

# Annual report and financial statements

For the year ended  
31 March 2025



# Annual report and financial statements:

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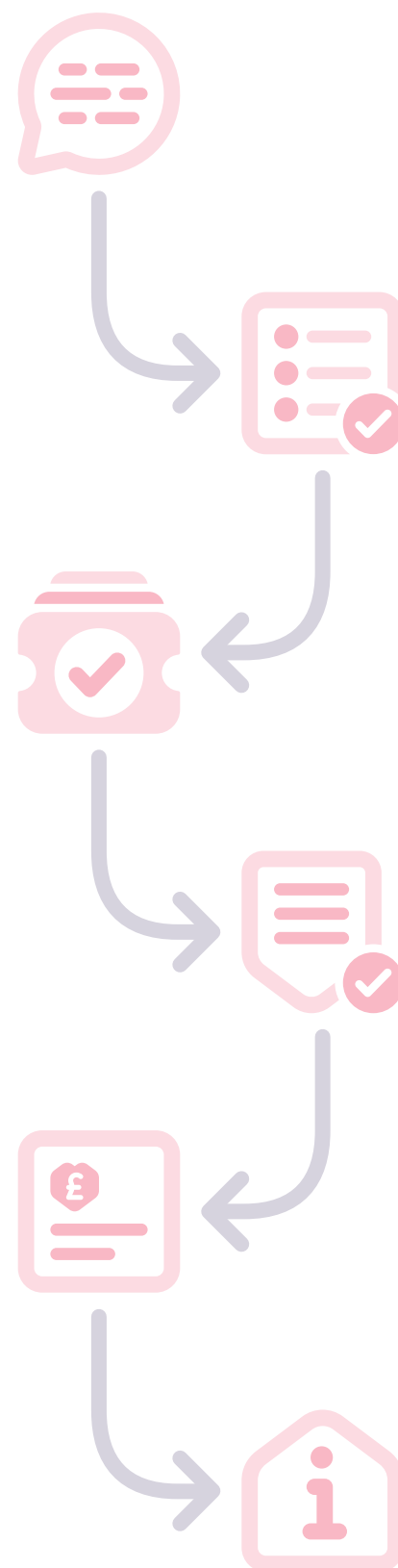
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**Section:**

# **Introduction to our report...**



Chair's report:

# Welcome to our annual report 2024-25



**Ingrid Fife**

Chair

## Chair's report:

# Welcome to our annual report

Over the last 12 months the business has made good progress against our strategic aims and I'm proud of the positive impact Yorkshire Housing continues to have across the region.

Our results reflect the strategic choices we've made as a Board to continue to invest in our homes, our service offer, our people and technology platforms. We aim to continually improve towards our vision to be the UK's best housing provider.

### Business Strategy progress

Our "Customer Obsessed" strategic priority aims to put our customers at the very centre of our decision making and build a better, easier, more personalised customer experience.

*“Putting our customers at the very centre of our decision making”*

We've worked hard on our culture to make sure our people understand their role in delivering excellent service, and are empowered to do the right thing for their customers. Customer obsession is rooted in our values and now very much part of who we are.

As part of this we're listening hard to our customers, building meaningful connections within our communities and ensuring customer feedback is heard and acted upon. This year we've significantly improved how we're responding to, but most importantly learning from, customer complaints.

Listening also means we've overhauled how we provide the right support where it's needed. We've introduced data-driven regional 'Place Plans' which use insights and feedback to better support and sustain the communities we serve.

By ramping up our customer engagement activities, in the year to March 2025 we've:

1. Engaged with over **20,000** customers.
2. Welcomed **200** new customers to our Your Voice Matters group.
3. Held over **570** events at our extra care schemes.
4. Awarded **13** community grants.
5. Delivered over **3,500** hours of volunteering in the community.

And we've continued to deliver a strong pipeline of new homes, with another 508 properties completed in the financial year and a total of 4,700 new homes completed or in progress against our ambitious target of 8,000.

The new YH Homes 2.0 standard (the standard for our homes), goes above and beyond regulatory compliance. This will increase the quality of our homes, reduce our environmental impact, help sustain tenancies and reduce reactive repairs. It's better for our customers, for the environment and, in the long run, for the Yorkshire Housing pound.

Investment in technology is a key enabler to our plans. This year has seen the successful launch of a new telephony system and key releases of the Salesforce platform. These changes are helping our colleagues to deliver what our customers tell us they need.

Technology is also a key enabler of our shift to a pre-emptive service delivery model. We've introduced temperature and humidity sensors to predict damp and mould and AI to help identify root causes of dissatisfaction, target financial support and reduce arrears.

We are confident that we are laying the right foundations to achieve our strategic aims, but also recognise that this period of planned investment and growth means we are in a particularly tight year financially. The Board has ensured it keeps strong oversight of this with regular updates and assurance.





## Chair's report:

# Welcome to our annual report

### Economic and political environment

Despite inflation stabilising from the peaks we've experienced in previous years, many of our customers continue to face significant challenges with the high cost of living. I'm proud of the work we do to help customers stay in their homes – from managing debt to accessing benefits, training and employment opportunities.

The economic environment is impacting many aspects of our business. The year ended with CPI at 2.6%, after a dip to 1.7% in September from which rent increases are based. Inflation on our repairs and maintenance costs continues to be much higher.

The Bank of England cut interest rates throughout the year ending at 4.5%, although the cost of capital market and bank debt remains much higher than recent history and are a barrier to building much needed homes.

The political backdrop is positive, with the government committed to building 1.5 million new homes. We have been proactive in campaigning for this to be backed by action. Yorkshire Housing collaborated with others, including seven regional housing partnerships, to campaign for longer term certainty for housing finances. We welcomed the outcome of the Spending Review and the support for housing associations to continue to invest. We continue to work with partners across the devolved regions of Yorkshire to support the building of new, affordable homes and do our bit to address the housing crisis.

Despite the economic and operating challenges, we remain committed to our ambitious growth plans and target of 8,000 new homes. We recognise that retaining our financial strength is imperative to enable this and we continue to flex the scale of our pipeline based on our business plan and risk appetite.



To help support our ambition, we've secured two new loan facilities in the year, totalling £75m.

### Governance and regulation

The pace of change in governance and regulation hasn't slowed. The Regulator of Social Housing's Consumer Standards and Housing Ombudsman's Complaints Code came into force in April 2024. Both are consistent with our strategic priorities to improve services for our customers, and we've been proactive in making sure we are fully compliant.

In February 2025, the government confirmed Awaab's Law will take effect from October 2025, requiring social landlords to investigate and fix dangerous homes. Work is being undertaken across YH to ensure that the safety and quality of our homes exceeds the minimum required under Awaab's Law.

The Planning and Infrastructure Bill was introduced in March 2025. We welcome this and the government's intentions to introduce further regulations and streamline the planning process to boost housing delivery.

### Looking forward

Improvements to our culture, technology and our understanding of our customers has created a firm platform to accelerate our strategic delivery. We'll continue rolling out Salesforce, at pace, with improved repairs delivery the next priority.

*“Customers will continue to help shape our decisions”*

Engagement with our customers will continue to help shape our decisions and our priorities. We're constantly evolving our approach to make sure we're getting the most value from every interaction.

And we'll continue to build our knowledge of our customers and our homes, with this insight moving us closer to the goal of pre-emptive service delivery. It's exciting to see where this will take us.

Chief Executive's report:

# Welcome to our annual report 2024-25



A stylized white signature of Nick Atkin.

**Nick Atkin**

Chief Executive

## Chief Executive's report:

# Welcome to our annual report

It's no coincidence that Customer Obsession is the first element of our Business Strategy. It is fundamental to our business and it's driving every decision we make. That's why I'm so pleased we've made some real inroads this year.

### Chief Executive's report

One of the key areas of progress is our approach to Customer Engagement, which we overhauled in July 2024. This was in response to feedback that our previous model needed to reflect our ambition to be the UK's best housing provider. We've taken that feedback and transformed what we do. One simple but really effective change we've made this year is to ask the "so what" question at each stage of our engagement. This has allowed us to make sure none of what we do is merely to tick a box or for show. Most importantly it's meant each and every interaction is improving our customer service.

“To become the UK's best housing provider”

Being customer obsessed isn't about just doing what our customers ask us to do. At the heart of our approach is how we make people feel each time they have an interaction with us. Do we make them feel special and listened to? Would they recommend us as a landlord to friends and family? This is all part of our drive to become the UK's best housing provider.

We've searched out best practice from both in and outside the housing sector alongside emerging opportunities from advances in technology, including using gamification. Feedback from a cross-section of customers has provided us with new insight to ensure we focus on what matters most.

We've improved our policies, complaint handling and accessibility to name but a few. In the words of one of our customers *"I'm excited to see how we can continue to build on this and bring our ideas to life."*

### Operating environment

The economic, political and regulatory landscape continues to change at pace. Our financial results have improved from the previous year with the total surplus increasing to £10.9m from £7.3m in 2023/24. This is despite challenges from higher repairs volumes, a trend seen across the sector, alongside stubbornly high interest rates.

Economic conditions remain sluggish despite CPI inflation coming down from its peak. It remains above the target of 2% and is expected to increase to 4% in September 2025 before reducing again. The Bank of England (BoE) Base Rate is now at 4% and lower than the peak of 5.25%. Despite the trajectory of the Base Rate, there is uncertainty around how this will change in the future. Consequently there has been significant volatility in the cost of borrowing.

The government has a clear target to build 1.5m homes over this parliament. We're committed to playing our part in the delivery of these new homes.

### Policy change – passionate about maximising delivery

There remains a clear and urgent need to build more affordable homes. We're passionate about doing everything we can to build those homes in our region.

I'm proud that we completed 508 new homes in 2024/25, despite the external challenges. To keep building, we've been working with the housing partnerships across the devolved regions of Yorkshire, the regional Mayors, and others across the sector to influence those in decision making positions.

We've also been vocal in calling for some significant changes from government. We want to see government spending on housing reclassified as infrastructure to unlock funding, allow for longer term planning and be a catalyst for further private investment. We also asked for longer term certainty on rents and the ability to converge rents to the right level over time and were pleased to see this reflected in the Government's Spending Review in June. This will help build much needed homes and will generate a significant return on investment for the government. This view is echoed in the National Housing Federation's (NHF's) long-term plan for housing, which we support.

We always balance our ambition to build new homes with keeping our organisation financially strong. The additional funding announced in the Spending Review will ensure we can continue to manage the financial risk whilst also increasing our capacity to deliver even more homes.



## Chief Executive's report:

# Welcome to our annual report

### Becoming a low carbon business

We're not just about new homes. We plan our capacity meticulously to ensure we can afford to serve customers and continue to invest in existing homes.

Our 2024/2025 investment programme saw us deliver over 2,700 component replacements. 100% of homes met the requirements of the Decent Homes Standard (at 31st March 2025) and we're now in the first wave of improvements linked to YH Homes 2.0 (previously referred to as the YH Standard).

This will include upgrading windows to triple glazed units, provide flood door installations and additional security lighting. This is going above the Decent Homes Standard but investing wisely where it will mean the most to our customers. It also ensures we're doing our bit to reduce our impact on the climate.

During 2024/25, we invested £20m in our existing homes. We remain on target to bring all our homes up to a minimum EPC C standard for energy efficiency by 2030. At the end of the year nearly 82% of our homes met this standard. As well as being positive for the environment it also helps reduce our customers energy bills.



### Technology enabled service delivery

Technology is a key enabler to becoming a more efficient and customer focussed business. It's also a vital ingredient to transforming our service delivery model.

We've continued the delivery of our Salesforce programme to over 500 colleagues. This includes a brand-new Customer Relationship Management module, as well as a wide range of customer centric processes.

The tech roll-out is a significant step in our transformation journey. It allows us to decommission some of our legacy systems alongside improvements to customer and colleague experience.

### Pre-Emptying the Future – Game Changer

Salesforce and the phases of transformation we've focussed on so far have been the key building blocks. From these we will then make the journey to move to a pre-emptive service delivery approach.

We'll achieve this though investing in Smart Homes tech, harnessing the power of our data and external data sources and using real-time sentiment analysis. The pace of change in AI is now supercharging the pace at which we can improve.

We have embraced AI as part of our arrears management and money coaching support. Our Copilot champions are finding new ways to innovate, such as predictive complaints modelling, and using AI to automate or speed up manual processes.

*“Instead of waiting for things to go wrong, we anticipate and resolve issues before they happen”*

All of this means that instead of waiting for things to go wrong, we anticipate and resolve issues before they happen.

We're still scratching the surface of the potential of our data and technology advances and the future potential is truly exciting. Becoming a pre-emptive business has the ultimate aim of giving customers a service that is truly customer obsessed. It's also a game changer for how our colleagues work, freeing up capacity to add more value and personalisation to our customer service offer.



Section:

# Strategic report...



## Strategic report:

# Our strategic priorities

In early 2023, we launched our Business Strategy which built on the progress we'd made previously and focused on three strategic priorities:



**Customer Obsessed** – improving our customers' and colleagues' experience.

1



**Homes and places to be proud of** – creating places people are proud to call home.

2



**Pre-emptive** – our game-changing shift to deal with issues before they happen.

3

### Values

We haven't changed any of our values of Create Trust, Be Curious, Make it Happen, Achieve Impact and Have Fun as these have stood the test of time.

### Customer promise

Our customer promise also remains unchanged:

*'Making it possible to have a place you're proud to call home.'*

### Vision

We've added to this our vision of being the UK's best housing provider. This is a long-term vision but one which we use as a yardstick to measure against and something we continually strive for.

### Delivery strategies

During 2023 we developed a number of delivery strategies that provide the route by which we will achieve our strategic priorities. These are supported by action plans and tracked in our Key Performance Indicators (KPIs). Our progress is overseen by our Leadership Team, Committee structure and the Board.



# Strategic report:

# Objectives and performance



**Customer Obsessed** – *improving our customers' and colleagues' experience.*

1

## Strategic achievements 2024-25



### Do the basics brilliantly – right processes, culture, technology and data

Our Customer Obsessed Delivery Strategy was signed off by Board in March 2023 and launched to customers and colleagues in April 2023. The Strategy sets out how we become a customer obsessed organisation, how we'll gain a full understanding of, and meet the needs of, each customer throughout their journey with Yorkshire Housing. It focuses on three key areas: tech, data and culture. Through combining all three we will embed customer obsession into our DNA.

### Customer obsessed mindset

We have worked with all colleagues to look at how we really become Customer Obsessed. This includes making sure we take feedback directly from our customers and getting insight from a range of guest speakers. The aim is to ensure we:

- Get things right first time.
- Respond quickly when things go wrong.
- Make it easy for customers to interact with us.
- Show openness and empathy.



## Our key highlights



### Success during 2024-25:

- Began our Implementation of Salesforce with Customer Relationship Management (CRM) and Complaints modules that went live in the summer.
- Our Customer Obsession Culture programme, including training and objectives for leaders and colleagues, was completed across all employees.
- Implementation of new structure for Customer Experience, with additional resources to focus on providing a better customer experience and improved resolution of complaints. This has led to a consistent process of resolving complaints and paying compensation where necessary which reduced by £11k per month in the last quarter.
- Over 1,200 hours of Customer Obsessed learning provided to colleagues.
- Introduced collecting TSM surveys through online channels rather than just via telephone, increasing the number of surveys collected by 77%.
- We launched a new telephony system which integrates with Salesforce (SF) to enable a more personalised approach for customers and an improved and more efficient customer journey.



# Strategic report:

# Objectives and performance



**Customer Obsessed** – *improving our customers' and colleagues' experience.*

1

## Strategic achievements 2024-25



### Combine real-time customer insight and sentiment analysis, brilliant data and analytics and our knowledge and experience on the ground

We've kicked off a customer census data project to gain a better understanding of our customers. The new Tenant Satisfaction Measures (TSMs) have been used to guide our thinking and directly influence our new Repairs Strategy to ensure it is really focused on what our customers are telling us is important to them. We'll use our new data analytics hub to bring together different sources of data to help us make the best decisions for our customers.



### Be smart in how we spend the £YH

We believe that being Customer Obsessed includes spending the money we receive from customers wisely. We're always looking to get the most bang for our buck and our Value for Money (VfM) Strategy sets out how we go about doing this.

### Learn from the best customer service providers in the world

There are some great examples of excellent customer service outside of housing and we're keen to engage with, understand and learn from these. We do this through a variety of contacts and channels, using our business partners to help us learn and improve. This includes launching both a colleague and customer survey through the Institute of Customer Service (ICS), where we are able to benchmark our scores both within sector but also across other sectors.

## Our key highlights



### Success during 2024-25:

- We've developed an in-house capability to design, build and implement Salesforce and our associated change programmes.
- Began work on a new Target Operating Model across customer experience which is due to go live in Q2 2025.
- Reduced the number of repairs outstanding from 13.3k to 7.2k against the backdrop of the number of reported repairs increasing by 19% year on year, with time taken to complete a routine repair reduced by 18%, 6 days.
- Increased the number of in-house operatives in the second half of the year to help meet demand and reduce the reliance on sub-contractors into 25/26.
- Reduced the number of void losses through empty homes by 32% year on year with the average re let time reducing by 5 days to 24 days.
- By improving customer experience and trust, avoidable attrition has reduced from 17% to 15%, and whilst overall TSM scores did reduce overall for the year, we did see satisfaction for repairs increase by 4% in the second half of the year and time taken increase by 3%.



# Strategic report:

## Objectives and performance



**Homes and places to be proud of** – *creating places people are proud to call home.*

2

### Strategic achievements 2024-25



#### **Deliver our promise of making it possible to have a place you are proud to call home.**

We're focused on improving the quality of our homes. This starts with our own standard, Yorkshire Homes 2.0, which has been developed as part of our Asset Management Strategy and the rollout of this has started.

We are also able to make more informed, data led investment decisions about our homes using three new tools which we put in place this year. These look at asset performance, mapping and energy efficiency modelling. We want our customers to feel proud of the areas they live in so we've launched our first Place Plans this year which will focus improving each of the 10 areas we cover with a personalised plan.

#### **New homes**

We continue to build as many new affordable homes as possible and last year we delivered a range of new homes across 10 local authority areas in line with our Growth Strategy. In the midst of a housing crisis, we aim to allow as many people as we can to have a place they're proud to call home. We balance this growth against the need to remain financially strong and able to continue to invest in our existing homes.

#### **Partnerships and Devolution**

We remain active in the West, South and North Yorkshire Housing Partnerships, working with partners to use our collective resources to tackle regional priorities. We've formed a range of partnerships this year that have enabled us to invest in building new homes as well as make some of our existing homes more energy efficient.

#### **Sustainable homes**

We are committed to making our new and existing homes sustainable. This is set out in our Growth Strategy and Asset Management Strategy. All our homes will reach EPC C by 2030 and from January 2025 this year, we committed to re-letting all homes at EPC C or above wherever possible.

We also started on our first zero gas development of new homes. Our existing homes saw more works this year to decarbonise them than ever before and our dedicated Sustainability Liaison officers supported our customers through these works.

### Our key highlights



#### **Success during 2024-25:**

- All homes compliant with the Decent Homes Standard.
- We began work on homes to meet our new standard; Yorkshire Homes 2.0.
- 70% of our customers rated their homes as well maintained.
- Over 4,700 new homes now secured against our ambition to build 8,000 new homes.
- We completed 508 new homes during the year.
- Over 82% of our homes now have an energy efficiency rating of EPC C or above.
- Started on site on our first zero gas development.
- We completed 3,800 repairs per 1,000 homes.
- From January 2025, where practicable, we're reletting all existing homes above EPC C.
- Secured £1.95m funding for decarbonisation works and improved the energy efficiency of over 575 properties.
- Retrofit investment in the last year totals over £5.6m. We installed Solar PV in 432 homes (with grant funding supporting the investment in 267 of them) as well as air source heat pumps and external wall insulation.

# Strategic report:

## Objectives and performance



**Pre-emptive** – *our game-changing shift to deal with issues before they happen.*

3

## Strategic achievements 2024-25



### Laying the foundations for a pre-emptive approach

We recognise that to move to a pre-emptive approach, we need to ensure we've got the basics right and have solid foundations in place. This includes better and more joined up data about our customers and our properties. We're now two years into our 5-year plan to shift from being reactive (waiting for things to happen) to becoming pre-emptive (using our data and insight to prevent issues before they happen). We've been busy developing our knowledge of our customers and their homes. Our Data Strategy and Technology Strategies are working together to build the platforms we need to host and analyse our data and give us real-time visibility. And our people have been focusing on what every part of our business will need to do differently to deliver truly pre-emptive services in the future.

### Implement the technology platforms we need to make it happen

A big part of laying the foundations for a pre-emptive approach is to put the right technology in place. Our Transformation Plan has successfully delivered the first few phases of our new Salesforce platform, bringing together disparate business systems that didn't talk to each other and giving our colleagues accurate, faster and joined-up information so that they can serve our customers better. We've developed new tools, including with the use of AI, to help us get to the root of issues much faster; supporting improvements to how we identify and address the causes of complaints. Over the next 2-3 years we'll continue to roll out technology improvements that will give our customers more choices and our colleagues the ability to work in a pre-emptive way.



## Our key highlights



### Success during 2024-25:

- Implementing multiple Salesforce modules, so that our core customer processes are managed through one operating platform. Combined with our new CRM tool, our colleagues have a single view of our customers and cases.
- Salesforce roadmap for 25/26 agreed to bring our remaining processes on board and develop digital customer experience capability.
- Ongoing improvements to our data, including data cleansing and migration/integration into Salesforce.
- A new telephony system implemented which will help us to predict and personalise services, improve customer data, and integrate with Salesforce.
- Smart homes and digital pilots being undertaken.
- Customer Census Plan created to improve our understanding of different customer needs.
- New Technology Strategy in place to continue the focus on simplifying our IT architecture.
- Decommissioning of key legacy system complete.
- AI Strategy in place to leverage the opportunities AI brings to delivering pre-emptive services.
- A predictive complaints AI model created and driving service improvements.
- Reactive to pre-emptive roadmap in place, including how we'll develop our culture and capabilities in line with our technology.

# Strategic report:

## Financial performance

**Surplus before tax increased to £10.9m in the year, up from £7.4m last year.**

### Our financial performance

The key reasons for the increase are an increased turnover and, in comparison, lower increases in operating costs, higher surplus on fixed asset sales and recognition this year of a share of surplus on Joint Ventures for Yorkshire Transformations Limited, which moved into a positive investment position in the year.

Turnover from lettings increased in the year by 12%, with existing stock increasing by 7.7% (September CPI 6.7% + 1%), and the balance being due to new developments in year and as well as re-lets.

Open market sales (OMS) through our commercial subsidiary have outperformed the budget and are a noticeable shift from the disappointing performance in prior year. We sold 31 homes in the year, contributing a surplus of £1m, compared to only 3 sales in the prior year (£0.2m loss).

The return on the sales increased year on year with a net margin of 7% from 16% loss previously but with very low volume in the previous year. We switched 10 units to shared ownership (excluded from the previous margin figure) at cost and impacted the net sales margin by 2% (it was 5% including these transfers).

Shared Ownership first tranche sales generated £4m surplus from 233 sales, with a margin of 18%, a drop on the previous year (£6.8m surplus at 30%). Shared ownership staircase sales contributed £0.5m of the £0.9m increased gain on fixed asset disposals in the year. Operating costs were up 7% in the year.

Maintenance and major repairs continues to be our biggest cost increasing by 7% in the year due to an increase in the volume of reactive repairs and a concerted effort to reduce the repairs backlog. Operational overheads (management) increased year on year by 12%, with Customer Channels accounting for the biggest variance mainly due to additional Complaints & Call Centre Team resources.

In other comprehensive income we had a £0.7m actuarial gain on the defined benefit pension scheme, a swing from a loss of £1.6m in the previous year, due to changes in the financial assumptions. The movement in fair value of the interest rate hedge also resulted in a higher loss of £1.1m compared to £0.6m for the previous year. The expiry of a cash flow hedging instrument has contributed to the loss in the year.

Increasing the total comprehensive income for the year, is the Group's share of the movement in fair value of a cashflow hedge held by a Joint Venture of £0.3m, meaning total comprehensive income for the year is £10.4m (£5.3m higher than prior year).

YHR, the group's commercial arm, had a significant increase in profit before tax this year to £1.8m (2024: £0.8m). The increase is due to the increase in OMS volumes in the year. The surplus made will be paid to YHL in gift aid and continue to support to our new affordable homes development programme.

The group's balance sheet remains strong with net assets of £241.6m (2024: £231.4m).

Intangible fixed assets have grown by £5.6m due to the investment made in implementing Salesforce, which is part of our transformation journey. Capital expenditure of £1.5m under other tangible fixed assets have been incurred in the year to fit out The Place, our workspace in Leeds, which was previously damaged by a fire.

Ongoing investment in new and existing properties has continued in line with our ambitious growth and investment programme, as shown in the £64m increase in net book value of housing properties. The Association is in a net current liability because of timing of repayment of a number of smaller lending facilities. These repayments are fully funded through the utilisation of existing revolving credit facilities.

# £10.9m

**Surplus before tax**  
(2024: £7.4m)

# £1m

**Surplus from open market home sales**  
(2024: £0.2m loss)

# Strategic report:

## Financial performance

### Group turnover and operating surplus by activity

Activity (£m)	Turnover		Operating surplus	
	2025	2024	2025	2024
General needs	101	88	16	13
Housing for older people	6	6	1	-
Supported housing and care homes	3	3	0	(1)
Shared ownership	8	8	4	4
<b>Total from lettings</b>	<b>118</b>	<b>105</b>	<b>21</b>	<b>16</b>
Non letting – other social housing activity	23	23	3	6
Non-social housing activity	24	11	5	3
Valuation changes	-	-	-	-
Sale of fixed assets	-	-	5	4
<b>Total</b>	<b>165</b>	<b>139</b>	<b>34</b>	<b>29</b>

### Cashflow and financing

Cash inflows and outflows are set out in the consolidated cash flow statement. Facilities are in place to cover cash requirements over the next three years, including new funding in year of £75m. Liquidity includes £145m of retained bonds. All of the borrowings are in sterling. The group is obliged by its funders to meet a series of loan covenants relating to asset values (asset cover), surpluses (interest cover) and debt (gearing). All loan covenants were met during the year and at the year end and are continuously reviewed.

In respect of bank loans, the group manages interest rate risk through the use of interest rate swaps. This includes a small number of stand-alone swaps. These are categorised as non-basic financial instruments and have been measured at fair value at 31st March 2025. The gain or loss on valuation is taken to other comprehensive income in the year. The rest of the debt portfolio are classified as “basic” financial instruments under FRS102.

The major cash outflow remains the acquisition and construction of new housing properties of £86m (down from £94m last year).

Grant income increased to £9m (from £0.8m in the previous year), with the variability due to the up-front nature of grant payments and the stage at which our schemes are at.

The remainder of the funding was generated from operating activities of £59m, a considerable increase on the prior year (£36.5m), borrowings of £5m and property asset sales of £13m.

“A3 credit rating from Moody's with a stable outlook”

### Credit rating

We maintained our headline credit rating of A3 from Moody's with a stable outlook. Moody's regard our credit strengths as having good liquidity and sound management. They see our risks as coming from capital spend, in the main from our ambitious development programme, putting strain on debt metrics adversely in the next few years.

Operating margin is forecast to remain low, due to cost pressures and strategic decisions to invest in a better customer experience and quality of housing.

### Five year performance

The group's five-year performance shows continued growth in our fixed assets in line with the Group's ambitious growth plans. This year we have secured additional financing in the form of a term loan £35m through NatWest and an RCF from Lloyds of £40m.

We continue to review our funding requirements in line with our long-term business plan and will pre-empt any future needs.

£59m

**Generated from operating activities**

(2024: £36.5m)

# Strategic report:

# Financial performance

## The group's five year financial and operational performance

	2025	2024	2023	2022	2021
<b>Income and expenditure account (£m)</b>					
Total turnover	165	139	146	149	142
Operating surplus	34	29	29	23	35
Surplus /(deficit) for the year transferred to reserves	10	5	12	(26)	9
<b>Statement of financial position (£m)</b>					
Fixed assets	1,272	1,201	1,125	1,069	1,025
Net current assets	11	35	19	60	106
<b>Total assets less current liabilities</b>	<b>1,283</b>	<b>1,236</b>	<b>1,143</b>	<b>1,129</b>	<b>1,131</b>
Long term loans	690	655	560	555	563
Social housing grant	324	319	324	325	301
Other creditors	30	34	34	34	24
Revaluation reserve	14	14	28	28	29
Revenue reserve	225	214	197	187	215
<b>Group funds</b>	<b>1,283</b>	<b>1,236</b>	<b>1,143</b>	<b>1,129</b>	<b>1,131</b>
<b>Cash flow (£m)</b>					
Net cash inflow from operating activities	59	37	42	4	39
Returns on investment and servicing of finance	(29)	(24)	(20)	(21)	(23)
<b>Capital expenditure</b>					
New homes (net of grant)	(77)	(93)	(76)	(38)	(52)
Existing homes improvements	(3)	(3)	(4)	(2)	(2)
Sales of homes	13	14	17	7	6
Other fixed assets	(6)	(9)	0	0	(9)
	(43)	(78)	(41)	(50)	(40)
New loans (net of repayments)	50	67	28	9	2
<b>Increase/(decrease) in cash and deposits</b>	<b>7</b>	<b>(11)</b>	<b>(13)</b>	<b>(41)</b>	<b>(38)</b>



# Strategic report:

## Value for money

We launched a new VFM strategy in March 2023, however, our core approach to VFM remains unchanged.

### Value for money

To realise VfM means we achieve economy, efficiency and effectiveness in the delivery of our strategic objectives. This doesn't mean we do things as cheaply as possible. It is about delivering what our existing and potential new customers value in the most cost-effective way possible. We are an ambitious not-for-profit housing provider that's Yorkshire by name and nature. That's why it's in our DNA to get the most out of every single Yorkshire Housing pound.

The strategy includes a number of new metrics to help supplement those required by regulation. Our metrics are focussed around:

- **Customer satisfaction** – our customers are satisfied with the homes and services we provide.
- **New homes supply delivered** – we are able to provide as many homes as possible within our financial constraints and risk appetite.

- **Financial performance** – we operate as economically and efficiently as possible without compromising quality.

The Board set targets for the year ended 31st March 2025 and these are included in the tables below. The tables also include our actual performance, a comparison against the previous financial year and our peers.

### Value for money targets

Metric set by the regulator?	VFM metric	YH2025 Target	YH2025 Actual	YH2024 Actual	Benchmark National	Benchmark Yorkshire & Humber
					2024 Median <sup>3</sup>	2024 Median <sup>3</sup>
Yes	New supply of social housing delivered	2.75%	2.53%	3.42%	1.43%	1.06%
Yes	New supply of non-social housing delivered	0.37%	0.17%	0.30%	0.00%	0.00%
Yes	Gearing	60%	58%	57%	45.64%	38%
Yes	Reinvestment in new and existing homes	6.62%	7.6%	8.5%	7.65%	6.7%
Yes	EBITDA MRI interest cover	89%	87%	87%	121.69%	92%
No	Customer satisfaction	80%	65%	76%	N/A	N/A
Yes	Operating margin (overall)	20.0%	17.13%	17.41%	18.5%	16.0%
Yes	Operating margin (social housing)	23%	17.55%	15.46%	20%	15%
Yes	Headline social Housing cost per unit	5,033	5,007	4,783	5,136	4,867
Yes	ROCE <sup>4</sup>	2.7%	2.7%	2.4%	2.8%	2.3%
Yes	Remuneration payable to the highest paid Director, relative to the size of the landlord	N/A	£12.26	£11.86	N/A	N/A
Yes	Aggregate amount of remuneration paid to Directors, relative to the size of the landlord	N/A	£50.90	£40.57	N/A	N/A
Yes	Management costs relative to the size of the landlord	N/A	£1.69	£1.55	N/A	N/A
No	Weighted average cost of capital	4.2%	4.2%	4.1%	N/A	N/A
No	Social housing lettings interest cover	88%	73%	66%	N/A	N/A
No	Active lettable homes	136	121	151	N/A	N/A
No	Income loss from active lettable homes	0.8%	0.8%	1.1%	N/A	N/A
No	Arrears balance of current customers	2.00%	1.95%	2.18%	N/A	N/A
No	Cost savings from procurement	£250k	£238k	N/A	N/A	N/A

# Strategic report:

## Value for money

### Customer satisfaction

We were below target for the year at 65% (76% 2024, target of 80%). We introduced emailed surveys this year, which we found returned lower satisfaction levels. Nationally, emailed surveys provided a lower satisfaction rate across multiple sectors due to more active responses and the removal of human interaction gives rise to less positive responses. The message is still clear though satisfaction levels are not where we want them to be. Our continued focussed on the 'Customer Obsessed Strategy' remains the right one and we expect this score to improve in future.

Being listened to and the maintenance of homes are the most important things to customers. Non-emergency repairs completed within timescales decreased in the year (72% v's 83%), however, our performance improved significantly towards the back end of the year, and we entered 2025/26 in a more positive position. The way we are approaching our transformation programme is to prioritise initiatives that will improve the customer experience most. Our new approach to customer relationship management and scheduling repairs through Salesforce are specifically designed to improve customer experience in these important areas.

### More homes for more customers

Our development team completed a whopping 508 new homes over the year! We had 258 new rental homes and 250 homes for sale, the vast majority for Shared Ownership. In fact, including homes in development, we're now well over halfway to our 8,000 new homes target we set when we launched our Growth Strategy.

We haven't quite met our targets this year for the delivery of new homes due to delays starting or whilst on site, however we are delivering significantly more than our peers in the region.

We're passionate about this, because we know how important it is for as many people as possible in our region to have a place their proud to call home.

We borrow to build these homes, and our gearing metric reflects this. Our gearing is higher than peers at 58% and we have made a conscious decision for that to be the case. It is below the target of 60% for the year, reflecting the housing asset net book value being slightly higher than anticipated relative to debt.

The investment into new and existing homes is 7.6% v's 6.62% (target) however is lower than in the previous year. Due to delays with new developments the increase is due to investment in existing properties rather than new builds. Improving the quality of homes for existing customers and improving energy efficiency. As well as helping toward our climate ambitions this will help to reduce energy bills for customers at a time when inflation has put pressure on finances.

### Core financial performance

The investment in new and existing homes has maintained the EBITDA MRI, which is 87% as per the previous financial year. We are not alone in this lower than target performance and it's particularly acute for ambitious growing organisations such as ours. Interest rates have also been a major factor due to the economic environment we're operating in. Our weighted average cost of capital in March 2025 was 4.2%, which is marginally greater than 4.1% for 2024. The incremental cost of borrowing from variable bank debt is now marginally higher than that.

We've also included social housing lettings interest cover in our VFM metrics. It's a measure used by our credit rating agency as part of a portfolio of factors to assess our credit rating. As such it's also monitored closely by our Board.

The increased borrowing costs have also contributed significantly to this being behind target. The other main factor is the cost-of-service delivery as explored later in this section.

We continue to look to optimise our funding portfolio to minimise interest costs, whilst managing the other risks associated with our level of borrowing and the fact that we are in the business of making long term investments.

The increased cost of borrowing has meant we closely manage the scale and pace of our development programme to continue with our growth ambition while maintaining the risk appetite set by the Board.

Overall operating margin has decreased year on year and remains behind our target. The operating margin for social housing has increased from prior year, however, also remains behind target. As mentioned earlier in this report we've had some challenges this year with increased costs particularly around repairs and maintenance of our homes and there is a recognition that the operating margin is impacted by this.

**The investment into new and existing homes is 7.6% v's 6.62% (target) however is lower than in the previous year.**

# Strategic report:

## Value for money

### Core financial performance

Moreover, Shared Ownership sales margins have created a larger impact as previously detailed.

Return on capital employed has improved from 2.4% in 2023/24 to 2.7%. The increase in operating surplus and the return on investments in the JV's account for this upside.

The increased costs are also impacting our social housing costs per unit, which has increased to £5,007 (from £4,783 in 2023/24). As well as the inflationary pressures, the conscious decision to invest in our existing homes has contributed significantly to this. Our capitalised investment in homes has been maintained year-on-year.

Other key metrics are for our active lettable empty homes, income loss percentage from lettable homes and current customer arrears. The first two are key measures to make sure we're turning voids around quickly to get more customers into our homes and make sure we are not losing income. The latter is making sure we're collecting as much of the funds owed to us as quickly as possible so we can reinvest that into front line services as well as new and existing homes.

We ended the year with 121 empty homes, which was favourable compared to our target of 136. This is also an improvement on last year, so the trajectory is in the right direction, and we've seen some real improvements in performance following a restructure of the teams supporting this. Income lost due to vacant active lettable homes has reduced, which is positive and an improvement on last year. Our arrears performance was in line with the 2.0% target, which was set to reduce from the previous year actual of 2.18%. In the environment we're operating in with significant pressures on family finances is a positive outcome.

### Social value

We have fully embedded Social Value within Procurement at YH by introducing a meaningful way to support key Yorkshire Housing priorities that will enhance the social and environmental well-being for our customers and communities across Yorkshire.

It's not just about compliance, asking suppliers how they create additional benefits for society in general, we are now seeing tangible results that are specifically driven towards helping Yorkshire Housing customers and residents through Digital Capability, Community Spaces, Employment and Training, Financial Inclusion, Equality and Diversity, Health and Wellbeing, Environmental and much more.

Over the last 12 months we've secured approximately £238k (£577k for 2024) of social value contribution through our supply chain contracts. We continue to look for opportunities to drive social value through each tender process, and although contributions will fluctuate in line with contract values, every penny counts.

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*In just over 12 months we've secured approximately £238k of social value contribution through our supply chain contracts.*

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## Strategic report:

# Risk management

Effective strategic and operational risk management and strong governance remain integral to the delivery of our strategic priorities and the sustainable growth of our business. It also ensures that we deliver our operations in a socially responsible and resilient manner.

### Our approach to risk management

Our risk management framework is an established methodology designed to support the timely identification, evaluation, management and reporting of significant external and internal risks facing the business. We can understand, communicate and respond to the impact of risks and opportunities in relation to our purpose, strategic objectives, finances, operations, customers, colleagues, partners, regulatory, legal and reputation. This is underpinned by a three lines of defence model for risk management and assurance.

The Board has overall responsibility for ensuring the group has appropriate systems for managing risk and agreeing the key risks facing our business. The Board reviews at least annually the amount of risk we are willing to take in pursuit of achieving our strategic priorities (our risk appetite) and ensures risks are managed in line with this.

The Board receives regular reporting on risk and assurance activity to consider and enhance their understanding of both internal and external, current and emerging risks.

### Yorkshire Housing maintains the following in relation to risk appetite:

- 1 A **balanced** approach towards **financial** risk; operating within our Board approved financial framework “golden rules”, ensuring we do not take risks that threaten our financial viability. The same balanced approach, taking measured risk, is used for our **Regulatory** risk and reputational risks.
- 2 An **open** appetite, where if there is a reason to do so, we are prepared to take some additional risk in pursuit of innovation, new ways of working and using technology as a key enabler where this supports our **customer and people** objectives.
- 3 An **averse** appetite towards health and safety risks: we view the **safety** of our **customers and colleagues**, and compliance with landlord building safety responsibilities as non-negotiable.

### Audit and Risk Committee

The Audit and Risk Committee is responsible for oversight of our risk management framework and provides assurance to the Board on the adequacy and effectiveness of the systems of internal control, risk management and governance. This includes monitoring of risks, review of internal control frameworks, specific projects and mitigation activity and receiving deep dives and reports on risks and assurance.

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# Strategic report:

## Risk management

### During the period the Audit and Risk Committee considered the following matters:

- Review of the Risk Management Framework, Policy, Strategic Risks and Risk Appetite as part of continuous improvement.
- Completed in depth reviews of Treasury Risk, Transformation Programme costs/benefits, Assets & Liability Register, Customer Experience, Repairs, Financial Viability and Benchmarking.
- Reviewed and determined on a range of internal and external assurances.
- Completed a gap analysis of our principal risks against the RSH Sector Risk Profile 2024.

### Other Standing matters included:

- Review of the annual Financial Statements.
- Annual Review of Compliance against the Regulator's Economic Standards.
- Approval of annual internal and external audit plans and performance.
- Review of Internal Audit reports and monitoring of progress of recommendations
- Annual review of Asset & Liability Register.
- Annual review of the Internal Controls Assurance Report for recommendation to the YHL Board.
- Biannual review of Fraud and Whistleblowing.
- Biannual review of Data Protection Compliance.
- Annual insurance review.
- Annual Committee effectiveness review.
- Annual consideration of the Risk Maturity Assessment.

Overall responsibility for the delivery of strategy, operational performance, and risk management sits with the Executive Team. Our corporate activity considers risk management through implementation of our business plan, financial planning, stress testing, major programmes and projects, operational delivery and third-party management.

Risk is considered by teams in all activities and teams are responsible for risk responses, embedding of risk, operating controls and checking effectiveness of operation. We champion an open and transparent culture of risk awareness and escalation; supported by group wide risk, compliance, policy and health and safety training.

Internal Audit provide independent, objective assurance to management and the board over the effectiveness of first and second lines. Additional assurance is provided from external sources, such as external audit, technical specialists, and regulatory body reviews.

### Our principal risks and uncertainties

Yorkshire Housing key strategic risks as of 31 March 2025 are outlined in the tables on the next page.

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*Risk is considered by teams in all activities and teams are responsible for risk responses, embedding of risk, operating controls and checking effectiveness of operation.*

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# Strategic report:

# Risk management



## Adverse economic climate

Risk description	Assurance given to the Board	Changes made in the last year
<b>Financial performance is significantly impacted by the external economic situation e.g. increases in inflation, interest rates, costs, or arrears.</b>	<ul style="list-style-type: none"> <li>- Treasury Strategy &amp; thresholds.</li> <li>- Enhanced Tenancy Services.</li> <li>- Board agreed stress tests, sensitivity analysis and early warning triggers.</li> <li>- Detailed mitigations plan.</li> <li>- Risk based appraisals.</li> <li>- Internal audit carried out on Rents and Business Planning &amp; Stress Testing processes.</li> <li>- Assurance and technical advisory</li> <li>- Markets indicators analysis.</li> </ul>	<ul style="list-style-type: none"> <li>- Continuing to closely monitor the changing conditions.</li> <li>- Updated stress testing scenarios and mitigations to cover several potential scenarios which include a worsening of the current economic climate.</li> <li>- Revised hurdles and assumptions for use in development schemes were approved.</li> </ul>

## Counterparty

Risk description	Assurance given to the Board	Changes made in the last year
<b>Inability to deliver the business plan due to the failure of third-party suppliers fulfilling their contractual obligation to YH.</b>	<ul style="list-style-type: none"> <li>- Maximum of 33% of development programme with one supplier.</li> <li>- Credit check at investment appraisal stage (with guarantee scheme in place).</li> <li>- New supplier process with credit checks.</li> <li>- Treasury policy includes minimum credit rating of banking partners.</li> <li>- Centralised procurement team ensure procurement rules are followed.</li> <li>- Finance team review of investment appraisals.</li> </ul>	<ul style="list-style-type: none"> <li>- Contractors continue to be monitored closely with a RAG status reported regularly and early warning triggers acted upon.</li> <li>- An external audit identified additional controls which have been implemented to enhance the management of this risk.</li> </ul>

## Policy environment

Risk description	Assurance given to the Board	Changes made in the last year
<b>There is a risk that Yorkshire Housing do not assess, influence and manage impacts and opportunities arising from current national or local/regional policy making, or future policy environment changes.</b>	<ul style="list-style-type: none"> <li>- Stress testing on how policy implications would impact the business and to inform the planning of appropriate mitigation actions.</li> <li>- Maintain strong relations with key lobbying organisations at senior level.</li> <li>- Yorkshire Housing is a member of the NHF's Together with Tenants framework.</li> <li>- Stress triggers are reported to and reviewed by the Board and recorded in Board papers and minutes.</li> </ul>	<ul style="list-style-type: none"> <li>- The pace and volume of political activity during this period has seen significant policy change and development. The dedicated Policy team continue to ensure YH views are actively and constructively represented, to drive positive change for our customers.</li> </ul>

# Strategic report:

# Risk management



## Customer experience

Risk description	Assurance given to the Board	Changes made in the last year
<b>Failure to deliver appropriate, timely, tailored and value add services to existing and future customers.</b>	<ul style="list-style-type: none"> <li>- Recruited a new Executive Director of Customer Experience.</li> <li>- Great Customer Experience and Homes and Places Strategy .</li> <li>- Comprehensive policy framework.</li> <li>- Customer experience embedded in teams' performance framework.</li> <li>- Dedicated insight function.</li> <li>- Monthly customer surveys.</li> <li>- Enhanced tenancy services.</li> <li>- Performance and feedback clinics.</li> <li>- Board and Committee oversight.</li> </ul>	<ul style="list-style-type: none"> <li>- High focus has been given to reducing the number of open repairs and improving the complaint handling experience. Additionally, customer engagement continues to evolve, increasing assurance with tangible customer influence, transparency and scrutiny.</li> </ul>

## Cyber security

Risk description	Assurance given to the Board	Changes made in the last year
<b>Systems and data are inadequately protected against theft, loss and corruption arising from cyber security breach.</b>	<ul style="list-style-type: none"> <li>- Information Technology Strategy and full policy suite.</li> <li>- Use of encryption and cloud services.</li> <li>- Mobile Device monitoring.</li> <li>- Multi-Factor Authentication.</li> <li>- Security testing.</li> <li>- Disaster recovery and Business Continuity plans &amp; test cycle.</li> <li>- Training &amp; awareness programmes.</li> <li>- Additional /more frequent phishing and post exercise analysis.</li> <li>- 3rd party management.</li> <li>- Specialist technical security resources and 3rd party assurance.</li> </ul>	<ul style="list-style-type: none"> <li>- Key security metrics are measured and monitored. Regular phishing exercises are run with colleagues and penetration testing and external audits used to identify opportunities for improvement.</li> </ul>

## Regulatory compliance

Risk description	Assurance given to the Board	Changes made in the last year
<b>Failure to comply with the requirements of the Regulator's economic and / or consumer standards.</b>	<ul style="list-style-type: none"> <li>- Regulatory self-assessments completed annually.</li> <li>- Assets &amp; Liabilities register maintained</li> <li>- Annual review of regulatory compliance reported to respective Committees and Board.</li> <li>- Embedded governance framework.</li> <li>- Value for Money strategy to Board.</li> </ul>	<ul style="list-style-type: none"> <li>- External review and 6 monthly self-assessments confirm compliance to consumer standards. Actions on track to prepare for the introduction of new regulations including Awaab's law.</li> <li>- KPMG audit on Assets &amp; Liabilities provided external assurance.</li> <li>- Board approval to evolve customer governance committee, to increase scrutiny, transparency and influence.</li> </ul>

# Strategic report:

# Risk management



## Data governance

Risk description	Assurance given to the Board	Changes made in the last year
<b>Unreliable, inaccessible or inaccurate data may cause sub optimal decision making, and if misused may cause non-compliance with regulatory and legislative requirements.</b>	<ul style="list-style-type: none"> <li>- Regular data reconciliation reporting</li> <li>- Data testing as part of report and dashboard design process.</li> <li>- Data rights log in place.</li> <li>- ROPA log in place across the business. Reviewed annually.</li> <li>- Data sharing agreements in process review for all contractors.</li> <li>- Dedicated Data Protection Officer and Data and Regulatory Compliance Advisor in place.</li> </ul>	<ul style="list-style-type: none"> <li>- Data migration has formed a key strand of our Salesforce transformation programme with over 850,000 records and documents migrated.</li> </ul>

## Change portfolio delivery

Risk description	Assurance given to the Board	Changes made in the last year
<b>Strategic portfolio is not delivered on time, to desired quality or does not achieve planned benefits and outcomes.</b>	<ul style="list-style-type: none"> <li>- Portfolio Plan is in place to manage and record portfolio risks, decisions, controls and change control.</li> <li>- Specialist portfolio delivery team support business on project delivery.</li> <li>- Board involvement in commissioning, approving business cases and progress oversight.</li> <li>- External assurance is obtained at key stages.</li> <li>- Robust Governance processes in place.</li> </ul>	<ul style="list-style-type: none"> <li>- Robust governance is in place to oversee change delivery with reporting feeding up to Board level.</li> <li>- External assurance via KPMG has validated robust control design.</li> <li>- The transition to Salesforce is on track with key features including a customer relationship management system driving service improvements.</li> </ul>

## Growth plan delivery

Risk description	Assurance given to the Board	Changes made in the last year
<b>Inability to deliver the planned levels of new homes due to competition for land, shortages of key construction roles and/or materials.</b>	<ul style="list-style-type: none"> <li>- Dedicated development, land and strategic asset management teams.</li> <li>- Regular stress testing and capacity modelling is undertaken to help determine the scale and pace of delivery.</li> <li>- Development schemes are subject to option appraisal which utilises data on the cost to build and expected market value.</li> <li>- Growth &amp; Investment Committee oversight of new and existing homes.</li> <li>- YH Residential Board oversight of development and sales related risks.</li> </ul>	<ul style="list-style-type: none"> <li>- We continue to flex our development programme according to market conditions.</li> </ul>

# Strategic report:

# Risk management



## Asset investment and maintenance

Risk description	Assurance given to the Board	Changes made in the last year
<b>YH fail to respond and invest in appropriate strategy and resources to manage cumulative requirements of building safety, landlord requirements, home standards, energy efficiency and decarbonisation leading to a reduced ability to deliver the continued provision and maintenance of high quality, safe homes in places where people want to live.</b>	<ul style="list-style-type: none"><li>- Stock condition surveys.</li><li>- Asset Management Strategy.</li><li>- Smart tech &amp; IOT Pilots.</li><li>- Investment budgets.</li><li>- Compliance servicing &amp; testing programme i.e., gas &amp; electrical safety.</li><li>- Repairs Inspections.</li><li>- Damp, Mould &amp; Disrepair taskforce is in place.</li><li>- Quarterly updates to Growth &amp; Investment Committee, Homes and Places Committee and YH Residential.</li></ul>	<ul style="list-style-type: none"><li>- We have approved an active asset management strategy which will address many of the key risks in this area.</li><li>- The strategy includes the development of an ambitious standard that seeks to exceed any forthcoming review to the Decent Homes Standard.</li><li>- Key activities including repairs and maintenance have been structurally aligned to the Customer Experience directorate, strengthening the alignment with our customer obsessed strategy.</li></ul>

## Health & Safety

Risk description	Assurance given to the Board	Changes made in the last year
<b>Failure to comply with health and safety laws and regulations (including Health and Safety at Work Act 1974) or legal and regulatory changes, particularly those relating to our landlord duties, causing death or injury to customer or colleagues.</b>	<ul style="list-style-type: none"><li>- Approved policies &amp; procedures in line with legal/regulatory changes.</li><li>- Qualified and skilled resources.</li><li>- Mandatory training across relevant elements.</li><li>- Data validation checking systems.</li><li>- On site and thematic reviews.</li><li>- Technical, third-party advisory and assurance programme.</li></ul>	<ul style="list-style-type: none"><li>- Structural changes have been made to split out the reporting lines for personal health and safety, and building compliance, to increase the focus given to these key areas.</li><li>- Enhanced reporting and oversight has been introduced, with Board retaining direct accountability for compliance.</li></ul>

## Strategic report:

# Internal control, environment and assurance

Overall responsibility for establishing and maintaining the system of internal control and risk management as well as for reviewing its effectiveness across Yorkshire Housing sits with the Yorkshire Housing Limited Board.

There is a continual process in place for identifying, evaluating, and managing the significant operational and strategic risks faced by Yorkshire Housing. These are internal or external environment risks that may threaten our business model, future performance, solvency and liquidity, delivery of services or regulatory and legislative compliance.

The Audit and Risk Committee monitors and reviews the effectiveness of the internal control system including carrying out an annual effectiveness review. Its findings are reported to the Board.

The system of internal control is designed to manage rather than eliminate risk to achieve business objectives as well as to prevent and/or detect fraud and to provide reasonable assurance against material misstatement or loss. The system provides assurance that assets are safeguarded, proper accounting records are maintained, and that financial and performance information is reliable.

Key features of Yorkshire Housing's internal controls, environment and assurance include the Risk Management Framework. This is an effective governance and management structure with clearly defined responsibilities, scrutiny, approval routes and delegations and a structured internal audit programme ensuring a holistic view can be provided which gives assurance that appropriate mitigations are in place.

The Board has approved Financial Regulations which provide a control framework and delegations over Yorkshire Housing's financial resources. These also support Yorkshire Housing in meeting its regulatory obligations under the Governance and Financial Viability standard as well as its legal obligations.

Financial plans are stress tested in relation to the key strategic risks in both the internal and external environment.

A Policy schedule is approved by Board which sets out the framework for policies to be developed, approved and reviewed regularly as well as the scrutiny and approval route.

Key features of Yorkshire Housing's control assurance framework include the key performance measures of the organisation which are regularly reported through the Governance structure.

Expert advice is obtained in areas such as financial planning to provide quality assurance.

Golden Rules are in place which set the parameters for financial performance and early warning indicators to flag if a financial risk needs to be escalated and if mitigation plans need to be enacted.

A programme of regular internal audits is agreed by the Audit and Risk Committee, to provide independent and objective review of the effectiveness of internal controls.

This programme includes input from senior management as well as Committee Members.

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

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*The Board has not identified any weaknesses sufficient to cause material misstatement or loss.*

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## Strategic report:

# Internal control, environment and assurance

## Key elements of the internal control framework include:

- A strong culture of integrity led from the Board and senior leadership team through the organisation, supported by our code of conduct, formal recruitment, retention, performance management policies, ongoing colleague engagement and feedback processes as well as training and development.
- A robust overarching governance framework underpinned by adherence to our chosen Code of Governance, up to date rules, service level agreements, scheme of delegations and regular performance reporting and monitoring across all entities.
- Detailed financial regulations which cover authorisation levels, reconciliations, and segregation of duties.
- Proper and accurate accounting records are maintained and that financial information is reliable.
- Embedded Board policies and processes on succession, skills and capabilities, appraisals, remuneration, committee terms of references and annual reviews on governance and effectiveness.
- Clear organisational and management structures with roles and responsibility for risk management and control built into appropriate staff role profiles and specialist functions.
- An organisational wide policy and procedures framework covering all material areas, operational activity and regulatory and legislative requirements, subject to regular review and monitoring at Board and Committees.
- An annual programme of third-party independent assessment on the robustness and effectiveness of the internal controls across the organisation from internal and external auditors, technical advisors and strategic partners.
- A risk management framework, reviewed annually that considers: the Regulator of Social Housing's Annual Sector Risk Profile, our strategic risks, sets out the board's risk appetite, limits and tolerances for ongoing monitoring and reporting across the relevant Boards, Committees and business management meetings.
- A comprehensive performance monitoring process across all areas of the business; including financial, business planning and stress testing supported by a detailed suite of performance indicators linked to strategy and plans, customer outcomes, service delivery, health and safety, asset compliance, loan, covenant compliance and liquidity.
- Ensuring assets, including social housing assets are safeguarded.

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*A comprehensive performance monitoring process across all areas of the business; including financial, business planning and stress testing.*

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**Section:**

# Governance and compliance...



## Governance and compliance:

# Meet our Board

Yorkshire Housing has within its governance structure a parent Board, subsidiary Boards, committees and an Executive Directors' team. This governance structure enables scrutiny and decision-making at the most effective level which enhances our overall performance...



### Ingrid Fife

 **Chair of the Board**

Ingrid has loads of experience as a Board member and chairperson. She's got a strong commercial background and has been a non-executive on Boards in the housing and health sectors. She was part of the Board at Riverside Housing that oversaw the merger with One Housing Group until May 2024. Before this she was chair for Halton Housing and vice chair for Regenda Homes.

Ingrid's also a member of our Governance and People Committee. She lived in Leeds during the nineties and some of her family are long term Leeds residents.



### Matt Blake

 **Member**

Matt is a Chartered Management Accountant with more than 20 years' experience in a variety of treasury, accounting, and analytical roles primarily in the UK's non-bank mortgage market. Matt stepped down from his position of Group Treasurer at Pepper Money in 2023, where he led the treasury function delivering circa £4bn of funding across both public and private securitisation issuances. Matt was previously Director of Treasury for Together Financial Services where he launched the firms, now well established, High Yield Bond programme alongside the public and private securitisation programmes where he raised/refinanced circa £6bn of funding.

Matt is a non-executive Board member of MS Lending Group, a Manchester based Bridging Finance lender and also a member of the Riverside Treasury Committee. Matt currently provides Treasury advisory services to non-bank financial institutions and is currently the interim Chief Treasury Officer at Foundation Home Loans, a UK mortgage lending business.

Matt is Chair of Yorkshire Housing Residential Board and a member of the Growth and Investment Committee.



### Lisa Bradley

 **Member**

Lisa has over 30 years' experience in finance in the commercial and not-for-profit sectors. She was chief financial officer at Look Ahead Care, Support and Housing. She's also an associate of the Chartered Institute of Management Accountants. She's chair of the Audit and Risk Assurance Committee at Arches Housing and treasurer of Inspire North, a Yorkshire-based supported housing provider.

Lisa's a member of the Audit and Risk Committee and the Yorkshire Housing Finance Plc Board. She is also our Board Complaint Lead.

## Governance and compliance:

# Meet our Board



### Ian Costigan

 **Member**

Ian is Chief Airport and Asset Development Officer at Manchester Airport, part of the Manchester Airports Group (MAG), with accountability for operational planning, asset management, investment planning and delivery, asset maintenance and facilities management. Ian also leads the Manchester Airport Transformation programme, integrating infrastructure, technology and people transformation programmes. Previous to this, Ian has held the roles of Chief Operating Officer, Transformation Director and Group Asset Management Director at MAG. Before this, he worked for the UK's biggest listed water company, United Utilities, leading on major assets management and IT transformation programmes.

Ian is also a member of YH Residential Board and our Growth and Investment committee.



### Jacqueline Esimaje-Heath

 **Member**

Jacqui is an architecturally-trained real estate director who's worked in the private and public sectors. She's currently a Growth Director at the charitable housing association L&Q. During her career she's been responsible for residential property development, housing and management consultancy, regeneration, private sector renewal and residential sales and marketing. She's an experienced non-exec Director, with over 20 years' experience in providing strategic leadership in the not-for-profit sector. She's also mentored people at both non-exec and operational levels.

Jacqui is also Chair of the Growth and Investment Committee.



### Russell Galley

 **Member** (Resigned 4 June 2025)

Russell had a 40 year career in Financial Services culminating in a role as CEO of Retail Banking for Lloyds Bank, Halifax Bank and Bank of Scotland leading a team of 45,000 colleagues and serving 22million customers. He has a depth of knowledge around Regulation, Leveraging digital technology to drive Customer Experience and of course strong commercial judgement. He is also a Board Member of the West Brom Building Society a thriving mutual. Russell has a real passion for Social Mobility and has been a vocal advocate for retaining access to cash in communities and supporting a stronger UK framework for reducing Financial Fraud and Scams that particularly affect the vulnerable.



### Leann Hearne

 **Member**

Leann's background is in growing, developing and leading businesses. She started her career in engineering sales and went on to become managing director of an international manufacturing business in 2000. She's held a few non-executive roles in the housing sector, and is now chief executive of Livv Housing Group. Supporting ambition, nurturing aspirations and creating opportunities are the focus of the work she does with businesses and communities. She's a Board member at Northern Housing Consortium, where she's chair of the commercial committee.

Leann's also vice chair and chair of our Homes and Places Committee.

## Governance and compliance:

# Meet our Board



### Isabel Hunt

 **Member** (Resigned 19 November 2024)

Isabel has over 20 years executive and Board level experience in service design, digital transformation and customer-facing roles in both the public and private sectors including at NHS Digital, the Home Office and Royal Mail. She's currently the executive director for business innovation and insight at the National Lottery Heritage Fund and is an experienced Board member having previously served as a trustee at the Royal National Institute for Blind People (RNIB), Thackray Medical Museum and Age UK. She is also a Fellow of the Chartered Institute of Marketing.

Isabel is also a member of our Homes and Places Committee and YH Residential Board.



### Nicky Passmore

 **Member**

Nicky's expertise is in improving customer experience and transforming service operations. After working in consumer goods and financial services, she moved into higher education working as director at the universities of Southampton and Melbourne. Part of her role in higher education involved running a student housing portfolio for over 6,000 students, which ignited her interest in housing. More recently she was chief executive of a member-led charity in the UK.

Nicky's also a member of our Governance and People committee and Homes and Places committee.



### Ellie Stead

 **Member**

Ellie's had a successful career in financial services, cards and payments. And she's worked for lots of well-known names including Global Payments, GE Capital and Yorkshire Bank. She has run Yorkshire Air Museum, a registered charity and key heritage attraction in Yorkshire followed by CEO at St Nicks, an environmental charity based on a 24acre nature reserve working to link green spaces, habitats and promote sustainability and strong mental health through nature connectedness. She is currently Chief Executive at Wilberforce Trust in York, a charity supporting those with visual and hearing impairments to lead full and independent lives.

Ellie is chair of our Governance and People Committee and a member of our Audit and Risk Committee.



### Sarah Atta-Nugent

 **Member** (Appointed 18th September 2024)

Sarah has 19 years of experience in corporate affairs, specialising in property communications. She has led strategic stakeholder engagement for a major national grocery retailer, as well as for several prominent property developers. Most recently, Sarah held a national role overseeing Diversity, Equity, and Inclusion (DE&I) for over 100,000 colleagues in the retail and manufacturing sector. In this capacity, she also guided the business in its commitment to serving the diverse needs of its customer and supplier base. Sarah has now transitioned into a DE&I-focused role with IHG Hotels & Resorts.

As a Board Member and member of the Homes and Places Committee, Sarah applies a values-driven, people-centric approach to her role, with a prominent focus on the communities we're part of.

# Governance and compliance:

## Our Exec Team



### Nick Atkin

#### Chief Executive

When it comes to social housing, Nick's the bee's knees. And he's got a tip-top track record to prove it. He's a big believer in innovation and pushing the boundaries of what's possible. He uses the power of digital to drive change and he's also a disruptor in the 'future of work' debate. And when Nick talks, everyone listens. He's regularly included in the top 25 list of most influential people in housing. For him, leadership's about being authentic and keeping it real. Because credible leaders attract talented people who make things happen.

### Nina Evison

#### Executive Director Culture and Performance

Nina's been instrumental in helping us make a massive cultural shift at Yorkshire Housing, and she's not stopping there. It's her mission to help make us the best housing provider in the UK, with customer obsession at our core. Her love of working with people shows, and her track record of getting results means we're already well on our way.



### Sarah Evans

#### Executive Director Customer Experience

Sarah's all about our customers and our communities. She oversees the delivery of our business strategy and leads the way with our customer obsessed approach so our customers have a place they're proud to call home. For her, leadership is all about honesty, integrity and authenticity. Great leaders set a clear vision and direction, and help motivate and inspire others to achieve. This all starts with the demonstrating the right values and behaviours first. Creating an environment of trust, open communication and collaboration is absolutely critical for a team to flourish and succeed.

### Rob Parkes

#### Executive Director Finance and Governance

Since joining us in 2015, Rob has played a key role in securing major funding to support our housing developments. As Executive Director of Finance and Governance, he'll make sure we remain financially strong while leading efforts to create places people are proud to call home.



### Sian Webster

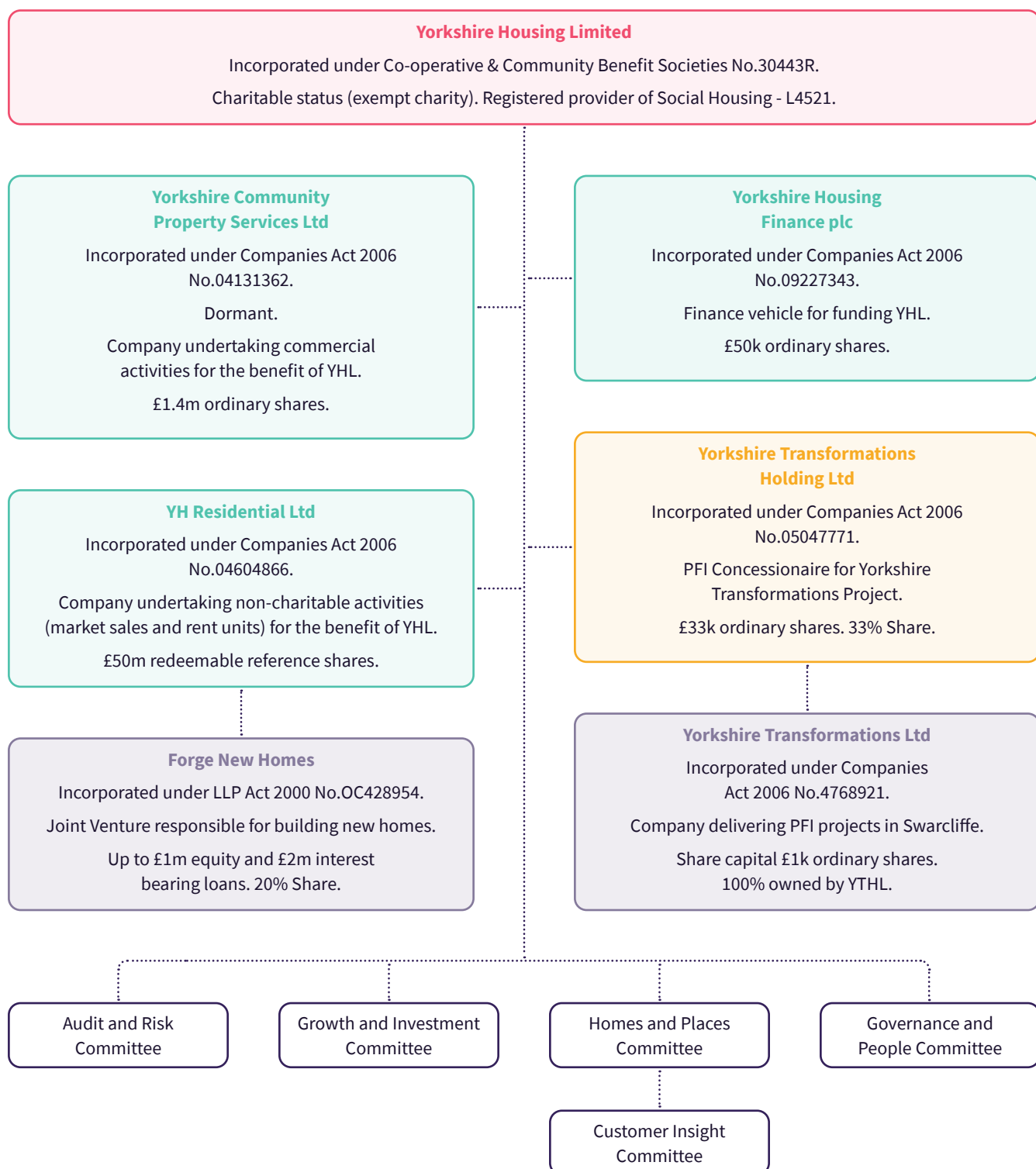
#### Executive Director of Growth and Assets

Over the past 10 years, Sian has been at the forefront of our development, assets, and sustainability agenda. Previously the incumbent of Director of Assets and sustainability and now, as Executive Director of Growth and Assets, she'll lead our work to build more homes while making sure they're energy-efficient and fit for the future.



## Governance and compliance:

# Legal and governance structure



○ Group Board
 ○ Subsidiary of Group Board (100% owned)
 ○ Group Share in holding company
 ○ Subsidiary of subsidiary / Holding Company
 ○ Board Committee

# Governance and compliance:

## Report of the Board

### Governance

The Board of Yorkshire Housing Limited, as parent, has ultimate responsibility for the governance and performance of the Yorkshire Housing Group which includes its wholly owned subsidiary companies (YH Residential Limited, Yorkshire Community Property Services and Yorkshire Housing Finance plc) and its shared interest in two other legal entities. The Board's central role is to determine strategic direction and policies, to establish and oversee control and risk management frameworks that will ensure Yorkshire Housing achieves its aims and objectives.

### Board composition

The current Board Members and Executive Directors and any changes during the year are set out on pages 31-33. Under Yorkshire Housing Limited's rules Board Members are appointed by the Board at the Meeting to Appoint Board Members.

As at 31 March 2025 there were ten Board members and membership of the Board comprised of 70% women, 30% members from the Black and minority ethnic communities and 10% declared themselves disabled.

### Delegation

The Board delegates its responsibility for the day-to-day management and leadership to the Chief Executive, supported by the Executive Directors team. The Board has also established five Committees to oversee specific areas of the Group's work and sets the scope and responsibilities for each in approved terms of reference. Delegation from the Board may allow for decisions to be made or request that a Committee consider and provide assurance to support the Board on decision making.

### NHF Code of Governance

The National Housing Federation ("NHF") 2020 Code of Governance was adopted by the Board in January 2021 as a formal framework to underpin its governance arrangements.

### Compliance with this code ensures Yorkshire Housing will:

- Adhere to all relevant laws.
- Ensure that its constitutional documents are, and remain, fit for purpose.
- Be accountable to residents and relevant stakeholders.
- Safeguard taxpayers' interests and the reputation of the housing sector.
- Have an effective risk management and internal controls assurance framework.

Yorkshire Housing was fully compliant with the 2020 NHF Code of Governance for the 2024-25 financial year.

### Board and Committee effectiveness

The Board carried out an annual appraisal of its performance and an annual appraisal of individual Board and Committee Members. Each Board and Committee Member is appointed for a fixed term of office of up to three years. Reappointment is possible for up to a maximum of two additional terms. There was one co-option to the Homes and Places Committee during this period.

The Terms of Reference for the Board, YHR and YHF as well as Committees were reviewed in June and proposals for change brought to the Board and approved.

### Compliance with the Governance and Financial Viability Standard

In preparing this report, the Board has followed the principles set out in Section 4 of the Housing SORP 2018 'Statement of Recommended Practice for Social Housing Providers' and 'The Accounting Direction for Private Registered Providers of Social Housing 2022 published by the Regulator of Social Housing (RSH).

The Board has undertaken an assessment of its compliance with the RSH's Governance & Financial Viability Standard through a self-assessment process which includes internal and external assurance measures. The Board certifies that it is compliant with the Standard.

Following the most recent Stability Check Assessment Yorkshire Housing retained its G1 V2 rating. The G1 rating is the highest rating for Governance, which has been retained since 2021. This confirms that our approach is meeting the rigorous standards set by the Regulator for Social Housing.

# G1 V2

## Regulatory Rating

(2024: G1 V2)

# Governance and compliance:

## Report of the Board

### Our people

Our colleagues are at the heart of YH's ability to provide high quality services to its customers. Our working culture is based on our values: Create Trust, Be Curious, Make it Happen, Achieve Impact and Have Fun.

The organisation has revolutionised how we work, and our Hub, Home and Roam flexible working model helps our people to make the right choices for their customers as well as offering flexibility for colleagues. We've invested significantly in the wellbeing of our people because happy and healthy employees create better productivity and service for our customers.

We care about our people having a great experience at work and we listen to feedback in a number of ways. Our senior leaders meet regularly with our colleague forum 'Colleague Voice' to discuss relevant topics, hear colleagues' views and address issues of concern.

*“In 2024, our colleague engagement score was 88%”*

The organisation has conducted an annual colleague survey every year since 2009 and uses regular pulse surveys and focus groups to hear colleagues feedback about their experience at work. This helps us to focus on the right actions to make improvements. The Board review the outcomes and key themes of the survey feedback. In 2024, our colleague engagement score was 88%.

### Health and safety

The Board is aware of its health and safety responsibilities and takes the health and safety of its customers, colleagues and other people seriously.

The Board has approved a Health & Safety Policy that sets out how the group provides and maintains appropriate working conditions, equipment and systems of work for all colleagues. It recognises the group's responsibilities and those of colleagues to co-operate by always working safely and adhering to the procedures set down. YH provides role tailored education and training for all colleagues on health and safety matters.

The changes to the building and fire safety regulatory system and on-going requirement to maintain stock to the Decent Homes standard, means that there is a greater focus on safety and improvement now and in the future.

Fire Safety (England) Regulations 2022 place new requirements for buildings over 11 metres in height. These include quarterly inspection of communal fire doors and annual inspection of the front doors of individual flats. Key risk areas have been identified, and action plans are in place to ensure compliance and best practice.

### Key health and safety activities carried out in the year include:

- Setting up an asset register for fire doors to ensure that we have a clearly identified programme of inspections in line with the Fire Safety (England) Regulations 2022 requirements from January 2023.
- Continuing a homeworking DSE equipment offer to ensure colleagues wellbeing at home.
- Reinvestment in remote water temperature monitoring to comply with the HSE guidance for control of legionella.
- Risk Assessments and surveys for all communal areas for fire, asbestos and legionella with robust arrangement for delivering any required actions.

- Provision of lone working / personal safety devices for all customer facing colleagues to provide incapacity alerts, ability to check in and out, audio channel monitoring and GPS positioning on demand.
- A full independent third party review of all of the 'Big 7' compliance areas. This started at the end of the financial year and will provide assurance and identify any areas for future improvements.

Managers are responsible for the health and safety of their teams and for providing a safe environment for customers and the public. There is a strong focus on training our colleagues, including health and safety plans for all roles and mandatory e-learning modules for all staff to complete.

Health and Safety Performance is reviewed within a monthly Health and Safety Forum, by the Executive team and a full update provided to Board at each committee.

*“We care about our people having a great experience at work and we listen to feedback in a number of ways.”*

# Governance and compliance:

## Report of the Board

### Equality, diversity and inclusion

Yorkshire Housing is committed to being an organisation where everyone can thrive and bring their authentic selves to work. Difference is valued and colleagues can 'Call Out' inappropriate behaviour and are supported with a zero-tolerance approach to discriminatory behaviour.

Our recruitment practices are constantly reviewed, and improvements are made, so that we attract and recruit diverse talent who share our core values and display our customer-obsessed behaviours. 91% of colleagues in our last colleague survey felt Yorkshire Housing was committed to diversity and inclusion, a marginal increase from the previous year's survey.

Our Diversity and Inclusion Strategy was refreshed in 2024, providing a framework on how we will continue to create an organisation where everyone can thrive, where difference is valued and inclusion is embedded in everything we do. To support us in achieving this, we are committed to focusing on five main workstreams:

**1 Customer obsession** – colleagues are empowered to deliver a personalised and inclusive 'Customer-Obsessed' service, adopting a values first perspective, enhancing colleagues' knowledge and awareness, ensuring everyone understands their personal responsibility to support inclusion and #becurious about different cultures and communities to provide an exceptional customer experience.

**2 Culture** – inclusion is seamlessly integrated into every aspect of what we do. Ways of working, policies and practices proactively address the diverse needs of both our customers and colleagues.

**3 Engagement** – we actively listen and act to remove barriers to diversity and inclusion, and combat the stigma associated with social housing and accessibility to services. We involve customers and colleagues in developing solutions and partner with organisations to combat inequalities and discrimination.

**4 Data and Insights** – we have a relentless drive to improve our colleague and customer data insights, and hold ourselves accountable for actions on inclusion, and communicate how we're doing to customers and colleagues.

**5 Talent** – we'll attract, retain and develop diverse talent at every level, ensuring colleagues can be their true authentic selves. We'll also support and recruit more customers to roles within Yorkshire Housing.

We have partnered with external partners to improve our knowledge and best practices, including the Housing Diversity Network, Inclusive Employers and AKD.

Our six Colleague Networks continue to mature and increase their impact across the business. The networks are vital to providing that safe space to talk, network and for colleagues to feel listened to and heard.

They actively influence and inform the business, promote inclusion, and raise awareness of issues impacting colleagues. They continue to raise awareness and education, providing allyship and support to those from under-represented groups within in both our colleague and customer populations. They lead our celebrations of key dates that are important to our diverse workforce, such as Pride and Eid, and continue to provide an input on customer initiatives as part of engaging with different communities.

To support increasing awareness and knowledge across all colleagues, we're continually sharing resources and initiatives such as podcasts and personal blogs to share lived experiences. Inspired, Our women's network, is the most recent to launch with sessions run covering support on mental wellbeing and career stories to inspire. YH also partners with other Housing Associations to share best practices and collaborate.

*Difference is valued and colleagues can 'Call Out' inappropriate behaviour and are supported with a zero-tolerance approach to discriminatory behaviour.*



# Governance and compliance:

## Report of the Board

### Gender Pay Gap Act 2010 & Ethnicity Pay Gap reporting

Yorkshire Housing has produced a Gender Pay Gap Report which can be accessed via Yorkshire Housing's [website](#). This year we reported a below zero Gender Pay Gap. Our latest report and action plan can be accessed via Yorkshire Housing's website. Yorkshire Housing's gender make-up (on 1st April 2024) was 46% female, with females making up 66% of our Leadership Team and 70% of our Board respectively.

To promote equality and equity for underrepresented groups, Yorkshire Housing has also voluntarily published its ethnicity pay gap position since 2022/23. These reports can be accessed via Yorkshire Housing's [website](#). In 2024 YH lowered its ethnicity pay gap to 4.53%. 30% of Board Members are also ethnically diverse. However, we know we have more to do if our overall aim of creating a workforce, at all levels, which mirrors our customer, and our communities is to be achieved.

We are working hard to reduce the colleague and customer data gap and are striving to ensure that the people

equality impact is always considered when new policies, procedures and processes are introduced. We are aiming to increase the diversity of our leadership team and find new ways to support those from under-represented groups thrive and bring their best selves to our assessment for talent, with an aim of recruiting more females into trades roles and customers into all roles across the organisation, increasing diversity of thought and benefiting from lived experiences and insights.

We will continue to build strong partnerships to support developing employability skills across targeted geographic locations and strengthen community engagement through allyship.

A diverse workforce and inclusive culture will support the organisation in its strategic aims, especially in providing a customer-obsessed experience. Diversity and Inclusion training will be rolled-out organisation-wide to support our ongoing efforts, and EDI principles will be the golden thread in our management development training to support managers #becurious and support colleagues to #beyourself.

### Modern Slavery Act 2015

Yorkshire Housing has produced a Slavery and Human Trafficking Statement which can be accessed via Yorkshire Housing's [website](#).

### NHF Merger Code

The Board has considered the principles set out in the National Housing Federation's Voluntary Code for Mergers, Group Structures and Partnerships. While no merger or partnership proposals were actively pursued during the reporting period, the Board remains committed to the principles of transparency, accountability, and beneficiary-focused decision-making outlined in the Code.

Should any future proposals arise, the Board will ensure that its approach aligns with the Code's guidance, including maintaining a clear record of activity, engaging stakeholders meaningfully, and assessing strategic fit and value for money. The Code will be used as a reference framework to support governance and decision-making processes.





# Governance and compliance:

## Report of the Board

### Statement of the responsibilities of the Board for the report and financial statements

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

Co-operative and Community Benefit Society legislation requires the board to prepare financial statements for each financial year. Under that law the board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under the Co-operative and Community Benefit Society legislation the board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the association and group for that period.

In preparing these financial statements, the board are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 2018 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 association will continue in business.

The board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing (2022).

It is also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Statement of compliance

A key element of the (Regulator for Social Housing) Governance and Financial Viability Standard is the requirement to comply with all relevant laws. Consequently, the board has taken reasonable steps to seek necessary assurance and confirms that the group has complied with all relevant laws.

The board confirms that the group complies with the requirements of the Regulator for Social Housing's Governance and Financial Viability Standard.

#### Donations

During the year, the group made charitable donations amounting to £28,639 (2024: £18,408).

#### Statement of disclosure to auditors

So far as each member of the board is aware, there is no relevant audit information of which the group's auditors are unaware and each member has taken all the steps that he/she/they ought to have taken as a member in order to make him/her/them aware of any relevant audit information and to establish that the company's auditors are aware of that information



#### On behalf of the Board

Rob Parkes  
Company Secretary

Yorkshire Housing Limited  
Co-operative and Community  
Benefit Societies Act 2014  
(registered number 30443R)

**Section:**

# Independent auditor's report...



# Independent auditor's report to the: Members of Yorkshire Housing Limited

## Opinion

We have audited the financial statements of Yorkshire Housing Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2025 which comprise the Group and Association Statements of Comprehensive Income, the Group and Association Statements of Changes in Reserves, the Group and Association Statements of Financial Position, the Group Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### In our opinion, the financial statements:

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

## Basis for opinion

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

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Other information

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

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

We have nothing to report in this regard.

# Independent auditor's report to the: Members of Yorkshire Housing Limited

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

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

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

## Responsibilities of the Board

As explained more fully in the Statement of the Responsibilities of the Board for the Report and Financial Statements set out from page 40, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.

# Independent auditor's report to the: Members of Yorkshire Housing Limited

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

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

## Use of our report

This report is made solely to the members of the Association as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to it 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.

“

*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 income and expenditure and the Association's income and expenditure for the year then ended.*

”

*Beever and Struthers*

## Beever and Struthers

Statutory Auditor  
One Express  
1 George Leigh Street  
Manchester  
M4 5DL



Section:

# Financial statements...



# Financial statements 2024-25:

## Consolidated financial statements

### Group statement of comprehensive income

	Note	2025 £'000	2024 £'000
Turnover	3	165,431	138,757
Cost of sales	3	(30,971)	(15,850)
Operating costs	3	(106,118)	(98,756)
Other income	3	192	852
Gain on disposal of fixed assets	6	5,258	4,362
<b>Operating surplus</b>		<b>33,792</b>	<b>29,365</b>
Interest receivable and dividends	7	815	1,148
Interest and financing costs	8	(24,017)	(23,161)
Other financing costs - refinancing & break costs	8	-	-
Share of surplus of joint ventures	18	356	-
<b>Surplus before taxation (on ordinary activities)</b>		<b>10,946</b>	<b>7,352</b>
Taxation on surplus	11	-	-
Deferred tax	11	(534)	(65)
<b>Surplus for the financial year after taxation</b>		<b>10,412</b>	<b>7,287</b>
<b>Other comprehensive income:</b>			
Actuarial gain (loss) on defined benefit pension scheme	31	745	(1,560)
Share of joint venture movement in fair value of financial instruments	18	266	-
Movement in fair value of hedged financial instruments	36	(1,056)	(628)
<b>Total comprehensive income for the year</b>		<b>10,367</b>	<b>5,099</b>

The consolidated results relate wholly to continuing activities. The accompanying notes form part of these financial statements. The financial statements were authorised and approved by the Board on 24th September 2025.



**Ingrid Fife**  
Board Member



**Lisa Bradley**  
Board Member



**Rob Parkes**  
Company Secretary

### Date of approval: 24th September 2025

Yorkshire Housing Limited - Co-operative and Community Benefit Societies Act 2014 (registered number 30443R)

# Financial statements 2024-25:

## Consolidated financial statements

### Association statement of comprehensive income

	Note	2025 £'000	2024 £'000
Turnover	3	148,688	135,095
Cost of sales	3	(18,663)	(15,076)
Operating costs	3	(103,907)	(96,622)
Other income	3	205	4,008
Gain on disposal of fixed assets	6	5,289	4,444
<b>Operating surplus</b>		<b>31,612</b>	<b>31,849</b>
Interest receivable and dividends	7	727	1,062
Interest and financing costs	8	(23,395)	(22,537)
Other financing costs - refinancing and break costs	8	-	-
<b>Surplus before taxation (on ordinary activities)</b>		<b>8,944</b>	<b>10,374</b>
Deferred tax	11	-	-
<b>Surplus for the financial year after taxation</b>		<b>8,944</b>	<b>10,374</b>
<b>Other comprehensive income:</b>			
Actuarial gain/(loss) on defined benefit pension scheme	31	745	(1,560)
Movement in fair value of hedged financial instruments	36	(1,056)	(628)
<b>Total comprehensive income for the year</b>		<b>8,633</b>	<b>8,186</b>

The consolidated results relate wholly to continuing activities. The accompanying notes form part of these financial statements. The financial statements were authorised and approved by the Board on 24th September 2025.



**Ingrid Fife**  
Board Member



**Lisa Bradley**  
Board Member



**Rob Parkes**  
Company Secretary

### Date of approval: 24th September 2025

Yorkshire Housing Limited - Co-operative and Community Benefit Societies Act 2014 (registered number 30443R)

## Financial statements 2024-25:

# Consolidated financial statements

### Group statement of changes in reserves

	As restated			As restated	
	Income and	Restricted	Revaluation	Cashflow	Total
	expenditure reserve £'000	reserve £'000	reserve £'000	Hedge reserve £'000	Reserve £'000
Balance at 1 April 2023 as previously stated	196,450	16	28,427	3,889	228,782
Prior period adjustment (note 38)	(2,447)	-	-	-	(2,447)
Balance at 1 April 2023 as restated	194,003	16	28,427	3,889	226,335
Surplus for the year	7,287	-	-	-	7,287
Actuarial losses on defined benefit pensions scheme	(1,560)	-	-	-	(1,560)
Other comprehensive income	-	-	-	-	-
Transfer on asset sale	-	-	(28)	-	(28)
Transfer of the effective depreciation from revaluation reserve	13,983	-	(13,983)	-	-
Movement in fair value of hedged financial instruments	-	-	-	(628)	(628)
<b>Balance at 31 March 2024</b>	<b>213,713</b>	<b>16</b>	<b>14,416</b>	<b>3,261</b>	<b>231,406</b>
Surplus for the year	10,412	-	-	-	10,412
Other comprehensive income	-	-	-	-	-
Actuarial gain on defined benefit pensions scheme	745	-	-	-	745
Transfer on asset sale	-	-	(35)	-	(35)
Transfer of the effective depreciation from revaluation reserve	222	-	(222)	-	-
Movement in fair value of hedged financial instruments	-	-	-	(1,056)	(1,056)
Movement in fair value of joint venture hedged financial instruments	266	-	-	-	266
Movement in joint venture reserves	(137)	-	-	-	(137)
<b>Balance at 31 March 2025</b>	<b>225,221</b>	<b>16</b>	<b>14,159</b>	<b>2,205</b>	<b>241,601</b>

The accompanying notes form part of these financial statements.

A transfer has been made between the Revaluation Reserve and Income and Expenditure Reserve to reflect the accumulated depreciation charge to date on the revalued asset value over and above the historic cost for revalued housing assets. The value of the transfer at 31st March 2024 reflects the depreciation since acquisition to that date of housing assets acquired during historic mergers as described in note 13 Tangible Fixed Assets – Housing Properties. A further transfer is reported to 31 March 2025 reflecting the current year transactions.

## Financial statements 2024-25:

# Consolidated financial statements

### Association statement of changes in reserves

	Restated Income and expenditure reserve £'000	Restricted reserve £'000	Revaluation reserve £'000	Cashflow Hedge reserve £'000	Restated Total Reserve £'000
Balance at 1 April 2023 as previously stated	185,401	16	28,427	3,889	217,733
Prior period adjustment (note 38)	(2,447)	-	-	-	(2,447)
Balance at 1 April 2023 as restated	182,954	16	28,427	3,889	215,286
Surplus for the year	10,374	-	-	-	10,374
Actuarial losses on defined benefit pensions scheme	(1,560)	-	-	-	(1,560)
Other comprehensive income	-	-	-	-	-
Transfer on asset sale	-	-	(28)	-	(28)
Transfer of the effective depreciation from revaluation reserve	13,983	-	(13,983)	-	-
Movement in fair value of hedged financial instruments	-	-	-	(628)	(628)
<b>Balance at 31 March 2024</b>	<b>205,751</b>	<b>16</b>	<b>14,416</b>	<b>3,261</b>	<b>223,444</b>
Surplus for the year	8,944	-	-	-	8,944
Other comprehensive income	-	-	-	-	-
Actuarial gain on defined benefit pensions scheme	745	-	-	-	745
Transfer of the effective depreciation from revaluation reserve	222	-	(222)	-	-
Transfer on asset sale	-	-	(35)	-	(35)
Movement in fair value of hedged financial instruments	-	-	-	(1,056)	(1,056)
<b>Balance at 31 March 2025</b>	<b>215,662</b>	<b>16</b>	<b>14,159</b>	<b>2,205</b>	<b>232,042</b>

A transfer has been made between the Revaluation Reserve and Income and Expenditure Reserve to reflect the accumulated depreciation charge to date on the revalued asset value over and above the historic cost for revalued housing assets. The value of the transfer at 31st March 2024 reflects the depreciation since acquisition to that date of housing assets acquired during historic mergers as described in note 13 Tangible Fixed Assets – Housing Properties. A further transfer is reported to 31 March 2025 reflecting the current year transactions.

The accompanying notes form part of these financial statements.



# Financial statements 2024-25:

## Consolidated financial statements

### Group and association statements of financial position at 31 March 2025.

Restated, please see Note 38.

Restated, please see Note 38.			Group		Association
			Restated		Restated
	Note	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fixed assets					
Intangible fixed assets	12	17,847	12,240	17,847	12,240
Tangible fixed assets - housing properties	13	1,208,262	1,143,764	1,208,595	1,144,097
Other tangible fixed assets	14	3,803	1,871	3,803	1,871
Investment properties	15	37,686	37,635	4,053	4,069
Investments	18	-	-	51,453	51,453
Interest in joint ventures	18	1,485	925	-	-
Homebuy loans receivable	19	988	1,011	988	1,011
Derivative financial asset	36	2,205	3,261	2,205	3,261
		1,272,276	1,200,707	1,288,944	1,218,002
Current assets					
Properties held for sale	16	45,241	59,087	22,458	24,063
Trade and other debtors	17	21,627	18,192	19,926	18,302
Cash and cash equivalents	18	17,184	9,857	12,401	9,506
		84,052	87,136	54,785	51,871
Creditors: amounts falling due within one year	20	(73,484)	(51,898)	(69,918)	(40,754)
Net current assets / (liabilities)		10,568	35,238	(15,133) <sup>1</sup>	11,117
Total assets less current liabilities		1,282,844	1,235,945	1,273,811	1,229,119
Creditors: amounts falling due after more than one year	21	(1,034,826)	(996,539)	(1,037,149)	(998,936)
Provisions for liabilities and charges					
Deferred tax provision	27	(1,797)	(1,262)	-	-
Pension liability	31	(4,620)	(6,739)	(4,620)	(6,739)
Total net assets		241,601	231,405	232,042	223,444
Capital and reserves					
Income and expenditure reserve		225,221	213,712	215,662	205,751
Revaluation reserve		14,159	14,416	14,159	14,416
Restricted reserve		16	16	16	16
Non-equity share capital		-	-	-	-
Cashflow hedge reserve	36	2,205	3,261	2,205	3,261
Total reserves		241,601	231,405	232,042	223,444

<sup>1</sup>Note that the net current liability position at the year-end for the association is not a going concern issue, there is sufficiently liquidity to meet the needs of our creditors.

The accompanying notes form part of these financial statements. The financial statements were approved by the Board on 24th September 2025.

**Ingrid Fife**   
Board Member

**Lisa Bradley**   
Board Member

**Rob Parkes**   
Company Secretary

**Date of approval: 24th September 2025**

Yorkshire Housing Limited - Co-operative and Community Benefit Societies Act 2014 (registered number 30443R)

## Financial statements 2024-25:

# Consolidated financial statements

### Group cash flow statement

	2025 £'000	2024 £'000
<b>Net cash generated from operating activities (note 26)</b>	<b>58,938</b>	<b>36,476</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets - intangibles	(6,140)	(9,575)
Purchase of housing properties	(85,954)	(93,542)
Purchase of other fixed assets	(2,579)	(1,593)
Purchase of investment properties	(322)	(916)
Proceeds from sale of fixed assets and investment properties	12,557	13,954
Grants received	9,273	773
Interest received	741	1,085
Interest and dividends from joint venture	74	63
	(72,350)	(89,751)
<b>Cash flow from financing activities</b>		
Interest paid	(29,553)	(24,861)
Bank loan drawn down	82,063	179,242
Repayments of borrowings	(31,771)	(112,320)
	20,739	42,061
<b>Net change in cash and cash equivalents</b>	<b>7,327</b>	<b>(11,214)</b>
Cash and cash equivalents at beginning of the year	9,857	21,071
<b>Cash and cash equivalents at end of the year</b>	<b>17,184</b>	<b>9,857</b>
<b>Cash and cash equivalents</b>		
Cash deposits	6,181	4,840
Cash at bank	11,003	5,017
<b>Cash and cash equivalents as at 31 March</b>	<b>17,184</b>	<b>9,857</b>

The accompanying notes form part of these financial statements.

# Notes to the financial statements

### 1. Legal status

Yorkshire Housing Limited was incorporated on 1 April 2008 and is registered in England and Wales under the Cooperative and Community Benefit Societies Act 2014 (registered number 30443R). The Company is a registered social housing provider (Homes England registration L4521). The registered office is 3 Bunhill Row, London, England, EC1Y 8YZ.

The companies, Yorkshire Housing Limited and its subsidiaries, are referred to as 'the group'. Within the group there are three limited companies, a public limited company and two joint ventures. None of the subsidiaries are registered social housing providers. The principal activity of the group is the provision of social housing and housing management.

YH Residential Limited is a company limited by shares, registered with Companies House under the Companies Act 2006 (registered number 04604866). The principal activity of the company is the provision of market rented properties and property management. The registered address is the same as parent company.

Yorkshire Community Property Services Limited is registered with Companies House under the Companies Act 2006 (registered number 04131362). The Company is a non-trading company. The registered address is the same as parent company.

Yorkshire Housing Finance plc is registered with Companies House under the Companies Act 2006 (registered number 09237343) and has listed debt on the London Stock Exchange. The principal activity of the company is to provide long term funding to the group. The registered address is the same as parent company.

Yorkshire Housing Limited owns a 33% share of Yorkshire Transformations Holdings Limited ("YTHL"). YTHL owns 100% of its subsidiary Yorkshire Transformations Limited ("YTL") which manages the maintenance and refurbishment of homes on the Swarcliffe estate for Leeds City Council under a private finance initiative ("PFI").

YH Residential Limited owns a 20% share of Forge New Homes LLP ("FNH LLP") which provides housing in the Sheffield city region.

### Principal accounting policies

#### Basis of accounting

The consolidated financial statements of the Group and Association are prepared in accordance and are fully compliant with UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 (FRS102) and the Housing Statement of Recommended Practice 2018 (SORP 2018) and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The Public Benefit Entity sections of FRS102 have been applied. The financial statements are presented in sterling (£), which is also the functional currency.

#### Disclosure exemptions

The association has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by the FRS 102:

- The requirements of Section 7 to present a statement of cash flows and related notes.
- The requirement to present financial instrument disclosures.

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the financial statements of the group and all constituent subsidiaries.

### Going concern

The business plan has been prepared and presented to the YH Group Board. It reflects the ambitions of the Group but also includes multi variant stress testing to ensure the Group could continue to trade and remain compliant with covenants through potential downturns in the economy or other crisis. The period to September 2026 of the updated business plan forms the basis of our going concern assessment as a minimum.

Extensive multi-variant stress testing has been carried out to model the impact of any economic downturn including the impact of a worsening economic environment and government policy changes that might restrict social housing funding. Whilst these would limit the growth included within the business strategy, the modelling highlights the Group's ability to continue trading through severe adverse conditions.

Impacts mapped out in the stress testing include a delay to sales activity, inflationary pressures, increases in the cost of borrowing, increases in bad debts, a cap on rental income increases and reduction in government grant funding. Mitigations required would include reductions in spending on developments and other investments however, whilst limiting the growth of YHL, it would allow the Group to continue trading.

# Notes to the financial statements

### Going concern

YH is in a position where it has identified key risks to the business and has mitigations which can be utilised and put in place if required. The business plan provides a viable plan for the Group and YHR to continue to meet the YH Strategic goals for the next 30 years. The plan and stress testing shows that the Group can mitigate all multi-variant tests modelled and would be able to continue trading through adverse conditions and meet all funders covenants.

Implementation of mitigations would limit YHL's ability to meet all strategic goals within set time scales, however it would not present a Going Concern risk for the Group or YHL. In more extreme scenarios the level of mitigations required could necessitate significant structural changes to how the group operates. The Board have agreed clear prioritisation of mitigation measures.

The Group has sufficient liquidity, through cash reserves and unused credit facilities, to meet all liabilities for a period of 36 months after the Balance Sheet date. The Group has obtained additional £75m new financing through a NatWest term loan (£35m) and an RCF (£40m) from Lloyds, which will provide additional liquidity and headroom on both interest and gearing covenants. The Group is in a strong position to continue to meet its debt servicing requirements and adhere to the loan covenants set out.

On this basis the Board has reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. Therefore, management believes it is appropriate to adopt the going concern basis for presenting the financial statements for the year ended 31 March 2025.

### Basis of consolidation

The group consolidated financial statements include the results of Yorkshire Housing Limited's subsidiary companies Y H Residential Limited, Yorkshire Community Property Services Limited and Yorkshire Housing Finance plc, plus a 33% share of Yorkshire Transformations Holdings Limited and a 20% share of Forge New Homes LLP both of which are joint ventures.

Details of the subsidiary undertakings are included in note 18 to the financial statements. All intragroup transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Investments in subsidiaries are accounted for at cost less impairment in the relevant company's financial statements.

### Accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts where required or appropriate and other factors.

### Significant management judgements

The following are management judgements in applying the accounting policies of the group that have the most significant effect on the amounts recognised in the financial statements:

#### a) Classification and identification of investment properties

The group has reviewed the classification of properties owned and where properties do not meet the criteria for social benefit these have been identified, classed as investment properties, and valued at fair value. The group has determined that properties are for social benefit unless they are market rented, market sale, or commercial properties including garages, which are investment properties.

The group has classified all properties as either held for social benefit or for investment purposes. Where properties do not meet the required criteria, these are classed as investment properties and are held at fair value; social benefit properties are held at amortised cost. Valued properties totalled £37.7m at 31 March 2025.

#### b) Capitalisation of costs attributable to intangible assets

The Group capitalises software assets created whether they are purchased or internally generated where the costs are directly attributable and necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Judgements involved in this concern the allocation of people costs for individuals involved in these projects. Where there are capitalisable and non-capitalisable elements to these costs, a time sheet system has been used to allocate them.

#### c) Judgements involved in making an assessment of impairment

As part of the group's continuous review of the sustainability of its properties, homes or schemes are assessed for impairment indicators. Long term voids, stock disposals, non-housing properties, properties held for sale including shared ownership properties and work in progress are all reviewed for signs of impairment. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to the recoverable amount and any impairment losses are charged to the statement of comprehensive income.

# Notes to the financial statements

### c) Judgements involved in making an assessment of impairment (continued)

For the impairment review the following considerations have been made:

- Considered the extent to which a change in the current rent has materially impacted on the net income.
- Where there is a change in demand for properties that is considered to be irreversible i.e. increase in voids, exceeding budgeted levels which is not anticipated to change unless additional expenditure.
- Where there has been a material reduction in the value of properties where assets are intended or expected to be sold.
- If there is obsolescence of properties or part of a property – i.e. regeneration of properties where they demolish and rebuild.

Other assets including intangible ones are also reviewed for impairment if there is an indication that impairment may have occurred.

### Assessment of Joint Venture for consolidation

Management have considered the requirements under FRS 102 for the accounting treatment of joint ventures. Where joint ventures are making losses, and these losses are in excess of the investment value, the entity must stop recognising the investment once it has been reduced to zero. YTL has moved to positive net assets from net liabilities in 2024, following an improvement in operating result and cashflow hedge. It has therefore been consolidated on an equity basis within the group financial position. YTL generated a profit of £1.44m, YHLs share of this being £474k. The net asset share of £413k is still less than the investment of £553k.

For loans to joint ventures the Group has reviewed future projections for joint ventures to assess the likely recoverability of loans at the balance sheet date, this has required managements judgement regarding the recoverability of these loans.

In respect of Forge New Homes, YH Residential Limited holds a total nominal investment of £1m. This has been increased to reflect the share of net assets of £1.07m (as at 31 March 2025) required by FRS102. FNH net assets exceeded investment cost for the first time this year and has generated a profit of £737k. YHR's share of this is £147k.

### Classification of loans

The group has a number of bank loans and a bond, all of which have been classified as basic financial instruments under the definition given in section 11 of FRS 102 (except as noted below). The assessment of certain loans and interest rate fixes as basic financial instruments requires judgement. Certain loans have two-way break clauses which are applicable where the loan is repaid early and could result in a break cost or a break gain.

Management have considered the terms of its loan agreements and concluded that they do meet the definition of a basic financial instrument and therefore are held at amortised cost.

The exception is the loan linked ISDA entered into in conjunction with the refinancing exercise Yorkshire Housing Ltd undertook in 2023. We started the year with three swaps (all Santander) and in January one matured, ending the year with the aggregate notional value of £27.5m to hedge floating rate exposure. The swaps are not documented with a Credit Support Annex (CSA), which avoids the need to post any form of collateral in the future. The swaps are classified as non-basic financial instruments and measured at fair value with any changes in valuation taken through other comprehensive income and the cash flow hedge reserve.

### Estimation uncertainty

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### a) Useful lives of depreciable assets

Useful economic lives are reviewed by Management at each reporting date based on the expected lives of the assets. Accumulated depreciation totalled £252.6m at 31 March 2025. The carrying amount of housing properties was £1,208m at the year ended 31 March 2025.

### b) Capitalisation of development costs

The group capitalises development expenditure (allocating development costs to individual components upon completion) in accordance with the new build housing property accounting policy, this requires judgement on the period of time that interest can be capitalised against the build, deciding the point at which the build is complete with any future costs being written off and the value of staff time and overheads to be capitalised as part of the development. Development costs of £1,642k and interest of £6,382k were capitalised in the year ended 31 March 2025.

### c) Intangible assets

The group also capitalises software assets created. The Group capitalises software assets created whether purchased or internally generated where the costs are directly attributable and necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. There is some judgement involved in this and in particular how people costs are allocated for individuals involved in more than one aspect of projects.

# Notes to the financial statements

### c) Intangible assets (continued)

People costs are allocated based on the nature of the role performed. Where there are capitalisable and non-capitalisable elements, a time sheet system has been used to allocate costs. Amortisation is charged in the first month following the implementation of any software.

### d) Fair value measurement

Management uses valuation techniques to determine the fair value of assets which include commercial properties, investment properties and fixed asset investments. This involves developing estimates and assumptions consistent with how market participants would price the asset. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the latest information available. The annual valuation for investment properties is carried out by independent professional advisors, qualified by the Royal Institution of Chartered Surveyors to undertake valuations, using a market value short term tenancy basis of valuation.

The increase in fair value in the year was £117k.  
(2024: £800k)

### e) Pension costs

Estimates of the defined benefit obligation is determined using a number of actuarial valuations using underlying assumptions. These include discount rates, rates of inflation, future salaries and mortality rates. Variations in these assumptions may significantly impact the liability and the annual defined benefit expenses.

An obligation of £4.6m was recognised at 31 March 2025. Key areas of estimation uncertainty are the discount rate applied in the calculations, the inflation rate used, and the average life expectancy.

### Segmental reporting

Due to the Group having listed debt on the London Stock Exchange, it must apply International Reporting Standard 8 – Operating Segments (IFRS 8). Segmental reporting is reporting in the Group and Association's financial statements in respect of the Group's business segments, which are the primary basis of segmental reporting.

The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis.

Segmental reporting is presented in note 2 to the financial statements. As the Group has no activities outside of the UK, segmental reporting is not required by geographical region. The chief operating decision makers (CODM) have been identified as the Executive Management Team and the Board. The CODM review the Group's internal reporting to assess performance and allocate resources.

Management has determined the operating segments as housing services, development sales, asset sales and other. Housing services represents housing for social purposes and non-social housing lettings. Development sales includes 1st tranche, open market sales and sales & marketing costs.

Other includes all other central costs incurred for example ICT, finance and corporate services. The Group do not provide a measure of total assets and liabilities to the chief operating decision maker, therefore have not been disclosed as part of the operating segment analysis.

### Turnover and revenue recognition

The main source of revenue is rental and service charge income from lettings. Revenue is also generated from the sale of properties on the open market or through shared ownership. Other services included in turnover are contractual fees received in respect of private finance initiatives (PFIs), income from other support services, help to buy initiatives, home improvement agency fees, amortised government grants, sale of properties built or acquired for disposal, and other non-lettings income.

Revenue is recorded in respect of actual activity undertaken within each category. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred. Where activity has been delivered but the income has not been received in the financial year that income is included in turnover.

Rental income is recognised from the point when properties under development reach practical completion and are tenanted. Income from first tranche sales and sales of properties built for sale is recognised at the point when contracts are completed. Rental and service charge income is recognised on a straight-line basis, in accordance with the terms of the tenancy agreement, on an accrual basis. Revenue grants are recognised when the conditions for receipt of agreed grant funding have been met. Revenue arising from the sale of property is recognised on legal completion. Revenue from contracts for support services is recognised in line with the contractual terms when the services are rendered. Revenue from shared ownership sales is recognised on the legal completion of the first tranche disposal.



## Financial statements 2024-25:

# Notes to the financial statements

### Turnover and revenue recognition (continued)

If there is no requirement to recycle or repay the Government grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as turnover in the statement of comprehensive income. Third party contract revenue is recognised when the joint works are complete in line with the contract stipulations. The rechargeable repairs, lifecycle works and related income from the PFI is treated on the basis YH is a principal in the transaction.

### Non-Exchange transactions

Yorkshire Housing may enter into sales where the transaction is on a non-exchange rather than cash payment. Transactions are accounted for at market value with income recognised only when performance obligations have been met and a liability equivalent to the asset being recognised until that point. This could occur, for example, where land has been supplied with an obligation to provide a completed house at a future point.

The treatment followed is in line with FRS102 and specifically the Public Benefit Entity section 34, 'Specialised Activities'.

### Supported housing

Income and expenditure on housing accommodation is allocated on the basis of the number of units for each type of accommodation, except for staffing and running costs for which the level of expenditure is directly attributable.

### Fixed assets and depreciation

#### a) New build

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed properties when ready for letting or sale. The group's policy is to capitalise the costs associated with acquiring land and building, indirect costs directly attributable to the new build, interest costs and development expenditure including direct development staff cost.

#### b) Housing properties

Housing properties are stated at cost less accumulated depreciation. Properties acquired through merger, where they were previously stated at existing use value – Social Housing are stated at deemed cost on transfer to Yorkshire Housing Limited. The valuation at the merger date has been adopted as the deemed cost of acquisition of the properties. No depreciation is charged on land or for properties in the course of construction.

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

Existing schemes at the time of adoption had component values allocated based on a matrix produced by Savills. This was created to be used nationally by all housing associations. New schemes built by Yorkshire Housing since adoption have costs allocated using a local matrix produced by a third party which is reviewed and revised every five years based on construction costs.

Depreciation is charged by component from the date of acquisition until the date of disposal on a straight-line basis over the UEL of the component. When components are replaced, the remaining net book value is expensed as depreciation, and the asset is disposed.

Useful economic lives for identified components are as follows:

Housing properties	Years
Appliances upgrades	5
Communal area floor coverings	7
Security surveillance including CCTV	10
Fire protection systems	10
Furniture upgrades	10
Heating	13
TV aerials and communication equipment	15
Air source heat pump	15
Kitchen	20
Door entry systems	20
Warden call systems	20
Lifts	25
Solar panels	25
Bathroom	25
Windows and doors	25
Roof	50
Structure	75
Freehold land is not depreciated	

# Notes to the financial statements

## c) Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged by component from the date of acquisition until the date of disposal on a straight-line basis over the UEL of the component. No depreciation is charged on land. Leased office premises are depreciated over the term of the lease.

Useful economic lives for other fixed assets are as follows:

Other fixed assets	Years
Motor vehicles – residual value £2k	5
Computer equipment	3
Computer software	5
Computer data room	10
Fixtures and fittings	10
Freehold office and shops	60

## d) Impairment

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

Annually, housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the value in use of the asset based on its service potential. The resulting impairment loss is recognised in the statement of comprehensive income under operating cost (note 3). Where an asset is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and is included in surplus or deficit in the statement of comprehensive income.

In the year we have impaired a scheme at Derry Hill, which is still in development. A new contractor with increased costs to complete triggered a review, after the initial contractor went into liquidation. Due to the scheme still being in development and the impairment only applying to properties planned for sale, the impact of £954k is reported on the statement of financial position

under properties held for sale rather than fixed assets and on the statement of comprehensive income under cost of sales.

## e) Capitalisation of interest

Interest is capitalised on borrowings to finance the development of qualifying assets to the extent that it accrues in respect of the period of development it represents.

## f) Capitalisation of development costs

Costs directly attributable to bringing the asset to its working condition up to the date of completion are capitalised. Development labour and travel costs are allocated on the basis of property additions in the financial year including properties held in stock and work in progress but excluding capitalised major repairs. Development costs not capitalised are shown as other expenditure in note 3.

## g) Capitalisation of maintenance costs

Any expenditure on an existing property that meets one of the following circumstances is capitalised into one of the housing property components:

- Replacement or restoration of a component of the property that has been previously treated separately for depreciation purposes and has been depreciated over its individual useful economic life.
- The economic benefits of the property have been enhanced in excess of the previously assessed standard of performance.

Any expenditure on an existing property that does not replace a component or result in an enhancement of the economic benefits of that property is charged to the Statement of Comprehensive Income.

In cases where component assets within a property structure which are being replaced cannot be separately identified then the approach adopted is to capitalise the cost of the new component asset and derecognise an equivalent depreciated cost following depreciated replacement cost principles. This is calculated as the cost of the replacement item adjusted for depreciation based on the standard component life. This follows the treatment outlined in FRS102.

# Notes to the financial statements

### Intangible assets

Intangible fixed assets are stated at cost less accumulated amortisation. The Group capitalises software assets created whether purchased or internally generated where the costs are directly attributable and necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the criteria as follows is met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use it;
- there is an ability to use the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use the software are available; and the expenditure attributable to the software during its development can be reliably measured.
- Amortisation is charged over the useful economic life of the software, which is assumed to be no greater than 10 years.
- Amortisation is commenced in the first month following the implementation of any software.

### Government grants

Government grants include grants receivable from the Homes England (previously the Homes and Communities Agency), local authorities, and other government organisations.

Government grants received for housing properties are recognised in income over the UEL of the housing property structure and where applicable its individual components (excluding land) under the accruals model, in the case of new build this will be when the properties are completed.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate, once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England.

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 as turnover in the statement of comprehensive income.

### Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end. Properties let at a commercial rent are carried at fair value. The valuation is carried out by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuations. The basis of valuation is market value subject to tenancy. The properties are held as investment properties and are not subject to depreciation but re-valued annually. Any gains or losses are recognised in the statement of comprehensive income.

### Properties held for sale

Shared ownership first tranche sales, and property under construction and completed properties for outright sale are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour, direct development overheads and borrowing costs. Net realisable value is based on estimated sales prices after allowing for all further costs of completion and disposal. All properties are held within current assets, under properties held for sale and stock.

### Sale of tangible fixed assets

The surplus or deficit recognised on disposal of property assets that are deemed to be in the normal course of business will be included in operating activities and shown within operating surplus. These will include planned individual property sales, right to buy, right to acquire and stock rationalisation. Where disposals are non-routine and outside the remit of normal business these will be treated as non-operating, and any surplus/deficit will be disclosed below the operating surplus line.

### Investments

Investments in group companies are held at cost adjusted to reflect YH's share of profits or losses, less impairment.

### Current assets investments

Current asset investments are available at short notice. They include monies held on deposit which are readily available or withdrawn without penalty.

# Notes to the financial statements

### Debtors and creditors

Short term debtors and creditors are measured at transaction values. Debtors are shown less any impairment. Where deferral of payment terms has been agreed below market rate, and where material, the balance is shown at the present value, discounted at a market rate.

### Homebuy

Homebuy loans are treated as concessionary loans and are recognised at the amount paid to the purchaser.

No interest is accrued, and any impairment loss is recognised in the statement of comprehensive income. The associated Homebuy grant is recognised as deferred loan until the loan is redeemed.

### Leasing

When entering into a lease which requires taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a “finance lease”. The asset is recorded on the statement of financial position as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors.

Rentals payable are apportioned between the finance element, which is charged to the statement of comprehensive income, and the capital element which reduces the outstanding obligation for future instalments. All other leases are classified as operating leases.

The rentals paid under an operating lease which is defined as any lease which is not a finance lease, are charged to the statement of comprehensive income on a straight-line basis over the term of the lease. There are no finance leases as at 31st March 2025.

Operating lease income is recognised in turnover on a receivable basis over the lease term. This includes rental income from the Group/Association's portfolio of social and non-social housing properties and income from the sublet of office properties, including investment properties.

### Joint venture

The Group's interest in joint ventures are jointly controlled entities and the investment is accounted for using the equity method under FRS 102. The joint ventures are carried within the Group's financial statements at the Group's share of its net assets/liabilities and the Group recognises its share of the profits for the period.

One of the joint ventures has a different accounting period to the Group. However, Management deems that unless the difference is material then the year end results and position for the joint venture as at 31 December will be used in the consolidation and/or investment value.

FRS 102 states that where a joint venture is making losses that are in excess of the investment value, the entity must stop recognising the investment once it has been reduced to zero. Where the joint venture subsequently reports profits, the entity resumes recognising its share when its portion of profits equals the share of losses not recognised.

### Restricted reserve

Yorkshire Housing Limited maintains a restricted reserve for specific amounts donated to a hardship fund.

### Revaluation reserve

The difference on transition between the organisation assets that have been revalued and the historical cost carrying value is credited or debited to the revaluation reserve. The reserve is only applicable to housing assets held at deemed cost.

### Agency managed schemes

In addition to its own directly managed schemes, Yorkshire Housing Limited owns a number of schemes that are run by outside agencies.

Where Yorkshire Housing Limited carries the financial risk, all of the scheme's income and expenditure is included in the Statement of Comprehensive Income. Where the agency carries the financial risk, only the turnover and costs which relate solely to Yorkshire Housing Limited is included. Other turnover and costs of schemes in this category are excluded from the statement of comprehensive income.

### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date.

A deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable surpluses against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

# Notes to the financial statements

### Deferred taxation (continued)

Deferred tax relating to investment property that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset, except for investment property that has a limited useful life and is held in a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is measured on an undiscounted basis.

### Current taxation

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from net surplus as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current liability is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

### Value Added Tax

The group charges value added tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the group and not recovered from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

### Financial instruments

Financial instruments other than the interest rate swap hedge meet the criteria of a basic financial instrument as defined in section 11 FRS102. Financial instruments are held in the statement of financial position at gross proceeds less the cost of raising the funds which are amortised over the life of the loan and are accounted for in accordance with FRS102.

The financial instruments are initially recorded at amortised cost, adjusted for transaction costs. Subsequent measurement is as follows:

#### Financial liabilities

- Bonds and loans are classified as “financial liabilities” under FRS102 and are held at amortised cost using the effective interest rate method to allocate costs of issue, including the discount on issue.
- Accrued interest payable on the Bond is also classified as “other financial liabilities” and held at amortised cost.

#### Financial assets

- Financial assets such as cash, current asset investments and receivables are classified as “loans and receivables” under FRS 102 and are held at amortised cost using the effective interest rate method to allocate cost of issue, including the discount on issue.
- Accrued interest receivable on loans advanced to Yorkshire Housing Limited is classified as “loans receivables” and held at amortised cost as debtors due within one year.

Loan finance issue costs are written off evenly over the expected minimum life of the associated loan. Loans are stated in the statement of financial position at the gross amount less the unamortised portion of the associated issue costs.

Non-basic financial instruments are recognised at fair value using a third-party valuation with any gains or losses being reported in the income statements. At each year end, the instruments are revalued to fair value, with the movements posted to other comprehensive income (unless hedge accounting is applied). Further information is provided in Note 36.

### Service charge sinking funds and service costs

Unutilised contributions to service charge sinking funds and over-recovery of service costs which are repayable to tenants or leaseholders or are intended to be reflected in reductions to future service charge contributions are recognised as a liability in the statement of financial position.

The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund. Where there has been an under-recovery of leaseholders’ or tenants’ variable service charges and recovery of the outstanding balance is virtually certain, the balance is recognised in the statement of financial position as a trade receivable. Debit and credit balances on individual schemes are not aggregated as there is no right of set-off.

# Notes to the financial statements

### Pension costs

The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account. Interest is calculated on the net defined benefit liability.

Remeasurements are recognised as actuarial gains/losses reported in other comprehensive income.

As at 31 March 2025, the net defined benefit pension liability was £4.6m. Refer to Note 31 for more details.

### Investment in Preference Shares

The investment in preference shares comprises of the preference shares issued by YH Residential Limited, a wholly owned subsidiary of Yorkshire Housing Limited. The investment is held as a fixed asset in the parent accounts and is a basic financial instrument and is measured at cost less impairment. It is held as a creditor due in less than one year in YH Residential Limited.

### Gift Aid Policy

Yorkshire Housing Limited receives gift aid from its subsidiary undertaking, YH Residential Limited. This gift aid is received in the year following the year end in which it relates to and therefore Yorkshire Housing only recognise this income once YH Residential has created an obligation to pay it. This obligation is created at the point of payment.

# £4.6m

## Net defined benefit pension liability

(2024: £6.7m)



## Financial statements 2024-25:

# Notes to the financial statements

### 2. Group segmental reporting 2025

	2025				
	Housing services £'000	Development sales £'000	Asset sales £'000	Other £'000	Total £'000
Income from housing lettings	120,942	-	-	-	120,942
Development sales	-	36,635	-	-	36,635
Third party contracts	-	-	-	6,964	6,964
Home Improvement Agencies	-	-	-	(47)	(47)
Other income	-	-	-	937	937
<b>Turnover</b>	<b>120,942</b>	<b>36,635</b>	<b>-</b>	<b>7,854</b>	<b>165,431</b>
<b>Other income</b>	<b>-</b>	<b>-</b>	<b>12,695</b>	<b>-</b>	<b>12,695</b>
Service charge costs	(8,667)	-	-	-	(8,667)
Bad debts	(845)	-	-	-	(845)
Management	(33,107)	(2,125)	-	-	(35,232)
Routine maintenance	(23,818)	-	-	-	(23,818)
Planned maintenance	(8,080)	-	-	-	(8,080)
Major repairs expenditure	(22,639)	-	-	-	(22,639)
Major repairs expenditure (capitalised)	19,968	-	-	-	19,968
Depreciation of housing properties	(22,143)	-	-	-	(22,143)
Revaluation of investment properties / joint venture	-	-	-	192	192
Property leasing costs and agency fees	(105)	-	-	-	(105)
Third party contracts operating expenditure	-	-	-	(4,542)	(4,542)
Home Improvement Agencies operating expenditure	-	-	-	(14)	(14)
Costs of development sales	-	(30,972)	-	-	(30,972)
Cost of housing fixed asset sales	-	-	(7,437)	-	(7,437)
<b>Operating costs</b>	<b>(99,436)</b>	<b>(33,097)</b>	<b>(7,437)</b>	<b>(4,364)</b>	<b>(144,334)</b>
<b>Operating surplus</b>	<b>21,506</b>	<b>3,538</b>	<b>5,258</b>	<b>3,490</b>	<b>33,792</b>
Interest payable	-	-	-	(24,017)	(24,017)
Interest receivable	-	-	-	815	815
Share of surplus of joint ventures	-	-	-	356	356
<b>Total operating deficit (per SOCI)</b>	<b>21,506</b>	<b>3,538</b>	<b>5,258</b>	<b>(19,356)</b>	<b>10,946</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 2. Group segmental reporting 2024

	2024				
	Housing services £'000	Development sales £'000	Asset sales £'000	Other £'000	Total £'000
Income from housing lettings	108,152	-	-	-	108,152
Development sales	-	22,961	-	-	22,961
Third party contracts	-	-	-	6,406	6,406
Home Improvement Agencies	-	-	-	547	547
Other income	-	-	-	691	691
<b>Turnover</b>	<b>108,152</b>	<b>22,961</b>	<b>-</b>	<b>7,644</b>	<b>138,757</b>
<b>Other income</b>	<b>-</b>	<b>-</b>	<b>14,100</b>	<b>-</b>	<b>14,100</b>
Service charge costs	(8,308)	-	-	-	(8,308)
Bad debts	(739)	-	-	-	(739)
Management	(29,313)	(2,175)	-	-	(31,488)
Routine maintenance	(19,129)	-	-	-	(19,129)
Planned maintenance	(9,399)	-	-	-	(9,399)
Major repairs expenditure	(23,747)	-	-	-	(23,747)
Major repairs expenditure (capitalised)	19,923	-	-	-	19,923
Depreciation of housing properties	(20,111)	-	-	-	(20,111)
Revaluation of investment properties / joint venture	-	-	-	852	852
Property leasing costs and agency fees	(36)	-	-	-	(36)
Third party contracts operating expenditure	-	-	-	(5,061)	(5,061)
Home Improvement Agencies operating expenditure	-	-	-	(661)	(661)
Costs of development sales	-	(15,851)	-	-	(15,851)
Cost of housing fixed asset sales	-	-	(9,737)	-	(9,737)
<b>Operating costs</b>	<b>(90,859)</b>	<b>(18,026)</b>	<b>(9,737)</b>	<b>(4,870)</b>	<b>(123,492)</b>
<b>Operating surplus</b>	<b>17,293</b>	<b>4,935</b>	<b>4,363</b>	<b>2,774</b>	<b>29,365</b>
Interest payable	-	-	-	(23,161)	(23,161)
Interest receivable	-	-	-	1,148	1,148
<b>Total operating deficit (per SOCI)</b>	<b>17,293</b>	<b>4,935</b>	<b>4,363</b>	<b>(19,239)</b>	<b>7,352</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 3. Group particulars of turnover, operating costs and operating surplus

	2025			
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Operating surplus £'000
Group turnover and costs				
<b>Social housing lettings</b>	<b>117,769</b>	<b>-</b>	<b>(97,100)</b>	<b>20,669</b>
<b>Other social housing activities</b>				
First tranche shared ownership sales	22,635	(18,664)	-	3,971
Other activities	937	-	(1,787)	(850)
	23,572	(18,664)	(1,787)	3,121
<b>Non social housing activities</b>				
Non social lettings	3,172	-	(1,997)	1,175
Open market sales	14,001	(12,307)	(677)	1,017
Help to Buy initiatives	-	-	(1)	(1)
Third party contracts	6,964	-	(4,542)	2,422
Home improvement agencies	(47)	-	(14)	(61)
	24,090	(12,307)	(7,231)	4,552
<b>Total</b>	<b>165,431</b>	<b>(30,971)</b>	<b>(106,118)</b>	<b>28,342</b>

### 3. Group particulars of turnover, operating costs and operating surplus

	2024			
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Operating surplus £'000
Group turnover and costs				
<b>Social housing lettings</b>	<b>105,160</b>	<b>-</b>	<b>(88,900)</b>	<b>16,260</b>
<b>Other social housing activities</b>				
First tranche shared ownership sales	21,848	(15,076)	-	6,772
Other activities	691	-	(1,547)	(856)
	22,539	(15,076)	(1,547)	5,916
<b>Non social housing activities</b>				
Non social lettings	2,992	-	(2,067)	925
Open market sales	1,113	(774)	(519)	(180)
Help to Buy initiatives	-	-	(1)	(1)
Third party contracts	6,406	-	(5,061)	1,345
Home improvement agencies	547	-	(661)	(114)
	11,058	(774)	(8,309)	1,975
<b>Total</b>	<b>138,757</b>	<b>(15,850)</b>	<b>(98,756)</b>	<b>24,151</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 3. Particulars of turnover, operating costs and operating surplus (continued)

Association turnover and costs		2025		
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus £'000
Turnover and costs				
<b>Social housing lettings</b>	<b>117,768</b>	<b>-</b>	<b>(97,025)</b>	<b>20,743</b>
<b>Other social housing activities</b>				
First tranche shared ownership sales	22,635	(18,663)	(472)	3,500
Other activities	1,323	-	(1,852)	(529)
	23,958	(18,663)	(2,324)	2,971
<b>Non social housing activities</b>				
Non social lettings	45	-	(2)	43
Third party contracts	6,964	-	(4,542)	2,422
Home improvement agencies	(47)	-	(14)	(61)
	6,962	-	(4,558)	2,404
<b>Total</b>	<b>148,688</b>	<b>(18,663)</b>	<b>(103,907)</b>	<b>26,118</b>

Association turnover and costs		2024		
	Turnover £'000	Cost of sales £'000	Operating costs £'000	Surplus £'000
Turnover and costs				
<b>Social housing lettings</b>	<b>105,160</b>	<b>-</b>	<b>(88,900)</b>	<b>16,260</b>
<b>Other social housing activities</b>				
First tranche shared ownership sales	21,848	(15,076)	(368)	6,404
Other activities	1,081	-	(1,631)	(550)
	22,929	(15,076)	(1,999)	5,854
<b>Non social housing activities</b>				
Non social lettings	53	-	(1)	52
Third party contracts	6,406	-	(5,061)	1,345
Home improvement agencies	547	-	(661)	(114)
	7,006	-	(5,723)	1,283
<b>Total</b>	<b>135,095</b>	<b>(15,076)</b>	<b>(96,622)</b>	<b>23,397</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 3. Particulars of turnover, operating costs and operating surplus (continued)

Group operating activities	2025					2024
	General needs housing £'000	Housing for older people £'000	Supported housing and care homes £'000	Shared ownership £'000	Total £'000	Total £'000
<b>Turnover and costs from social housing lettings</b>						
<b>Turnover from lettings</b>						
Rent receivable net of identifiable service charges	93,208	3,871	2,229	5,985	105,293	93,509
Supporting people income	109	407	(13)	-	503	1,152
Service charge income	3,947	1,706	694	939	7,286	6,752
Amortised government grants	3,748	250	98	590	4,686	3,747
<b>Turnover from lettings</b>	<b>101,012</b>	<b>6,234</b>	<b>3,009</b>	<b>7,514</b>	<b>117,768</b>	<b>105,160</b>
<b>Cost of lettings</b>						
Management	(27,895)	(1,518)	(1,236)	(1,035)	(31,684)	(28,494)
Service charge costs	(5,048)	(1,645)	(1,037)	(532)	(8,262)	(7,955)
Routine maintenance	(21,920)	(856)	(418)	(201)	(23,395)	(18,811)
Planned maintenance	(7,518)	(312)	(141)	(33)	(8,004)	(8,943)
Major repairs expenditure	(2,476)	(145)	(49)	(5)	(2,675)	(3,815)
Bad debts	(784)	(37)	(9)	(2)	(832)	(735)
Property leasing costs and agency fees	(100)	-	(5)	-	(105)	(36)
Depreciation of housing properties	(19,606)	(891)	(336)	(1,310)	(22,143)	(20,111)
Impairment of intangible assets	-	-	-	-	-	-
<b>Operating cost of lettings</b>	<b>(85,347)</b>	<b>(5,404)</b>	<b>(3,231)</b>	<b>(3,118)</b>	<b>(97,100)</b>	<b>(88,900)</b>
<b>Operating surplus/ (deficit) on lettings</b>	<b>15,665</b>	<b>830</b>	<b>(222)</b>	<b>4,396</b>	<b>20,668</b>	<b>16,260</b>
<b>Rent losses from voids</b>	<b>864</b>	<b>172</b>	<b>83</b>	<b>3</b>	<b>1,122</b>	<b>1,481</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 3. Particulars of turnover, operating costs and operating surplus (continued)

Association operating activities						2024
	2025					Total £'000
	General needs £'000	Housing for older people £'000	Supported housing and care homes £'000	Shared ownership £'000	Total £'000	
<b>Turnover and costs from social housing lettings</b>						
<b>Turnover from lettings</b>						
Rent receivable net of identifiable service charges	93,208	3,871	2,229	5,985	105,293	93,509
Supporting people income	109	407	(13)	-	503	1,152
Service charge income	3,947	1,706	695	939	7,287	6,752
Amortised government grants	3,748	250	98	590	4,686	3,747
<b>Turnover from lettings</b>	<b>101,012</b>	<b>6,234</b>	<b>3,009</b>	<b>7,514</b>	<b>117,769</b>	<b>105,160</b>
<b>Cost of lettings</b>						
Management	(27,821)	(1,518)	(1,236)	(1,034)	(31,609)	(28,494)
Service charge costs	(5,047)	(1,645)	(1,037)	(532)	(8,261)	(7,955)
Routine maintenance	(21,920)	(856)	(418)	(201)	(23,395)	(18,811)
Planned maintenance	(7,518)	(312)	(141)	(33)	(8,004)	(8,943)
Major repairs expenditure	(2,476)	(145)	(49)	(5)	(2,675)	(3,815)
Bad debts	(784)	(37)	(9)	(2)	(832)	(735)
Property leasing costs and agency fees	(100)	-	(5)	-	(105)	(36)
Depreciation of housing properties	(19,607)	(891)	(336)	(1,310)	(22,144)	(20,111)
Impairment of intangible assets	-	-	-	-	-	-
<b>Operating cost of lettings</b>	<b>(85,273)</b>	<b>(5,404)</b>	<b>(3,231)</b>	<b>(3,117)</b>	<b>(97,025)</b>	<b>(88,900)</b>
<b>Operating surplus/ (deficit) on lettings</b>	<b>15,739</b>	<b>830</b>	<b>(222)</b>	<b>4,397</b>	<b>20,744</b>	<b>16,260</b>
<b>Rent losses from voids</b>	<b>864</b>	<b>172</b>	<b>83</b>	<b>3</b>	<b>1,122</b>	<b>1,481</b>



## Financial statements 2024-25:

# Notes to the financial statements

### 3. Particulars of turnover, operating costs and operating surplus (continued)

	Group		Association	
	2025	2024	2025	2024
Group other income / (losses)	£'000	£'000	£'000	£'000
Revaluation gain/ (loss) on investment properties	117	800	(17)	112
(Loss) / gain on current asset investments	-	-	-	-
Gain/ (loss) on investment in Forge New Homes	75	52	-	-
Gift Aid	-	-	222	3,896
	<b>192</b>	<b>852</b>	<b>205</b>	<b>4,008</b>

### 4. Yorkshire Housing property portfolio

	Group		Association	
	Number of units	Number of units	Number of units	Number of units
	2025	2024	2025	2024
<b>Housing properties</b>				
General needs	9,524	9,481	9,524	9,481
Housing for older people	837	837	837	837
Affordable properties	4,903	4,812	4,903	4,812
Shared ownership	1,571	1,379	1,571	1,379
Intermediate rent	1,538	1,461	1,538	1,461
Market rent	341	344	-	-
Supported housing and care homes	175	183	175	183
<b>Total managed</b>	<b>18,889</b>	<b>18,497</b>	<b>18,548</b>	<b>18,153</b>
<b>Accommodation owned, managed by other bodies</b>	<b>243</b>	<b>239</b>	<b>243</b>	<b>239</b>
<b>Properties awaiting sale</b>	<b>109</b>	<b>136</b>	<b>63</b>	<b>70</b>
All completed properties	19,241	18,872	18,854	18,462
<b>Properties in development at the year end</b>	<b>1,271</b>	<b>1,585</b>	<b>1,228</b>	<b>1,509</b>

	Group	Association
Stock movements in year	Number of units	Number of units
As at 1st April	18,872	18,462
Transfer from other providers	-	-
Disposal/demolition	(61)	(61)
RTA/RTB/staircasing	(45)	(45)
New build/acquisitions	485	485
Other	(10)	13
<b>As at 31st March</b>	<b>19,241</b>	<b>18,854</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 5. Operating surplus

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Operating surplus is stated after charging</b>				
Depreciation of housing properties	22,143	20,111	22,143	20,111
Depreciation of other tangible fixed assets	630	842	625	839
Amortisation of intangible assets	533	2,458	533	2,458
Loss on disposal of other tangible fixed assets	(16)	(1,899)	(16)	(1,898)
<b>Operating lease rentals</b>				
- land and buildings	1,582	1,466	1,059	627
- office equipment and computers	-	-	-	-
- vehicles	642	685	642	685
<b>Auditors' remuneration (excluding VAT)</b>				
- audit services for the parent	102	101	102	101
- audit services for the subsidiaries	40	39	40	39
<b>Total</b>	<b>142</b>	<b>140</b>	<b>142</b>	<b>140</b>

Depreciation of housing properties includes £1,234k relating to costs written off on disposal which is not included in note 13 - Tangible fixed assets – housing properties.

### 6. Gain on disposal of housing properties

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Housing property</b>				
Disposal proceeds (housing property)	8,024	9,725	7,518	9,364
Carrying value of fixed assets (housing property)	(4,259)	(5,725)	(3,728)	(5,287)
Costs associated with disposal (housing property)	(120)	(133)	(114)	(128)
	<b>3,645</b>	<b>3,867</b>	<b>3,676</b>	<b>3,949</b>
<b>Shared ownership (staircasing)</b>				
Disposal proceeds	4,671	3,109	4,671	3,109
Carrying value of fixed assets	(3,024)	(1,968)	(3,024)	(1,968)
Costs associated with disposal	(18)	(13)	(18)	(13)
	<b>1,629</b>	<b>1,128</b>	<b>1,629</b>	<b>1,128</b>
<b>Non housing property</b>				
Disposal proceeds (non housing property)	-	1,266	-	1,266
Carrying value of fixed assets (non housing property)	(16)	(1,899)	(16)	(1,899)
Costs associated with disposal (non housing property)	-	-	-	-
	<b>(16)</b>	<b>(633)</b>	<b>(16)</b>	<b>(633)</b>
<b>Total</b>	<b>5,258</b>	<b>4,362</b>	<b>5,289</b>	<b>4,444</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 7. Interest receivable and other income

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest receivable from cash deposits	741	1,085	653	999
Joint venture dividends and deposits	74	63	74	63
<b>Total</b>	<b>815</b>	<b>1,148</b>	<b>727</b>	<b>1,062</b>

### 8. Interest payable and financing costs

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Payable on bank loans	29,641	26,713	19,556	16,515
On amounts payable to group companies	-	-	10,469	10,511
Defined benefit pension scheme	291	277	291	277
Unwinding amortised bond issue costs	32	26	(927)	(907)
Other amortised loan costs	352	218	305	214
Bond cost	83	80	83	80
	30,399	27,314	29,777	26,690
Less: Interest capitalised	(6,382)	(4,153)	(6,382)	(4,153)
<b>Total</b>	<b>24,017</b>	<b>23,161</b>	<b>23,395</b>	<b>22,537</b>
<b>Additional Financing costs</b>				
Loan break costs - refinancing	-	-	-	-
<b>Total</b>	<b>24,017</b>	<b>23,161</b>	<b>23,395</b>	<b>22,537</b>

Interest has been capitalised at an average rate of 6.07% in 2025 (2024: 4.05%).

## Financial statements 2024-25:

# Notes to the financial statements

### 9. Remuneration of the Board and Directors

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Aggregate emoluments payable to Board and Committee members	226	185	226	185
Aggregate emoluments payable to executive directors	956	745	956	745
Aggregate remuneration of key management personnel (including Employers' National Insurance)	1,067	833	1,067	833

#### Board

Board and Committee members received emoluments of £226k (2024: £185k).

	2025 £'000	2024 £'000
<b>Remuneration by non-executive Board Member (excludes Committee Members):</b>		
Ingrid Fife (Chair)	28	23
Jacqueline Esimaje-Heath	15	13
Isabel Hunt	8	10
Leann Hearne	18	15
Matthew Blake	15	13
Ian Costigan	11	10
Eleanor Stead	15	13
Sarah Atta-Nugent	8	-
Lisa Bradley	11	10
Russell Galley	18	14
Nicola Passmore	11	4
<b>Total</b>	<b>158</b>	<b>125</b>

#### Directors

The emoluments paid to the executive directors of the group were £956k (2024: £745k).

Emoluments paid to the highest paid director were £250k (2024: £237k).

The Chief Executive is a member of the Social Housing Pension Scheme. He is an ordinary member of the pension scheme, and no enhanced or special terms apply. The association does not make any further contributions to the pension scheme for the Chief Executive.

#### Key management personnel

Key management personnel are considered to be the executive directors of the group.

The aggregate remuneration of key management personnel (including employers' national insurance contributions) for the financial year was £1,067k (2024: £833k). This sum includes executive directors only. Remuneration for Board and Committee members is as shown separately above.

During the year the aggregate compensation for loss of office for key management personnel was £41k (2024: £nil).

## Financial statements 2024-25:

# Notes to the financial statements

### 10. Employee information

	Group		Association	
	2025 No.	2024 No.	2025 No.	2024 No.
The average monthly number of persons (including the Chief Executive) expressed as full-time equivalents (FTE) of 35 hours per week. Employed during the financial year was:	847	784	847	784

	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Staff costs (for the above person including Board Members on payroll)</b>				
Wages and salaries	34,431	30,580	33,717	29,971
Social security costs	3,412	2,996	3,339	2,935
Other pension costs	1,696	1,466	1,660	1,435
<b>Total</b>	<b>39,539</b>	<b>35,042</b>	<b>38,716</b>	<b>34,341</b>

16.8 FTE (2024: 15.6 FTE) were remunerated by the Association and recharged at £822k (2024: £701k) to Y H Residential Limited. These are primarily the sales team.

Figures above exclude national insurance rebates for sick and maternity pay.

The number of employees including directors who received emoluments in the following ranges:

	2025 No.	2024 No.
<b>The number of employees including directors who received emoluments in the following ranges</b>		
£250,001 to £260,000	1	-
£240,001 to £250,000	-	1
£190,001 to £200,000	1	-
£180,001 to £190,000	1	-
£170,000 to £180,000	1	1
£160,001 to £170,000	1	-
£130,001 to £140,000	1	-
£120,001 to £130,000	1	2
£110,001 to £120,000	2	3
£100,001 to £110,000	3	2
£90,001 to £100,000	5	3
£80,001 to £90,000	13	13
£70,001 to £80,000	10	9
£60,001 to £70,000	33	24
<b>Total</b>	<b>73</b>	<b>58</b>

The prior year emolument bandings have been reviewed and restated due to inconsistencies in the bandings.

## Financial statements 2024-25:

# Notes to the financial statements

### 11. Taxation

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Current tax</b>	<b>486</b>	-	-	-
<b>Deferred tax:</b>				
Origination and reversal of timing difference	(54)	65	-	-
Changes in tax rates	-	-	-	-
Adjustment in respect of previous periods	102	-	-	-
<b>Total deferred tax</b>	<b>534</b>	<b>65</b>	-	-

The charge for the year can be reconciled to the surplus shown in statement of comprehensive income as follows:

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Surplus for the financial year before taxation	10,946	7,352	8,944	10,374
Tax at standard UK rate of 25% (2024: 25%)	2,736	1,838	2,236	2,593
<b>Factors affecting total tax charge for the current period</b>				
Expenses not deductible	-	20	(2,236)	(2,593)
Income not taxable	(2,288)	(1,737)	-	-
Losses	-	-	-	-
Tax rate change	-	-	-	-
Adjustment in respect of prior years	102	-	-	-
Revaluations	-	-	-	-
Qualifying charitable donations	-	(56)	-	-
Gains rollover relief	25	-	-	-
Share of LLP profit/ (loss)	(41)	-	-	-
Capital gain/ (loss)	-	-	-	-
	<b>534</b>	<b>65</b>	-	-



## Financial statements 2024-25:

# Notes to the financial statements

### 12. Intangible fixed assets

Group and association		Software intangible assets £'000
<b>Cost</b>		
At 1 April 2024		25,220
Additions		6,140
Disposals		-
<b>At 31 March 2025</b>		<b>31,360</b>
<b>Accumulated amortisation</b>		
At 1 April 2024		12,980
Amortisation charged in year		533
Accumulated depreciation and impairment		-
Eliminated in respect of disposals		-
<b>At 31 March 2025</b>		<b>13,513</b>
<b>Net book value at 31 March 2025</b>		<b>17,847</b>
At 31 March 2024		12,240

## Financial statements 2024-25:

# Notes to the financial statements

### 13. Tangible fixed assets – housing properties

Group and Association	Restated Social housing properties held for lettings £'000	Restated Housing properties for letting under construction £'000	Restated Shared ownership properties under construction £'000	Restated Completed shared ownership housing properties £'000	Restated Total housing properties £'000
<b>Cost</b>					
At 1 April 2024 as previously stated	1,164,995	50,322	34,915	126,657	1,376,889
Prior period adjustment (note 38)	(2,991)	-	-	(61)	(3,052)
At 1 April 2024 restated	1,162,004	50,322	34,915	126,596	1,373,837
Additions	-	46,461	25,906	-	72,367
Works to existing properties	19,968	-	-	-	19,968
Schemes completed	45,334	(45,334)	(33,733)	33,733	-
Disposals	(7,205)	-	-	(3,145)	(10,350)
<b>At 31 March 2025</b>	<b>1,220,101</b>	<b>51,449</b>	<b>27,088</b>	<b>157,184</b>	<b>1,455,822</b>
<b>Depreciation and impairment</b>					
At 1 April 2024 as previously stated	226,985	-	-	4,079	231,065
Prior period adjustment (note 38)	(979)	-	-	(13)	(992)
At 1 April 2024 restated	226,006	-	-	4,066	230,073
Depreciated charged in year	19,598	-	-	1,311	20,909
Impairment charged in year	-	-	-	-	-
Released on disposal (note 6)	(3,347)	-	-	(75)	(3,422)
<b>At 31 March 2025</b>	<b>242,258</b>	<b>-</b>	<b>-</b>	<b>5,302</b>	<b>247,560</b>
<b>Net book value at 31 March 2025</b>	<b>977,843</b>	<b>51,449</b>	<b>27,088</b>	<b>151,882</b>	<b>1,208,262</b>
Net book value at 31 March 2024	935,997	50,322	34,915	122,530	1,143,764

Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount.

Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

Development costs have been capitalised amounting to £1,642k (2024: £1,588k).

Interest has been capitalised at a rate of 6.07% (2024: 4.05%) during the financial year and amounted to £6,382k (2024: £4,153k). For 2024/25 Yorkshire Housing has changed the basis of accounting estimate to the marginal interest for new lending rather than the average rate.

## Financial statements 2024-25:

# Notes to the financial statements

### 13. Tangible fixed assets – housing properties (continued)

Housing properties are shown	2025	Restated 2024
	£'000	£'000
At cost	1,384,945	1,302,749
At valuation	70,877	71,088
	<b>1,455,822</b>	<b>1,373,837</b>

The association acquired 6,337 units of housing stock through mergers with Ryedale Housing in 1999 and Brunel Housing in 2005. Ryedale included their housing stock at Existing Use Value – Social Housing Value (EUV – SH), with the resulting increase in carrying value arising from the valuation transferred to a revaluation reserve. Brunel included their housing stock at cost. Yorkshire Housing Ltd includes its directly acquired and developed housing property in its balance sheet at cost less depreciation less any impairment losses. The property transferred from Ryedale Housing and Brunel Housing is stated in the Yorkshire Housing Ltd balance sheet at deemed cost; being the EUV – SH value at the respective dates of merger. The corresponding revaluation reserves were transferred to Yorkshire Housing Ltd and are amortised over the useful life of the assets associated with the reserve. The total value of assets included in the balance sheet at 31 March 2025 at deemed cost is £70,877m.

Group expenditure on works to existing properties during the year amounted to £54.0m (2024: £51.5m) of which £20.0m (2024: £19.9m) was capitalised and included as works to existing properties.

	2025	2024
	£'000	£'000
Total grant received for existing properties	398,090	388,141
Less amortised through the statement of comprehensive income	(76,391)	(72,029)
<b>Total deferred grant in the statement of financial position</b>	<b>321,699</b>	<b>316,112</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 14. Other tangible fixed assets

Group	Freehold offices £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2024	484	5,262	358	286	6,390
Additions	-	751	1,828	-	2,579
Disposals	-	-	-	(188)	(188)
<b>At 31 March 2025</b>	<b>484</b>	<b>6,013</b>	<b>2,186</b>	<b>98</b>	<b>8,781</b>
<b>Accumulated depreciation</b>					
At 1 April 2024	210	3,738	316	255	4,519
Depreciation charged in year	6	616	8	-	630
Eliminated in respect of disposals	-	(4)	-	(167)	(171)
<b>At 31 March 2025</b>	<b>216</b>	<b>4,350</b>	<b>324</b>	<b>88</b>	<b>4,978</b>
<b>Net book value at 31 March 2025</b>	<b>268</b>	<b>1,663</b>	<b>1,862</b>	<b>10</b>	<b>3,803</b>
At 31 March 2024	274	1,524	42	31	1,871

Association	Freehold offices £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2024	484	5,178	322	287	6,271
Additions	-	751	1,828	-	2,579
Disposals	-	-	-	(189)	(189)
<b>At 31 March 2025</b>	<b>484</b>	<b>5,929</b>	<b>2,150</b>	<b>98</b>	<b>8,661</b>
<b>Accumulated depreciation</b>					
At 1 April 2024	210	3,656	279	255	4,400
Depreciation charged in year	6	610	9	-	625
Eliminated in respect of disposals	-	-	-	(167)	(167)
<b>At 31 March 2025</b>	<b>216</b>	<b>4,266</b>	<b>288</b>	<b>88</b>	<b>4,858</b>
<b>Net book value at 31 March 2025</b>	<b>268</b>	<b>1,663</b>	<b>1,862</b>	<b>10</b>	<b>3,803</b>
At 31 March 2024	274	1,522	43	32	1,871

## Financial statements 2024-25:

# Notes to the financial statements

### 15. Investment properties non-social housing and commercial properties held for letting

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
At 1 April	37,635	35,914	4,069	3,957
Additions	322	1,359	-	-
Properties for disposal	(388)	(438)	-	-
Increase (decrease) in value	117	800	(16)	112
<b>Total</b>	<b>37,686</b>	<b>37,635</b>	<b>4,053</b>	<b>4,069</b>

Investment properties consist of market rented housing properties, garages and commercial units. In accordance with the group accounting policy, investment properties have been included at their market value. The properties were valued as at 31 March 2025 by Savills Chartered Surveyors. The valuation was undertaken on the basis of market value and in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors, the NHF financial reporting SORP and represents the aggregate of all the units, assuming phased disposal without deduction of costs or incentives. No allowances were made for the vendor's sale costs or for any tax liabilities, which may arise upon the property disposal.

In valuing investment properties, a discounted cash flow methodology was adopted with key assumptions:

	2025	2024
Discount rate	5.00 to 7.00%	5.8%
Exit yield	5.71%	5.0%
Percentage of vacant	82.00%	n/a
Annual rental growth (nominal)	Savills adopt the Net Yield methodology	10.2-12% for houses -1.1-17% for flats
Stamp Duty Land Tax	At the prevailing rates	At the prevailing rates

Underlying inflation was excluded from the cashflow model therefore the income and cost increases noted here are above inflation increases. This has been considered when selecting the appropriate discount rates.

### 16. Properties held for sale and stock

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Van stock - materials	851	673	851	673
<b>Completed properties held for sale</b>				
Completed - First tranche shared ownership	4,791	4,750	4,791	4,750
Completed - Properties for market sale	16,524	22,734	-	-
<b>Partially completed properties</b>				
Partial - First tranche shared ownership	16,816	18,640	16,816	18,640
Partial - Properties for market sale	6,259	12,290	-	-
<b>Total</b>	<b>45,241</b>	<b>59,087</b>	<b>22,458</b>	<b>24,063</b>

The Completed – First tranche shared ownership line is after the impairment of properties at the Derry Hill scheme amounting to £954k.

## Financial statements 2024-25:

# Notes to the financial statements

### 17. Debtors

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Due within one year</b>				
Arrears of rent and service charges	4,607	4,029	4,563	3,991
Provision for bad and doubtful debt	(2,740)	(2,497)	(2,701)	(2,462)
	<b>1,867</b>	<b>1,532</b>	<b>1,862</b>	<b>1,529</b>
Prepayments and accrued income	5,930	4,416	5,583	4,266
Other debtors	12,470	10,884	11,788	9,194
Loan to joint venture	1,360	1,360	-	-
Amounts owed by group undertakings	-	-	693	3,313
	<b>21,627</b>	<b>18,192</b>	<b>19,926</b>	<b>18,302</b>

### 18. Investments, cash and cash equivalents

<b>Fixed asset investments:</b>	<b>2025</b>	<b>2024</b>
<b>Group</b>	<b>£'000</b>	<b>£'000</b>
Investment in Forge New Homes	1,000	925
Interest in Joint Ventures above investment	485	-
	<b>1,485</b>	<b>925</b>

<b>Fixed asset investments:</b>	<b>2025</b>	<b>2024</b>
<b>Association</b>	<b>£'000</b>	<b>£'000</b>
Investment in group undertakings	900	900
Investment in group undertakings - Preference Shares	50,000	50,000
Investment in Yorkshire Transformation Holdings	553	553
<b>Total</b>	<b>51,453</b>	<b>51,453</b>

### Yorkshire Transformations Limited and Yorkshire Transformations Holdings Limited

Yorkshire Transformations Limited is a wholly owned subsidiary of Yorkshire Transformations Holdings Limited. Yorkshire Housing Limited holds one third of the share capital of Yorkshire Transformations Holdings Limited.

The principal activity of this company is the refurbishment and maintenance of homes in the Swarcliffe area of Leeds under a Private Finance Initiative with Leeds City Council. Yorkshire Transformations Holdings Limited and Yorkshire Transformations Limited have a non-coterminous year end with the Group, being 31 December.

Yorkshire Housing Limited has a 33% share of Yorkshire Transformations Holding Limited. That proportion of net income and expenditure is therefore consolidated into the Group's financial statements. Yorkshire Housing Limited has also included its share of the gross assets and liabilities of the joint venture.

The financial statements of Yorkshire Transformations Holdings Limited and Yorkshire Transformations Limited are prepared under International Financial Reporting Standards (IFRS). YTL has entered into swap agreements fixing the interest rate at 5.292% until March 2033. The swap has been designed as a cash flow hedge; the hedge is highly effective. The fair value of these derivatives is based on quoted prices in active markets, with the movements in fair value each year recognised in the change in fair value of effective cash flow hedges within other comprehensive income.

The turnover for Yorkshire Transformations Limited includes the charge for Facilities Management from Yorkshire Housing Limited which is recharged to Leeds City Council. The Yorkshire Transformations Limited share was not subject to equity consolidation 2024 because it had net liabilities and therefore no share was attributable above the investment cost.

## Financial statements 2024-25:

# Notes to the financial statements

### Forge New Homes LLP

Forge New Homes LLP (FNH) is a partnership between Cube Homes Limited, Guinness Homes Limited, Together Commercial Limited, SYHA Enterprises Limited and YH Residential Limited for the development and sale of residential property across the Sheffield city region. It is a jointly controlled entity which draws from the specialisms of each party in the delivery and management of its joint targets.

This includes policies and procedures agreed to be consistent with its parent entities. The basis for accounting is FRS102.

The Forge New Homes LLP share attributable to YH Residential Limited was not subject to equity consolidation 2024 because it was held at cost less impairment and therefore no further share was attributable.

	2025 £'000	2024 £'000
<b>Profit and loss</b>		
<b>Yorkshire Transformations Limited and Yorkshire Transformations Holdings Limited</b>		
Share percentage	33%	33%
Group share of surplus	209	-
Group share of other comprehensive income	266	-
<b>Forge New Homes LLP</b>		
Share percentage	20%	20%
Group share of surplus	147	925
<b>All Joint Ventures</b>		
Group share of surplus	622	-

### 18. Investments, cash and cash equivalents (continued)

	2025 £'000	2024 £'000
<b>Yorkshire Transformations Holdings as at 31 December 2024 - 33% share</b>		
Share of net assets	608	303
Less share of cashflow hedge reserve	(195)	(398)
	<b>413</b>	<b>(95)</b>
<b>Forge New Homes as at 31 March 2025 - 20% share</b>		
Share of net assets	1,072	925
	<b>1,072</b>	<b>925</b>
<b>All Joint Ventures</b>		
Share of net assets	1,485	925
	<b>1,485</b>	<b>925</b>



## Financial statements 2024-25:

# Notes to the financial statements

### 18. Investments, cash and cash equivalents (continued)

In March 2017, Y H Residential Limited issued 32,000,000 £1 preference shares. In October 2019, the remaining 18,000,000 £1 preference shares were issued. The shares are non-voting redeemable preference shares of £1 each in the capital of Y H Residential designated as a Preference Share. The preference shares are redeemable at 5 days' notice at the behest of the parent company.

The preference shares are non-convertible and are a basic financial instrument measured at cost less impairment. There are no dividend or interest commitments in respect of these preference shares. There is no fixed maturity or redemption date.

As at 31 March 2025, all 50,000,000 of these shares have been called up and fully paid (2024: 50,000,000 shares).

All investments consolidate out at the group level with the exclusion of the Forge New Homes investment. The investment at 31 March 2025 is £1,000k (2024: £925k).

Following the treatment required by FRS102 the investment has been adjusted at Group level to reverse the previous share of accumulated losses and reflect the share of surplus totalling £147k as at 31 March 2025.

The Board believe that the carrying value of the investments is supported by their underlying net assets.

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Cash and cash equivalents</b>				
Cash deposits	6,181	4,840	6,181	4,840
Cash at bank	11,003	5,017	6,220	4,666
<b>Total</b>	<b>17,184</b>	<b>9,857</b>	<b>12,401</b>	<b>9,506</b>

The cash deposits are deposited with building societies and banks but are not available for immediate access.

### 19. Homebuy loans

	2025 £'000	2024 £'000
<b>Group and association</b>		
At 1 April	1,011	1,052
Redeemed in the year	(23)	(41)
<b>At 31 March</b>	<b>988</b>	<b>1,011</b>

No interest was payable or receivable on Homebuy loans in either financial year.

# Financial statements 2024-25:

## Notes to the financial statements

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

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Due within one year</b>				
Borrowings (Note 24) < 1 Yr	26,554	9,749	26,554	1,549
Bank loan interest	9,631	9,107	3,212	2,634
Trade creditors	4,852	6,674	4,813	6,609
Rent and service charges received in advance	6,029	4,686	5,726	4,395
Other taxation and social security costs	1,207	1,145	1,207	1,145
Accruals and deferred income	18,772	14,119	16,940	13,056
Amounts owed to group undertakings	-	-	5,027	4,948
Deferred capital grants (Note 23)	6,439	6,418	6,439	6,418
<b>Total</b>	<b>73,484</b>	<b>51,898</b>	<b>69,918</b>	<b>40,754</b>

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

	Group		Association	
	2025	Restated 2024	2025	Restated 2024
	£'000	£'000	£'000	£'000
<b>Due after more than one year</b>				
Borrowings (Note 24) > 1 Yr	689,224	654,777	434,224	399,778
Amounts owed to group undertakings	-	-	255,000	255,000
Recycled capital grant fund (Note 22)	8,563	9,563	8,563	9,563
Held on behalf of leaseholders	2,212	1,987	2,212	1,987
Homebuy grant	988	1,011	988	1,011
Deferred capital grant (Note 23)	315,260	309,694	315,260	309,694
	<b>1,016,247</b>	<b>977,032</b>	<b>1,016,247</b>	<b>977,033</b>
Less bond issue costs, discount and premium on issue (Note 24)	18,580	19,507	(3,276)	(3,233)
Less issue costs owed to group undertakings	-	-	24,179	25,137
<b>Total</b>	<b>1,034,827</b>	<b>996,539</b>	<b>1,037,150</b>	<b>998,937</b>

The amounts owed to group undertakings of £255,000k represents the on lending of the Public Bond that was issued by Yorkshire Housing Finance Plc, a wholly owned subsidiary. Full details of the associated instrument are given in Note 24. Loans are secured against 14,268 properties, with a further 4,468 units available for security.

The bond issue costs disclosed above relate to the three bonds included within note 24.

## Financial statements 2024-25:

# Notes to the financial statements

### 22. Recycled Capital Grant Fund

Movements in the recycled capital grant fund were as follows:

	Group		Association	
	Restated		Restated	
Movements in the recycled capital grant fund were as follows:	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Opening balance as at 1 April (Restated)	9,563	11,790	9,563	11,790
Grants recycled	2,597	4,249	2,597	4,249
Homebuy grants recycled	38	60	38	60
Interest accrued	352	381	352	381
Withdrawals	(3,987)	(6,917)	(3,987)	(6,917)
<b>Closing balance as at 31 March</b>	<b>8,563</b>	<b>9,563</b>	<b>8,563</b>	<b>9,563</b>

Recycled grant is repayable to Homes England if not recycled within three years, but no repayments were required in the year (2024: £nil).

### 23. Deferred grant income

Group and association	2025	Restated
	£'000	2024
	£'000	£'000
Opening balance at 1 April (Restated)	316,112	316,858
Grant received in year	9,317	333
Grant transferred from recycled capital grant fund	3,229	6,917
Released to income in year - Amortisation	(4,362)	(3,795)
Released to income in year - Disposal	-	-
Released to recycled capital grant fund	(2,597)	(4,201)
<b>Closing balance as at 31 March</b>	<b>321,699</b>	<b>316,112</b>

Amounts to be released within one year	6,439	6,418
Amounts to be released in more than one year	315,260	309,694
	<b>321,699</b>	<b>316,112</b>

	2025	2024
	£'000	£'000
<b>Social Housing Decarbonisation Fund (SHDF) grant</b>		
Opening balance at 1 April	380	144
Grants received during the year	641	272
Released to income in year	(40)	(36)
<b>Closing balance as at 31 March</b>	<b>981</b>	<b>380</b>

SHDF grant is also included in the main table above. The Social Housing Decarbonisation Fund is delivered through the Department for Energy Security and Net Zero. Yorkshire Housing was awarded £1.16m under Wave 1 and 2. The funds will be used to complete works by 30 September 2025. A further application is pending under Wave 3.

## Financial statements 2024-25:

# Notes to the financial statements

### 24. Debt analysis

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Borrowings</b>				
<b>Due within one year</b>				
Bank Loans < 1 Yr	1,554	9,749	1,554	1,549
Other Loans < 1 Yr	25,000	-	25,000	-
<b>Total due within 1 year</b>	<b>26,554</b>	<b>9,749</b>	<b>26,554</b>	<b>1,549</b>
<b>Due after more than one year</b>				
Bank loans	374,103	324,656	374,103	324,656
Other loans	10,121	25,121	10,121	25,121
THFC bond	30,000	30,000	30,000	30,000
Public bond	255,000	255,000	-	-
AHF bond	20,000	20,000	20,000	20,000
<b>Total due after more than one year</b>	<b>689,224</b>	<b>654,777</b>	<b>434,224</b>	<b>399,777</b>
<b>Total borrowings before costs, discount and premium on issue</b>	<b>715,778</b>	<b>664,526</b>	<b>460,778</b>	<b>401,326</b>
<b>Loan and bond costs, discount and premium on issue</b>				
THFC bond 2	(2,156)	(2,296)	(2,156)	(2,296)
Public bond 2	21,855	22,740	-	-
AHF bond 2	1,091	1,073	1,091	1,073
Loan transaction costs	(2,210)	(2,010)	(2,211)	(2,010)
	<b>18,580</b>	<b>19,507</b>	<b>(3,276)</b>	<b>(3,233)</b>
<b>Total borrowings</b>	<b>734,358</b>	<b>684,033</b>	<b>457,502</b>	<b>398,093</b>

### Terms of repayment and interest rates

Bank loans have various repayment profiles with the final maturity date of 2039. There are no plans to make early repayments on loans. The loans have fixed and variable interest rates ranging from 1.00% to 11.30% and a weighted average rate of 3.52%.

As at 31 March 2025 the group had undrawn loan facilities of £362m (2024: £342.8m).

The “other loans” are with five local authorities, all on an unsecured basis. There is an additional loan with Bradford Health Authority held on a secured basis. There is no interest payable; but on disposal of the properties the surplus realised is shared between the lender and Yorkshire Housing. There are six properties linked to the Bradford Health Authority Loan.

On 31 October 2014 Yorkshire Housing Finance Plc issued a secured bond for £200m at a coupon rate of 4.13% (“the bonds”) due to mature 31 October 2044 which are guaranteed by defined assets within Yorkshire Housing Limited. In 2014 the Company placed £140m bonds at an issue price of 98.2% giving an effective yield of 4.23%. In 2020 the Company placed the remaining £60m bonds at an issue price of 126.5% giving an effective yield of 2.70%.

On 5th October 2021 Yorkshire Housing Finance Plc deferred the issue of a further £200 million secured bonds until a future date. On 6 January 2022 £55m of the £200 million issued on the 5 October 2021 were placed at an issue price of 127.9% giving an effective yield of 2.51%.

On 30th July 2008 Yorkshire Housing Limited issued a secured bond of £30m with The Housing Finance Corporation (“THFC”) attracting 5.13% interest due to mature in 2035. On 28th March 2017 Yorkshire Housing Limited issued a guaranteed secured bond of £20m to the AHF attracting 2.89% interest and due to mature in 2043.

All loans are secured on housing stock, which covers the value of outstanding liabilities.

## Financial statements 2024-25:

# Notes to the financial statements

### 24. Debt analysis (continued)

	2025 £'000	2024 £'000
<b>Public bond</b>		
Public bond	255,000	255,000
Add: unamortised premium on issue	24,178	25,137
Total bond after premium on issue	279,178	280,137
Less: unamortised issue cost	(2,323)	(2,398)
<b>Total</b>	<b>276,855</b>	<b>277,739</b>

Housing loans are secured by fixed charges on 14,442 (2024: 14,268) of the group's housing properties and repayable at varying rates of interest and instalments.

The total net drawn in the year totalled £51.3m (2024: £68.2m net drawn). Total capital repayments were £31.8m and a total of £83m was drawn. This included repayment of a £10m facility with Santander, with £61m re-drawn. A further £1.5m was re-paid to NatWest, £12m repaid and redrawn on the NatWest RCF and £8.2m repaid on the Lloyds RCF. A further £10m was drawn down from Local Authority facilities.

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Maturity of financial liabilities</b>				
In less than one year	26,554	9,749	26,554	1,549
In more than one year but less than two years	90,561	26,553	90,561	26,553
In more than two years but less than five years	18,978	43,454	18,978	43,454
In more than five years	579,685	584,770	324,685	329,770
<b>Total</b>	<b>715,778</b>	<b>664,526</b>	<b>460,778</b>	<b>401,326</b>

### 25. Share capital

	2025 £	2024 £
<b>Shares of £1 each, allotted and fully paid</b>		
As at 1 April	10	9
Net issues less retirements	-	1
<b>As at 31 March</b>	<b>10</b>	<b>10</b>

The shares are non-transferable, non-redeemable and carry no rights to receive either income or capital payments.

They are thus classified as non-equity shares.

## Financial statements 2024-25:

# Notes to the financial statements

### 26. Cash flow from operating activities

	2025 £'000	2024 £'000
Surplus for the year	10,946	7,352
Depreciation of housing assets	20,909	18,838
Depreciation of other tangible fixed assets	630	842
Depreciation of intangible assets	533	2,458
Impairment of First tranche shared ownership stock	954	-
(Gain)/ loss on investment assets	(117)	(800)
(Gain)/ loss on Forge New Homes investment	(75)	(52)
Gain from sale of housing properties	(5,274)	(4,995)
Loss/ (Gain) on disposal of other fixed assets	16	633
(Increase)/ decrease in stock	12,892	(2,221)
(Increase)/ decrease in trade and other debtors	(3,434)	(2,452)
(Decrease)/ Increase in trade and other creditors	4,237	(28)
Increase in Leaseholder's balance	226	206
Pension costs	41	40
Pension contributions paid	(1,706)	(1,611)
Acquisition of capital grants	(4,686)	(3,747)
Interest charge	24,017	23,161
Interest received	(815)	(1,148)
Tax charge	-	-
Surplus of share of Joint Ventures	(356)	-
<b>Net cash generated from operating activities</b>	<b>58,938</b>	<b>36,476</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 27. Provision for liabilities – other provisions

	2025 £'000	2024 £'000
<b>Group deferred tax</b>		
<b>Deferred tax (assets)/liabilities</b>		
Provision at start of period	1,262	1,197
Adjustment in respect of prior years	158	-
Deferred tax charge to the SOCI for the period	(54)	65
Deferred charge to OCI for the period	430	-
<b>Provision at end of period</b>	<b>1,796</b>	<b>1,262</b>
Fixed assets timing difference	1,321	1,271
Short term timing difference	475	(9)
	<b>1,796</b>	<b>1,262</b>
<b>Deferred tax (assets)</b>		
Recoverable within 12 months	-	(9)
	-	<b>(9)</b>
<b>Deferred tax liabilities</b>		
Payable within 12 months	1,796	1,271
	<b>1,796</b>	<b>1,271</b>

The provision of deferred tax relates solely to the trading subsidiary.



## Financial statements 2024-25:

# Notes to the financial statements

### 28. Capital commitments

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Capital expenditure contracted for less certified at the year end	128,997	124,441	128,997	124,441
Capital expenditure authorised by the board but not contracted at the year end	102,694	126,237	102,694	126,237
<b>Total</b>	<b>231,691</b>	<b>250,678</b>	<b>231,691</b>	<b>250,678</b>

It is proposed that the above commitment will be funded as follows (which covers a number of years):	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Borrowing and operating activities	212,753	222,765	212,753	222,765
Grant	18,938	27,914	18,938	27,914
<b>Total</b>	<b>231,691</b>	<b>250,679</b>	<b>231,691</b>	<b>250,679</b>

	2025 £'000	2024 Restated £'000
<b>Our board approved development program takes us up to March 2030 is forecast as follows:</b>		
Units in the development pipeline	2,880 units	3,180 units
Projected pipeline cost	734,128	1,064,234
<b>Projected source of funding:</b>		
Social housing grants	169,834	170,572
Proceeds from sales	144,331	260,700
Surplus and borrowing	419,963	632,962
<b>Total</b>	<b>734,128</b>	<b>1,064,234</b>

The revised growth strategy of the Group is to March 2030, however, the development programme post 2026 remains aspirational and is not yet committed.

2024 units in the development pipeline have been restated by 391 units to remove those projected as market sales stock.

### 29. Contingent assets/liabilities

The group holds a contingent liability as part of SHPS see note 31.

## Financial statements 2024-25:

# Notes to the financial statements

### 30. Operating lease commitments

The Company was committed to making the following remaining lease payments under non-cancellable operating leases:

	Land and buildings		Equipment and vehicles	
	2024		2024	
Group	2025	Restated	2025	2024
	£'000	£'000	£'000	£'000
<b>Operating leases which expire</b>				
Within one year	1,582	1,466	612	627
Between two and five years	3,861	3,746	265	277
In over five years	1,755	2,738	-	-
	<b>7,198</b>	<b>7,950</b>	<b>877</b>	<b>904</b>

	Land and buildings		Equipment and vehicles	
	2024		2024	
Association	2025	Restated	2025	2024
	£'000	£'000	£'000	£'000
<b>Operating leases which expire</b>				
Within one year	1,059	943	612	627
Between two and five years	1,771	1,656	265	277
In over five years	1,076	1,023	-	-
	<b>3,906</b>	<b>3,622</b>	<b>877</b>	<b>904</b>

2024 has been restated for the Association as a result of revised allocations between group companies. There is no impact elsewhere in these financial statements.

### 31. Pensions

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

## Financial statements 2024-25:

# Notes to the financial statements

### 31. Pensions (continued)

	31 March 2025 £'000	31 March 2024 £'000
<b>Reconciliation of opening and closing balances of the present value of scheme liabilities</b>		
<b>Opening scheme liabilities as at start of period</b>	<b>36,000</b>	<b>36,408</b>
Current service cost	-	-
Expenses	41	40
Interest expense	1,734	1,735
Actuarial losses (gains)	(3,217)	(567)
Benefits paid and expenses	(1,387)	(1,616)
<b>Defined benefit obligation at end of period</b>	<b>33,171</b>	<b>36,000</b>

	31 March 2025 £'000	31 March 2024 £'000
<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>		
Fair value of plan assets at start of period	29,261	29,935
Interest Income	1,443	1,458
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(2,472)	(2,127)
Contributions by employer	1,706	1,611
Benefits paid and expenses	(1,387)	(1,616)
<b>Fair value of plan assets at end of period</b>	<b>28,551</b>	<b>29,261</b>
<b>Pension liability</b>	<b>(4,620)</b>	<b>(6,739)</b>

	31 March 2025 £'000	31 March 2024 £'000
<b>Amounts recognised in surplus or deficit</b>		
Current service cost	-	-
Expenses	41	40
Net interest expense	291	277
<b>Defined benefit costs recognised in statement of comprehensive income (SOI)</b>	<b>332</b>	<b>317</b>

	31 March 2025 £'000	31 March 2024 £'000
<b>Defined benefit costs recognised in other comprehensive income</b>		
Experience on plan (excluding amounts included in net interest costs) - gain (loss)	(2,472)	(2,127)
Experience gain and (losses) arising on the plan liabilities	(1,234)	(119)
Effects of change in the demographic assumptions underlying the present value of the defined benefit obligations - gain (loss)	-	407
Effect of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	4,451	279
<b>Total actuarial gain and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)</b>	<b>745</b>	<b>(1,560)</b>
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>745</b>	<b>(1,560)</b>

## Financial statements 2024-25:

# Notes to the financial statements

### 31. Pensions (continued)

	31 March 2025 £'000	31 March 2025 %	31 March 2024 £'000	31 March 2024 %
<b>Assets</b>				
Global equity	3,199	11%	2,916	10%
Absolute return	-	0%	1,143	4%
Distressed opportunities	-	0%	1,031	4%
Credit relative value	-	0%	959	3%
Alternative risk premium	-	0%	929	3%
Liquid alternatives	5,294	19%	-	0%
Emerging markets debt	-	0%	379	1%
Risk sharing	-	0%	1,713	6%
Insurance linked securities	88	0%	151	1%
Property	1,430	5%	1,175	4%
Infrastructure	5	0%	2,956	10%
Private equity	25	0%	24	0%
Real assets	3,418	12%	-	0%
Private debt	-	0%	1,151	4%
Opportunistic illiquid credit	-	0%	1,144	4%
Private credit	3,494	12%	-	0%
Credit	1,092	4%	-	0%
Investment grade credit	879	3%	-	0%
High yield	-	-	4	0%
Cash	388	1%	577	2%
Long lease property	8	0%	189	1%
Secured income	476	2%	874	3%
Liability driven investments	8,647	30%	11,908	41%
Currency hedging	46	0%	(12)	0%
Net current assets	62	0%	50	0%
<b>Total assets</b>	<b>28,551</b>	<b>100%</b>	<b>29,261</b>	<b>100%</b>

<b>Key Assumptions</b>	<b>31 March 2025 % per annum</b>	<b>31 March 2024 % per annum</b>
Discount rate	5.85	4.91
Inflation (RPI)	3.09	3.14
Inflation (CPI)	2.79	2.78
Salary growth	3.79	3.78
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

## Financial statements 2024-25:

# Notes to the financial statements

### 31. Pensions (continued)

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:		Life expectancy at 65 years
Male retiring in 2025		20.5
Female retiring in 2025		23
Male retiring in 2044		21.7
Female retiring in 2044		24.5

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

### 32. Group undertakings and related parties

Company	Legal status	RSH Regulated		Basis of control
Yorkshire Housing Limited	Cooperative and Community Benefit Society Act 2014	Registered with RSH	Registered provider	Group company
Yorkshire Community Property Services Limited	Companies Act	Non RSH regulated	Non registered provider	100 per cent share
Y H Residential Limited	Companies Act	Non RSH regulated	Non registered provider	100 per cent share
Yorkshire Housing Finance PLC	Public Limited Company	Non RSH regulated	Non registered provider	100 per cent share
Yorkshire Transformations Holdings Limited	Companies Act	Non RSH regulated	Non registered provider	33 per cent share
Forge New Homes Limited	Companies Act	Non RSH Regulated	Non Registered Provider	20 per cent share

All subsidiaries are incorporated or registered in England and Wales.

## Financial statements 2024-25:

# Notes to the financial statements

### 32. Group undertakings and related parties (continued)

Yorkshire Housing Limited had the following transactions with unregistered related parties during the years:

	2025 £'000	2024 £'000
<b>Y H Residential Limited</b>		
<b>Received from related group entities:</b>		
Interest receivable	54	64
Management charge for central services	848	618
Rent and service charges	89	89
Gift Aid	222	3,896
	<b>1,213</b>	<b>4,667</b>
<b>Paid to related group entities:</b>		
Fee for managing group properties	-	-
Fee for selling group properties on the open market	540	451
Interest payable	4	1
	<b>544</b>	<b>452</b>

Y H Residential Limited owns and manages the market rented homes portfolio. Yorkshire Housing Limited calculates the Y H Residential management charge on a combination of FTE and turnover apportionment basis.

	2025 £'000	2024 £'000
<b>Yorkshire Housing Finance Plc</b>		
<b>Paid to related group entities:</b>		
Interest payable	9,606	9,686

Yorkshire Housing Finance PLC is a wholly owned subsidiary of Yorkshire Housing Limited providing long term finance through a bond issue.

Yorkshire Housing Finance Plc issued a £140m bond in October 2014 and two further issues of £60m in September 2020 and £55m in January 2022, the cash raised has been on lent to Yorkshire Housing Limited. Outstanding balances are disclosed in Note 21.

	2025 £'000	2024 £'000
<b>Yorkshire Community Property Services Limited</b>		
<b>Paid to related group entities:</b>		
Interest payable	33	27

Yorkshire Community Property Services Limited is currently not trading.

## Financial statements 2024-25:

# Notes to the financial statements

### 33. Related party transactions

Yorkshire Transformations Holdings Limited is a joint venture which undertakes the refurbishment, maintenance and financing of homes in the Swarcliffe area of Leeds under a Private Finance Initiative with BOS Infrastructure (No3) Limited and DIF Infra 3 Limited. Forge New Homes LLP ("FNH") is a Limited Liability Partnership which was formed to provide housing in the Sheffield city region and is a partnership between Cube Homes Ltd, Guinness Homes Ltd, Together Commercial Ltd, Syha Enterprises Ltd and YH Residential Ltd. Related party transactions with Yorkshire Transformations Limited were as follows:

	2025 £'000	2024 £'000
<b>Related party transactions with Yorkshire Transformations Limited</b>		
<b>Contractual income</b>		
Income received	6,958	6,400
<b>Other income</b>		
Directors fees	83	80
Subordinated debt interest	-	63
Loan interest	84	84
Dividend	-	-
<b>Total income</b>	<b>7,125</b>	<b>6,627</b>
<b>Trading debtor at 31 March</b>	<b>2</b>	<b>638</b>

		2025	2024	Year end
		Transactions	Transactions	debtor/ (creditor)
Transactions with directors' related parties outside of the group		£'000	£'000	£'000
Joseph Rowntree Housing Trust	Andy Oldale was a non executive director and executive director of Yorkshire Housing	5	5	-
Confederation of British Industry	Nick Atkin is a board member of CBI Yorkshire & Humber and executive director of Yorkshire Housing	12	11	-
NCC Group Security Services	Andy Oldale's wife is an employee, and he was an executive director of Yorkshire Housing	153	151	-
National Housing Federation	Nick Atkin is chair of the National Housing Federation Yorkshire & Humberside Leaders Forum and executive director of Yorkshire Housing	66	64	(56)

During the year Yorkshire Housing Limited transacted with its non-regulated subsidiaries, Y H Residential Limited and Yorkshire Community Property Services Limited. These transactions were conducted on an arm's length basis and were eliminated on consolidation within the group's financial statements.

Yorkshire Housing Finance Plc is a wholly owned subsidiary of Yorkshire Housing Limited providing long term finance through a bond issue.

Yorkshire Transformations Holdings Limited is a joint venture which undertakes the refurbishment, maintenance and financing of homes in the Swarcliffe area of Leeds under a Private Finance Initiative with Leeds City Council.

Forge New Homes LLP is a joint venture by Y H Residential Limited for the development and sale of residential property in the Sheffield city region.

Yorkshire Community Property Services Limited owned the organisation's York office, Yorkshire House, which had been provided to Yorkshire Housing Limited until its disposal in 2013.

Further details of these transactions can be found within the financial statements of the subsidiary company.



## Financial statements 2024-25:

# Notes to the financial statements

### 33. Group undertakings and related parties (continued)

**Customer Board Members:** There are no members of our Board who are also Yorkshire Housing tenants, however a small number of Committee members (Customer Voice committee) are customers of the group and reside in the group's property. The terms of the tenancy arrangements are consistent with those offered to other customers of the Group and they are not able to use their position to their advantage.

### 34. Financial assets and liabilities

The Board policy on financial instruments is explained in the strategic report as are references to financial risks.

	2025 £'000	2024 £'000
<b>Financial assets</b>		
Debtors at amortised cost	14,337	12,334
Derivative financial asset (Note 36)	2,205	3,261
Cash at amortised cost	17,184	9,857
	<b>33,726</b>	<b>25,452</b>
	2025 £'000	2024 £'000
<b>Financial liabilities</b>		
Trade and other creditors at amortised cost	35,467	31,887
Loans at amortised cost	715,778	664,526
	<b>751,245</b>	<b>696,413</b>

**Financial assets:** Financial assets are made up of short term debtors, such as trade debtors and other debtors, current investments at fair value and cash at amortised cost.

**Financial liabilities:** Financial liabilities consist of Trade and other creditors and include loans at amortised cost.

### 35. Post balance sheet events

There are no material post balance sheet events.

## Financial statements 2024-25:

# Notes to the financial statements

### 36. Hedged financial instruments

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Derivative financial asset	2,205	3,261	2,205	3,261
<b>Balance at end of period</b>	<b>2,205</b>	<b>3,261</b>	<b>2,205</b>	<b>3,261</b>

The derivative financial asset relates to interest swaps hedged against a term loan of £27.5m (2024: £40m) maturing on the dates shown below. The swaps are not documented with a Credit Support Annex (CSA), which avoids the need to post any form of collateral in the future.

Date of maturity	£'000
06-Jan-27	12,500
06-Jan-29	15,000

### 37. Analysis of changes in net debt

	2024 £'000	Cashflows	Other non cash changes	2025 £'000
Cash deposits	4,840	1,341	-	6,181
Cash at bank	5,017	5,986	-	11,003
	<b>9,857</b>	<b>7,327</b>	<b>-</b>	<b>17,184</b>
Debt due within one year	(9,749)	(16,806)	-	(26,555)
Debt due after more than one year	(674,284)	(33,134)	(384)	(707,802)
	<b>(684,033)</b>	<b>(49,940)</b>	<b>(384)</b>	<b>(734,357)</b>
<b>Total net debt</b>	<b>(674,176)</b>	<b>(42,613)</b>	<b>(384)</b>	<b>(717,173)</b>

# Notes to the financial statements

### 38. Prior Period Adjustment

#### Restatement of Comparative Figures

During the year, we identified that tangible fixed assets – housing properties and the grant associated with them, were incorrectly presented in the prior years. The error arose due to historic errors in disposing of certain housing properties over several years. The error amounted to £2m for tangible fixed assets – housing properties and is equivalent to 0.2% of the tangible fixed assets – housing properties balance at 31st March 2023 and £0.4m related to capital grant balances within Creditors: amounts falling due after more than one year.

As a result, financial statements for opening balances the prior year at 1 April 2023 have been restated to correct this error. The impact of the restatement on the opening balances is as follows:

#### Impact on Statement of Financial Position

	Prior Year (as previously stated) £m	Adjustment £m	Prior Year (restated) £m
Tangible fixed assets – housing properties	1,210.3	(2.0)	1,208.3
Recycled capital grant fund & Deferred capital grant	(328.2)	(0.4)	(328.6)
Income and expenditure reserve	(227.6)	2.4	(225.2)

There was no material impact on the statement of comprehensive income or the statement of cash flows.

The error was identified during a data cleanse exercise as part of a move to a new finance system. The data cleanse and new system are designed to improve the quality of data and strengthen internal controls around all financial records and processes including the disposal of fixed assets.

**Section:**

# **Company information...**



# Financial statements 2024-25:

## Company information

### Registrations

Co-operative and Community Benefit Society registered number: 30443R

Regulator of Social Housing registered provider number: L4521

### Secretary

Rob Parkes

### Registered office

3 Bunhill Row, London, England, EC1Y 8YZ

### Independent auditors

Beever and Struthers

One Express, 1 George Leigh Street, Manchester M4 5DL

### Board

Ingrid Fife – *Chair*

Isabel Hunt (*resigned 19th November 2024*)

Leann Hearne

Matt Blake

Jacqueline Esimaje-Heath

Lisa Bradley

Ellie Stead

Russell Galley (*resigned 4th June 2025*)

Ian Costigan

Nicola Passmore

Sarah Atta-Nugent (*appointed 18th September 2024*)

### Executive Directors

Nick Atkin – *Chief Executive*

Sian Webster – *Executive Director Growth and Assets (appointed 13th January 2025)*

Andy Gamble – *Executive Director Growth and Assets (resigned 19th June 2024)*

Andrew Oldale – *Executive Director Finance and Governance (resigned 21st February 2025)*

Rob Parkes – *Executive Director Finance and Governance (appointed 24th February 2025)*

Sarah Evans – *Executive Director Customer Experience*

Nina Evison – *Executive Director Culture and Performance*

What we're all about:

# Making it possible to have a place you're proud to call home...





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