



Annual Report

2024-25



CASE STUDY

**SAMUEL LEWIS
ESTATE MURAL**

Residents have been supported in bringing new vibrancy to a historic space in Islington through a transformation thanks to a vibrant mural. The park, at our Samuel Lewis Estate in Liverpool Road, is now blossoming with a colourful mural featuring artwork designed and painted by residents themselves.

Rich in Southern Housing heritage, this location was established through the Samuel Lewis Housing Trust in 1901, following the death of English philanthropist and money-lender Samuel Lewis. His legacy funded a trust dedicated to providing housing solutions.

The playpark started its colourful transformation when fresh new flooring was installed by one of our contractors Chas Berger in summer 2024, and the area began to come to life. The Community also wanted to create a new community mural.

With support from our partners Ovia, Niblock and Arbor projects, the space was made ready and could begin its artistic transformation.

Workshops with residents took place from January 2025 and focussed on capturing the community's spirit and vision for a tranquil outdoor space. The colourful mural features a river flowing from one side of the mural to the other, passing butterflies, dragonflies and flowers across the 30ft yellow wall with an eye-catching sun beaming from the centre.

This resident-led project aims to create a beautiful, tranquil outdoor space for everyone to enjoy while strengthening community bonds and neighbourhood pride. It improves wellbeing with access to pleasant outdoor areas and provides creative outlets for residents to express themselves.

Independent Auditor's Report to the Members of Southern Housing

Opinion on the financial statements

In our opinion:

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

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

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

Independence

On 16 December 2022, Optivo and Southern Housing Group amalgamated to become Southern Housing. We were first appointed as auditors to Optivo for the year ended 31 March 2014 and for Southern Housing Group for the year ended 31 March 2022. In considering our independence we use the Optivo appointment date.

Following a tender process for the 31 March 2024 financial audit, we were the recommendation of the Audit and Risk Committee, and we were re-appointed by the Board on 7 November 2023 to audit the financial statements for the year ending 31 March 2024 and four subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 12 years, covering the years ending 2014 to 2025.

We remain independent of the Group and the Parent Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Association.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Board’s assessment of the Group and the Parent Association’s ability to continue to adopt the going concern basis of accounting included:

- We obtained management’s assessment that supports the Board’s conclusions with respect to the disclosures provided around going concern.
- We assessed the internal forecasting process to confirm the forecasts are prepared by appropriate personnel that are aware of the detailed figures in the forecast and also have a high level understanding of the entity’s market, strategy and profile in the customer base, and the potential impact that current economic pressures might have on these forecasts.
- We challenged the key assumptions used by management in the preparation of their forecasts based on our knowledge of the business and the general economic environment.
- We tested the mechanical accuracy of the forecasts, assessing historical forecasting accuracy and understanding management’s consideration of downside sensitivity analysis.
- We assessed scenarios modelled by management which included a range of stress tests to analyse the impact of risks from the emerging change in inflation, high interest rates and possible lower rent settlements from the Government. We challenged the assumptions used and available mitigating actions included within these scenarios and reviewed the stress test calculations.
- We challenged management on the suitability of any mitigating actions identified by management in their assessment and the quantum and period ascribed to these mitigating actions.

- We obtained and assessed the availability of financing facilities, including the nature of facilities, repayment terms and financial covenants. We considered management’s financial covenant compliance calculations through to March 2027 and concluded on the consistency of such calculations with the ratios stated in the relevant lender agreements. We assessed the facility and covenant headroom calculations and re-performed sensitivities on management’s base case and stressed case scenarios.
- We considered the development plan over the going concern period and specifically the availability of funding for contracted commitments within the plan.
- We considered the adequacy of the disclosures in the financial statements against the requirements of the accounting standards and consistency of the disclosure against the forecasts and stress test scenarios.

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

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

Overview

KEY AUDIT MATTER		2025	2024
		✓	✓
	The recoverable amount of property developed for sale is materially misstated	✓	✓
	Impairment of social housing rental property assets under construction	✓	✓
MATERIALITY	Group financial statements as a whole £90.6m (2024: £88.8m) based on 1.3% of total assets (2024: 1.3% of total assets)		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The group is highly centralised with 21 components all based in the UK, in the same location, and all subject to group management oversight. The group structure is designed to support the overall social purpose of the group, with a combination of charitable and commercial entities. Components generally have the same accounting function and group management and therefore are subject to a common control environment. For our scoping assessment, we identified components as legal entities, aligned with statutory audit requirements in the UK.

To determine components in scope, we performed risk assessment procedures to identify areas in the Group's financial statements that may be at risk of material misstatement. We used both qualitative and quantitative factors to perform this assessment including evaluating the size, complexity, and nature of each entity's activities, reviewing significant transactions or estimates and any changes in the business environment.

We identified the specific areas that could lead to a material misstatement at Group level. As part of our Group audit, we assessed each component against the risks of material misstatement identified.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls
- procedures on one or more classes of transactions, account balances or disclosures
- specific audit procedures.

Based on our risk assessment we identified one component that required full scope audit of their complete financial information due to the extent to which these components contribute to the identified Group risks of material misstatement. We identified a further four components that required audit procedures over specific financial statement areas due to the extent to which certain financial statement areas within these components contributed to the identified Group risks of material misstatement.

The remainder of the components were not identified as contributing to identified Group risks of material misstatement and the financial information of these components were principally subject to analytical review procedures performed by the Group audit team. All work was performed by the Group audit team.

Procedures performed centrally

We considered there to be high degree of centralisation of financial reporting and similarity of the group's activities in relation to going concern, building safety and impairment. We therefore designed and performed procedures centrally in these areas.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

The recoverable amount of property developed for sale is materially misstated

As explained in the note 17 accounting policies, properties developed for sale, including shared ownership first tranches and properties developed for outright sale, are measured at the lower of cost and net realisable value resulting in an amount recognised in the balance sheet of £163.1m.

For completed properties at the balance sheet date an assessment is needed of the anticipated selling price and costs to sell.

For properties in development at the balance sheet date, an assessment is needed of an anticipated selling price and a determination of the expected costs to complete and sell.

This area also represents a key area of estimation uncertainty for management, as described in note 2.

Due to the volume of property developed for sale and the inherent estimation uncertainty in determining both sales proceeds and costs to complete we considered there to be a significant risk (compared to specific materiality) that the carrying amount of properties developed for sale is misstated and was therefore a key audit matter.

HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We obtained management’s assessment of the recoverable amount of properties developed for sale as part of their year end procedures.

For a sample of properties developed for sale, we have performed a combination of the following:

1. FOR SALES PRICE	<ul style="list-style-type: none">compared expected selling prices to sales prices achieved after the year end, evidence of sales reservations, sales prices achieved for similar units in the year, valuation of properties for marketing purposes and other selling prices of similar properties in the locality.performed a retrospective review comparing estimated selling prices at 31 March 2024 with the prices achieved in the year for units sold in the year; andwhere third party valuation is used, for a sample of properties, checked expert estimates against publicly available selling prices for comparable properties.performed a sensitivity of selling prices based on publicly available data.
2. FOR COSTS TO COMPLETE	<ul style="list-style-type: none">obtained the works contract and confirmed the nature of the contract as fixed or variable.obtained the latest contract valuation to identify agreed contract variations.obtained details of the expected costs to complete from the latest forecast outturn and agreed the forecast total contracted cost of the development to the latest contract documentation.reviewed invoices and valuation certificates recorded after the year end in order to assess completeness of expenditure and forecast costs to complete. This was also performed for completed units to confirm completeness of cost and the ‘completed’ status.assessed the accuracy of cost forecasting by looking at outturn costs compared with budget and forecast at the end of the prior year on schemes that completed in the year.for development schemes in progress, we attended the year-end Impairment Working Group (IWG) meeting and reviewed minutes of other IWG meetings throughout the year. Where the IWG minutes, or other audit procedures performed indicated potential issues, we discussed those issues with the Head of Commercial and/or individual Project Managers (corroborating as required).
3. FOR COSTS TO SELL	<ul style="list-style-type: none">where material, considered computations of selling costs and compared against known selling costs that have been incurred in the year.

KEY OBSERVATIONS

Based on the evidence obtained we did not identify any indications that the assessments of the recoverable amount made by management were inappropriate.

KEY AUDIT MATTER**The recoverable amount of housing property is materially misstated**

As described in note 13, the Association annually assess housing properties for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount.

Assets are required to be reviewed for indicators of impairment annually. If such indicators exist, an impairment assessment and estimate of the recoverable amount must be performed.

This area also represents a key area of estimation uncertainty for management, as described in note 2.

Due to the inherent estimation uncertainty in determining the recoverable amount, we considered there to be a significant risk and therefore a key audit matter.

HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Having obtained management's assessment of indicators of impairment, and subsequent impairment review calculations where indicators of impairment were identified, we have:

- considered whether management had included all asset groups (including all tenure types) in their assessment of indicators of impairment, and whether management have considered all relevant impairment indicators
- for schemes where an indicator was identified, reviewed management's calculations of the recoverable amount of the scheme and corroborated assumptions that were used to support these calculations.
- considered the completeness of the schemes that were identified using our knowledge obtained through other procedures performed in our audit
- where a management expert valuation was used to support managements assessment we confirmed the competence of any expert used by management and assessed their valuation methodology and assumptions used in the valuation.
- reviewed the appropriateness and completeness of the disclosures in the financial statements and accompanying narrative reports.

KEY OBSERVATIONS

Based on our procedures we noted no exceptions.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance

materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	GROUP FINANCIAL STATEMENTS		PARENT ASSOCIATION FINANCIAL STATEMENTS	
	2025	2024	2025	2024
FINANCIAL STATEMENT MATERIALITY				
Materiality	£90.6m	£88.8m	£86.1m	£87.5m
Basis for determining materiality	1.3% of total assets	1.3% of total assets	1.2% of total assets	1.3% of total assets
Performance materiality	£63.4m	£62.2m	£60.2m	£61.3m
Basis for determining performance materiality	70% of materiality	70% of materiality	70% of materiality	70% of materiality
SPECIFIC MATERIALITY				
Specific materiality	£12.1m	£10.9m	£11.5m	£10.5m
Basis for determining specific materiality	1.8% of revenue	1.8% of revenue	1.8% of revenue	1.8% of revenue
Specific performance materiality	£8.5m	£7.7m	£8m	£7.3m
Basis for determining specific performance materiality	70% of materiality	71% of materiality	70% of materiality	70% of materiality

Rationale for the benchmarks applied

A housing association's key stakeholders are primarily focused on the value of the stable, rented asset portfolio, as their debt is secured on these assets. Total assets is therefore considered to be the appropriate benchmark for determining overall materiality. However, we also determined that for other classes of transactions and balances in income and expenditure recognised within the statement of comprehensive income that are used in covenant calculations and sector benchmarking metrics, as well as other financial statement areas such as property for sale stock and rent arrears that are subject to greater scrutiny by key stakeholders, a misstatement of less than materiality for the financial statements as a whole could influence the economic decisions of the users of the financial statements. As a result, we applied a specific materiality calculated using Revenue as the benchmark to these balances and transactions.

We have determined that 70% of materiality is an appropriate basis for performance materiality based on our previous experience of the audit and factors such as the low levels of misstatements previously identified partially offset by some areas of the financial statements subject to significant estimation uncertainty.

Performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Association whose materiality and performance materiality are set out above, based on a percentage of between 0.1% and 18% (2024: 0.1% and 16%) of Group performance materiality dependent on a number of factors including size and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £720 to £11.2m (2024: £24 to £11.9m).

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £1.8m (2024: £1.7m) in relation to financial statement materiality and £241k in relation to specific materiality (2024: £219k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Board are responsible for the other information. The other information comprises the information included in the annual report, 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative and Community Benefit Societies Act 2014 to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of the Board's responsibilities, 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 members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, those charged with governance and the Audit and Risk Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Regulator of Social Housing's Regulatory Standards, employment law, Financial Conduct Authority ("FCA") regulations, data protection, fire safety legislation and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Discussions with relevant individuals responsible for those areas, such as the Executive Director of Assets & Sustainability;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, those charged with governance and the Audit and Risk Committee regarding any known or suspected instances of fraud
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through accounting estimates in relation to net realisable value of properties developed for sale and recoverable amount when assessing impairment and inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals);
- Challenging assumptions made by management in their significant accounting estimates, in particular in relation to the net realisable value of properties developed for sale (see Key Audit Matter 1) and impairment of properties (see Key Audit Matter 2).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

BDO LLP

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BDO LLP

Statutory Auditor
London, UK

Date 13 August 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Samuel Lewis Foundation

The Samuel Lewis Foundation is a separate charity with Southern Housing as its trustee. Permanent endowment funds comprise the following resources which have been made available and which the trustees are legally required to retain or invest for specific charitable purposes. As these are permanent funds the trustees have no power to convert them into income and apply them as such. The fund balances include funds transferred from The Women's Housing Trust. These balances are included in the parent association, Southern Housing. This disclosure is given for reporting purposes to the Charity Commission. Expenditure on letting activities comprises certain specific identifiable costs and overheads which have been apportioned on a consistent basis to the endowed properties. Dalmeny Avenue was regenerated in 2018 with all sales proceeds being ring fenced for the specific charitable purposes of the Samuel Lewis Foundation.

	Date of acquisition	Original cost £m	Number of units
Liverpool Road	1910	0.3	247
Jubilee Cottages	1935	0.7	28
Palliser Road	1927	1.0	57
Beech House	1936	0.7	10

Fund balances are represented by:

	2025 £m	2024 £m
Property, plant & equipment	33.4	18.9
Stock	3.9	5.1
Cash	15.3	15.3
Total assets less current liabilities	52.6	39.3

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Social housing and other grants	(6.7)	(6.7)
Total net assets	45.9	32.6

NET INCOME FROM PERMANENT ENDOWED ASSETS

Income from lettings	2.2	1.8
Less expenditure on letting activities	(0.5)	(0.3)
Surplus on letting activities	1.7	1.5

EASON GRUAZ HOMES

EASON GRUAZ HOMES

Annual Report for the year ended 31 March 2025

Registered Charity number: 220271

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MEMBERS, ADVISORS AND BANKERS

Trustee	Southern Housing - Appointed as corporate Trustee on 22 May 2017
Board Members of Southern Housing Board	Sir Peter Dixon (Chair) Paul Hackett Geanna Bray Michelle Dovey Janet Collier Damien Régent Eugenie Turton Philip Blume Ian Wilson Daisy Armstrong Robert Clark Mark Everard – Appointed 29 January 2025 Billy Brown – Appointed 26 March 2025 William Howard Cresswell – Resigned 31 May 2025
Secretary	Puneet Rajput
Registered office	Fleet House 59-61 Clerkenwell Road London EC1M 5LA
Auditor	BDO LLP 2 City Place Gatwick RH6 0PA
Principal solicitor	Devonshires Salisbury House London Wall London EC2M 5QY
Principal banker	Barclays Bank plc Churchill Place Canary Wharf London E14 5RB
Registration	Registered Charity number: 220271

TRUSTEE'S REPORT

The Trustee presents its annual report together with the financial statements of Eason Gruaz Homes (Charity) for the year ended 31 March 2025.

Structure, Governance and Management

Eason Gruaz Homes was founded by an indenture dated 4 September 1901 and was the Charity of Mrs Ann Hays.

Southern Housing is the sole Corporate Trustee of the Charity. The Southern Housing Board is responsible for the strategic management and good governance of Eason Gruaz Homes on behalf of the Trustee, whilst operational management has been delegated to the Chief Executive and staff of Southern Housing by the Trustee. Southern Housing provides support services such as risk management; IT, financial services and facilities management to Eason Gruaz Homes.

The skills and expertise of Southern Housing (acting as the Trustee) are regularly reviewed to ensure the Charity has a capable and efficient Board. Appointment to the Board is in accordance with the rules of Southern Housing.

Objectives and Activities

In the indenture, a piece or parcel of land was conveyed to Ann Hays in Valenciennes Road, Sittingbourne in the Parish of Milton. On this land, Ann Hays proceeded:

"With the erection on the said piece of land, certain buildings intended to be used as almshouses and intended to complete the same, fit for occupation".

Ann Hays then directed the almshouses should be known as "Eason Gruaz Homes".

She further directed that:

"The inmates of the said almshouses should be eight in number to be selected as thereafter provided and being either male or female of whom some might be married couples. Each inmate should, when elected, be of the age of 40 years upwards and of good repute, but no qualifications should be imposed as to religious tenets or beliefs".

Residents are selected on this basis by approval from the Trustee.

The continuing objective of the Trustee of Eason Gruaz Homes is to meet the conditions of the indentures above. Its activities centre around this objective and manifest itself through the provision of housing management services, enabling residents to achieve high levels of independent living. Under the stated objectives, the Charity provides housing for people in need. Although the Charity is not a registered almshouse, it provides comparable activities to that of an almshouse and operates within the spirit of the original gift.

EASON GRUAZ HOMES - TRUSTEE'S REPORT

Business Review and Future Plans

The Charity made a surplus for the year of £19k (2024: £21k).

A high level of service has been maintained at Eason Gruaz Homes enabling the residents to enjoy independent living but with support in accordance with the vision of the Charity.

The Trustee seeks to maximise the benefit of the Charity's users by minimising the time properties are void and unoccupied.

The Charity will continue to provide properties for independent living and housing management services to the residents, and will continue to endeavour to fill any void properties at the earliest opportunity to ensure maximum usage of the properties and to avoid loss of revenue.

Reserves Policy

The Charity's principal source of income is rent. From this income, the Trustee must ensure there are sufficient funds available to support expenditure on the upkeep of the fabric of the properties where the beneficiaries of the Charity reside. The level of potential future expenditure is periodically assessed and plans to undertake necessary works are formulated as required. The policy of the Trustee is therefore to use best value principles in providing services and maintaining the properties at an operational level, in order to provide sufficient reserves to deal with large items of maintenance expenditure when they become due.

Risk Management

The Trustee makes use of Southern Housing's Audit & Risk Committee (ARC) to help in identifying and mitigating risks for the Charity. ARC is a multi-disciplinary group-wide committee that ensures the Group entities approach risk in a consistent and relevant manner, whilst recognising the particular needs of each individual entity within the Group. Through ARC, the Trustee examines major strategic and operational business risks faced by the Charity and can confirm systems and controls are in place to identify, minimise and mitigate risk.

Value for money

The Group has published its value for money statement and uses the Regulator of Social Housing's value for money metrics to review performance and target actions as disclosed in Southern Housing financial statements.

Political and charitable contributions

The Charity made no political contributions in the current and prior year.

Going concern

The Charity has net assets of £391k (2024: £372k) at the balance sheet date. After reviewing the Charity's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statements are approved, the Trustee has a reasonable expectation the Charity has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent's long term financial plan. The Board are confident the viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that the Southern Housing Group has adequate resources to continue in operational existence for the 12 months from the date of approval of the financial

EASON GRUAZ HOMES - TRUSTEE'S REPORT

statements. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Trustee's Responsibilities

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102).

The financial statements are required by law to give a true and fair view of the state of affairs of the Charity and of incoming resources and application of resources including income and expenditure of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and enable the Trustee to ensure that its financial statements comply with the Charities Act 2011 and the provisions of the Charity Deed. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Assessment of the effectiveness of internal controls

The Trustee is responsible for the system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives will be met. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of assets and interests. The Trustee recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Public Benefit disclosures

During the year the Charity continued to undertake activities which meet its objectives, relating to those activities it considers necessary to address social exclusion. The Trustee has complied with its duty, under section 4 of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission in England & Wales related to public benefit.

Corporate governance

The Trustee is responsible for ensuring that the Charity meets the Regulatory standards required by the Regulator of Social Housing. Corporate governance is determined and established at group level and relevant disclosures are contained within the Southern Housing financial statements. The Trustee has adopted the National Housing Federation's Code of Governance 2020. Further details of the Group's policies on controls, risks and uncertainties, and performance monitoring are included in the Group Financial Statements.

EASON GRUAZ HOMES - TRUSTEE'S REPORT

Disclosure of information to auditors

The Trustee of the Charity has confirmed in fulfilling their duties as a Trustee;

- they have taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

Auditors

A resolution to re-appoint BDO LLP as the auditors will be proposed at the Southern Housing Board Meeting on 24 September 2025.

Approval

The Trustee's Report was approved by the Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair of Southern Housing

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF EASON GRUAZ HOMES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2025 and of income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of Eason Gruaz Homes ("the Charity") for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in reserves and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee'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 Charity'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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report, 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. Our responsibility

EASON GRUAZ HOMES - INDEPENDENT AUDITOR'S REPORT

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Charity; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustees are 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity'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 Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

EASON GRUAZ HOMES - INDEPENDENT AUDITOR'S REPORT

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity's and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the Charities Act 2011.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be data protection and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

EASON GRUAZ HOMES - INDEPENDENT AUDITOR'S REPORT

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

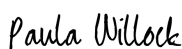
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Paula Willock

BDO LLP, statutory auditor

Gatwick, UK

Date: 30 September 2025

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover	2	30	28
Operating expenditure	2	(20)	(15)
Operating surplus		10	13
Interest receivable	6	9	8
Surplus for the year		19	21

All the Charity's activities are continuing. The Charity has no recognised surpluses and deficits other than those above and therefore no separate statement of other comprehensive income has been presented.

STATEMENT OF CHANGES IN RESERVES

for the year ended 31 March 2025

	General reserve	Revaluation reserve	Total
	£'000	£'000	£'000
Balance as at 1 April 2023	285	66	351
Surplus for the year	21	-	21
Reserves transfers	5	(5)	-
Balance as at 1 April 2024	311	61	372
Surplus for the year	19	-	19
Reserves transfers	5	(5)	-
Balance as at 31 March 2025	335	56	391


STATEMENT OF FINANCIAL POSITION

at 31 March 2025

Registered Charity number: 220271

	Notes	2025 £000	2024 £000
FIXED ASSETS			
Tangible fixed assets - Housing properties	7	134	139
Total fixed assets		134	139
CURRENT ASSETS			
Trade and other debtors	8	1	4
Cash and cash equivalents		266	235
Total current assets		267	239
Creditors: amounts falling due within one year	9	(10)	(6)
Net current assets		257	233
Total assets less current liabilities		391	372
Net assets		391	372
CAPITAL AND RESERVES			
General reserve		335	311
Revaluation reserve		56	61
Total reserves		391	372

The financial statements were approved by the Corporate Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair of Southern Housing



Puneet Rajput
Secretary

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

Eason Gruaz Homes is governed by its Charity deed. It is also registered as a Charity in England with the Charity Commission.

The financial statements have been prepared in accordance with applicable laws and UK Accounting Standards, including the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102), and the Charities Act. The charity provides "Housing for Older People" and is not a registered almshouse. Although the charity is not a registered provider with the Regulator of Social Housing (RSH), the trustee has made a judgement that the principles and guidance within the Registered Social Housing Providers SORP and the Accounting Direction are more relevant to the nature of the charity's activities in providing housing for older people than the Charity SORP.

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Registered address: Fleet House, 51-69 Clerkenwell Road, London, EC1M 5LA.

Cash flow statement

As a consolidated cash flow statement is prepared by the Charity's parent Southern Housing, the Charity has taken advantage of the exemption provided by FRS102 not to report a separate statement of cash flows.

Going concern

The Charity has net assets of £391k (2024: £372k) at the balance sheet date. After reviewing the Charity's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statements are approved, the Trustee has a reasonable expectation the Charity has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent's long term financial plan. The Board are confident the viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that the Southern Housing Group has adequate resources to continue in operational existence for the 12 months from the date of approval of the financial statements. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

EASON GRUAZ HOMES - NOTES TO THE FINANCIAL STATEMENTS

Taxation

The Charity is not registered for VAT and is therefore not able to recover VAT it incurs. Expenditure is shown inclusive of related VAT.

No corporation tax is payable by the Charity as it is exempt from tax on its charitable activities.

Judgements in applying accounting policies and key sources of estimation uncertainty

The key judgements made in preparing these financial statements and sources of estimation uncertainty are:

- Management has applied judgement in determining the allocation between land and structure.
- In determining whether there are any indicators of impairment. Where there are indicators, the Trustee has considered the measurement basis to determine the recoverable amount of assets based on EUV-SH or depreciated replacement cost. The Trustee has also considered impairment based on their assumptions to define cash or asset generating units.

Other key sources of estimation uncertainty

- **Tangible fixed assets**

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 major repairs profile, ability to let the property and alternative options for the site are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

- **Rental and other trade receivables**

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

2. TURNOVER & OPERATING PROFIT

Rent receivable

Rental income from properties owned by the Charity is recognised on an accruals basis (net of void losses) as it falls due.

Service charges

Service charge income is recognised on an accruals basis as it falls due.

2a. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	Turnover £000	2025 Operating costs £000	Operating surplus £000
Social housing lettings (note 2b)	30	(20)	10
	30	(20)	10
	Turnover £000	2024 Operating costs £000	Operating surplus £000
Social housing lettings (note 2b)	28	(15)	13
	28	(15)	13

2b. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	General need housing £000	2025 Total £000	2024 Total £000
Rents receivable net of identifiable service charges	28	28	26
Service charges receivable	2	2	2
Turnover from social housing lettings	30	30	28
Expenditure on letting activities			
Management	(11)	(11)	(7)
Service charge costs	(3)	(3)	(2)
Routine maintenance	(1)	(1)	(1)
Depreciation of housing properties	(5)	(5)	(5)
Operating costs on social housing	(20)	(20)	(15)
Operating surplus on social housing lettings	10	10	13
Void Losses	(1)	(1)	-

3. EMPLOYEE AND TRUSTEE INFORMATION

No Trustee received any remuneration for their role as Trustee of Eason Gruaz Homes during the current and prior year. No expenses were reimbursed to the Trustee during the current year and prior year.

The Group Chief Executive and the senior management team are employed by Southern Housing, with whom administration costs are shared; the relevant emoluments are dealt with in the financial statements of that organisation.

No staff were directly employed by the Charity in the current or previous year.

4. UNITS OF HOUSING STOCK

	2025 Units	2024 Units
Units owned and managed		
General needs	8	8
	8	8

5. OPERATING SURPLUS FOR THE YEAR

	2025 £000	2024 £000
Operating surplus is stated after charging:		
Depreciation – housing properties	5	5
Auditors' remuneration:		
- in respect of audit services	6	2

6. INTEREST RECEIVABLE

	2025 £000	2024 £000
Bank and deposit interest	9	8
	9	8

7. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES**Housing properties**

The Charity elected to take the carrying amount of all housing property at the date of transition to be the deemed cost. Housing properties are subsequently measured at cost less accumulated depreciation and any impairment losses.

Housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of such major components is capitalised and depreciated over the average estimated useful life which has been set taking into account professional advice, the Group's asset management strategy and the requirements of the Decent Homes Standard.

Works to existing properties which result in an increase in the net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Examples would be work that results in an increase in rental income, a reduction in future maintenance costs or a significant extension of the useful economic life of the property.

Depreciation

Freehold land is not subject to depreciation. Depreciation is charged on a straight-line basis over the useful economic lives of fixed assets to write off the cost less estimated residual values. Depreciation on the structure of properties is charged at 2%. The following useful economic lives are used:

Component	Years	Component	Years
Lifts	25-30	Windows	25-30
Kitchens	20-25	Roofs	20-80
Bathrooms	20-30	Fire alarms	15-20
Solar panels	20	Doors	15-30
External storage	10	Boilers & heating	15-25
External staircase	60	Emergency lighting	15-20
Aerials /CCTV	10	Electrical wiring	5-30
Flooring	15	Warden call / door entry	15

EASON GRUAZ HOMES - NOTES TO THE FINANCIAL STATEMENTS

Impairment

At each balance sheet date, the value of property, plant and equipment assets is formally assessed to determine whether there is an indication that the carrying value of the asset is greater than the recoverable amount and therefore may require impairment. This assessment is carried out by tenure and at the estate/scheme level, such a level representing a cash generating unit. A scheme is defined as all units of the same tenure within one area or estate. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

In line with the Group's objectives its social housing properties are held for their service potential and not purely for economic return.

	Housing properties held for letting
	£000
Cost	
At 1 April 2024	177
Replaced components	1
Disposals - components	(1)
At 31 March 2025	177
Depreciation	
At 1 April 2024	38
Depreciation charge for the year	5
At 31 March 2025	43
Net book value	
At 31 March 2025	134
At 31 March 2024	139

As permitted by FRS102, the Charity elected to take the carrying amount of all housing property at the date of transition to be the deemed cost. Housing properties are subsequently measured at cost less depreciation.

The value of housing properties is based on a professional valuation undertaken by Jones Lang Lasalle, Chartered Surveyors, acting as independent valuers. The housing properties have been valued on the basis of Existing Use Value for Social Housing (EUV-SH), as at 31 March 2015. This basis of valuation assumes that properties will continue to be let as social housing, at social rents, and managed in accordance with Homes and Communities Agency's requirements. The valuation was carried out in accordance with the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors (RICS).

In arriving at their valuation, the valuers used discounted cashflow methodology. Key assumptions included the costs of management, repairs and maintenance, future growth in rents, and the level of voids in the stock. The valuers adopted a real discount rate of 6% per annum.

25% of the structure cost is allocated to land and is not depreciated.

8. TRADE AND OTHER DEBTORS

	2025	2024
	£000	£000
Due within one year		
Rental and service charge arrears	1	3
Amounts owed by parent undertakings	-	1
	1	4

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£000	£000
Rent & service charge in advance	3	2
Accruals and deferred income	-	3
Amounts due to parent undertaking	7	1
	10	6

10. CONTROLLING PARTIES

The Charity is a subsidiary of Southern Housing which is the ultimate parent undertaking incorporated in the UK and registered in England as a Co-operative and Community Benefit Society. Southern Housing is the ultimate parent undertaking by virtue of being the sole Trustee in the Charity. The Charity has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent undertaking or other wholly owned subsidiaries within the group.

The largest and smallest group in which the results of the Charity are consolidated is that headed by Southern Housing, incorporated in England. The consolidated accounts are available to the public and may be obtained from Fleet House, 59-61 Clerkenwell Road, London, EC1M 5LA. No other group accounts include the results of the Charity.

THE FELLOWSHIP HOUSES TRUST

Annual Report for the year ended 31 March 2025

Registered Charity number: 205786
Regulator of Social Housing (RSH) No: L1821

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MEMBERS, ADVISORS AND BANKERS

Trustee	Southern Housing
Board Members of Southern Housing Board	Sir Peter Dixon (Chair) Paul Hackett Geanna Bray Michelle Dovey Janet Collier Damien Régent Eugenie Turton Philip Blume Ian Wilson Daisy Armstrong Robert Clark Mark Everard – Appointed 29 January 2025 Billy Brown – Appointed 26 March 2025 William Howard Cresswell – Resigned 31 May 2025
Secretary	Puneet Rajput
Registered office	Fleet House 59-61 Clerkenwell Road London EC1M 5LA
Auditor	BDO LLP 2 City Place Gatwick RH6 0PA
Principal solicitor	Trowers & Hamlins 3 Bunhill Row London EC1Y 8YZ
Principal banker	Lloyds TSB Bank Plc 25 Gresham Street London EC2V 7HN
Registration	Registered Charity number: 205786 Regulator of Social Housing (RSH) No: L1821

TRUSTEES' REPORT

The Trustee present its annual report together with the financial statements of The Fellowship Houses Trust (Trust) for the year ended 31 March 2025.

Structure, Governance and Management

The Southern Housing Board is responsible for the strategic management since 15 March 2024 and good governance of The Fellowship Houses Trust on behalf of the Trustee, whilst operational management has been delegated to the Chief Executive and staff of Southern Housing by the Trustee. Southern Housing provides support services such as risk management, IT, financial services and facilities management to The Fellowship Houses Trust.

The skills and expertise of Southern Housing Board members (acting as the Trustee) are regularly reviewed to ensure the Trust has a capable and efficient Board. Appointment to the Board is in accordance with the rules of Southern Housing.

Principal activities

The Fellowship Houses Trust is a charitable housing trust, established in 1937 and is governed by the trust deed. The Trust's objective is to provide housing and amenities for elderly people and people in financial need, at an affordable rent and acting as a social landlord is the main activity to further the Trust's purposes for the public benefit.

Business Review and Future Plans

The Trust made a surplus for the year of £57k (2024: £120k).

The Trust's housing assets are managed by Southern Housing. The Trust expects to continue to generate a surplus.

Reserves Policy

The Trust's principal source of income is rent. From this income, the Trustee must ensure there are sufficient funds available to support expenditure on the upkeep of the fabric of the properties where the beneficiaries of the Trust reside. The level of potential future expenditure is periodically assessed and plans to undertake necessary works are formulated as required. The policy of the Trustee is therefore to use best value principles in providing services and maintaining the properties at an operational level, in order to provide sufficient reserves to deal with large items of maintenance expenditure when they become due.

Risk Management

The Trustee makes use of Southern Housing's Audit & Risk Committee (ARC) to help in identifying and mitigating risks for the Trust. ARC is a multi-disciplinary group-wide committee that ensures the Group entities approach risk in a consistent and relevant manner, whilst recognising the particular needs of each individual entity within the Group. Through ARC, the Trustee examines major strategic and operational business risks faced by the Trust and can confirm systems and controls are in place to identify, minimise and mitigate risk.

THE FELLOWSHIP HOUSES TRUST - TRUSTEES' REPORT

Value for money

Southern Housing has published its value for money statement and use the Regulator of Social Housing's value for money metrics to review performance and target actions as disclosed in Southern Housing financial statements.

Political and charitable contributions

The Trust made no political contributions in the current and prior year.

Going concern

The Trust has net assets of £5,649k (2024: £5,592k) at the balance sheet date. After reviewing the Trust's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statement are approved, the Trustee has a reasonable expectation the Trust has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent Trust's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that Southern Housing has adequate resources to continue in operational existence for 12 months from the date of financial statements approval. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Trustees' Responsibilities

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102).

The financial statements are required by law to give a true and fair view of the state of affairs of the Trust and of incoming resources and application of resources including income and expenditure of the Trust for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the association at that time and enable the Trustee to ensure that its financial statements comply with the Charities Act 2011 and the provisions of the Trust Deed the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

THE FELLOWSHIP HOUSES TRUST - TRUSTEES' REPORT

Assessment of the effectiveness of internal controls

The Trustee is responsible for the system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives will be met. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of assets and interests. The Trustee recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Public Benefit disclosures

During the year the Trust continued to undertake activities which meet its objectives, relating to those activities it considers necessary to address social exclusion. The Trustee has complied with its duty, under section 4 of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission in England & Wales related to public benefit.

Corporate governance

The Trustee is responsible for ensuring that the Trust meets the Regulatory standards required by the Regulator of Social Housing. Corporate governance is determined and established at group level and relevant disclosures are contained within the Southern Housing financial statements. The Trustee has adopted the National Housing Federation's Code of Governance 2020. Further details of the Group's policies on controls, risks and uncertainties, and performance monitoring are included in Southern Housing Group Financial Statements.

Compliance with Governance and Financial Viability Standard

The Regulator of Social Housing's (RSH) Governance and Financial Viability Standard (the Standard) provides guidance to enable us to assess our compliance with the Standard. The overall required outcomes of the Standard are:

- To ensure we have effective governance arrangements in place that deliver the aims, objectives and intended outcomes for our residents and potential residents in an effective, transparent and accountable manner;
- To manage our resources effectively to ensure we maintain our viability, ensuring that social housing assets are not put at undue risk;
- The Standard requires registered providers to assess their compliance with the Standard at least annually.

Boards are required to report their compliance with the Standard within their annual accounts. Boards need to determine where they are obtaining their assurance to demonstrate to the RSH;

- A clear understanding of asset values, related security, potential losses and potential chains of recourse. Boards need to know exactly what information will be required in the event of distress and social housing asset exposure in order to value the assets without delay;
- Evidence of application of the principles; and
- The assurance they receive on the quality of records.

We operate an assurance framework which is supported by delegated authorities and operating regulations. We map our assurances which include management review and oversight, external and internal audit and reviews by regulatory bodies. Compliance with the Regulator's Governance and Financial Viability Standard was reviewed by the Association's Board. We are fully compliant. We have comprehensive Data Protection and Technology Policies to protect our data and mandatory GDPR training has been completed by staff. The

THE FELLOWSHIP HOUSES TRUST - TRUSTEES' REPORT

Association complies in full with the Rent Standard and is satisfied it has complied with all other laws and regulations that are relevant.

Disclosure of information to auditors

The Trustee of the Trust has confirmed in fulfilling their duties as a Trustee;

- they have taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

Auditors

A resolution to re-appoint BDO LLP as the auditors will be proposed at the Southern Housing Board Meeting on 24 September 2025.

Approval

The Trustees' Report was approved by the Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair of Southern Housing

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FELLOWSHIP HOUSES TRUST

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2025 and of the Trust's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of The Fellowship Houses Trust ("the Trust") for the year ended 31 March 2025 which comprise the statement of comprehensive income, statement of financial position, the statement of changes in reserves and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Trust 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee'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 Trust'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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

THE FELLOWSHIP HOUSES TRUST - INDEPENDENT AUDITOR'S REPORT

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Charities Act 2011 to report to you if, in our opinion:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the Trust financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of control has not been maintained over transactions; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee 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 Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Trust'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 Trustee either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

THE FELLOWSHIP HOUSES TRUST - INDEPENDENT AUDITOR'S REPORT

Non-compliance with laws and regulations

Based on:

- Our understanding of the Trust and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Trust's policies and procedures regarding compliance with laws and regulations.
- we considered the significant laws and regulations to be Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Trust is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be data protection and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Trust's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals);

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

THE FELLOWSHIP HOUSES TRUST - INDEPENDENT AUDITOR'S REPORT

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the members of the Trust, as a body, in accordance with in accordance with the Housing and Regeneration Act and to the charities trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trustee 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 Trust and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Paula Willock

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Paula Willock (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick, UK

Date: 30 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover	2	420	396
Operating expenditure	2	(367)	(301)
Operating surplus		53	95
Interest receivable	6	25	17
Interest and financing costs	7	(18)	(9)
Movement in fair value of financial instruments	7	(3)	17
Surplus for the year		57	120

All the Trust's activities are continuing. The Trust has no recognised surpluses and deficits other than those above and therefore no separate statement of other comprehensive income has been presented.

STATEMENT OF CHANGES IN RESERVES

for the year ended 31 March 2025

	General reserve
	£'000
Balance as at 1 April 2023	5,472
Surplus for the year	120
Balance as at 31 March 2024	5,592
Surplus for the year	57
Balance as at 31 March 2025	5,649

STATEMENT OF FINANCIAL POSITION at 31 March 2025

Registered Charity number: 205786

	Notes	2025 £000	2024 £000
FIXED ASSETS			
Tangible fixed assets - Housing properties	8	6,071	6,209
Investments	9	216	219
Total fixed assets		6,289	6,428
CURRENT ASSETS			
Trade and other debtors	10	129	95
Cash and cash equivalents		1,528	1,393
Total current assets		1,657	1,488
Creditors: amounts falling due within one year	11	(46)	(20)
Net current assets		1,611	1,468
Total assets less current liabilities		7,900	7,896
Creditors: amounts falling due after more than one year	12	(2,251)	(2,304)
Net assets		5,649	5,592
CAPITAL AND RESERVES			
General reserve		5,649	5,592
Total reserves		5,649	5,592

The financial statements were approved by the Corporate Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair



Puneet Rajput
Secretary

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The Fellowship Houses Trust is governed by its trust deed. It is also registered as a Charity in England with the Charity Commission with the Charity number 205786 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing registration number L1821.

The financial statements have been prepared in accordance with applicable laws and UK Accounting Standards, including the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice "Accounting for Registered Social Housing Providers (Update 2018) (the "SORP")", The Accounting Direction for Private Registered Providers of Social Housing 2022, the Housing and Regeneration Act 2008 and the Co-operative and Charities Act 2011.

The financial statements have been prepared under the historical cost convention except for revaluation of investments held at fair value and in accordance with applicable Accounting Standards.

Registered address: Fleet House, 51-69 Clerkenwell Road, London, EC1M 5LA.

As a public benefit entity, The Fellowship Houses Trust has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

Cash flow statement

As a consolidated cash flow statement is prepared by the Trust's parent, Southern Housing, the Trust has taken advantage of the exemption provided by FRS102 not to report a separate statement of cash flows.

Going concern

The Trust has net assets of £5,649k (2024: £5,592k) at the balance sheet date. After reviewing the Trust's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statement are approved, the Trustee has a reasonable expectation the Trust has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent Trust's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that Southern Housing Group has adequate resources to continue in operational existence for 12 months from the date of financial statements approval. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Financial Instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument, and are offset only when the Trust currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

THE FELLOWSHIP HOUSES TRUST - NOTES TO THE FINANCIAL STATEMENTS

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Judgements in applying accounting policies and key sources of estimation uncertainty

The key judgements made in preparing these financial statements and sources of estimation uncertainty are:

- Management has applied judgement in determining whether assets are recognised as property, plant and equipment, investment properties or stock.
- In determining whether there are any indicators of impairment. Where there are indicators, the Trustee have considered the measurement basis to determine the recoverable amount of assets based on EUV-SH or depreciated replacement cost. The Trustee have also considered impairment based on their assumptions to define cash or asset generating units.

2. TURNOVER & OPERATING PROFIT

Rent receivable

Rental income from properties owned by the Trust is recognised on an accruals basis (net of void losses) as it falls due.

Service charges

Service charge income is recognised on an accruals basis as it falls due. The Trust operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. The service charges on all schemes are set on the basis of budgeted spend. Where variable service charges are used the budget will include an allowance for the surplus or deficit from prior years, with a surplus being returned to residents in the form of a reduced charge for the year and a deficit being recovered via a higher service charge or by alternative methods if the contract allows.

Grants

Revenue grants are credited to the surplus or deficit for the period when the performance conditions are met.

Social housing grant or social housing assistance are capital grants provided by Homes England and the Greater London Authority to wholly or partially fund Registered Providers when developing social housing. The grant received is recognised as deferred income and amortised within the surplus or deficit for the period through turnover over the useful economic life of the asset.

Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised in the surplus or deficit for the period.

Grant amortisation

Government grant is amortised over the life of the structure of the property. The cumulative grant amortised is disclosed as part of contingent liabilities until the property it funds is disposed of or ceases to be used for social housing purposes.

2a. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

		2025	
	Turnover	Operating	Operating
	£000	costs	surplus
		£000	£000
Social housing lettings (note 2b)	420	(367)	53
	420	(367)	53

		2024	
	Turnover	Operating	Operating
	£000	costs	surplus
		£000	£000
Social housing lettings (note 2b)	396	(301)	95
	396	(301)	95

2b. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	General needs	2025	2024
	£000	Total	Total
		£000	£000
Rents receivable net of identifiable service charges	355	355	333
Service charges receivable	40	40	38
Net rental income	395	395	371
Amortised government grant	25	25	25
Turnover from social housing lettings	420	420	396
Expenditure on letting activities			
Management	(104)	(104)	(88)
Bad debts	(20)	(20)	(8)
Service charge costs	(50)	(50)	(42)
Routine maintenance	(29)	(29)	(49)
Planned maintenance	(2)	(2)	(11)
Major repairs	-	-	(1)
Depreciation of housing properties	(162)	(162)	(102)
Operating costs on social housing	(367)	(367)	(301)
Operating surplus on social housing lettings	53	53	95
Void Losses	2	2	-

THE FELLOWSHIP HOUSES TRUST - NOTES TO THE FINANCIAL STATEMENTS

3. EMPLOYEE AND TRUSTEE INFORMATION

No Trustee received any remuneration for their role as Trustee of The Fellowship Houses Trust during the current and prior year. No expenses were reimbursed to the Trustee during the current year and prior year.

The Group Chief Executive and the senior management team are employed by Southern Housing, with whom administration costs are shared; the relevant emoluments are dealt with in the financial statements of that organisation.

No staff were directly employed by the Trust in the current or previous year.

4. UNITS

	2025 Units	2024 Units
Units owned		
General needs	58	58
	58	58

5. SURPLUS FOR THE YEAR

	2025 £000	2024 £000
Operating surplus is stated after charging/(crediting):		
Grant amortised	(25)	(25)
Depreciation – housing properties	90	102
Accelerated depreciation	71	-
Auditors' remuneration:		
- in respect of audit services	6	5

6. INTEREST RECEIVABLE

	2025 £000	2024 £000
Bank and deposit interest	25	17
	25	17

7. INTEREST PAYABLE

	2025 £000	2024 £000
Bank loans	18	9
	18	9

8. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

Housing properties

Housing properties are held at historic cost less accumulated depreciation and any impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest capitalised (using the average borrowings method, during the development period), and directly attributable administration costs.

Housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of such major components is capitalised and depreciated over the average estimated useful life which has been set taking into account professional advice, the Trust's asset management strategy and the requirements of the Decent Homes Standard.

Works to existing properties which result in an increase in the net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Examples would be work that results in an increase in rental income, a reduction in future maintenance costs or a significant extension of the useful economic life of the property.

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed property stock when ready for sale. Capitalisation of development costs ceases at practical completion including the accrual of known costs at that time and all subsequent costs are expensed.

Depreciation

Freehold land is not subject to depreciation. Depreciation is charged on a straight-line basis over the useful economic lives of fixed assets to write off the cost less estimated residual values. The following useful economic lives are used:

Component	Years	Component	Years
Structure	85-125	Windows	25-30
Lifts	25-30	Roofs	20-80
Kitchens	20-25	Fire alarms	15-20
Bathrooms	20-30	Doors	15-30
Solar panels	20	Boilers & heating	15-25
External storage	10	Emergency lighting	15-20
External staircase	60	Electrical wiring	5-30
Aerials /CCTV	10	Warden call / door entry	15
Flooring	15		

Properties held on a short lease are depreciated over the period of the remaining lease or the useful economic life, whichever is shorter.

Impairment

At each balance sheet date, the value of property, plant and equipment assets is formally assessed to determine whether there is an indication that the carrying value of the asset is greater than the recoverable amount and therefore may require impairment. This assessment is carried out by tenure and at the estate/scheme level, such a level representing a cash generating unit. A scheme is defined as all units of the same tenure within one area or estate. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

In line with the Group's objectives its social housing properties are held for their service potential and not purely for economic return. The Trust follows the guidelines of the Housing SORP 2018 and uses the depreciated replacement cost of the property as a reasonable estimate of the recoverable amount.

THE FELLOWSHIP HOUSES TRUST - NOTES TO THE FINANCIAL STATEMENTS

Housing properties held for letting £000

Cost

At 1 April 2024	7,534
Additions during year	23
Disposals - components	(162)
At 31 March 2025	7,395

Depreciation

At 1 April 2024	1,325
Depreciation charge for the year	90
Component disposals during year	(91)
At 31 March 2025	1,324

Net book value

At 31 March 2025	6,071
At 31 March 2024	6,209

9. INVESTMENTS

	2025 £000	2024 £000
Fair value of endowment	216	219

Investments are carried at fair value (the quoted market price) at each balance sheet date. Gains or losses on remeasurement are recognised in the Statement of Comprehensive Income.

10. TRADE AND OTHER DEBTORS

	2025 £000	2024 £000
Due within one year		
Rental and service charge arrears	55	60
Provision for doubtful debts	(13)	(8)
	42	52
Trade debtors	9	-
Amounts owed by parent undertakings	77	43
Prepayments and accrued income	1	-
	129	95

All debtors are due within one year. The Trust makes a provision for rental arrears, which are considered to be non-recoverable. The full value of former tenant debt is provided for. The provision for current tenant debt is calculated based on the ageing profile and historical recovery rates.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £000	2024 £000
Loans and borrowings	1	1
Social housing grant	25	-
Rent & service charge in advance	15	12
Accruals and deferred income	5	7
	46	20

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £000	2024 £000
Loans and borrowings	154	157
Social housing grant (note 13)	2,097	2,147
	2,251	2,304

The interest payable on the housing loan is a fixed rate of 11.5% over the life of the loan.

13. SOCIAL HOUSING GRANT

	2025 £000	2024 £000
At 1 April	2,147	2,172
Grants amortised during the year	(25)	(25)
At 31 March	2,122	2,147
Cumulative amount amortised	417	392

14. CONTINGENT LIABILITIES

The Trust receives social housing grant which is accounted for as deferred income and is amortised to the statement of comprehensive income based on the useful economic life of the asset.

The amount amortised represents a contingent liability if the related properties are disposed of. At 31 March 2025 the value of grant amortised in respect of these properties and not disposed of was £416,902 (2024: £391,543).

15. LOANS AND BORROWINGS

Housing loans are repayable in instalments due as follows:

	2025 £000	2024 £000
Housing loans repayable:		
Within one year	1	1
One to two years	1	1
Two to five years	4	4
More than five years	149	152
	155	158

THE FELLOWSHIP HOUSES TRUST - NOTES TO THE FINANCIAL STATEMENTS

The interest payable on the housing loan is a fixed rate of 11.5% over the life of the loan.

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 period.

16. CONTROLLING PARTIES

The Trust is a subsidiary of Southern Housing which is the ultimate parent undertaking incorporated in the UK and registered in England as a Co-operative and Community Benefit Society. Southern Housing is the ultimate parent undertaking by virtue of holding all shares in the Trust. The Trust has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent or other wholly owned subsidiaries within the group.

The largest and smallest group in which the results of the Trust are consolidated is that headed by Southern Housing, incorporated in England. The consolidated accounts of the Group are available to the public and may be obtained from Fleet House, 59-61 Clerkenwell Road, London, EC1M 5LA. No other group accounts include the results of the Trust.

CHARITY OF JULIA SPICER FOR ALMSHOUSES

Annual Report for the year ended 31 March 2025

Registered Charity number: 224718
Regulator of Social Housing (RSH) No: A2395

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MEMBERS, ADVISORS AND BANKERS

Trustee	Southern Housing – Appointed Corporate Trustee on 22 May 2017
Board Members of Southern Housing Board	Sir Peter Dixon (Chair) Paul Hackett Geanna Bray Michelle Dovey Janet Collier Damien Régent Eugenie Turton Philip Blume Ian Wilson Daisy Armstrong Robert Clark Mark Everard – Appointed 29 January 2025 Billy Brown – Appointed 26 March 2025 William Howard Cresswell – Resigned 31 May 2025
Secretary	Puneet Rajput
Registered office	Fleet House 59-61 Clerkenwell Road London EC1M 5LA
Auditor	BDO LLP 2 City Place Gatwick RH6 0PA
Principal solicitor	Devonshires Salisbury House London Wall London EC2M 5QY
Principal banker	Barclays Bank plc Churchill Place Canary Wharf London E14 5RB
Registration	Registered Charity number: 224718 Regulator of Social Housing (RSH) No: A2395

TRUSTEE'S REPORT

The Trustee presents its annual report together with the financial statements of the Charity of Julia Spicer for Almshouses (the "Charity") for the year ended 31 March 2025.

Structure, Governance and Management

Southern Housing is the sole Corporate Trustee of the Charity. The Southern Housing Board is responsible for the strategic management and good governance of the Charity of Julia Spicer for Almshouses on behalf of the Trustee, whilst operational management has been delegated to the Chief Executive and staff of Southern Housing by the Trustee. Southern Housing provides support services such as risk management, IT, financial services and facilities management to the Charity of Julia Spicer for Almshouses.

The skills and expertise of Southern Housing (acting as the Trustee) are regularly reviewed to ensure the Charity has a capable and efficient Board. Appointment to the Board is in accordance with the rules of Southern Housing.

Objectives and Activities

The Charity of Julia Spicer for Almshouses was founded from the estate of Julia Spicer dated 18 December 1925.

"It was her desire that her Trustees should with net residue of her estate or some part thereof establish an almshouse or almshouses for poor persons being resident in the Parish of Sittingbourne aforesaid and for that purpose should apply a competent part of the net residue of her estate purchasing a piece of land in the said Parish as a site for the Almshouse and should expend a further part thereof in erecting a suitable building on the said piece of land"

Under the stated objectives, the Charity provides housing for people in need. Although the Charity is not a registered almshouse, it provides comparable activities to that of an almshouse and operates within the spirit of the original gift.

Business Review and Future Plans

The Charity made a surplus for the year of £33k (2024: £27k).

The Charity's housing assets are managed by Southern Housing. The Charity expects to continue to generate a surplus. A high level of service has been maintained at Julia Spicer enabling the residents to enjoy independent living.

Investment Policy

The Trustee is responsible for the prudent maintenance of its funds. Funds will be held in bank accounts or investment accounts to safeguard funds and to generate additional wealth for the Charity until they are needed. Investments are used to provide additional funds for the future use of the Charity in anticipation of future maintenance and other direct charitable expenditure.

CHARITY OF JULIA SPICER FOR ALMSHOUSES - TRUSTEE'S REPORT

Reserves Policy

The Charity's principal source of income is rent. From this income, the Trustee must ensure there are sufficient funds available to support expenditure on the upkeep of the fabric of the properties where the beneficiaries of the Charity reside. The level of potential future expenditure is periodically assessed and plans to undertake necessary works are formulated as required. The policy of the Trustee is therefore to use best value principles in providing services and maintaining the properties at an operational level, in order to provide sufficient reserves to deal with large items of maintenance expenditure when they become due. The Trustee believes the available funds in income and maintenance reserves are sufficient to meet the costs of any future maintenance costs.

Risk Management

The Trustee makes use of Southern Housing's Audit & Risk Committee (ARC) to help in identifying and mitigating risks for the Charity. ARC is a multi-disciplinary group-wide committee that ensures the Group entities approach risk in a consistent and relevant manner, whilst recognising the particular needs of each individual entity within the Group. Through ARC, the Trustee examines major strategic and operational business risks faced by the Charity and can confirm systems and controls are in place to identify, minimise and mitigate risk.

Value for money

The Southern Housing Group has published its value for money statement and use the Regulator of Social Housing's value for money metrics to review performance and target actions as disclosed in Southern Housing financial statements.

Political and charitable contributions

The Charity made no political contributions in the current and prior year.

Going concern

The Charity has net assets of £1,248k (2024: £1,215k) at the balance sheet date. After reviewing the Charity's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statements are approved, the Trustee has a reasonable expectation the Charity has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that the Southern Housing Group has adequate resources to continue in operational existence for 12 months from the date the financial statements were approved. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Trustee's Responsibilities

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102).

The financial statements are required by law to give a true and fair view of the state of affairs of the Charity and of incoming resources and application of resources including income and expenditure of the charity for that period.

CHARITY OF JULIA SPICER FOR ALMSHOUSES - TRUSTEE'S REPORT

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and enable the Trustee to ensure that its financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Assessment of the effectiveness of internal controls

The Trustee is responsible for the system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives will be met. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of assets and interests. The Trustee recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Public Benefit disclosures

During the year the Charity continued to undertake activities which meet its objectives, relating to those activities it considers necessary to address social exclusion. The Trustee has complied with its duty, under section 4 of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission in England & Wales related to public benefit.

Corporate governance

The Trustee is responsible for ensuring that the Charity meets the Regulatory standards required by the Regulator of Social Housing. Corporate governance is determined and established at group level and relevant disclosures are contained within the Southern Housing financial statements. The Trustee has adopted the National Housing Federation's Code of Governance 2020. Further details of the Group's policies on controls, risks and uncertainties, and performance monitoring are included in the Group Financial Statements.

Compliance with Governance and Financial Viability Standard

The Regulator of Social Housing's (RSH) Governance and Financial Viability Standard (the Standard) provides guidance to enable us to assess our compliance with the Standard. The overall required outcomes of the Standard are:

- To ensure we have effective governance arrangements in place that deliver the aims, objectives and intended outcomes for our residents and potential residents in an effective, transparent and accountable manner;
- To manage our resources effectively to ensure we maintain our viability, ensuring that social housing assets are not put at undue risk;

CHARITY OF JULIA SPICER FOR ALMSHOUSES - TRUSTEE'S REPORT

- The Standard requires registered providers to assess their compliance with the Standard at least annually.

Boards are required to report their compliance with the Standard within their annual accounts. Boards need to determine where they are obtaining their assurance to demonstrate to the RSH;

- A clear understanding of asset values, related security, potential losses and potential chains of recourse. Boards need to know exactly what information will be required in the event of distress and social housing asset exposure in order to value the assets without delay;
- Evidence of application of the principles; and
- The assurance they receive on the quality of records.

We operate an assurance framework which is supported by delegated authorities and operating regulations. We map our assurances which include management review and oversight, external and internal audit and reviews by regulatory bodies. Compliance with the Regulator's Governance and Financial Viability Standard was reviewed by the Southern Housing's Board. We are fully compliant. We have comprehensive Data Protection and Technology Policies to protect our data and mandatory GDPR training has been completed by staff. Southern Housing Group complies in full with the Rent Standard and is satisfied it has complied with all other laws and regulations that are relevant.

Disclosure of information to auditors

Each Trustee of the Charity has confirmed in fulfilling their duties as a Trustee;

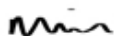
- they have taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

Auditors

A resolution to re-appoint BDO LLP as the auditors will be proposed at the Southern Housing Board Meeting on 24 September 2025.

Approval

The Trustee's Report was approved by the Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair of Southern Housing

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CHARITY OF JULIA SPICER FOR ALMSHOUSES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2025 and of the Charity's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Charity of Julia Spicer for Almshouses ("the Charity") for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in reserves and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee'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 Charity'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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

CHARITY OF JULIA SPICER FOR ALMSHOUSES - INDEPENDENT AUDITOR'S REPORT

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Charities Act 2011 to report to you if, in our opinion:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of control has not been maintained over transactions; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee 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 Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Charity'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 Trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the industry in which it operates;
- Discussion with management and those charged with governance; and

CHARITY OF JULIA SPICER FOR ALMSHOUSES - INDEPENDENT AUDITOR'S REPORT

- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Regulatory Framework of the Regulator of Social Housing, data protection and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed

CHARITY OF JULIA SPICER FOR ALMSHOUSES - INDEPENDENT AUDITOR'S REPORT

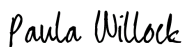
and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charity's Trustee, as a body, in accordance with in accordance with the Housing and Regeneration Act and to the charities trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trustee 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 Charity and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



8F75FEDC31D1467
Paula Willock (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

Date: 30 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover	2	79	73
Operating expenditure	2	(72)	(70)
Operating surplus		7	3
Interest receivable	6	26	24
Surplus for the year		33	27

All the Charity's activities are continuing. The Charity has no recognised surpluses and deficits other than those above and therefore no separate statement of other comprehensive income has been presented.

STATEMENT OF CHANGES IN RESERVES

for the year ended 31 March 2025

	General reserve £'000	Designated reserve £'000	Revaluation reserve £'000	Total £'000
Balance as at 1 April 2023	878	11	299	1,188
Surplus for the year	27	-	-	27
Reserves transfers	14		(14)	-
Balance as at 1 April 2024	919	11	285	1,215
Surplus for the year	33	-	-	33
Reserves transfers	15	-	(15)	-
Balance as at 31 March 2025	967	11	270	1,248

STATEMENT OF FINANCIAL POSITION at 31 March 2025

Registered Charity number: 224718

	Notes	2025 £000	2024 £000
FIXED ASSETS			
Tangible fixed assets - housing properties	7	529	525
Total fixed assets		529	525
CURRENT ASSETS			
Trade and other debtors	8	2	5
Cash and cash equivalents		734	689
Total current assets		736	694
Creditors: amounts falling due within one year	9	(17)	(4)
Net current assets		719	690
Total assets less current liabilities		1,248	1,215
Net assets		1,248	1,215
CAPITAL AND RESERVES			
General reserve		967	919
Designated reserves		11	11
Revaluation reserve		270	285
Total reserves		1,248	1,215

The financial statements were approved by the Corporate Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair



Puneet Rajput
Secretary

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

Charity of Julia Spicer for Almshouses is governed by its Charity deed. It is also registered as a Charity in England with the Charity Commission and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing.

The financial statements have been prepared in accordance with applicable laws and UK Accounting Standards, including the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice "Accounting for Registered Social Housing Providers (Update 2018) (the "SORP") and The Accounting Direction for Private Registered Providers of Social Housing 2022. The Charity provides housing for older people and is not a registered Almshouse.

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Registered address: Fleet House, 51-69 Clerkenwell Road, London, EC1M 5LA.

Cash flow statement

As a consolidated cash flow statement is prepared by the Charity's parent Southern Housing, the Charity has taken advantage of the exemption provided by FRS102 not to report a separate statement of cash flows.

Going concern

The Charity has net assets of £1,248k (2024: £1,215k) at the balance sheet date. After reviewing the Charity's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statements are approved, the Trustee has a reasonable expectation the Charity has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and parent's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that the Southern Housing Group has adequate resources to continue in operational existence for 12 months from the date the financial statements were approved. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

CHARITY OF JULIA SPICER FOR ALMSHOUSES - NOTES TO THE FINANCIAL STATEMENTS

Taxation

The Charity is not registered for VAT and is therefore not able to recover VAT it incurs. Expenditure is shown inclusive of related VAT.

No corporation tax is payable by the Charity as it is exempt from tax on its charitable activities.

Designated reserve

The reserve is a designated, unrestricted reserve created to meet the cost of ordinary repairs and maintenance which become necessary in regular cycles or at irregular intervals, such as external and internal decoration which are expected to recur every 3 to 7 years respectively.

Judgements in applying accounting policies and key sources of estimation uncertainty

The key judgements made in preparing these financial statements and sources of estimation uncertainty are:

- Management has applied judgement in determining the allocation between land and structure.
- In determining whether there are any indicators of impairment. Where there are indicators, the Trustee has considered the measurement basis to determine the recoverable amount of assets based on EUV-SH or depreciated replacement cost. The Trustee has also considered impairment based on their assumptions to define cash or asset generating units.

Other key sources of estimation uncertainty

- 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 major repairs profile, ability to let the property and alternative options for the site are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

2. TURNOVER & OPERATING PROFIT

Rent receivable

Rental income from properties owned by the Charity is recognised on an accruals basis (net of void losses) as it falls due.

Service charges

Service charge income is recognised on an accruals basis as it falls due.

2a. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2025		
	Turnover £000	Operating costs £000	Operating surplus £000
Social housing lettings (note 2b)	79	(72)	7
	79	(72)	7
	2024		
	Turnover £000	Operating costs £000	Operating surplus £000
Social housing lettings (note 2b)	73	(70)	3
	73	(70)	3

2b. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	General needs housing £000	2025 Total £000	2024 Total £000
Rents receivable net of identifiable service charges	68	68	63
Service charges receivable	11	11	10
Turnover from social housing lettings	79	79	73
Expenditure on letting activities			
Management	(19)	(19)	(13)
Service charge costs	(12)	(12)	(14)
Bad debts	-	-	(1)
Routine maintenance	(18)	(18)	(11)
Planned maintenance	(9)	(9)	(17)
Depreciation of housing properties	(14)	(14)	(14)
Operating costs on social housing	(72)	(72)	(70)
Operating surplus on social housing lettings	7	7	3
Void Losses	-	-	-

3. EMPLOYEE AND TRUSTEE INFORMATION

No Trustee received any remuneration for their role as Trustee of Charity of Julia Spicer for Almshouses during the current and prior year. No expenses were reimbursed to the Trustee during the current year and prior year.

The Group Chief Executive and the senior management team are employed by Southern Housing, with whom administration costs are shared; the relevant emoluments are dealt with in the financial statements of that organisation.

No staff were directly employed by the Charity in the current or previous year.

4. UNITS

	2025 Units	2024 Units
Units owned		
General needs	14	14
	14	14

5. SURPLUS FOR THE YEAR

	2025 £000	2024 £000
Operating surplus is stated after charging:		
Depreciation – housing properties	14	14
Auditors' remuneration:		
- in respect of audit services	6	2

6. INTEREST RECEIVABLE

	2025 £000	2024 £000
Bank and deposit interest	26	24
	26	24

7. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

Housing properties

The Charity elected to take the carrying amount of all housing property at the date of transition to FR102 to be the deemed cost. Housing properties are subsequently measured at cost less accumulated depreciation and any impairment losses.

Housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of such major components is capitalised and depreciated over the average estimated useful life which has been set taking into account professional advice, the Group's asset management strategy and the requirements of the Decent Homes Standard.

Works to existing properties which result in an increase in the net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Examples would be work that results in an increase in rental income, a reduction in future maintenance costs or a significant extension of the useful economic life of the property.

Depreciation

Freehold land is not subject to depreciation. Depreciation is charged on a straight-line basis over the useful economic lives of fixed assets to write off the cost less estimated residual values. Depreciation on the structure of properties is charged at 2%. The following useful economic lives are used:

Component	Years	Component	Years
Lifts	25-30	Windows	25-30
Kitchens	20-25	Roofs	20-80
Bathrooms	20-30	Fire alarms	15-20
Solar panels	20	Doors	15-30
External storage	10	Boilers & heating	15-25
External staircase	60	Emergency lighting	15-20
Aerials /CCTV	10	Electrical wiring	5-30
Flooring	15	Warden call / door entry	15

Impairment

At each balance sheet date, the value of property, plant and equipment assets is formally assessed to determine whether there is an indication that the carrying value of the asset is greater than the recoverable amount and therefore may require impairment. This assessment is carried out by tenure and at the estate/scheme level, such a level representing a cash generating unit. A scheme is defined as all units of the same tenure within one area or estate. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

In line with the Group's objectives its social housing properties are held for their service potential and not purely for economic return.

CHARITY OF JULIA SPICER FOR ALMSHOUSES - NOTES TO THE FINANCIAL STATEMENTS

Housing properties held for letting £000

Cost

At 1 April 2024	619
Additions during year	18

At 1 April 2024 and 31 March 2025	637
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Depreciation

At 1 April 2024	94
Depreciation charge for the year	14

At 31 March 2025	108
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Net book value

At 31 March 2025	529
At 31 March 2024	525

The properties at 1-14 Bell Road, Sittingbourne, Kent were gifted to the Charity by the late Julia Spicer.

As permitted by FRS102, the Charity elected to take the carrying amount of all housing property at the date of transition to FRS102 to be the deemed cost. Housing properties are subsequently measured at cost less depreciation.

The value of housing properties is based on a professional valuation undertaken by Jones Lang Lasalle, Chartered Surveyors, acting as independent valuers. The housing properties have been valued on the basis of Existing Use Value for Social Housing (EUV-SH), as at 31 March 2015. This basis of valuation assumes that properties will continue to be let as social housing, at social rents, and managed in accordance with Homes and Communities Agency's requirements. The valuation was carried out in accordance with the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors (RICS).

In arriving at their valuation, the valuers used discounted cashflow methodology. Key assumptions included the costs of management, repairs and maintenance, future growth in rents, and the level of voids in the stock. The valuers adopted a real discount rate of 6% per annum.

35% of the structure cost is allocated to land and is not depreciated.

8. TRADE AND OTHER DEBTORS

	2025 £000	2024 £000
Due within one year		
Rental and service charge arrears	3	5
Provision for doubtful debts	(1)	(1)
Amounts owed by parent undertakings	-	1
	2	5

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £000	2024 £000
Rent & service charge in advance	3	2
Accruals and deferred income	-	2
Amounts due to parent undertaking	14	-
	17	4

10. CONTROLLING PARTIES

The Charity is a subsidiary of Southern Housing which is the ultimate parent undertaking incorporated in the UK and registered in England as a Co-operative and Community Benefit Society. Southern Housing is the ultimate parent undertaking by virtue of being the sole Trustee in the Charity. The Charity has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent undertaking or other wholly owned subsidiaries within the group.

The largest and smallest group in which the results of the Charity are consolidated is that headed by Southern Housing, incorporated in England. The consolidated accounts are available to the public and may be obtained from Fleet House, 59-61 Clerkenwell Road, London, EC1M 5LA. No other group accounts include the results of the Charity.

HEWITT HOMES

Annual Report for the year ended 31 March 2025

Registered Charity number: 235827
Regulator of Social Housing (RSH) No: L1856

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MEMBERS, ADVISORS AND BANKERS

Trustee	Southern Housing
Board Members of Southern Housing Board	Sir Peter Dixon (Chair) Paul Hackett Geanna Bray Michelle Dovey Janet Collier Damien Régent Eugenie Turton Philip Blume Ian Wilson Daisy Armstrong Robert Clark Mark Everard – Appointed 29 January 2025 Billy Brown – Appointed 26 March 2025 William Howard Cresswell – Resigned 31 May 2025
Secretary	Puneet Rajput
Registered office	Fleet House 59-61 Clerkenwell Road London EC1M 5LA
Auditor	BDO LLP 2 City Place Gatwick RH6 0PA
Principal solicitor	Trowers & Hamlins 3 Bunhill Row London EC1Y 8YZ
Principal banker	Lloyds TSB Bank Plc 25 Gresham Street London EC2V 7HN
Registration	Registered Charity number: 235827 Regulator of Social Housing (RSH) No: L1856

TRUSTEES' REPORT

The Trustee present its annual report together with the financial statements of Hewitt Homes (the "Trust") for the year ended 31 March 2025.

Structure, Governance and Management

Southern Housing is the sole Corporate Trustee of the Charity. The Southern Housing Board is responsible for the strategic management and good governance of Hewitt Homes on behalf of the Trustee, whilst operational management has been delegated to the Chief Executive and staff of Southern Housing by the Trustee. Southern Housing provides support services such as risk management, IT, financial services and facilities management to Hewitt Homes.

The skills and expertise of Southern Housing Board Members (acting as the Trustee) are regularly reviewed to ensure the Trust has a capable and efficient Board. Appointment to the Board is in accordance with the rules of Southern Housing.

Principal activities

The principal activity of the Trust is the provision of affordable rental accommodation for people in housing need. Acting as a social landlord is the main activity to further the Trust's purposes for the public benefit.

Business Review and Future Plans

The Trust made a deficit for the year of £77k (2024: surplus of £40k). The Trust's housing assets are managed by Southern Housing.

Reserves Policy

The Trust's principal source of income is rent. From this income, the Trustee must ensure there are sufficient funds available to support expenditure on the upkeep of the fabric of the properties where the beneficiaries of the Trust reside. The level of potential future expenditure is periodically assessed and plans to undertake necessary works are formulated as required. The policy of the Trustee is therefore to use best value principles in providing services and maintaining the properties at an operational level, in order to provide sufficient reserves to deal with large items of maintenance expenditure when they become due.

Risk Management

The Trustee makes use of Southern Housing's Audit & Risk Committee (ARC) to help in identifying and mitigating risks for the Trust. ARC is a multi-disciplinary group-wide committee that ensures the Group entities approach risk in a consistent and relevant manner, whilst recognising the particular needs of each individual entity within the Group. Through ARC, the Trustee examines major strategic and operational business risks faced by the Trust and can confirm systems and controls are in place to identify, minimise and mitigate risk.

HEWITT HOMES - TRUSTEES' REPORT

Value for money

Southern Housing has published its value for money statement and use the Regulator of Social Housing's value for money metrics to review performance and target actions as disclosed in Southern Housing financial statements.

Political and charitable contributions

The Trust made no political contributions in the current and prior year.

Going concern

The Trust has net assets of £1,440k (2024: £1,517k) at the balance sheet date. After reviewing the Trust's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statements are approved, the Trustee has a reasonable expectation the Trust has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and Parent's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that Southern Housing Group has adequate resources to continue in operational existence for 12 months from the date of financial statements approval. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Trustees' Responsibilities

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102).

The financial statements are required by law to give a true and fair view of the state of affairs of the Trust and of incoming resources and application of resources including income and expenditure of the Trust for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Trust at that time and enable the Trustee to ensure that its financial statements comply with the Charities Act 2011 and the provisions of the Trust Deed the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

HEWITT HOMES - TRUSTEES' REPORT

Assessment of the effectiveness of internal controls

The Trustee is responsible for the system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives will be met. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of assets and interests. The Trustee recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Public Benefit disclosures

During the year the Trust continued to undertake activities which meet its objectives, relating to those activities it considers necessary to address social exclusion. The Trustee has complied with its duty, under section 4 of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission in England & Wales related to public benefit.

Corporate governance

The Trustee is responsible for ensuring that the Trust meets the Regulatory standards required by the Regulator of Social Housing. Corporate governance is determined and established at group level and relevant disclosures are contained within the Southern Housing financial statements. The Trustee has adopted the National Housing Federation's Code of Governance 2020. Further details of the Group's policies on controls, risks and uncertainties, and performance monitoring are included in the Group Financial Statements.

Compliance with Governance and Financial Viability Standard

The Regulator of Social Housing's (RSH) Governance and Financial Viability Standard (the Standard) provides guidance to enable us to assess our compliance with the Standard. The overall required outcomes of the Standard are:

- To ensure we have effective governance arrangements in place that deliver the aims, objectives and intended outcomes for our residents and potential residents in an effective, transparent and accountable manner;
- To manage our resources effectively to ensure we maintain our viability, ensuring that social housing assets are not put at undue risk;
- The Standard requires registered providers to assess their compliance with the Standard at least annually.

Boards are required to report their compliance with the Standard within their annual accounts. Boards need to determine where they are obtaining their assurance to demonstrate to the RSH;

- A clear understanding of asset values, related security, potential losses and potential chains of recourse. Boards need to know exactly what information will be required in the event of distress and social housing asset exposure in order to value the assets without delay;
- Evidence of application of the principles; and
- The assurance they receive on the quality of records.

We operate an assurance framework which is supported by delegated authorities and operating regulations. We map our assurances which include management review and oversight, external and internal audit and reviews by regulatory bodies. Compliance with the Regulator's Governance and Financial Viability Standard was reviewed by the Association's Board. We are fully compliant. We have comprehensive Data Protection and Technology Policies to protect our data and mandatory GDPR training has been completed by staff. The Association complies in full with the Rent Standard and is satisfied it has complied with all other laws and regulations that are relevant.

HEWITT HOMES - TRUSTEES' REPORT

Disclosure of information to auditors

The Trustee of the Trust has confirmed in fulfilling their duties as a Trustee;

- they have taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

Auditors

A resolution to re-appoint BDO LLP as the auditors will be proposed at the Southern Housing Board Meeting on 24 September 2025.

Approval

The Trustees' Report was approved by the Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair of Southern Housing

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HEWITT HOMES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2025 and of the Trust's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Hewitt Homes ("the Trust") for the year ended 31 March 2025 which comprise the statement of comprehensive income, statement of financial position, the statement of changes in reserves and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Trust 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee'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 Trust'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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

HEWITT HOMES - INDEPENDENT AUDITOR'S REPORT

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Charities Act 2011 to report to you if, in our opinion:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the Trust financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of control has not been maintained over transactions; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee 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 Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Trust'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 Trustee either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Trust and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Trust's policies and procedures regarding compliance with laws and regulations

HEWITT HOMES - INDEPENDENT AUDITOR'S REPORT

we considered the significant laws and regulations to be Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022 and relevant tax legislation.

The Trust is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Regulatory Framework of the Regulator of Social Housing, data protection and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Trust's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

HEWITT HOMES - INDEPENDENT AUDITOR'S REPORT

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

Use of our report

This report is made solely to the members of the Trust, as a body, in accordance with in accordance with the Housing and Regeneration Act and to the charities trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trustee 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 Trust and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Paula Willock

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Paula Willock (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick, UK

Date: 30 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover	2	376	357
Operating expenditure	2	(457)	(319)
Operating (deficit) / surplus		(81)	38
Interest receivable	6	4	2
(Deficit) / surplus for the year		(77)	40

All the Trust's activities are continuing. The Trust has no recognised surpluses and deficits other than those above and therefore no separate statement of other comprehensive income has been presented.

STATEMENT OF CHANGES IN RESERVES

for the year ended 31 March 2025

	General reserve £'000
Balance as at 1 April 2023	1,477
Surplus for the year	40
Balance as at 31 March 2024	1,517
Deficit for the year	(77)
Balance as at 31 March 2025	1,440

STATEMENT OF FINANCIAL POSITION

at 31 March 2025

Registered Charity number: 235827

	Notes	2025 £000	2024 £000
FIXED ASSETS			
Tangible fixed assets - Housing properties	7	2,328	1,987
Tangible fixed assets - other	8	7	389
Total fixed assets		2,335	2,376
CURRENT ASSETS			
Trade and other debtors	9	142	33
Cash and cash equivalents		150	219
Total current assets		292	252
Creditors: amounts falling due within one year	10	(710)	(621)
Net current liabilities		(418)	(369)
Total assets less current liabilities		1,917	2,007
Creditors: amounts falling due after more than one year	11	(477)	(490)
Net assets		1,440	1,517
CAPITAL AND RESERVES			
General reserve		1,440	1,517
Total reserves		1,440	1,517

The financial statements were approved by the Corporate Trustee on 24 September 2025 and signed on its behalf by:



Sir Peter Dixon
Chair



Puneet Rajput
Secretary

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

Hewitt Homes is governed by its trust deed. It is also registered as a Charity in England with the Charity Commission with the Charity number 235827 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing registration number L1856.

The financial statements have been prepared in accordance with applicable laws and UK Accounting Standards, including the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice "Accounting for Registered Social Housing Providers (Update 2018) (the "SORP")", The Accounting Direction for Private Registered Providers of Social Housing 2022, the Housing and Regeneration Act 2008 and the Co-operative and Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Registered address: Fleet House, 51-69 Clerkenwell Road, London, EC1M 5LA.

Cash flow statement

As a consolidated cash flow statement is prepared by the Trust's parent, Southern Housing, the Trust has taken advantage of the exemption provided by FRS102 not to report a separate statement of cash flows.

Going concern

The Trust has net assets of £1,440k (2024: £1,517k) at the balance sheet date. After reviewing the Trust's budget for 2025/26 and cash forecasts for the next 12 months from the date the financial statement are approved, the Trustee has a reasonable expectation the Trust has adequate resources to continue in operational existence for the foreseeable future.

Current economic conditions have been factored into the budget and Parent's long term financial plan. The Board are confident our viability can be maintained having assessed our plans, liquidity levels and mitigating actions available and there is a reasonable expectation that Southern Housing Group has adequate resources to continue in operational existence for 12 months from the date of financial statements approval. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements.

Financial Instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument, and are offset only when the Trust currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Judgements in applying accounting policies and key sources of estimation uncertainty

The key judgement made in preparing these financial statements and source of estimation uncertainty is:

- Management has applied judgement in determining whether assets are recognised as property, plant and equipment, investment properties or stock.
- In determining whether there are any indicators of impairment. Where there are indicators, the Trustee has considered the measurement basis to determine the recoverable amount of assets based on EUV-SH or depreciated replacement cost. The Trustee has also considered impairment based on their assumptions to define cash or asset generating units.

2. TURNOVER & OPERATING PROFIT

Rent receivable

Rental income from social housing and commercial properties owned by the Trust is recognised on an accruals basis (net of void losses) as it falls due.

Service charges

Service charge income is recognised on an accruals basis as it falls due. The Trust operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. The service charges on all schemes are set on the basis of budgeted spend. Where variable service charges are used the budget will include an allowance for the surplus or deficit from prior years, with a surplus being returned to residents in the form of a reduced charge for the year and a deficit being recovered via a higher service charge or by alternative methods if the contract allows.

Grants

Revenue grants are credited to the surplus or deficit for the period when the performance conditions are met.

Social housing grant or social housing assistance are capital grants provided by Homes England and the Greater London Authority to wholly or partially fund Registered Providers when developing social housing. The grant received is recognised as deferred income and amortised within the surplus or deficit for the period through turnover over the useful economic life of the asset.

Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised in the surplus or deficit for the period.

Grant amortisation

Government grant is amortised over the life of the structure of the property. The cumulative grant amortised is disclosed as part of contingent liabilities until the property it funds is disposed of or ceases to be used for social housing purposes.

2a. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2025		
	Turnover	Operating costs	Operating deficit
	£000	£000	£000
Social housing lettings (note 2b)	376	(457)	(81)
	376	(457)	(81)
	2024		
	Turnover	Operating costs	Operating surplus
	£000	£000	£000
Social housing lettings (note 2b)	357	(319)	38
	357	(319)	38

2b. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing and older people's housing	2025 Total	2024 Total
	£000	£000	£000
Rents receivable net of identifiable service charges	224	224	209
Service charges receivable	145	145	141
Net rental income	369	369	350
Amortised government grant	7	7	7
Turnover from social housing lettings	376	376	357
Expenditure on letting activities			
Management	(78)	(78)	(77)
Bad debts	(14)	(14)	(2)
Service charge costs	(153)	(153)	(156)
Routine maintenance	(97)	(97)	(35)
Planned maintenance	(2)	(2)	(25)
Major repairs	(79)	(79)	(2)
Depreciation of housing properties	(34)	(34)	(22)
Operating costs on social housing	(457)	(457)	(319)
Operating (deficit) / surplus on social housing lettings	(81)	(81)	38
Void Losses	30	30	27

3. EMPLOYEE AND TRUSTEE INFORMATION

No Trustee received any remuneration for their role as Trustee of Hewitt Homes during the current and prior year. No expenses were reimbursed to the Trustee during the current year and prior year.

The Group Chief Executive and the senior management team are employed by Southern Housing, with whom administration costs are shared; the relevant emoluments are dealt with in the financial statements of that organisation.

No staff were directly employed by the Trust in the current or previous year.

4. UNITS

	2025 Units	2024 Units
Units owned		
General needs	49	49
	49	49

5. (DEFICIT)/ SURPLUS FOR THE YEAR

	2025 £000	2024 £000
Operating (deficit) / surplus is stated after charging/(crediting):		
Grant amortised	(7)	(7)
Depreciation – housing properties	17	19
Depreciation – other fixed assets	18	3
Auditors' remuneration:		
- in respect of audit services	6	5

6. INTEREST RECEIVABLE

	2025 £000	2024 £000
Bank and deposit interest	4	2
	4	2

7. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

Housing properties

Housing properties are held at historic cost less accumulated depreciation and any impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest capitalised (using the average borrowings method, during the development period), and directly attributable administration costs.

Housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of such major components is capitalised and depreciated over the average estimated useful life which has been set taking into account professional advice, the Trust's asset management strategy and the requirements of the Decent Homes Standard.

Works to existing properties which result in an increase in the net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Examples would be work that results in an increase in rental income, a reduction in future maintenance costs or a significant extension of the useful economic life of the property.

HEWITT HOMES - NOTES TO THE FINANCIAL STATEMENTS

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed property stock when ready for sale. Capitalisation of development costs ceases at practical completion including the accrual of known costs at that time and all subsequent costs are expensed.

Depreciation

Freehold land is not subject to depreciation. Depreciation is charged on a straight-line basis over the useful economic lives of fixed assets to write off the cost less estimated residual values. The following useful economic lives are used:

Component	Years	Component	Years
Structure	85-125	Windows	25-30
Lifts	25-30	Roofs	20-80
Kitchens	20-25	Fire alarms	15-20
Bathrooms	20-30	Doors	15-30
Solar panels	20	Boilers & heating	15-25
External storage	10	Emergency lighting	15-20
External staircase	60	Electrical wiring	5-30
Aerials /CCTV	10	Warden call / door entry	15
Flooring	15		

Properties held on a short lease are depreciated over the period of the remaining lease or the useful economic life, whichever is shorter.

Impairment

At each balance sheet date, the value of property, plant and equipment assets is formally assessed to determine whether there is an indication that the carrying value of the asset is greater than the recoverable amount and therefore may require impairment. This assessment is carried out by tenure and at the estate/scheme level, such a level representing a cash generating unit. A scheme is defined as all units of the same tenure within one area or estate. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

In line with the Group's objectives its social housing properties are held for their service potential and not purely for economic return. The Trust follows the guidelines of the Housing SORP 2018 and uses the depreciated replacement cost of the property as a reasonable estimate of the recoverable amount.

Housing properties held for letting £000

Cost

At 1 April 2024	2,335
Reclassify prior year to other fixed assets	364
Replaced components	192
Transfer to current assets	(118)
Transfer to I&E (Write off)	(80)
At 31 March 2025	2,693

Depreciation

At 1 April 2024	348
Depreciation charge for the year	17
At 31 March 2025	365

Net book value

At 31 March 2025	2,328
At 31 March 2024	1,987

8. TANGIBLE FIXED ASSETS – OTHER FIXED ASSETS**Depreciation**

Depreciation is charged on a straight-line basis over the useful economic lives of fixed assets to write off the cost less estimated residual values. The following useful economic lives are used:

Other Fixed Assets	Years		Years
Freehold offices	50-100	Motor vehicles	4
Furniture & office equipment	5-15	Office improvements	10
Computer hardware	3-4	Computer software	3-4

**Furniture, office
equipment and estate
equipment
£000**

Cost

At 1 April 2024	445
Reclassify prior year to fixed assets housing properties	(364)
At 31 March 2025	81

Depreciation

At 1 April 2024	56
Charge for the year	18
At 31 March 2025	74

Net book value

At 31 March 2025	7
At 31 March 2024	389

9. TRADE AND OTHER DEBTORS

The Trust makes a provision for rental arrears, which are considered to be non-recoverable. The full value of former tenant debt is provided for. The provision for current tenant debt is calculated based on the ageing profile and historical recovery rates.

	2025 £000	2024 £000
Due within one year		
Rental and service charge arrears	19	33
Provision for doubtful debts	(4)	(3)
	15	30
Trade debtors	14	-
Prepayments and accrued income	1	3
	30	33
Due after more than one year		
Service charge debtor	112	-
	112	-
	142	33

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£000	£000
Rent & service charge in advance	17	-
Social housing grant (note 12)	7	-
Accruals and deferred income	21	23
Amounts due to parent undertaking	665	598
	710	621

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£000	£000
Social housing grant (note 12)	477	490
	477	490

12. SOCIAL HOUSING GRANT

	2025	2024
	£000	£000
At 1 April	490	497
Grants amortised during the year	(6)	(7)
At 31 March	484	490
Cumulative amount amortised	198	191

13. CONTINGENT LIABILITIES

The Trust receives social housing grant which is accounted for as deferred income and is amortised to the statement of comprehensive income based on the useful economic life of the asset. The amount amortised represents a contingent liability if the related properties are disposed of. At March 2025 the value of grant amortised in respect of these properties and not disposed of was £204,434 (2024: £190,796).

14. CONTROLLING PARTIES

The Trust is a subsidiary of Southern Housing which is the ultimate parent undertaking incorporated in the UK and registered in England as a Co-operative and Community Benefit Society. Southern Housing is the ultimate parent undertaking by virtue of holding all shares in the Trust. The Trust has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent or other wholly owned subsidiaries within the group.

The largest and smallest group in which the results of the Trust are consolidated is that headed by Southern Housing, incorporated in England. The consolidated accounts of the Group are available to the public and may be obtained from Fleet House, 59-61 Clerkenwell Road, London, EC1M 5LA. No other group accounts include the results of the Trust.