NATIONAL HOUSING

FEDERATION LIMITED

FINANCIAL STATEMENTS

For the Year ended

31 March 2025

Company no. 0302132

Company registration number:	0302132
Registered office:	Lion Court 25 Procter Street London WC1V 6NY
Banker:	Lloyds Camden Town Branch 140 Camden High Street London NW1 0NG
Auditor:	Forvis Mazars LLP Registered Auditor Chartered Accountants 6 Sutton Plaza Sutton Court Road Sutton SM1 4FS

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KEY FIGURES – GROUP FIVE YEAR SUMMARY

	2024/25 £'000s	2023/24 £'000s	2022/23 £'000s	2021/22 £'000s	2020/21 £'000s	2019/20 £'000s
Turnover	13,838	13,066	12,727	11,846	12,668	13,318
Change %	5.9%	2.7%	7.4%	-6.5%	-4.9%	-1.0%
Comprehensive Income/(loss) (see page 6)	2,241	(2,712)	727	7,026	(5,969)	8,121
Underlying surplus/(loss) (see page 6)	1,277	1,047	1,266	1,991	893	(53)
Underlying surplus/(loss) excluding Housemark result	1,205	956	1,263	1,414	857	(61)
Net assets	**11,689**	9,448	12,160	11,433	4,407	10,376
Net cash at year-end (highest point in the year)	**7,421**	6,694	3,361	4,221	2,768	1,996

We continue to set our budgets prudently because of the current economic uncertainty and the impact this may have on our membership, commercial and rental income streams. Costs are contained within this reduced income envelope to ensure that a deficit will not arise. The biggest and most profitable event happens in March, so the finances are managed such that a deficit would not arise even if this event were cancelled at the last minute.

Since 2019, the pension scheme has been treated as a defined benefit scheme, resulting in the full net benefit liability being included on the balance sheet. The effect of this causes large changes in comprehensive income, last year this resulted in a decrease in comprehensive income of £1.6m and a corresponding decrease in net assets. This year the pension deficit change resulted in an increase in comprehensive income of £0.5m. We continue to seek ways to improve the reserves position, to provide a buffer against changes in the pension deficit. However, on a day-to-day basis, these large changes in the pension deficit valuation have little impact on NHF's finances as the debt will not be realised in the foreseeable future. The only direct consequence are the agreed pension deficit payments, which are accounted for within normal trading of the business and reflected in the underlying results.

All figures reported reflect full provision for deferred tax.

Comprehensive income is income transferred to reserves. Underlying surplus excludes exceptional/one-off items, unrealised property revaluation gains on investment property, and pension deficit liability movements. It includes the impact of annual pension recovery payments.

Further details are provided in the Financial Review section of the Strategic Report and in the Financial Statements and Notes.

Further information on the NHF's financial performance is provided in our separate Annual Financial Review available on our website www.housing.org.uk which also provides extensive information about the NHF's activities generally.

CHAIR'S STATEMENT

It has been another busy year for me as Chair of the NHF – working closely with staff to steer the NHF's new 5-year business strategy and visiting housing association members from every region of the country to see the impressive work of our sector.

In developing our new business strategy, we spoke to over 700 of our members, stakeholders, partners and residents to gather views on the challenges, strengths and vulnerabilities that social housing is facing. Our strategy is ambitious and focused on our members' social purpose – providing good quality housing that people can afford.

This work lays a strong foundation as we enter our new business period – we want to build on the momentum we have achieved and continue delivering positive change for our members and their residents.

During the year and across our last business strategy, we have strengthened our organisational finances, increased member satisfaction, and delivered our first Housing Community Summit, a collaboration with CIH that brought together 3,000 people from across our sector. This event continues to boost the NHF's event portfolio and create a key moment for the whole housing community to be under one roof.

Our Chief Executive, Kate Henderson, goes into more detail in her statement below on the political environment and the NHF's campaign for social housing and our response to the 2024 election and engagement with government.

This work can't happen unless the NHF is striving to be the best trade body it can be. By working effectively and efficiently, we're achieving the financial goals that ensure member fee increases stay below inflation. This year our commercial events continued to perform well. Our business development income also remains strong and the NHF's offices, let as either serviced offices or on commercial leases, performed well in a challenging economic environment.

So much of what we've achieved this year has put us in an excellent position for the year ahead and delivering on our new ambitious 5-year strategy. But none of this would be possible without a sector united. And it continues to be my honour to lead the trade body that unites all housing associations in England. I am committed to ensuring the NHF meets its business strategy goals, and delivers positive change for housing associations, so that every member feels the benefit of a highly effective trade body.

Maggie Galliers CBE

CHIEF EXECUTIVE'S REVIEW

Over the last year, we invested lots of time, energy and effort into providing greater long-term stability for our sector. Alongside our members, partners and key stakeholders, we called for greater financial stability for social housing to enable providers to play their part in helping the government tackle the country's housing crisis.

That strong, unified voice led to the government announcing plans to publish a long-term housing strategy shortly after it took office in May 2024. We have also worked hard to position housing associations as key partners in helping the government achieve its targets, raising the sector's profile and helping to change public perception through impactful media coverage, powerful research, and effective political engagement.

There is a still a lot of work to do to ensure the sector has sustainable, long-term funding. But we can also celebrate some hard-fought wins that have brought about positive change over the last 12 months. In April 2024, our push for certainty on rents secured a one-year rollover of the current rent settlement, allowing housing associations to increase rents by up to CPI +1% until April 2026. Then we pushed once again for longer-term stability, which led to the government announcing a new five-year rent settlement. As part of its consultation, it also sought views on the option of a 10-year-settlement.

We also helped to secure funding for decarbonisation, with a commitment from the government to double spending on decarbonising the country's homes and buildings through their Warm Homes Plan and an initial £3.4bn kickstart, which was announced in the Autum Budget. In March 2025, the government announced a £2bn top-up to the Affordable Homes Programme (AHP), which it says will deliver up to 18,000 new social and affordable homes. That followed a £300m AHP top-up the month before to deliver 2,800 new homes, half of which will be for social rent, and a £500m top-up announced in the 2024 Autumn Budget.

Although we welcome the positive steps taken so far by the government, we will continue to call for a full package of measures to rebuild financial capacity and unlock new supply in the long term. We are continuing to build on the strong relationships we have with ministers and other senior politicians to ensure our messages are landing in advance of the Spending Review.

As an organisation, we have also focused on the future with some long-term planning of our own. On 1 April 2025 we launched our new five-year business strategy, which was developed following widespread consultation with over 700 members, partners and residents. From these conversations, we developed three overarching sector ambitions, which the NHF will support its members to achieve by working towards five of its own strategic objectives, each with practical, measurable outcomes.

We will hold ourselves to account against these objectives, ensuring we are the best trade body we can be, providing excellent value to our members. I'm very proud of the part we have played in bringing about positive change over the last 12 months.

I'm looking forward to more collaborative working over the next year to create an even stronger sector, leading to better long-term benefits for the millions of residents who live in housing association homes across the country.

Kate Henderson

STRATEGIC REPORT

Overview

The National Housing Federation (NHF) is the representative trade body for organisations in England which provide and manage homes and do not trade for profit. The NHF supports and promotes housing associations (who by definition are not for profit organisations) and virtually all housing associations of any significant size, in England, are members of the NHF.

The NHF exists to support our members to deliver their core purpose:

- To provide homes that are affordable to people in housing need.
- To provide safe, good quality homes and services.
- To offer services that enable residents to live well.
- To play our part in building successful places where people want to live.

The NHF's three-year strategy is focused on driving and leading the change our members need to deliver this purpose. It aims to be the body to engage with on housing issues and be regarded by its members as a highly effective trade body.

The NHF exists for its members and they have varying views as to how best we can help them. Our members' success in meeting their challenges, and the NHF's success in providing the right support, ultimately determines levels of NHF membership and income.

The major part of the NHF's income is from members' annual affiliation fees, in return for which members receive a wide range of representation and support.

Supplementing affiliation fees, the NHF's other main source of income is from commercial services that are paid for on a usage basis. These include rental income from our head office and our highly valued events, publications and bespoke services for housing associations and their tenants.

Commercial services are provided primarily for members, although some such as events are available to non-members, at a higher price. Income from commercial services is dependent on the quality and pricing of the services, demand and a range of underlying economic factors.

Commercial services are undertaken when they provide value to members and enhance the NHF's reputation. The NHF aims within these criteria to maximise the financial contribution from commercial services, helping to keep down affiliation fees and thus provide maximum value for money to members.

Risks and uncertainties

As a trade body the NHF is impacted by the risks and uncertainties applying to its members and those applying to its own business operations – these are outlined below.

In line with previous years, as an organisation we face an inherently high risk based on the political, economic and regulatory aspects of our wider members' operating environment and the linked reputational risks relating to the challenges our members are facing.

STRATEGIC REPORT

Risk and Uncertainties (continued)

Key risks and uncertainties for our members include:

- The significant financial pressure from meeting the investment demands of building safety, decarbonisation, building new homes and improving the quality of existing homes.
- Resident, staff, and stakeholder trust in housing associations is being eroded by recent media and social media coverage of poor housing conditions.
- Managing the transition to new regulatory requirements, including the government's proposal to legislate the devolution agenda.
- Continuing the transition to a new regulatory system on building safety, while remediating existing buildings and acting on learnings from the Grenfell Tower Inquiry.
- The cost of living crisis creating significant financial challenges for residents, compounded by a worsening housing crisis and availability of social housing.
- The increasing impact of local authority finances, which is cutting funding for supported housing, limiting wider services and reducing planning capacity.
- Fewer new homes being built due to competing costs for safety remedial works, decarbonisation, changes to the planning system and increasing costs of materials.
- Low levels of diversity in senior leaders across the sector.
- The disruption of new entrants to the social housing sector, including for-profit providers.
- Competing priorities from government.

Key risks and uncertainties for business operations include:

- Mergers within the sector could potentially reduce the NHF’s income from affiliation fees.
- Difficulties recruiting excellent staff members in a highly competitive market.
- Managing the impact of rising energy prices in our offices.
- The impact of current economic challenges and changes to working practices on the valuation of our London office.

STRATEGIC REPORT

Financial Review

The NHF sets affiliation fees with the aim that members pay each year for the level of services they receive and budgets for an underlying break-even position. Budgets continue to be set very prudently as although the uncertainty in being able to hold events following the pandemic has eased there are still numerous uncertainties to navigate not least being the current cost of living crisis and economic conditions. Costs are contained within this reduced income envelope to ensure that a deficit will not arise. The biggest most profitable event happens in March so the finances are managed such that a deficit would not arise if this event were cancelled at the last minute.

By operating in this prudent way we ensure that the NHF will at least breakeven, but if events are able to take place we will make a surplus which is added to reserves strengthening the balance sheet which is affected by the accounting treatment of the SHPS pension deficit (see page 1).

The Board regularly reviews its financial objectives and Reserves Policy. The Reserves Policy states that the NHF should aim to have at least three months operating expenditure covered by cash or cash equivalents. Fees are paid in advance so this is the case for most of the year, historically, we have had low points in our working capital cycle, especially between November and February, where this is not always the case, therefore, a revolving credit facility was set up.

The underlying surplus for 2024/25 was £1,277k compared to £1,047k for the previous year. £72k (2023/24 £91k) of this relates to our investment in Housemark Ltd (note 2). The surplus was higher mainly as a result of better performance from our commercial income. Under FRS 102 our reported, headline profit/(loss) after tax was £2,241k (2023/24 loss of £2,712k).

The headline figures include unrealised property revaluation losses on investment property. They do not reflect pension deficit recovery payments, which are negative cash flows and are reflected in the full net benefit liability on the balance sheet, the movements in the pension benefit liability itself impact on the headline surpluses. All figures reported reflect full provision for deferred tax.

A full analysis of the differences between the underlying and headline surpluses for 2024/25 and 2023/24 is as follows:

	2024/25	2023/24	2022/23
	£'000s	£'000s	£'000s
Headline profit/(loss) after tax under FRS 102	**2,241**	(2,712)	727
Unrealised property revaluation loss on investment property	**750**	3,462	303
One off recovery of venue credits	**(-)**	(-)	(10)
Pension deficit recovery payments	**(1,659)**	(1,625)	(1,573)
Actuarial (gain)/losses in respect of pension	**(533)**	1,556	1,461
Pension scheme net finance cost	**329**	290	165
Deferred tax and other adjustments	**149**	76	193
Underlying surplus	**1,277**	1,047	1,266

STRATEGIC REPORT

Financial Review (continued)

The changes in reported results under FRS 102 do not affect the underlying financial performance and the surplus for the year will be taken to reserves, in accordance with the Reserves Policy.

Since 2018/19 net assets reported under FRS 102 include the full pension net benefit liability and unrealised property revaluation gain on investment property. Net assets at the 31 March 2025 were £11.7m (2024 £9.5m). Since this change was introduced, it has resulted in big movements in net assets, which are outside our control. As a result, the Board agreed to change our reserves policy to refer to cash and cash equivalents, which are not affected by these movements, to ensure we always have sufficient liquid funds to cover a minimum of three months operating expenditure. To ensure we are able to comply with the reserves policy we post year end renewed a £2m revolving credit facility (reduced from £3m) and we will continue to seek ways to improve the reserves position, to provide a buffer against these large movements in net assets.

Total turnover increased by 5.91% to £13.8m. Gross income from affiliation fees was 3.8% higher than the previous year, reflecting the 5% price increase reduced by the impact of mergers amongst members and disaffiliations. The price of membership for the upcoming year (2025/26) has been increased by a rate below inflation of 2%.

Net income from commercial services including rental income contributed £2.65m (2024: £2.75m) which is still lower than pre-pandemic levels. Since the pandemic, we have found that some conferences are better suited to virtual and some to in-person, so we continue to run a mix of the two.

Four of the five floors at Lion Court are treated as investment property, two floors are currently used for serviced office tenants, the other floors are let on commercial leases of between three and ten years. Income in the year at £1.1m was similar to 2023/24 levels.

The relevant portion (79.8%) of freehold property that is let or being marketed externally is treated as investment property and included at valuation in the accounts. The portion of the property used for operational purposes by NHF staff (20.02%) is held at cost less depreciation. At 31 March 2025, the whole property was independently valued at £15.34m (2024: £16.28m).

To ensure that members are fully informed about our financial performance, particularly given the continuing differences between headline and underlying figures, we have again produced the NHF Financial Review for the year. This will be available to all members on our website.

Business Review

The National Housing Federation exists to support our housing association members and we use our resources to create the best possible outcomes for their operating environment. In line with our business strategy, we do this by:

- Supporting our members to deliver their social purpose.
- Building the conditions and culture for housing associations to deliver.
- Being the best trade body we can be.

STRATEGIC REPORT

Business Review (continued)

Our key highlights from this year and across our 2022-25 strategy are as follows.

Supporting our members to deliver their social purpose

- Achieving widespread coverage with major press stories - from children living in overcrowded homes to older renters suffering financial hardship - highlighting how the country's housing crisis is affecting people's lives.
- Becoming a leading voice on homelessness, working closely with charities including Crisis, Shelter and St Mungo's to write public letters and press releases to keep the housing crisis in the spotlight.
- Raising the profile of supported housing with campaigns to prevent the decommissioning of services and calls on government to ringfence funding. And our annual Starts at Home Day, which celebrates the positive impact of supported housing on communities across the country.
- Using Rural Housing Week to highlight the many social and economic benefits of affordable housing to rural communities. We used new research to show that demand for social housing in rural areas is growing at over 10 times the rate of that in towns and cities.
- Progressing our programme on using data to better understand equality, diversity and inclusion (EDI) in housing associations. We improved our data toolkit and published an updated report on the sector's workforce and published case studies and blogs sharing best practice.

Building the conditions and culture for housing associations to deliver

Our push for long-term stability has resulted in a 10-year rent settlement for the sector.

- We've persistently called for a funding injection to help housing providers deliver new social homes. This led to a £500m top-up to the Affordable Homes Programme in the 2024 Autumn Budget, safeguarding the future of housing supply.
- We also safeguarded the future of housing supply by successfully ending the Infrastructure Levy and default First Homes provision.
- We've secured at least £2bn for social housing retrofit via the Social Housing Decarbonisation Fund and related government grant schemes.
- When the energy crisis hit in 2022, we secured help for around 150,000 housing association households on heat networks, saving residents around £72m a year.
- We saved larger developing housing associations £1m a year each by securing an exemption from the Residential Property Development Tax.
- We've also seen a commitment from government to provide building safety funding to housing associations for the first time
- We've produced more than 50 resources to help members navigate the raft of new regulations

STRATEGIC REPORT

Business Review (continued)

Being the best trade body we can be
Our staff worked to ensure the NHF ran as efficiently as possible, and provided the best possible service to members. Highlights include:

- Every floor in our London office continued to be occupied
- Connecting our partners to over 290 NHF members, providing savings to our members and generating income for the NHF.
- Delivering The Housing Community Summit, a new collaboration between the NHF and Chartered Institute of Housing (CIH). This flagship event will grow our events portfolio and is expected to generate increased income.
- Continued delivery of our People Strategy and IT Strategy, boosting staff productivity and generating savings on our IT infrastructure.
- The results from our 2024-member survey showed that overall satisfaction with our services has increased by 4% to 86% and that chair satisfaction is now 76%, a 6% increase on last year.

Future plans

This year marks the end of our current business strategy, and we have been busy developing our new 5 year strategy.

Our ambitious new business strategy sets out what we want to achieve over the next five years in partnership with our members and other key stakeholders, leading to better outcomes for everyone, not least the millions of residents who live in our homes.

Lots of collaborative work has gone into this document, including the strategic review consultation, which gave us a renewed understanding of social housing's challenges, strengths and vulnerabilities. From these conversations, we developed three overarching sector ambitions, which the NHF will support its members to achieve by working towards five of its own strategic objectives, each with practical, measurable outcomes.

By 2030, the NHF will have enabled housing associations to deliver on their three key ambitions.

- Deliver long-term benefits to residents and communities through good quality homes and services
- Build more homes that are affordable, safe and decent, which drive growth and help to end the housing crisis
- Strengthen and deepen partnerships in every part of the country and be an employer of choice

To support our members to achieve those ambitions, the NHF will:

- Secure a funding and policy environment that enables housing associations to deliver on their social purpose
- Strengthen trust and confidence in housing associations
- Be a membership body that housing associations are proud to be a part of
- The NHF will be a great place to work
- Lead a financially, environmentally and socially responsible organisation

STRATEGIC REPORT

Business Review (continued)

More information on our new 5 year strategy can be found here:
https://www.housing.org.uk/about-us/what-do-we-do/business-strategy-2025-30/

Going Concern

Cashflow forecasts show we will remain within our banking facilities, primarily as the bulk of our affiliation fees for the year have already been received.

Given this, the Directors are confident that the going concern principle is appropriate.

ON BEHALF OF THE BOARD

Irfan Umarji
Company Secretary
16 July 2025

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31 March 2025.

Further information can be found in the Chair's Statement, Chief Executive's Review and Strategic Report.

Principal activities

National Housing Federation Limited is the representative trade body for organisations in England which provide and manage homes and do not trade for profit.

The NHF's mission is to create the environment for our members to thrive and deliver their social purpose.

Corporate Governance

The National Housing Federation Limited is a private company limited by guarantee, with no share capital or dividend. The NHF is governed by its Articles of Association.

The Board adopts the NHF's code of governance, updated and republished in February 2021. The code is designed for housing associations who have tenants and although the NHF does have commercial tenants, it is not within the spirit of the code to apply it in relation to these tenants, therefore it is applied in respect of members in place of tenants. An annual compliance review is undertaken to satisfy itself that it complies with the main principles and provisions in the code.

As mentioned in the Chief Executive report we are working with our members to address issues arising from climate change. We are also looking at what we can do ourselves and have begun by reducing the amount of travel we undertake and improved initiatives in our buildings like recycling, and using renewable energy. For our events we will hold some events as virtual and we are looking to introduce climate impact assessments for in person events.

Reserves

A surplus of £2,241K (2024 loss of £2,712k) has been transferred to reserves as described in the financial review within the strategic report.

Fixed Assets

Movements on fixed assets are disclosed in note 6 to the Financial Statements. Freehold property for the NHF's own use is carried at original cost less depreciation. Investment Property is included at valuation.

REPORT OF THE DIRECTORS

Directors

The following table shows Directors of the company between 1 April 2024 and 31 Mach 2025. Details are also shown of membership to Board Committees, and position where applicable, as at July 2025 or at date of resignation.

Attendance at Board meetings is shown as meetings attended out of meetings eligible to attend.

Name / Board Meeting Attendance	**Audit & Risk Management Committee**	**Nominations, Remuneration & Governance Committee**
Margaret Galliers CBE (Chair) 4/4		
Bronwen Rapley 1/1 (resigned 26 September 2024)		Member
Waqar Ahmed 1/2 (resigned 14 November 2024)		Member
Steve Coffey 3/3 (appointed 26 September 2024)	Member	
Ruth Cooke (Vice Chair) 3/4		Chair
Victor da Cunha 3/3 (appointed 26 September 2024)		Member
Evelyn John 4/4	Member	
Katharine Henderson (Chief Executive) 4/4	Attends	Attends
Angela Lockwood 1/1 (resigned 26 September 2024)		
Ian Martin 4/4	Member	
Ian McDermott 3/3 (appointed 26 September 2024)		Member
Suzanne Rastrick 3/4	Member	
Jessica Studdert 4/4		Member
Gail Teasdale 3/4	Chair	

Background information on Directors is available on the NHF's website, www.housing.org.uk

Sophie Taylor, who is not a Board member, is a co-opted member of the Audit & Risk Management Committee.

The NHF is grateful for the support of all Board members and those co-opted on to committees, for the service given to the organisation and the sector.

REPORT OF THE DIRECTORS

Board and Officers' Liability Insurance

During the year the NHF continued to maintain insurance cover to provide indemnity to the members of the Board and officers of the company in respect of losses arising from any claim or claims made against them jointly or severally by reason of any wrongful act committed or alleged to have been committed by them in connection with the performance of their duties as the Board or officers of the company.

The Board

Unless there are temporary vacancies, the Board comprises twelve members. The fiduciary duties are the same as any other director under company law. New Board members are elected by the membership of the NHF at the Annual General Meeting (AGM) following an open recruitment led by the Nominations Committee who then seek agreement by the Board. The Board may co-opt Board members between AGMs.

The Board deals with the policy, strategy and business effectiveness of the organisation.

The Board is committed to integrity and accountability in the management of the NHF's affairs and ensures that members receive regular communication about the NHF's activities.

The NHF's main formal mechanism for accountability by the Board to its members is the AGM. The AGM gives members the opportunity to hear about how we have performed in the year, both in the work carried out on behalf of members and financially. It also gives an opportunity for members to raise any resolutions as well as voting on those on the agenda.

The Audit and Risk Management Committee continues to provide detailed scrutiny of the NHF's finances. The committee focusses on the risks the NHF faces, and continues to oversee further strengthening of the NHF's risk management procedures.

The committee closely monitors projects that have a significant cost to ensure the money is being spent wisely in accordance with a robust business case.

The Board has a register for declarations of interest. There is a similar register for the NHF's officers as part of the organisation's employee code of conduct.

REPORT OF THE DIRECTORS

Responsibilities of the Board

The directors are responsible for preparing the Strategic Report, Report of the Directors and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 United Kingdom and Republic of Ireland’.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the company’s auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

REPORT OF THE DIRECTORS

Responsibilities of the Board (continued)

The Board delegates some areas of its work to committees:

- **Nominations, Remuneration & Governance Committee**

  The Nominations, Remuneration & Governance Committee manages the recruitment, shortlisting and interviewing of Board member applicants, making recommendations to the Board for agreement and final ratification at the AGM. It also manages the performance appraisal and remuneration of the Chief Executive and Leadership Team, Board appraisal and any key or urgent governance issues relating to the NHF itself.

- **Audit and Risk Management Committee**

  The Audit and Risk Management Committee oversees standards of internal control and risk management. It agrees any internal audit arrangements as required, reviews the corporate risk register and is the primary point of Board contact for the external auditor. It reviews the NHF's financial plans, budgets and results. The Committee reports to all Board meetings and formally on an annual basis.

NHF Staff

The NHF employed an average of 96 staff during the year to 31 March 2025. All staff are responsible to and governed by the Board through the Chief Executive. Key management personnel comprises the Chief Executive and other Leadership Team members.

Audit

The Audit and Risk Management committee continue to keep under review the arrangements for internal audit.

Internal if applicable and external auditor have direct access to the Audit & Risk Management Committee and have met with the committee without NHF staff present.

REPORT OF THE DIRECTORS

Planning and Reporting

The NHF works to a three-year business plan which is reviewed and updated each year and agreed by the Board. Annual budgets are also prepared and approved by the Board. Financial performance against budget and forecast out-turn for the year is reported in comprehensive monthly management accounts. Operational and financial performance is reviewed continuously during the year by the Chief Executive, the Leadership Team and senior management.

Financial performance is reviewed by the Audit and Risk Management committee at each meeting. The Board receives reports on performance against the business plan and key financial figures at each of its meetings.

Risk Management Procedures

The NHF has continued to strengthen its risk management procedures.

The Chief Executive and Leadership Team assess the risk of decisions they make at their regular meetings. Papers produced for committees and the Board consider the risks involved and actions taken to reduce such risks. Regular reviews of controls and systems are carried out by each operational area.

The Corporate Risk Register distinguishes between strategic and operational risks, and captures risk from all parts of the organisation. It is updated and reviewed regularly at departmental, directorate and Leadership Team levels, reviewed by the Audit and Risk Management Committee and by the Board itself on a regular basis.

Key risks are carefully reviewed when setting business strategy for the succeeding year. The Risk Register is directly linked to our strategic objectives and business plans, and contains detail on mitigating actions taken and planned.

Further information on the risks faced by the NHF are described in the Risks and Uncertainties section of the Strategic Report.

Auditor

Forvis Mazars LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notification under section 488(1) of the Companies Act 2006.

ON BEHALF OF THE BOARD

Irfan Umarji
Company Secretary

16 July 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL HOUSING FEDERATION LIMITED

Opinion

We have audited the financial statements of National Housing Federation Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income and Retained Earnings, the Company Statement of Comprehensive Income and Retained Earnings, the Consolidated and company balance sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2025 and of the group's and the parent company's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 the parent company 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 director'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 and parent company'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 directors 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 annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of the Directors

As explained more fully in the Responsibilities of the Board statement set out on pages 14 and 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut off assertion) and significant one off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

NJ Wakefield
Nicola Wakefield (Jul 28, 2025 19:13:01 GMT+1)

Nicola Wakefield (Partner) for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza
Sutton Court Road
Sutton
SM1 4FS

Date: 28th July 2025

PRINCIPAL ACCOUNTING POLICIES

Status

National Housing Federation Limited is a company limited by guarantee incorporated in England and Wales. The liability of members, of whom there are 645 (2024: 678) is limited to £1 per member. The reduction in membership is mainly due to consolidations and mergers. The NHF's group comprises two wholly owned subsidiaries, National Housing Federation Investments Limited and NHF Property & Services Limited.

Basis of Preparation

The financial statements have been prepared under the historical cost convention modified by the revaluation of investment properties, and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and with the Companies Act 2006.

The functional currency of the Financial Statements is Pounds Sterling.

The principal accounting policies are set out below.

The directors have assessed the company's future activities and commitments against the working capital in place and access to funds. The directors view the level of net current assets as sufficient to ensure future operations and the company has the ability to reduce operational expenditure if necessary. Accordingly, the directors are satisfied that it is appropriate to apply the going concern principle.

Significant Judgements and estimates

Preparation of the financial statements requires management to make judgements and estimates. These are evaluated continually and based on historical performance and any other relevant factors. The only judgements or estimates in these accounts which are considered significant are:

- Valuation of Investment Properties -The company has obtained a 3rd party RICS valuation report performed by BNP Paribas Real Estate which has valued the market value of the freehold interest of Lion Court, 25 Proctor Street, at £15,340,000 (2024: £16,280,000). The valuation report includes commentary in respect of the location and situation of Lion Court, the floor area of useable space, the nature of the leases and sub-leases (full repairing leases), current rental income and "tenant covenant" (Dun and Bradstreet credit rating) of the tenants. The valuation methodology has been based on a yield approach to the income producing accommodation and a similar nominal yield equivalent approach to the space utilised by the NHF itself. The valuation has included an interpretation of market sentiment and an analysis of "Investment Comparable Information" reflecting a capital value as at the valuation date of 31 March 2025.

PRINCIPAL ACCOUNTING POLICIES

Significant Judgements and estimates (continued)

- The company via its pension scheme has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Variations in these assumptions could significantly impact the liability (see note 21).

Basis of Consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 31 March 2025. Acquisition of subsidiaries are dealt with by the acquisition method of accounting.

The financial statements present information about the group as a whole. The group owns 49% of the issued share capital of Housemark Limited, which is shown separately from the group's information as a joint venture as required by section 15 of FRS 102.

Income

Turnover includes:
- affiliation fees received from members;
- the total amount receivable by the company for goods supplied and services provided, excluding VAT.

All income is accounted for on a receivable basis.

Going Concern

Cashflow forecasts show we will remain within our banking facilities, primarily as the bulk of our affiliation fees for the year have already been received.

Given this the Directors are confident that the going concern principle is appropriate.

PRINCIPAL ACCOUNTING POLICIES

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provisions for impairment.

Depreciation is provided at rates which are calculated to write off the cost of tangible fixed assets by equal annual instalments over the following estimated useful lives.

Freehold buildings	10-50 years
Improvements to leasehold	Term of lease
IT hardware and software	3-4 years
Office equipment and furniture	5-7 years
Plant and machinery	14 - 20 years

No depreciation is provided on freehold land. Depreciation is charged monthly from the period of acquisition or commencement of use, up until the period of disposal.

Investment Properties

No depreciation is provided for in respect of investment properties. Such properties are held for their investment potential and not for consumption within the business. This is a departure from the Companies Act 2006 which requires all properties to be depreciated and the directors consider that to depreciate them would not enable the financial statements to give a true and fair view.

Goodwill

Amortisation of purchased goodwill is provided at a rate which will write off the entire value of the asset over 20 years.

Stock

Stock is stated at the lower of cost and net realisable value. Cost includes materials and production overheads. Net realisable value is based on selling price less relevant marketing, selling and distribution costs.

Investments

Investments are held as fixed assets and are stated at cost less provision for any impairment.

PRINCIPAL ACCOUNTING POLICIES

Pensions

National Housing Federation Limited provides pensions for its employees through participation in the Social Housing Pension Scheme (SHPS). The Scheme has defined benefit and defined contribution elements.

The company contributed during the year to the defined contribution scheme.

The SHPS defined benefit scheme is a multi-employer scheme which provides benefits to other companies. The scheme is currently in deficit and the company has agreed a deficit funding arrangement. From April 2018 it has been possible to obtain sufficient information to account as a defined benefit scheme and the net defined liability is included in the balance sheet.

The Growth plan defined benefit scheme is also a multi-employer scheme which provides benefits to other companies. The scheme is currently in deficit and the company has agreed a deficit funding arrangement. The company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The unwinding of the discount rate is recognised as a finance cost.

Payments made to the defined contribution scheme are recognised as an expense and charged to the comprehensive income and retained earnings account as incurred.

Operating Leases

Rental costs under operating leases are charged to the income and expenditure account in equal annual amounts over the periods of the leases.

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Taxation

Provision is made for taxation on rents received, interest and on the trading surplus arising from non-mutual trading.

Deferred tax is provided in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The deferred tax balance has not been discounted.

VAT recovery is accrued on the basis of a partial exemption formula agreed with HM Customs and Excise on 23 August 2004 which was effective from 28 January 2004. Amounts are included in the income and expenditure account and in the balance sheet gross of VAT where the VAT is reclaimable under this formula. The company is in a VAT grouping with its subsidiary company, NHF Property & Services Limited.

PRINCIPAL ACCOUNTING POLICIES

Financial Instruments

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The Company has not issued and is not in receipt of any compound financial instruments.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

	Note	**2025 £'000**	2024 £'000
Turnover			
Continuing operations	1	**12,774**	11,910
Other operating income:			
rental income		**1,064**	**1,156**
revaluation gain		**-**	-
Total turnover		**13,838**	**13,066**
Administrative expenses	1	**(11,111)**	**(10,453)**
(Deficit) on revaluation of investment property		**(750)**	**(3,462)**
Group operating profit/(loss) before share of joint venture		**1,977**	**(849)**
Share of operating (loss)/profit in joint venture	2	**(5)**	**30**
Group operating profit/(loss)		**1,972**	**(819)**
Interest payable	3	**(300)**	**(338)**
Share of interest payable in joint venture	2	**(22)**	**(24)**
Interest receivable and similar income	3	**130**	**49**
Share of interest receivable and similar income in joint venture	2	**32**	**40**
Profit/(loss) on ordinary activities before taxation		**1,812**	**(1,092)**
Tax on profit/(loss) on ordinary activities	5	**(172)**	**(109)**
Share of tax on profit on ordinary activities in joint venture	2	**22**	**67**
Profit/(loss) for the year		**1,662**	**(1,134)**
Other Comprehensive Income			
Actuarial gains/(loss) in respect of pension	20	**533**	**(1,556)**
Share of actuarial gains/(loss) in respect of pension in joint venture	2	**46**	**(22)**
Total Comprehensive Income/(loss) for the year		**2,241**	**(2,712)**
Retained profits at 1 April		**9,448**	**12,160**
Retained profits at 31 March		**11,689**	**9,448**

All transactions arise from continuing operations.
There were no recognised gains or losses other than the profit for the financial year.

The principal accounting policies on pages 21 to 25 and the notes on pages 30 to 52 form part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

	Note	2025 £'000	2024 £'000
Turnover			
Continuing operations	1	**12,774**	11,910
Other operating income:			
Rental income		**535**	509
Total turnover		**13,309**	12,419
Administrative expenses	1	**(10,558)**	(9,867)
Profit on ordinary activities before taxation		**2,751**	2,552
Interest payable	3	**(300)**	(322)
Interest receivable and similar income	3	**130**	49
Profit on ordinary activities before taxation		**2,581**	2,279
Tax on profit on ordinary activities	5	**(291)**	(73)
Profit for the year		**2,290**	2,206
Other Comprehensive Income			
Actuarial gains/(losses) in respect of pension	20	**533**	(1,556)
Total Comprehensive Income for The Year		**2,823**	650
Retained profit at 1 April		**6,892**	6,242
Retained profit at 31 March		**9,715**	6,892

All transactions arise from continuing operations.

There were no recognised gains or losses other than the profit for the financial year.

The principal accounting policies on pages 21 to 25 and the notes on pages 30 to 52 form part of these financial statements.

CONSOLIDATED AND COMPANY BALANCE SHEETS AS AT 31 MARCH 2025

	Note	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Fixed assets					
Goodwill	8	-	-	-	-
Investments	7	-	531	-	531
Tangible fixed assets	6	15,062	212	15,795	207
		15,062	743	15,795	738
Current assets					
Stocks – publications	9	5	5	5	5
Debtors	10	2,010	11,538	1,715	11,171
Cash at bank and in hand		7,421	7,187	6,694	6,459
		9,436	18,730	8,414	17,635
Creditors: amounts falling due within one year	11	(9,133)	(8,872)	(9,262)	(8,985)
Net current assets/(liabilities)		303	9,858	(848)	8,650
Debtors: amounts falling due after more than one year	10	780	4,308	930	4,599
Total assets less current liabilities		16,145	14,909	15,877	13,987
Creditors: amounts falling due after more than one year	12	(48)	(48)	(47)	(47)
SHPS defined benefit liability	20	(5,037)	(5,037)	(6,971)	(6,971)
Provisions for liabilities	13	(109)	(109)	(77)	(77)
Share of net assets in joint venture	24	738	-	666	-
Net assets		11,689	9,715	9,448	6,892
Capital and reserves					
Profit and loss reserve		11,689	9,715	9,448	6,892
		11,689	9,715	9,448	6,892

The financial statements were approved by the Board of Directors on 08 July 2025 and signed on their behalf on 16 July 2025.

Margaret Galliers
Margaret Galliers (Jul 16, 2025 16:12 GMT+1)

Margaret Galliers CBE
Chair

Ruth Cooke
Ruth Cooke (Jul 17, 2025 10:04 GMT+1)

Ruth Cooke
Vice Chair

Company registration no: 302132

The principal accounting policies on pages 21 to 25 and the notes on pages 30 to 53 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2025 £'000	2024 £'000
Cash from operations	17	**1,097**	4,962
Interest received		**130**	49
Interest paid		**(296)**	(335)
Net cash (used by)/generated from operating activities		**(168)**	4,676
Taxation			
Corporation tax paid	5	**(-)**	(23)
Cash flows from investing activities			
Payments to acquire fixed assets and investments	6	**(204)**	(204)
Proceeds from sale of fixed assets		**-**	-
Net cash used in investing activities		**(204)**	(204)
Repayment of borrowings		**(-)**	(1,116)
Increase/(Decrease) in cash and cash equivalents	18	**727**	(3,333)
Cash and cash equivalents at the beginning of the year		**6,694**	3,361
Cash and cash equivalents at the end of year		**7,421**	6,694

The principal accounting policies on pages 21 to 25 and the notes on pages 30 to 52 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Turnover and profit on ordinary activities before taxation

The turnover and profit on ordinary activities before taxation is attributable as follows:

	2025 **£'000**	2024 £'000
Affiliation fees	**8,874**	8,548
Grants	**2**	6
Conferences, publications and business development	**3,286**	2,714
Other income	**612**	642
Company and Group	**12,774**	11,910

All income in the current and preceding year is derived from United Kingdom operations.

The surplus on ordinary activities before taxation is stated after administrative expenses of:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Staff costs (note 4)	**5,818**	**5,818**	5,535	5,535
Depreciation	**185**	**69**	213	114
Loss on disposal of fixed assets	**(2)**	**(2)**	-	-
Auditors' remuneration:				
- audit services	**37**	**36**	36	36
- non-audit services	**11**	**11**	11	11
Charges on operating leases	**33**	**1,070**	55	1,092
Other operating charges	**5,029**	**3,556**	4,603	3,079
Company and Group	**11,111**	**10,558**	10,453	9,867

NOTES TO THE FINANCIAL STATEMENTS

2. Share of joint venture's results

Further information on the NHF's joint venture, Housemark Limited is disclosed at notes 7 and 25. Housemark Limited's accounting reference date is 31 December. The most recent audited accounts available are for the period ending 31 December 2024.

Summary income and expenditure information for Housemark is:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Housemark turnover	**6,699**	6,294
Housemark operating costs	**(6,689)**	(6,233)
Other Operating Income	**-**	-
Operating(loss)/profit	**(10)**	61
Interest receivable	**63**	81
Interest Payable	**(44)**	(49)
Profit on ordinary activities before tax	**9**	93
Tax on profit on ordinary activities	**43**	133
Net profit	**52**	226
Actuarial gain/(loss) in respect of the pension scheme	**92**	(44)
Total comprehensive income	**144**	182

Group share 50%:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Housemark turnover	**3,349**	3,147
Housemark operating costs	**(3,344)**	(3,117)
Other Operating Income	**-**	-
Operating (loss)/profit	**(5)**	30
Interest receivable	**32**	40
Interest Payable	**(22)**	(24)
Profit on ordinary activities before tax	**4**	46
Tax on profit on ordinary activities	**22**	67
Net profit	**26**	113
Actuarial gain/(loss) in respect of the pension scheme	**46**	(22)
Total comprehensive income	**72**	91

NOTES TO THE FINANCIAL STATEMENTS

3. Interest payable and similar charges

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Interest payable				
On bank loans and overdrafts	-	-	48	32
Other operating charges (pension scheme)	300	300	290	290
	300	300	338	322
Interest receivable				
Bank	130	130	49	49

4. Directors and employees

Staff costs during the year were as follows:

	2025 £'000	2024 £'000
Wages and salaries (leadership team)	686	726
Wages and salaries (other staff)	4,249	3,972
Social security costs (leadership team)	84	95
Social security costs (other staff)	502	427
Other pension costs (leadership team)	49	55
Other pension costs (other staff)	248	250
Termination costs	-	10
	5,818	5,535

Key management personnel comprises the Chief Executive and other Leadership Team members.

The average number of employees of the company during the year was:

	2025 Number	2024 Number
Leadership team	5	7
Other staff	91	85
	96	92

All employees were employed in the NHF's principal activity.

NOTES TO THE FINANCIAL STATEMENTS

Directors and employees (continued)

The amounts set out above include remuneration (excluding pension contributions) in respect of the highest-paid director as follows:

	2025	2024
	£'000	£'000
Emoluments	**171**	164
Pension contributions to money purchase pension schemes	**14**	13
	185	177

The Chief Executive and the leadership team are ordinary members of the Social Housing Pension Scheme and participate in the scheme on the same basis as all other staff.

The fee paid for the services of the Chair was £30k (2024: £30k). No remuneration was paid to any other member of the Board other than the Chief Executive.

NOTES TO THE FINANCIAL STATEMENTS

5. Tax on profit/(loss) on ordinary activities

Analysis of the tax credit for the year

The tax charge/(credit) is based on the profit for the year and represents:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
UK Corporation tax	**23**	**-**	33	-
Deferred tax	**149**	**291**	76	73
Current tax charge/(credit) for period	**172**	**291**	109	73

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom of 25% (2024:19%). The differences are explained below:				
Profit on ordinary activities before tax	**1,812**	**2,583**	(1,092)	2,279
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax of 25% (2024: 19%).	**453**	**645**	(273)	570
Effect of:				
Expenses not deductible for tax purposes	**2,411**	**2,175**	2,798	1,973
Income not taxable for tax purposes	**(2,602)**	**(2,572)**	(2,150)	(2,438)
Fixed asset timing differences	**16**	**14**	(26)	26
Adjustment to prior period tax charge	**(130)**	**-**	100	18
Amounts (charged)/credited directly to STGL or otherwise transferred	**29**	**29**	(85)	(85)
Group relief	**-**	**-**	-	9
Rate change in deferred tax	**(5)**	**-**	(255)	-
Current tax charge/(credit) for period	**172**	**291**	109	73

NOTES TO THE FINANCIAL STATEMENTS

6. Tangible fixed assets
Group

	Investment property £'000	Freehold property £'000	Plant and machinery £'000	*Computer equipment £'000	Office equipment and furniture £'000	Improve-ments to leasehold premises £'000	Total £'000
Cost:							
At 1 April 2024	12,987	3,941	688	1,482	344	-	19,442
Revaluation	(750)	-	-	-	-	-	(750)
Additions	-	24	-	48	132	-	204
Disposals	-	(8)	-	(225)	-	-	(233)
At 31 March 2025	12,237	3,957	688	1,305	476	-	18,663
Depreciation:							
At 1 April 2024	-	1,549	607	1,336	155	-	3,647
Provided in the year	-	40	33	54	58	-	185
Disposals	-	(8)	-	(223)	-	-	(231)
At 31 March 2025	-	1,581	640	1,166	213	-	3,601
Net book amount at 31 March 2025	**12,237**	**2,376**	**48**	**139**	**263**	**-**	**15,062**
Net book amount at 31 March 2024	12,987	2,392	81	146	189	-	15,795

The first floor and part of the third floor of the freehold property, Lion Court are let as serviced offices. These are short-term leases, which can be cancelled at one month's notice.

The remainder of the third floor was let in October 2023 on a 3 year commercial lease and the second floor was let in two parts from January 2023 and February 2023 on 5 year and 4 year commercial leases respectively. The fourth floor was let in January 2019 on a ten-year commercial lease.

The remaining floor is used for operational purposes.

The whole property was independently valued at 31 March 2025 at £15.34m by BNP Paribas Real Estate, acting as an independent valuer as defined by Professional Standard 2 of the RICS Valuation Global Standards 2017. The basis of valuation was market value of the freehold interest in the property (as defined in the RICS Valuation Professional Standards), subject to any external tenancies. 79.8% of the building is let and is therefore included at a valuation of £12.24m i.e. 79.8% of the whole valuation.

Included in freehold property is an amount of £2.66m in respect of freehold land which is not subject to depreciation.

NOTES TO THE FINANCIAL STATEMENTS

6. Tangible fixed assets (continued)

* Computer equipment includes various software and development cost which under FRS102 should be split out and shown separately as intangible assets. These are historical costs incurred as part of wider projects which also included other costs including hardware such as servers and it is not possible to appropriately split out such costs. There is no impact on the income and expenditure as the amortisation policy for these costs would be the same as the depreciation policy.

Company

	*Computer equipment £'000	Office equipment and furniture £'000	Improvements to leasehold premises £'000	Total £'000
Cost				
At 1 April 2024	1,464	166	936	2,566
Additions	29	22	24	75
Disposals	(225)	-	(8)	(233)
At 31 March 2025	**1,270**	**188**	**951**	**2,409**
Depreciation				
At 1 April 2024	1,333	117	909	2,359
Provided in the year	46	18	5	69
Disposals	(223)	(-)	(8)	(231)
At 31 March 2025	**1,157**	**135**	**906**	**2,359**
Net book amount at 31 March 2025	**112**	**54**	**46**	**212**
Net book amount at 31 March 2024	131	49	27	207

* Computer equipment includes various software and development cost which under FRS102 should be split out and shown separately as intangible assets. These are historical costs incurred as part of wider projects which also included other costs including hardware such as servers and it is not possible to appropriately split out such costs. There is no impact on the income and expenditure as the amortisation policy for these costs would be the same as the depreciation policy.

NOTES TO THE FINANCIAL STATEMENTS

7. Investments

The NHF owns 100% of National Housing Federation Investments Limited, which itself owns a 49% ordinary shareholding in Housemark Limited. The total value of the investment is £531k in the company's balance sheet.

The NHF owns 100% of NHF Property & Services Limited which owns Lion Court, the NHF's head office.

The registered office of both subsidiaries is Lion Court, Procter Street, London, WC1V 6NY

The NHF owns one £1 ordinary share in The Housing Finance Corporation Limited (registered under the Co-operative and Communities Benefit Societies Act 2014), representing one-seventh of the nominal value of the issued share capital. The Housing Finance Corporation Limited assists housing associations and related charities in raising funds for capital projects and is incorporated in Great Britain.

Investments summary:

		2025	2024
National Housing Federation Investments Limited	Investment company	**100%**	100%
NHF Property & Services Limited	Property owning and office space provider	**100%**	100%
The Housing Finance Corporation Limited	Assists in the raising of funds for capital projects	**14%**	14%

	2025 £'000	2024 £'000
NHF Property & Services Ltd	-	-
Other	-	-
Group		
National Housing Federation Investments Limited	**531**	531
Company	**531**	531

In addition to the investments above the group and company have a 49% shareholding with 50% voting rights in Housemark Limited, which is treated as a joint venture (note 25). Housemark Limited, which is jointly owned with the Chartered Institute of Housing, provides benchmarking and consultancy services to the housing sector.

NOTES TO THE FINANCIAL STATEMENTS

8. Goodwill

Management has considered Housemark's performance against its business plan since the acquisition date together with the licence fee received each year and is content that no impairment has occurred therefore none of the carrying values of the assets or liabilities were altered for the goodwill calculation. No other circumstances have arisen which would indicate that the carrying amount of the goodwill (in the group's balance sheet) or the investment (in the balance sheet of National Housing Federation Investments Limited) are impaired.

As set out in the accounting policies, purchased goodwill is amortised over a period of twenty years. Management is of the opinion that such a period realistically reflects the expected useful economic life of the goodwill, given the nature of Housemark's business, the environment in which it operates and the scope and plans for future developments. Amortisation costs are charged to the income and expenditure account monthly. The following reconciliation of movements in goodwill is disclosed.

	£'000
Cost	
At 1 April 2024 and at 31 March 2025	**639**
Accumulated amortisation:	
At 1 April 2024	639
Charge for the period	-
At 31 March 2025	**639**
Net book amount at 31 March 2025	**-**
Net book amount at 31 March 2024	-

9. Stocks

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Stock for resale	**5**	**5**	5	5

NOTES TO THE FINANCIAL STATEMENTS

10. Debtors

Amounts due in less than one year:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Trade debtors	**1,256**	**1,256**	1,072	1,072
Other debtors	**49**	**49**	49	49
Prepayments and accrued income	**705**	**703**	594	593
Amounts due from group undertakings	**-**	**9,530**	-	9,457
	2,010	**11,538**	1,715	11,171

Amounts due in more than one year:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Deferred tax (note 15)	**780**	**808**	930	1,099
Amounts due from group undertakings	**-**	**3,500**	-	3,500
	780	**4,308**	930	4,599

A non-interest bearing deferred loan was made to the company's subsidiary undertaking, NHF Property & Services Limited in January 2004 to assist in the financing of the purchase of Lion Court, a property owned by NHF Property & Services Limited. At 31 March 2025 the amount outstanding on the loan was £3.5m (2024: £3.5m), to be repaid 20 years from date of issue. In 2024, this loan was extended for 5 years with repayment being the earlier of January 2029 or on the sale of the building.

The company has agreed not to recall the intercompany balance of £9,530k for twelve months from the date of signing these accounts unless NHF Property & Services Limited has the available funds to make the payment.

11. Creditors: amounts falling due within one year

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
SHPS deficit funding liability (note 21)	**11**	**11**	4	4
Trade creditors	**103**	**103**	46	46
Corporation tax	**23**	**-**	12	-
Other tax and social security	**144**	**144**	212	212
Other creditors	**226**	**17**	254	47
Accruals and deferred income	**8,626**	**8,597**	8,734	8,676
	9,133	**8,872**	9,262	8,985

NOTES TO THE FINANCIAL STATEMENTS

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

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Other creditors	**48**	**48**	47	47
SHPS deficit funding liability (note 21)	**-**	**-**	-	-
	48	**48**	47	47

Other creditors comprises rent deposits held in respect of the lease of floor 4 Lion Court and are repayable in more than two years but not more than five years.

13. Provisions for liabilities

Group and company

	Leave pay £'000
At 1 April 2024	77
Additions	32
Utilised	-
At 31 March 2025	**109**

The leave pay provision represents holiday and flexi time balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured at the salary cost payable for the period of absence.

NOTES TO THE FINANCIAL STATEMENTS

14. Deferred taxation

Group and Company

Deferred taxation debtor (note 10) consists of the tax effect of timing differences in respect of:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Short term timing differences	**380**	**380**	420	486
Fixed asset timing differences	**66**	**104**	(97)	101
Losses and other deductions	**334**	**324**	625	512
Effect of tax rate change	**-**	**-**	(18)	-
	780	**808**	930	1,099

Deferred taxation (credit)/charge in the year consists of the tax effect of timing differences in respect of:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
Losses and other deductions	**(220)**	**(215)**	-	-
Short term timing differences	**(77)**	**(77)**	55	55
Fixed asset timing differences	**(5)**	**1**	3	-
Prior Year adjustments	**152**		18	18
	(150)	**(291)**	76	73

Balance at 1 April 2023	1,006	1,172
Credit for the year	(76)	73)
Balance at 1 April 2024	930	1,099
Charge for the year	**(150)**	**(291)**
Balance at 31 March 2025 (note 10)	**780**	**808**

15. Reserves

Statement of Comprehensive Income and Retained Earnings includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS

16. Cash from operations

	2025	2024
	£'000	£'000
Operating surplus	**1,977**	(849)
Depreciation (note 6)	**185**	213
Profit/(Loss) on disposal of tangible fixed assets/investments	**2**	-
Revaluation loss	**750**	3,462
Decrease in stock	**-**	-
(Increase)/Decrease in debtors	**(295)**	252
(Decrease)/increase in creditors	**(1,521)**	1,884
Net cash inflow from operating activities	**1,097**	4,962

17. Analysis of changes in net debt

	At 1 April 2024	**Cash flow**	**At 31 March 2025**
	£'000	**£'000**	**£'000**
Cash in hand	**6,694**	727	**7,421**
Liquid resources	**-**	-	**-**
	6,694	727	**7,421**

18. Capital commitments

The company had no capital commitments at 31 March 2025 or 31 March 2024.

19. Contingent assets / liabilities

The Group incorporates relevant figures from the audited financial statements of the joint venture, Housemark, drawn up to 31 December 2024. Should there be any significant transactions or events relating to Housemark between 31 December 2024 and 31 March 2025, an adjustment is made to reflect this in the Group accounts.

20. Retirement benefit schemes

National Housing Federation Limited participates in the Social Housing Pension Scheme (SHPS) and the Growth plan.

SHPS

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.

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

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 £1,560m. 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 for 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 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 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

The Trustee of the Scheme have notified the NHF 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 has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2025. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2025 (£000s)	31 March 2024 (£000s)
Fair value of plan assets	30,273	30,707
Present value of defined benefit obligation	35,310	37,678
Surplus (deficit) in plan	(5,037)	(6,971)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period Ending 31 March 2025 (£000s)
Defined benefit obligation at start of period	37,678
Expenses	29
Interest expense	1,812
Actuarial losses (gains) due to scheme experience	1,630
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(4,441)
Benefits paid and expenses	(1,398)
Defined benefit obligation at end of period	35,310

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period Ending 31 March 2025 (£000s)
Fair value of plan assets at start of period	30,707
Interest income	1,512
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(2,278)
Contributions by the employer	1,730
Benefits paid and expenses	(1,398)
Fair value of plan assets at end of period	30,273

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£766k).

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME

	Period Ending 31 March 2025 (£000s)
Expenses	29
Net interest expense	300
Defined benefit costs recognised in statement of comprehensive income	329

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period Ending 31 March 2025 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(2,278)
Experience gains and losses arising on the plan liabilities – gain (loss)	(1,630)
Effect of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effect of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	4,441
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	533
Total amount recognised in other comprehensive income - gain (loss)	533

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

ASSETS

	31 March 2025 (£000s)	31 March 2024 (£000s)
Global equity	3,391	3,060
Absolute return	-	1,199
Distressed options	-	1,082
Credit relative value	-	1,006
Alternative risk premia	-	975
Liquid Alternatives	5,614	-
Emerging markets debt	-	397
Risk sharing	-	1,797
Insurance-linked securities	93	159
Property	1,516	1,233
Infrastructure	5	3,102
Private equity	27	25
Real Assets	3,624	-
Private debt	-	1,208
Opportunistic Illiquid Credit	-	1,200
Private Credit	3,705	-
Credit	1,158	-
Investment Grade Credit	932	-
High Yield	-	5
Cash	411	606
Long lease property	9	198
Secured income	505	917
Liability Driven Investment	9,169	12,497
Currency Hedging	49	(12)
Net current assets	65	53
Total assets	30,273	30,707

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

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

KEY ASSUMPTIONS

	31 March 2025 % per annum	**31 March 2024 % per annum**
Discount rate	5.82	4.90
Inflation (RPI)	3.10	3.15
Inflation (CPI)	2.79	2.78
Salary growth	3.79	3.78
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (Years)
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2042	21.7
Female retiring in 2042	24.5

Growth Plan

National Housing Federation Limited participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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 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.

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NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 March 2028:	£2,100,000 per annum	(payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	31-Mar-25	**31-Mar-24**	**31-Mar-23**
	(£s)	**(£s)**	**(£s)**
Present value of provision	10,866	4,332	9,273

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2025 (£s)	**Period Ending** 31 March 2024 (£s)
Provision at start of period	4,332	9,273
Unwinding of the discount factor (interest expense)	114	355
Deficit contribution paid	(4,416)	(5,299)
Remeasurements - impact of any change in assumptions	69	3
Remeasurements - amendments to the contribution schedule	10,767	-
Provision at end of period	10,866	4,332

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 25 (£s)	**Period Ending** 31 March 2024 (£s)
Interest expense	114	355
Remeasurements – impact of any change in assumptions	69	3
Remeasurements – amendments to the contribution schedule	10,767	-

ASSUMPTIONS

	31 March 2025 % per annum	31 March 2024 % per annum	31 March 2023 % per annum
Rate of discount	4.84	5.31	5.52

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

The following schedule details the deficit contributions agreed between the company and the scheme at each year end:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2025 (£s)	31 March 2024 (£s)	31 March 2023 (£s)
Year 1	3,877	4,416	5,299
Year 2	3,877	-	4,416
Year 3	3,877	-	-
Year 4	-	-	-
Year 5	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the company's balance sheet liability.

The total pension cost for the NHF for the year including pension deficit contributions was £1,948k (2024: £1,948k).

21. Financial commitments

On 29 January 2004, the group purchased Lion Court in Holborn for the sum of £13.74m The purchase was financed by a 25-year loan from the Bank of Scotland of £11.74m at an interest rate of 1.5% plus base. On 10th March 2021, the outstanding balance of £2.903m was transferred to Lloyds Bank Plc initially at an interest rate on 1.5% above base. On 30 April 2021 the whole amount was fixed at the rate of 1.837% until it is fully repaid on 19 February 2024.

As part of the facility agreement with Lloyds, National Housing Federation Limited has a £3m rolling credit facility until 19 February 2024.

Post year end a new £2m facility agreement was agreed with Barclays for a period of three years. The amount utilised to date is £nil. The facility is secured by a mortgage charge over the building known as Lion Court.

NOTES TO THE FINANCIAL STATEMENTS

22. Financial commitments

The group and company's future operating lease payments are as follows:

Amounts repayable:

	Group 2025 £'000	**Company 2025 £'000**	Group 2024 £'000	Company 2024 £'000
In one year or less on demand	**48**	**1,086**	17	1,054
In more than one year, but not more than two years	**44**	**1,082**	9	1,046
In more than two years, but not more than five years	**20**	**1,921**	5	2,944
In more than five years	**-**		-	
	112	**4,089**	31	5,044

23. Transactions with directors and other related parties

During the year National Housing Federation Limited paid £nil (2024: £nil) to Housemark for services and received licence income from Housemark amounting to £317k (2024: 317k).

National Housing Federation Limited paid rent of £1.103m (2024: £1.103m) to NHF Property & Services Limited. NHF Property & Services Limited paid fees in respect of rents, rates and service charges to National Housing Federation Limited for the 1st, 2nd, 3rd and 4th floors of Lion Court amounting to £1.03m (2024: £1.03m).

In the normal course of business housing associations to which some directors are connected, pay affiliation fees, acquire publications and attend conferences of National Housing Federation Limited. All of these transactions are at arm's length other than attendance at conferences where the Director's attendance is required by virtue of being a Director. Affiliation fees received from members during the year ended 31 March 2025 were £8.87m (2024: £8.55m).

There are no other related party transactions.

24. Group and joint venture disclosures

The group and company have a 49% shareholding in Housemark Limited. Housemark's only other shareholder is the Chartered Institute of Housing. National Housing Federation Limited has 50% of voting rights and therefore 50% of the results of Housemark Limited are treated as a joint venture.

a) There are no intercompany loans or other balances due between National Housing Federation Limited and Housemark Limited.
b) Housemark Limited's accounting reference date is 31 December. The most recent audited accounts available are for the period ending 31 December 2024. These have been used in compiling the NHF's group financial statements.

NOTES TO THE FINANCIAL STATEMENTS

24. Group and joint venture disclosures (continued)

	2024	2023
	£	£
Profit and loss account		
Turnover	**6,698,633**	6,294,490
Profit after tax	**143,538**	181,954
Balance sheet		
Fixed assets	**1,181,281**	1,084,430
Current assets	**2,234,308**	2,662,774
Creditors: amounts falling due within one year	**(1,216,624)**	(1,431,499)
Pension liability, provisions and deferred tax	**(723,333)**	(983,611)
Net assets	**1,475,632**	1,332,094
Called-up share capital	**100**	100
Profit and loss account	**1,475,532**	1,331,994
	1,475,632	1,332,094

Housemark Limited's registered address is Unit 1a Viscount Centre, Millburn Hill Road, University of Warwick Science Park, Coventry CV4 7HS.

25. Financial risk management

The company has exposure to three main areas of risk:

Reputational risk
The company has identified as inherently high risk, the political, economic and regulatory aspects of its wider operating environment and the linked reputational risks relating to the activities of its members. These factors may impact in ways which are inherently unpredictable, but the company leads the sector in anticipating a range of scenarios and planning to deal with them. It does not involve itself directly in issues relating to an individual member, although offering advice and support where appropriate.

Customer credit exposure
The company has leased one floor of its freehold property by way of a commercial ten-year lease with a break clause after five years and the other floors on three to five year commercial leases or as short-term office lets. There is a risk that a tenant may default on the rent however, this is mitigated by holding rent deposits of between one and six months on all lets.

Interest rate risk
The company financed the purchase of its freehold property by way of a term loan from the Lloyds Bank Plc and is therefore subject to interest rate changes. This is mitigated by fixing the interest on the loan as disclosed in note 22.