

NATIONAL HOUSING
FEDERATION LIMITED
FINANCIAL STATEMENTS
For the Year ended
31 March 2026
Company no. 0302132

NATIONAL HOUSING FEDERATION LIMITED
For the year ended 31 March 2026

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

	2025/26 £'000s	2024/25 £'000s	2023/24 £'000s	2022/23 £'000s	2021/22 £'000s	2020/21 £'000s	2019/20 £'000s
Turnover	14,102	13,838	13,066	12,727	11,846	12,668	13,318
Change %	1.91%	5.9%	2.7%	7.4%	-6.5%	-4.9%	-1.0%
Comprehensive Income/(loss) (see page 6)	2,059	2,241	(2,712)	727	7,026	(5,969)	8,121
Underlying surplus/(loss) (see page 6)	1,145	1,277	1,047	1,266	1,991	893	(53)
Underlying surplus/(loss) excluding Housemark result	1,112	1,205	956	1,263	1,414	857	(61)
Net assets	13,748	11,689	9,448	12,160	11,433	4,407	10,376
Net cash at year-end (highest point in the year)	8,754	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 £0.3m. 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 is 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

The past financial year has been marked by both significant accomplishments and considerable challenges for our organisation. Embarking on the first year of our ambitious five-year strategy, we achieved a landmark Social and Affordable Homes Programme settlement, all while navigating a turbulent global economy and sluggish growth across the UK.

We have maintained a strong financial footing, despite further reductions in the value of our capital holdings. Our conference programme has gone from strength to strength, we have achieved excellent member retention and welcomed new members to our community.

Over the past year, our conferences have welcomed more than 6,500 delegates, while a further 6,700 members have participated in our webinar programme, which has addressed topics such as rural housing, social cohesion, and rent convergence.

We have made tangible progress against our business objectives, delivering genuine value for our members. Notably, we relaunched our business development team as NHF Partnerships, with a renewed focus on collaborating with handpicked partners to help you save both time and money. Our members have benefitted from a diverse range of tools and resources, including the report 'How housing associations are adapting to AL', and the Devolution toolkit. I am pleased to see that members are making increasing use of our EDI tools and resources, all of which exemplify the invaluable support our organisation offers.

Our Research and Analysis team has played a vital role in supporting our wider influencing work, consistently delivering important insights to our members. This includes the creation of regional factsheets to aid devolution activity, our Home Truths data tool at the local level, and the Local Economic Impact Calculator.

I am delighted to report that member satisfaction has reached new heights. We had an increase in satisfaction for the third year in a row, satisfaction is 95% overall, up 10% since 2021.

One of the great privileges of being Chair of the NHF is that I have the opportunity to visit Housing Associations up and down the country. I never fail to be impressed by your social purpose and the positive impact you have on people's lives. Whether it is work with those furthest from society as I saw on my recent visit to Home Group, meeting the complex challenges of rural housing, as Broadacres is doing, providing safe and empowering environments for survivors of domestic abuse like those at CHADD or ambitious development schemes like those at Hyde you are doing work which makes a difference. Always values driven, you are helping to create a society of which we can all be proud.

In what has been a demanding economic climate, we have much to celebrate. However, we must not lose sight of the fact that many of our members' residents continue to struggle with the ongoing cost of living crisis, waiting lists for new social homes remain far too long, and numerous supported housing schemes are struggling to stay open. We should take pride in our collective achievements this year, whilst acknowledging there is still much work ahead.



Maggie Galliers CBE

CHIEF EXECUTIVE'S REVIEW

Over the last 12 months we have seen huge, positive developments for the social housing sector, with announcements and commitments from the government offering longer-term security and stability.

Housing formed a key part of the Spending Review announcements made on 11 June 2025, with a transformative package of measures which included a £39bn investment in the Social and Affordable Homes Programme, a ten-year rent settlement with annual increases capped at CPI+1%, funding for the Warm Homes Plan, and equal access for social landlords to building safety remediation funding.

This was closely followed on 2 July by the government launch of its new long-term plan Delivering a Decade of Social Housing Renewal, something we have long campaigned for alongside our members and partners.

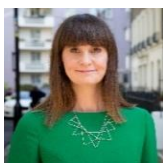
On 28 January 2026, there was another package of important announcements regarding the regulatory and funding settlement for housing associations. This included rent convergence, low-cost loans, the Decent Homes Standard, Minimum Energy Efficiency Standard and Section 106.

The government also announced plans to launch a new social housing taskforce, through which we will agree a compact to strengthen our long-term partnership with the government, local councils, and social housing residents.

These are landmark achievements that came about because the whole social housing sector demonstrated the determination, commitment and resilience needed to enable significant policy change. This, in turn, will have a positive impact on millions of people's lives. We have succeeded in positioning 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.

And whilst we share the government's commitment to high quality and sustainable homes, we have worked hard to ensure regulation is deliverable and proportionate. We are really pleased that, across a range of areas, the government has engaged constructively with us and has listened to the representations the sector has made.

It is important now that we shift our focus to delivering so we can safeguard the settlement we have and achieve our shared ambition of a generational boost to social housing. We will continue to make sure the sector's voice is heard, to shape national policy, and to build understanding and support. We are excited about what the future holds and look forward to more collaborative work with our members and partners in the coming year.



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 almost all housing associations in England are members of the NHF.

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

- To provide good quality, safe and affordable homes with good services.
- To put residents at the heart of everything we do.
- To work in partnership within our communities to improve outcomes for residents.
- To play our part in resolving the housing crisis.

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

A major part of the NHF's income is from members' annual affiliation fees, in return for which member organisations receive a wide range of representation and services. 95% of chief executives report satisfaction with these services.

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 partnerships for housing associations and their residents.

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.

Key risks and uncertainties for our members include:

- The significant financial pressure from meeting the investment demands of building safety, decarbonisation, adapting to climate extremes, building new homes and improving the quality of existing homes.
- Cost of debt and inflation rising due to the ongoing Middle East crisis.
- Resident, staff, and stakeholder trust in housing associations is being impacted by media and social media coverage of poor housing conditions, and a lack of understanding on what housing associations are.
- Managing the transition to new regulatory requirements, including the revised consumer standards, Awaabs Law and the Minimum Energy Efficiency Standards (MEES).
- 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 scarcity of social housing putting increasing pressure on how social homes are allocated.
- Increasing complexity of customer need being seen by both supported and general needs providers, creating significant pressure on services and staff.
- The increasing impact of local authority finances, which is cutting funding for supported housing, limiting wider services and reducing planning capacity.
- Low levels of diversity in senior leaders across the sector.
- Deepening division within communities due to growing far-right sentiment across the country, impacting housing associations' role in supporting social cohesion and keeping residents and staff safe.
- The disruption of new entrants to the social housing sector, including for-profit providers.
- Competing priorities from government.
- The rapid growth in AI development and adoption across the UK.

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 and inflation due to the ongoing Middle East crisis.
- The ongoing impact of economic challenges and changes to working practices on the valuation of our London office.
- The increasing need to manage the balance between national influencing work and services and support for members in devolved areas.

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 2025/26 was £1,145k compared to £1,277k for the previous year. £29k (2024/25 £72k) of this relates to our investment in Housemark Ltd (note 2). The surplus was similar largely due to a continuation of better commercial and membership fee income. Under FRS 102 our reported, headline profit/(loss) after tax was £1,145k (2024/25 profit of £1,277k).

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 2025/26 and 2024/25 is as follows:

	2025/26	2024/25
	£'000s	£'000s
Headline profit after tax under FRS 102	2,059	2,241
Unrealised property revaluation loss on investment property	471	750
One off recovery of venue credits	(-)	(-)
Pension deficit recovery payments	(1,662)	(1,659)
Actuarial losses in respect of pension	(276)	(533)
Pension scheme net finance cost	284	329
Deferred tax and other adjustments	269	149
Underlying surplus	1,145	1,277

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 2026 were £14.0m (2025 £11.7m). 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 1.91% to £14.1m. Gross income from affiliation fees was 2% higher than the previous year, reflecting the annual price increase reduced by the impact of mergers amongst members and disaffiliations. The price of membership for the upcoming year (2026/27) has been increased by inflation of 3.8%.

Net income from commercial services, including rental income, contributed £3.4m (2025: £2.65m), 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, and the other floors are let on commercial leases of between three and ten years. Income in the year at £1.1m, similar to 2024/25 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 2026, the whole property was independently valued at £14.75m (2025: £15.34m).

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)

This year marks the start of our current business strategy, and we have been busy laying the foundations for the next five years.

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 our new strategy, 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

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

Signed by:

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Irfan Umarji
Company Secretary
13 July 2026

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31 March 2026.

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 £2,059K (2025: £2,241k) 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 2025 and 31 March 2026. Details are also shown of membership to Board Committees, and position where applicable, as at July 2026 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		
Steve Coffey 3/4	Chair	
Ruth Cooke (Vice Chair) 2/4		Chair
Victor da Cunha 4/4		Member
Evelyn John 4/4	Member	
Katharine Henderson (Chief Executive) 3/4	Attends	Attends
Ian Martin 4/4 (Resigned 31 March 2026)	Member	
Ian McDermott 3/4		Member
Suzanne Rastrick 3/4	Member	
Jessica Studdert 2/2 (resigned 15 December 2025)		Member
Gail Teasdale 1/1 (resigned 25 September 2025)	Member	
Mel Barret 3/3 (appointed 24 September 2025)		Member

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 outturn 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.

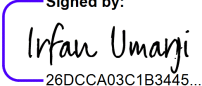
Key risks are carefully reviewed when setting the business strategy for the succeeding year. The Risk Register is directly linked to our strategic objectives and business plans, and contains detail on mitigating actions taken and planned.

Further information on the risks faced by the NHF is 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

Signed by:

26DCCA03C1B3445...

Irfan Umarji
Company Secretary

13 July 2026

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 2026 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 2026 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 page 12, 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.

DocuSigned by:

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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: 09 September 2026

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 642 (2025: 645) 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 Montagu Evans which has valued the market value of the freehold interest of Lion Court, 25 Proctor Street, at £14,750,000 (2025: £15,340,000). 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 2026.

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 20).

Basis of Consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 31 March 2026. 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	2026 £'000	2025 £'000
Turnover			
Continuing operations	1	<u>13,002</u>	<u>12,774</u>
Other operating income:			
rental income		1,100	1,064
revaluation gain		<u>-</u>	<u>-</u>
Total turnover		14,102	13,838
Administrative expenses	1	(11,482)	(11,111)
(Deficit) on revaluation of investment property		<u>(471)</u>	<u>(750)</u>
Group operating profit before share of joint venture		2,149	1,977
Share of operating (loss) in joint venture	2	<u>(20)</u>	<u>(5)</u>
Group operating profit/(loss)		2,129	1,972
Interest payable	3	(246)	(300)
Share of interest payable in joint venture	2	<u>(17)</u>	<u>(22)</u>
Interest receivable and similar income	3	116	130
Share of interest receivable and similar income in joint venture	2	<u>21</u>	<u>32</u>
Profit on ordinary activities before taxation		2,003	1,812
Tax on profit on ordinary activities	5	(269)	(172)
Share of tax on profit on ordinary activities in joint venture	2	<u>3</u>	<u>22</u>
Profit for the year		1,737	1,662
Other Comprehensive Income			
Actuarial gains in respect of pension	20	276	533
Share of actuarial gains in respect of pension in joint venture	2	<u>46</u>	<u>46</u>
Total Comprehensive Income for the year		2,059	2,241
Retained profits at 1 April		<u>11,689</u>	<u>9,448</u>
Retained profits at 31 March		<u>13,748</u>	<u>11,689</u>

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 19 to 23 and the notes on pages 28 to 50 form part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

	Note	2026 £'000	2025 £'000
Turnover			
Continuing operations	1	13,002	12,774
Other operating income:			
Rental income		509	535
Total turnover		13,511	13,309
Administrative expenses	1	(11,069)	(10,558)
Profit on ordinary activities before taxation		2,442	2,751
Interest payable	3	(246)	(300)
Interest receivable and similar income	3	116	130
Profit on ordinary activities before taxation		2,312	2,581
Tax on profit on ordinary activities	5	(249)	(291)
Profit for the year		2,063	2,290
Other Comprehensive Income			
Actuarial gains in respect of pension	20	276	533
Total Comprehensive Income for The Year		2,339	2,823
Retained profit at 1 April		9,715	6,892
Retained profit at 31 March		12,054	9,715

All transactions arise from continuing operations.

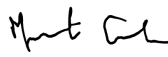
There were no recognised gains or losses other than the profit for the financial year.

The principal accounting policies on pages 19 to 23 and the notes on pages 28 to 50 form part of these financial statements.

CONSOLIDATED AND COMPANY BALANCE SHEETS AS AT 31 MARCH 2026

	Note	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Fixed assets					
Goodwill	8	-	-	-	-
Investments	7	-	531	-	531
Tangible fixed assets	6	14,603	297	15,062	212
		<u>14,603</u>	<u>828</u>	<u>15,062</u>	<u>743</u>
Current assets					
Stocks – publications	9	-	-	5	5
Debtors	10	1,997	11,285	2,010	11,538
Cash at bank and in hand		8,754	8,554	7,421	7,187
		<u>10,751</u>	<u>19,839</u>	<u>9,436</u>	<u>18,730</u>
Creditors: amounts falling due within one year	11	<u>(9,387)</u>	<u>(9,150)</u>	<u>(9,133)</u>	<u>(8,872)</u>
Net current assets		<u>1,364</u>	<u>10,689</u>	<u>303</u>	<u>9,858</u>
Debtors: amounts falling due after more than one year	10	<u>533</u>	<u>4,059</u>	<u>780</u>	<u>4,308</u>
Total assets less current liabilities		<u>16,500</u>	<u>15,576</u>	<u>16,145</u>	<u>14,909</u>
Creditors: amounts falling due after more than one year	12	<u>(51)</u>	<u>(51)</u>	<u>(48)</u>	<u>(48)</u>
SHPS defined benefit liability	20	<u>(3,383)</u>	<u>(3,383)</u>	<u>(5,037)</u>	<u>(5,037)</u>
Provisions for liabilities	13	<u>(88)</u>	<u>(88)</u>	<u>(109)</u>	<u>(109)</u>
Share of net assets in joint venture	24	<u>770</u>	<u>-</u>	<u>738</u>	<u>-</u>
Net assets		<u>13,748</u>	<u>12,054</u>	<u>11,689</u>	<u>9,715</u>
Capital and reserves					
Profit and loss reserve		<u>13,748</u>	<u>12,054</u>	<u>11,689</u>	<u>9,715</u>
		<u>13,748</u>	<u>12,054</u>	<u>11,689</u>	<u>9,715</u>

The financial statements were approved by the Board of Directors on 13 July 2026 and signed on their behalf on 04 August 2026.

Signed by:

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Margaret Galliers CBE
Chair

Signed by:

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Kate Henderson
Director

Company registration no: 302132

The principal accounting policies on pages 19 to 23 and the notes on pages 28 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2026 £'000	2025 £'000
Cash from operations	16	1,677	1,097
Interest received		116	130
Interest paid		(246)	(296)
Net cash (used by) operating activities		(130)	(166)
Taxation			
Corporation tax paid	5	(-)	(-)
Cash flows from investing activities			
Payments to acquire fixed assets and investments	6	(214)	(204)
Net cash used in investing activities		(214)	(204)
Increase in cash and cash equivalents	17	1,333	727
Cash and cash equivalents at the beginning of the year		7,421	6,694
Cash and cash equivalents at the end of year		8,754	7,421

The principal accounting policies on pages 19 to 23 and the notes on pages 28 to 50 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:

	2026 £'000	2025 £'000
Affiliation fees	9,055	8,874
Grants	1	2
Conferences, publications and business development	3,438	3,286
Other income	508	612
Company and Group	13,002	12,774

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 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Staff costs (note 4)	6,136	6,136	5,818	5,818
Depreciation	201	92	185	69
Loss on disposal of fixed assets	(1)	(1)	(2)	(2)
Auditors' remuneration:				
- audit services	39	38	37	36
- non-audit services	9	9	11	11
Charges on operating leases	48	1,085	33	1,070
Other operating charges	5,050	3,710	5,029	3,556
Company and Group	11,482	11,069	11,111	10,558

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 24. Housemark Limited's accounting reference date is 31 December. The most recent audited accounts available are for the period ending 31 December 2025.

Summary income and expenditure information for Housemark is:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Housemark turnover	6,580	6,699
Housemark operating costs	(6,620)	(6,689)
Operating (loss)	(40)	(10)
Interest receivable	42	63
Interest Payable	(34)	(44)
(Loss)/profit on ordinary activities before tax	(32)	9
Tax on profit on ordinary activities	7	43
Net (loss)/profit	(25)	52
Actuarial gain in respect of the pension scheme	90	92
Total comprehensive income	65	144

Group share 50%:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Housemark turnover	3,290	3,349
Housemark operating costs	(3,310)	(3,344)
Operating (loss)	(20)	(5)
Interest receivable	21	32
Interest Payable	(17)	(22)
(Loss)/profit on ordinary activities before tax	(16)	4
Tax on profit on ordinary activities	3	22
Net (loss)/profit	(13)	26
Actuarial gain in respect of the pension scheme	46	46
Total comprehensive income	33	72

NOTES TO THE FINANCIAL STATEMENTS

3. Interest payable and similar charges

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Interest payable				
Other operating charges (pension scheme)	246	246	300	300
	246	246	300	300
Interest receivable				
Bank	116	116	130	130

4. Directors and employees

Staff costs during the year were as follows:

	2026 £'000	2025 £'000
Wages and salaries (leadership team)	719	686
Wages and salaries (other staff)	4,380	4,249
Social security costs (leadership team)	103	84
Social security costs (other staff)	622	502
Other pension costs (leadership team)	48	49
Other pension costs (other staff)	264	248
	6,136	5,818

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

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

	2026 Number	2025 Number
Leadership team	5	5
Other staff	92	91
	97	96

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:

	2026	2025
	£'000	£'000
Emoluments	177	171
Pension contributions to money purchase pension schemes	14	14
	<u>191</u>	<u>185</u>

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 (2025: £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 on ordinary activities

Analysis of the tax charge for the year

The tax charge is based on the profit for the year and represents:

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
UK Corporation tax	22	-	23	-
Deferred tax	247	249	149	291
Current tax charge for period	<u>269</u>	<u>249</u>	<u>172</u>	<u>291</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom of 25% (2025:25%). The differences are explained below:

Profit on ordinary activities before tax	<u>2,003</u>	<u>2,312</u>	<u>1,812</u>	<u>2,581</u>
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Profit on ordinary activities before tax multiplied by the standard rate of corporation tax of 25% (2025: 25%).	500	578	453	645
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Effect of:				
Expenses not deductible for tax purposes	2,408	2,259	2,411	2,175
Income not taxable for tax purposes	(2,634)	(2,634)	(2,602)	(2,572)
Fixed asset timing differences	6	20	16	14
Adjustment to prior period tax charge	(23)	-	-	-
Adjustment to prior period deferred tax charge	4	-	(130)	-
Deferred tax relating to other comprehensive income	15	15	29	29
Group relief	(1)	11	-	-
Rate change in deferred tax	-	-	(5)	-
Movement in deferred tax not recognised	(6)	-	-	-
Current tax charge for period	<u>269</u>	<u>249</u>	<u>172</u>	<u>291</u>

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 2025	12,237	3,957	688	1,305	476	-	18,663
Revaluation	(471)	-	-	-	-	-	(471)
Additions	-	90	-	75	49	-	214
Disposals	-	-	-	(53)	(43)	-	(96)
At 31 March 2026	<u>11,766</u>	<u>4,047</u>	<u>688</u>	<u>1,327</u>	<u>482</u>	<u>-</u>	<u>18,310</u>
Depreciation:							
At 1 April 2025	-	1,581	640	1,166	214	-	3,601
Provided in the year	-	44	5	57	95	-	201
Disposals	-	-	-	(52)	(43)	-	(95)
At 31 March 2026	<u>-</u>	<u>1,625</u>	<u>645</u>	<u>1,171</u>	<u>266</u>	<u>-</u>	<u>3,707</u>
Net book amount at 31 March 2026	<u>11,766</u>	<u>2,422</u>	<u>43</u>	<u>156</u>	<u>216</u>	<u>-</u>	<u>14,603</u>
Net book amount at 31 March 2025	<u>12,237</u>	<u>2,376</u>	<u>48</u>	<u>139</u>	<u>262</u>	<u>-</u>	<u>15,062</u>

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 2026 at £14.75m by Montagu Evans, 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 £11.77m 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 2025	1,270	188	951	2,409
Additions	72	15	90	177
Disposals	(52)	(4)	-	(56)
At 31 March 2026	1,290	199	1,041	2,530
Depreciation				
At 1 April 2025	1,157	134	906	2,197
Provided in the year	47	40	4	91
Disposals	(51)	(4)	-	(55)
At 31 March 2026	1,153	170	910	2,233
Net book amount at 31 March 2026	137	29	131	297
Net book amount at 31 March 2025	113	54	45	212

* 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:

		2026	2025
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%
		2026 £'000	2025 £'000
NHF Property & Services Ltd		-	-
Other		-	-
Group		531	531
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 24). Housemark Limited, which is jointly owned with the Chartered Institute of Housing, provides benchmarking and consultancy services to the housing sector. See note 26 for post balance sheet events relating to the group's investment in Housemark Limited.

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 2025 and at 31 March 2026	<u>639</u>
Accumulated amortisation:	
At 1 April 2025	639
Charge for the period	<u>-</u>
At 31 March 2026	<u>639</u>
Net book amount at 31 March 2026	<u>-</u>
Net book amount at 31 March 2025	<u>-</u>

9. Stocks

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Stock for resale	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS

10. Debtors

Amounts due in less than one year:

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Trade debtors	509	509	1,256	1,256
Other debtors	57	57	49	49
Prepayments and accrued income	1,431	1,129	705	703
Amounts due from group undertakings	-	9,590	-	9,530
	<u>1,997</u>	<u>11,285</u>	<u>2,010</u>	<u>11,538</u>

Amounts due in more than one year:

Deferred tax (note 14)	533	559	780	808
Amounts due from group undertakings	-	3,500	-	3,500
	<u>533</u>	<u>4,059</u>	<u>780</u>	<u>4,308</u>

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 2026 the amount outstanding on the loan was £3.5m (2025: £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 £9,590k for twelve months from the date of signing these accounts unless NHF Property & Services Limited has the available funds to make the payment. The balance has been disclosed in amounts due in less than one year, as the amount is still considered payable on demand.

11. Creditors: amounts falling due within one year

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
SHPS deficit funding liability (note 20)	7	7	11	11
Trade creditors	803	803	103	103
Corporation tax	45	-	23	-
Other tax and social security	177	177	144	144
Other creditors	206	18	226	17
Accruals and deferred income	8,149	8,145	8,626	8,597
	<u>9,387</u>	<u>9,150</u>	<u>9,133</u>	<u>8,872</u>

NOTES TO THE FINANCIAL STATEMENTS

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

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Other creditors	<u>51</u>	<u>51</u>	<u>48</u>	<u>48</u>
	51	51	48	48

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 2025	109
Additions	-
Utilised	(21)
At 31 March 2026	<u>88</u>

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 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Short term timing differences	289	289	380	380
Fixed asset timing differences	97	103	66	104
Losses and other deductions	147	167	334	324
Effect of tax rate change	-	-	-	-
	<u>533</u>	<u>559</u>	<u>780</u>	<u>808</u>

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

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
Losses and other deductions	1	1	(220)	(215)
Short term timing differences	76	76	(77)	(77)
Fixed asset timing differences	150	157	(5)	1
Prior Year adjustments	20	15	152	-
	<u>247</u>	<u>249</u>	<u>(150)</u>	<u>(291)</u>

Balance at 1 April 2025	780	808
Credit for the year	(247)	(249)
Balance at 31 March 2026	<u>533</u>	<u>559</u>

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

	2026 £'000	2025 £'000
Operating surplus	2,149	1,977
Depreciation (note 6)	201	185
Profit on disposal of tangible fixed assets/investments	-	2
Revaluation loss	471	750
Decrease in stock	5	-
Decrease/(Increase) in debtors	231	(295)
(Decrease) in creditors	(1,380)	(1,522)
Net cash inflow from operating activities	<u>1,677</u>	<u>1,097</u>

17. Analysis of changes in net debt

	At 1 April 2025 £'000	Cash flow £'000	At 31 March 2026 £'000
Cash in hand	7,421	1,333	8,754
	<u>7,421</u>	<u>1,333</u>	<u>8,754</u>

18. Capital commitments

The company had no capital commitments at 31 March 2026 or 31 March 2025.

19. Contingent assets / liabilities

The Group incorporates relevant figures from the audited financial statements of the joint venture, Housemark, drawn up to 31 December 2025. Should there be any significant transactions or events relating to Housemark between 31 December 2025 and 31 March 2026, 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. 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 2026 (£000s)	31 March 2025 (£000s)
Fair value of plan assets	31,555	30,273
Present value of defined benefit obligation	34,938	35,310
Surplus (deficit) in plan	(3,383)	(5,037)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period Ending 31 March 2026 (£000s)
Defined benefit obligation at start of period	35,310
Expenses	38
Interest expense	2,015
Actuarial losses (gains) due to scheme experience	(1,000)
Actuarial losses (gains) due to changes in demographic assumptions	318
Actuarial losses (gains) due to changes in financial assumptions	(356)
Benefits paid and expenses	(1,387)
Defined benefit obligation at end of period	34,938

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

	Period Ending 31 March 2026 (£000s)
Fair value of plan assets at start of period	30,273
Interest income	1,769
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(762)
Contributions by the employer	1,662
Benefits paid and expenses	(1,387)
Fair value of plan assets at end of period	31,555

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was £1,007k.

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME

	Period Ending 31 March 2026 (£000s)
Expenses	38
Net interest expense	246
Defined benefit costs recognised in statement of comprehensive income	284

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period Ending 31 March 2026 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(762)
Experience gains and losses arising on the plan liabilities – gain (loss)	1,000
Effect of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(318)
Effect of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	356
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	276
Total amount recognised in other comprehensive income - gain (loss)	276

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

ASSETS

	31 March 2026 (£000s)	31 March 2025 (£000s)
Global equity	3,497	3,391
Liquid Alternatives	5,619	5,614
Insurance-linked securities	47	93
Property	1,540	1,516
Infrastructure	1	5
Private equity	68	27
Real Assets	2,971	3,624
Private Credit	3,810	3,705
Credit	1,256	1,158
Investment Grade Credit	1,856	932
Cash	6	411
Long lease property	-	9
Secured income	957	505
Liability Driven Investment	9,621	9,169
Currency Hedging	(1)	49
Net current assets	307	65
Total assets	31,555	30,273

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

KEY ASSUMPTIONS

	31 March 2026 % per annum	31 March 2025 % per annum
Discount rate	6.08	5.82
Inflation (RPI)	3.31	3.10
Inflation (CPI)	3.03	2.79
Salary growth	4.03	3.79
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies:

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

	Life expectancy at age 65 (Years)
Male retiring in 2026	20.9
Female retiring in 2026	23.2
Male retiring in 2046	22.2
Female retiring in 2046	24.6

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, sets 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.

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)
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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:

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
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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-26	31-Mar-25	31-Mar-24
	(£s)	(£s)	(£s)
Present value of provision	7,408	10,866	4,332

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2026 (£s)	Period Ending 31 March 2025 (£s)
Provision at start of period	10,866	4,332
Unwinding of the discount factor (interest expense)	424	114
Deficit contribution paid	(3,877)	(4,416)
Remeasurements - impact of any change in assumptions	(5)	69
Remeasurements - amendments to the contribution schedule	-	10,767
Provision at end of period	7,408	10,866

NOTES TO THE FINANCIAL STATEMENTS

20. Retirement benefit schemes (continued)

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 26 (£s)	Period Ending 31 March 2025 (£s)
Interest expense	424	114
Remeasurements – impact of any change in assumptions	(5)	69
Remeasurements – amendments to the contribution schedule	-	10,767

ASSUMPTIONS

	31 March 2026 % per annum	31 March 2025 % per annum	31 March 2024 % per annum
Rate of discount	4.92	4.92	4.84

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.

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 2026 (£s)	31 March 2025 (£s)	31 March 2024 (£s)
Year 1	3,877	3,877	4,416
Year 2	3,877	3,877	-
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 (2025: £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. A new £2m facility agreement was agreed with Barclays during the year 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.

22. Financial commitments

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

Amounts repayable:

	Group 2026 £'000	Company 2026 £'000	Group 2025 £'000	Company 2025 £'000
In one year or less on demand	48	1,086	48	1,086
In more than one year, but not more than two years	20	1,057	44	1,082
In more than two years, but not more than five years	-	864	20	1,921
In more than five years	-	-	-	-
	<u>68</u>	<u>3,007</u>	<u>112</u>	<u>4,089</u>

23. Transactions with directors and other related parties

During the year National Housing Federation Limited paid £nil (2025: £nil) to Housemark for services and received licence income from Housemark amounting to £321k (2025: 317k).

National Housing Federation Limited paid rent of £1.103m (2025: £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 (2025: £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 2026 were £9.05m (2025: £8.87m).

There are no other related party transactions.

NOTES TO THE FINANCIAL STATEMENTS

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 2025. These have been used in compiling the NHF's group financial statements.

	2025	2024
	£	£
Profit and loss account		
Turnover	6,579,920	6,698,633
Profit after tax	64,582	143,538
Balance sheet		
Fixed assets	950,912	1,181,281
Current assets	2,478,162	2,234,308
Creditors: amounts falling due within one year	(1,427,326)	(1,216,624)
Pension liability, provisions and deferred tax	(461,534)	(723,333)
Net assets	1,540,214	1,475,632
Called-up share capital	100	100
Profit and loss account	1,540,114	1,475,532
	1,540,214	1,475,632

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

See note 26 for post balance sheet events relating to the group's investment in Housemark Limited.

NOTES TO THE FINANCIAL STATEMENTS

25. Financial risk management

The company has exposure to two 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.

26. Post balance sheet events

After the balance sheet date, the group progressed a transaction relating to its shareholding in Housemark Limited ("Housemark"). As at the date of approval of these financial statements, the group, together with the other shareholder, was in advanced discussions with a third-party investor in respect of a potential sale of a controlling interest in Housemark.

In August 2026, after the reporting period, the group entered into a definitive agreement to fully dispose of its shareholding in Housemark Limited and acquired a 10% shareholding in Housemark SPV LTD, the new shareholders of Housemark Limited.

Prior to this transaction, the Company held a 49% shareholding in Housemark Limited, which was accounted for using the equity accounting method. Following the completion of the transaction, the Company will relinquish all board representation and customary shareholder veto rights, resulting in the loss of significant influence. The financial effect of this transaction cannot be estimated reliably at this stage because the completion accounts and the fair value assessment of the retained new shareholding are yet to be finalised.

At the balance sheet date, no binding agreement had been entered into and therefore no adjustment has been made to the carrying value or accounting treatment approach of the investment in Housemark in these financial statements. Given that the transaction had not been completed at the balance sheet date and does not provide evidence of conditions that existed at that date, it has been treated as a non-adjusting post-balance sheet event in accordance with FRS 102 Section 32.