of 3.95% (2024:3.90%). The facility includes revolving credit facilities for £30.0 million. All loans are secured against the group’s assets.

19. Capital commitments – Group and Association

	2025	2024
	£'000	£'000
Capital expenditure contracted for but not provided in the financial statements	24,504	12,661
Capital expenditure authorised by the Board but not yet contracted for	18,889	33,204

Capital expenditure authorised by the Board relates to the acquisition of new build properties and the 5-year capital investment programme (2024-2029) including fire safety works and development agreements with London Borough of Tower Hamlets for refurbishment works to be

carried out on properties transferred to East End Homes.

Capital commitments are projected to be funded mainly from loan borrowings and internally generated resources.

20. Other financial commitments – Group and Association

At 31 March 2025 the Group and Association had an annual commitment under the lease of office equipment of £10,882 (2024: £10,882) expiring within the next 12 months.

21. Pension obligations – Group and association

East End Homes participates in two defined benefit final salary schemes, the London Borough of Tower Hamlets Pension Scheme and the Social Housing Pension Scheme (SHPS) and a defined contribution scheme within the Social Housing Pension Scheme. The pension contributions, as shown in note 4, represent contributions payable by East End Homes to these schemes.

The actuarial gain/(loss) recognised in other comprehensive income is as follows:

	2025 £'000	2024 £'000
London Borough of Tower Hamlets Pension Scheme	1,845	1,726
Salary increases	(140)	(671)
	1,705	1,055

The disclosures required by the accounting requirements of FRS 102 relating to retirement benefits are as follows:

London Borough of Tower Hamlets Pension Scheme (LGPS)

The LGPS is a defined benefit statutory scheme, administered by the London Borough of Tower Hamlets in accordance with the Local Government Pension Scheme regulations 1997, as amended. It is contracted out of the state second pension.

Valuation Method Contributions to the scheme are determined by a qualified actuary on the basis of valuations, using the projected unit credit method. The last formal valuation of the Fund for the purpose of setting employers' actual contributions was at 31 March 2022.

Financial Assumptions

The financial assumptions used for the purposes of the FRS 102 calculations at 31 March 2025 and 31 March 2024 are shown in the table below.

Assumption as at	31 March 2025 % p.a.	31 March 2024 % p.a.
Pension Increase Rate (CPI)	2.80	2.80
Salary Increases	2.80	2.80
Discount Rate	5.80	4.80

Expected Return on Assets

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 31 March 2024 for the year to 31 March 2025).

The assets of the scheme as a whole and the expected returns at 31 March 2025 and 31 March 2024 are shown in the table below:

Assets main fund	Value at 31 March 2025 £(000)	Value at 31 March 2024 £(000)
Equities	17,037	16,005
Bonds	4,526	7,347
Property	4,260	2,624
Cash	799	262
Total value of scheme assets	26,622	26,238

There is no provision for unitising the assets of a fund under the LGPS. The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

The present value of the above assets and liabilities attributable to East End Homes at 31 March 2025 and 31 March 2024 was:

	31 March 2025 £'000	31 March 2024 £'000
Net pension liability as at		
Fair Value of Employer Assets	26,622	26,238
Present Value of Funded Liabilities	(15,024)	(17,133)
Net Asset in Funded Plans	11,598	9,105

In accordance with the accounting requirements of FRS 102 relating to retirement benefits, the following items have been recognised in the financial statements of East End Homes:

Impact on Statement of Financial Position

	31 March 2025 £'000	31 March 2024 £'000
Fair Value of Employer Assets	26,622	26,238
Present Value of Funded Liabilities	(15,024)	(17,133)
Net Asset provided for in the Financial Statements	11,598	9,105

The movement in the deficit in the scheme during the year is as follows:

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Surplus at beginning of the year	9,105	6,799
Actuarial gains/(Losses) during the year	2,493	2,306
Surplus at end of year	11,598	9,105

The surplus has been adjusted to the asset ceiling as follows:

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Net Asset (unadjusted)	11,598	9,105
Effect of the asset ceiling on net asset brought forward	(9,105)	-
Effect of the asset ceiling on result for year	(2,493)	(9,105)
Net Asset / (Liability)	-	-

Pensions Obligations Note - Social Housing Pension Scheme (SHPS)

East End Homes 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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the 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, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus at the accounting period start and end.

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

	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets	3,811	3,612
Present value of defined benefit obligation	4,370	4,498
Surplus (deficit) in plan	(559)	(886)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(559)	(886)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	(559)	(886)

Reconciliation of the impact of the asset ceiling

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Impact of asset ceiling at start of period	-	-
Effect of the asset ceiling included in net interest cost	-	-
Actuarial losses (gains) on asset ceiling	-	-
Impact of asset ceiling at end of period	-	-

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2025 £'000
Defined benefit obligation at start of period	4,498
Current service cost	177
Expenses	6
Interest expense	223
Contributions by plan participants	424
Actuarial losses (gains) due to scheme experience	-
Actuarial losses (gains) due to changes in demographic assumptions	(824)
Actuarial losses (gains) due to changes in financial assumptions	(201)
Benefits paid and expenses	-
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	4,370

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

	Year ended 31 March 2025 £'000
Fair value of plan assets at start of period	3,612
Interest income	191
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(540)
Contributions by the employer	682
Contributions by plan participants	67
Benefits paid and expenses	(201)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	3,811

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 (£3,144,000).

Defined benefit costs recognised in statement of comprehensive income (SOCl)

	Period from 31 March 2024 to 31 March 2025 £'000
Current service cost	177
Expenses	6
Net interest expense	32
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of comprehensive income (SoCl)	215

Defined benefit costs recognised in other comprehensive income

	Year ended 31 March 2025 £'000
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(540)
Experience gains and losses arising on the plan liabilities - gain (loss)	(424)
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)	824
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(140)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in other comprehensive income - gain (loss)	(140)

Assets

	31 March 2025 £'000	31 March 2024 £'000
Global Equity	427	360
Absolute Return	-	141
Distressed Opportunities	-	127
Credit Relative Value	-	118
Alternative Risk Premia	-	115
Emerging Markets Debt	-	47
Liquid Alternatives	707	-
Risk Sharing	-	211
Insurance-Linked Securities	12	19
Property	191	145
Infrastructure	1	365
Private Equity	3	3
Private Debt	-	142
Opportunistic Illiquid Credit	-	141
High Yield	-	1
Private Credit	466	-
Cash	52	71
Investment Grade Credit	117	-
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	1	23
Secured Income	64	108
Liability Driven Investment	1,154	1,470
Currency Hedging	6	(1)
Net Current Assets	8	6
Total assets	3,811	3,612

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

	31 March 2025 % per annum	31 March 2024 % per annum
Discount Rate	5.94%	4.93%
Inflation (RPI)	3.04%	3.08%
Inflation (CPI)	2.80%	2.79%
Salary Growth	3.80%	3.79%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (Years)	
Male retiring in 2023	20.5	20.5
Female retiring in 2023	23.0	23.0
Male retiring in 2043	21.7	21.8
Female retiring in 2043	24.5	24.4

22. Number of homes in management – Group and association

The number of homes in management at the year end was:

	At 31 March 2025	At 31 March 2024
Rented general needs accommodation	2,234	2,237
Intermediate Rented Properties	88	88
Leasehold properties	1,494	1,490
Low cost home ownership	45	45
Private rented properties	60	60
	3,921	3,920

23. Related party transactions – Group and association

As at 31 March 2025, two members were tenants or leaseholders of the association. Their tenancy agreements or leases have been granted on the same terms as for all other tenants and housing management procedures, including those relating to management of arrears, have been applied consistently to these tenant and leaseholder Board members. Rents, Service Charges and Major Works charged to the tenant or leasehold Board members were £2,887 (2024: £3,660). There were no arrears on the charges raised at 31 March 2025 (2024: £77).

Some services were purchased from London Borough of Tower Hamlets during the period. All agency services are covered by an arm’s length contract, which was negotiated to ensure neither party subordinated its own separate interests; the Board members concerned are not able to use their position to their advantage. LBTH pays tenant Housing Benefit under the terms of current legislation and this is generally paid directly to East End Homes. There are no other related party transactions requiring disclosure.

24. Subsidiary undertaking

As at 31 March 2025 East End Homes held 100% share (1 share of £1) in Eric Street Development Limited. During the year its principal activity was to generate funds from development opportunities in order to support East End Homes’ core activities of regenerating neighbourhoods. Subsequent to the year end, it has taken over as the main contractor managing the completion of the development of new flats at Eric Street.

Transactions with registered and non-registered elements of the business

The Association provides management services and other services to its subsidiary. There is a cost sharing agreement between East End Homes Limited and Eric Street Development Limited.

Transactions with non-registered entities

During the year East End Homes Limited had intra-group transactions with Eric Street Development Limited, a non-regulated entity, of £223k (2024: £0.1 million) relating to management services on behalf of Eric Street Development Limited.

The balance outstanding at 31 March 2025 was £223k. This balance was unsecured. During the year Eric Street Development Limited gifted £231k (2024: £253k).

25. Controlling party

East End Homes Limited is controlled by members in general meeting who elect the Board of Management.

26. Financial instruments – Group

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Financial assets				
Financial assets at cost of transaction amount	3,412	4,685	3,009	4,358
Financial assets at amortised cost of transaction	2,968	4,843	3,196	4,853
Amount	6,380	9,528	6,205	9,211
Financial Liabilities				
Financial liabilities at amortised cost	96,507	91,212	96,418	91,126

Financial assets measured at cost comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by the association’s undertakings.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, and other creditors.

27. Net debt

	At 31 March 2024	Cashflow	At 31 March 2025
	£'000	£'000	£'000
Analysis of changes in net debt			
Group			
Cash and cash equivalents	4,685	(1,273	3,412
Housing loans due after one year	(95,000)	(5,000)	(100,000)
	(90,315)	(6,273)	(96,588)
Association			
Cash and cash equivalents	4,358	(1,349)	3,009
Housing loans due after one year	(95,000)	(5,000)	(100,000)
	(90,642)	(6,349)	(96,991)

Board, Executive and Key Advisors

Board

The Board Members who served from 1 April 2024 up to the date of approval of these financial statements were as follows:



Jacqui Bateson

Chair (from 23 September 2024)



Tracey Gray



Forhana Begum



Keziah Halliday

Senior Independent Director
Appointed 23 September 2024



Sandra Fawcett

Chair Resident Services Committee
Appointed 23 September 2024



Pradeep Jeyaratnam-Joyner

Appointed 23 September 2024

Ken Beech

Resigned 25 February 2025

Carol Hinvest

Resigned 23 September 2024



Hilary Milne
Chair People and Governance Committee
Appointed 23 September 2024



Simon Turek
Chair Audit and Risk Committee (until 13 March 2025)
Resigned 12 September 2025



Kevin Moore
Chair (until 23 September 2024)
Resigned 23 September 2024



Marek Wiluszynski
Resigned 23 September 2024



Emma Palmer
Resigned 25 February 2025



John Wu
Interim Chair Audit and Risk Committee (from 13 March 2025)



Dewbien Plummer
Appointed 23 September 2024

Jahangir Mannan

Resigned 23 September 2024

Executive Management Team



Daniel Killian
Chief Executive Officer
Appointed 1 September 2025



Yvonne Arrowsmith
Interim Chief Executive Officer
Appointed 4 November 2024; stepped down 31 August 2025



John Henderson
Chief Executive Officer
Resigned 25 October 2024



Stephen Elliott
Chief Operating Officer



Rhodri Morgan
Executive Director of Finance and Resources
Appointed 8 September 2025



Paul Gray
Interim Finance Director
Appointed 16 December 2024; stepped down 30 September 2025



Steven Inkpen
Director of Special Projects and New Business
Retired 31 December 2024



David Opoku
Head of Finance
Resigned 31 December 2024



Roger Thompson
Head of Asset Management
Stepped down from EMT 30 November 2024

Secretary



Alexander Bailey

Registered Office and Advisors

Registered Office	3 Resolution Plaza, London, E1 6PS
External Auditors	Beever and Struthers, 150 Minories, London, EC3N 1LS
Solicitors	Trowers and Hamlins, 3 Bunhill Row, London, EC1Y 8YZ
Bankers	Barclays Bank plc, 1 Churchill Place, London, E14 5HP
Legal Status	Registered Company number 4516155 Registered Charity number 1107691. A Registered Provider of Social Housing with the Regulator of Social Housing number L4434



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London E1 6PS**

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Registered Company number 4516155

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