Registered Provider of Social Housing No: LH0870
Registered Co-operative and Community Benefit Society No: 16849R

Gravesend Churches Housing Association Limited

Annual Report and Financial Statements

for the year ended 31 March 2026

Gravesend Churches Housing Association Limited

Board information

The Board	Marie Li Mow Ching (Chair)	
	Bob Heapy	Appointed Jan 2026
	Brian Horton	
	Abay Aromire	
	Chris Starke	
	Paul Sylva	
	Roselyn Unegbu	
	Omobukunla McGlynn	Resigned Dec 2025
	Andrew Pert	
	Mabel Worburton	Resigned Oct 2025
Chief Executive (Interim)	Bob Heapy	
Registered Provider of Social Housing No.	LH0870	
Registered Co-operative and Community Benefit Society No.	16849R	
Registered Office	14 London Road Northfleet Kent DA11 9JQ	
Auditors	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL	
Bankers	Barclays Bank	
Solicitors	Sharratts (London) LLP 1 The Old Yard, Rectory Lane Brasted Westerham Kent TN16 1JP	Trowers & Hamlins LLP 3 Bunhill Row London EC1Y 8YZ
	Birketts LLP 141 – 145 Princess Street Ipswich Suffolk IP1 1QJ	

Gravesend Churches Housing Association Limited

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Gravesend Churches Housing Association Limited

Board Report
for the Year Ended 31 March 2026

The Board present their report and the financial statements for the year ended 31 March 2026.

Principal activity

The principal activity of the Association is the provision and management of social rented homes to those in housing need within the communities where the Association operates.

Corporate governance

Gravesend Churches Housing Association Limited ("GCHA") has adopted the National Housing Federation Code of Governance 2020 and are fully compliant with all areas of the code.

The Board

The Board who served during the year and up to the date of signature are as stated below:

		Year appointed
Marie Li Mow Ching (Chair)		2023
Bob Heapy	Appointed Jan 2026	2026
Brian Horton		2021
Abay Aromire		2022
Chris Starke		2022
Paul Sylva		2023
Roselyn Unegbu		2023
Omobukunla McGlynn	Resigned Dec 2025	2021
Andrew Pert		2024
Mabel Worburton	Resigned Oct 2025	2024

Our strategic objectives

Our vision is long term and aspirational and our strategic priorities are to:

- **Maintain good quality, safe and affordable homes**: Ensuring all our homes meet the consumer standards and regulatory requirements through proactive asset management.

- **Provide customer focused services:** Improving customer satisfaction by providing services that are designed to meet our residents' needs.

- **Increase financial resilience and stability:** Strengthen financial resilience and stability by reducing loan debt, increasing income streams and achieving value for money in all our activities.

- **Invest in staff training, development and wellbeing:** Create an environment that encourages skilled, dedicated and motivated staff.

Governance and Financial Viability Standards

The Board has considered how the Association meets the Governance and Financial Viability Standards set by the Social Housing Regulator which includes the following required outcomes:

Governance

Registered providers shall ensure effective governance arrangements that deliver their aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner. Governance arrangements shall ensure registered providers:

(a) adhere to all relevant law
(b) comply with their governing documents and all regulatory requirements
(c) are accountable to tenants, the regulator and relevant stakeholders
(d) safeguard taxpayers' interests and the reputation of the sector
(e) have an effective risk management and internal controls assurance framework; and
(f) protect social housing assets.

Financial viability

Registered providers shall manage their resources effectively to ensure their viability is maintained while ensuring that social housing assets are not put at undue risk.

The Board has concluded that GCHA is compliant with the Governance and Financial Viability Standards in all material respects.

Statement on System of Internal Control

The Board is ultimately responsible for GCHA's system of internal control and for reviewing its effectiveness. This process is ongoing and has been in place throughout the period from 1 April 2025 to date. The system of internal control is designed to manage, rather than eliminate, the risk of failure to meet corporate objectives. The system is also designed to give reasonable assurance that financial and management performance information is reliable and that the Association's assets are safeguarded. It can provide reasonable, but not absolute assurance against the possibility of material misstatement or loss.

Key procedures have been established and are designed to provide effective internal control. These key areas cover control, reporting information systems, monitoring and risk management. The Board ensures that stress testing and multivariate tests of the financial plan are completed during the financial year. The key strategic risks that may affect the Association's achievement of its strategic objectives are included within the Association's risk register which is reviewed by the Executive Team and Audit and Risk Committee quarterly. The Board consider key issues arising from the Audit and Risk Committee at each Board meeting. In addition, the Board agree a risk appetite for the Risk Management framework.

The Board revised GCHA's Risk Appetite Statement in February 2025. This new statement outlines the organization's approach to risk across several key areas, reflecting its strategic priorities and commitment to effective governance.

GCHA maintained a strong focus on governance and compliance. The internal auditors provided a reasonable level of assurance that there is an effective framework of governance, risk management, and controls at GCHA. The self-assessment of compliance with the Governance and Financial Viability Standard showed material compliance.

The Executive Team is responsible for reporting to the Board on any significant changes affecting key risks and all projects and reports to the Board and Committees include an analysis of the relevant risks, how they impact on the approved risk appetite and mitigating actions.

The system of internal control established by the Board consists of:

- Sound corporate governance arrangements including the adoption of the NHF's Code of Governance;
- A long-term financial plan and corporate plan with specific targets and objectives;
- An organisational structure with clearly defined lines of responsibility and delegations of authority. These are set out in Standing Orders and Financial Regulations and detailed policies and operational procedures;
- An ongoing programme in place for reviewing all key policies, to ensure that they are effective and reflect the latest legislation and regulatory requirements;
- A staff appraisal process including appropriate training and development opportunities;
- Preparation of monthly management accounts incorporating revised forecasts which allow the Board and management to monitor financial performance. Significant variances from budgets are investigated and reported; and
- A performance report including key performance indicators for review by the Executive Team on a monthly basis and by the Board on a quarterly basis.

Process for reviewing the effectiveness of the Internal Control System

The Board has established a process to review and gain assurance on the effectiveness of the system of internal control via an Internal Control Assurance Framework. The framework comprises different sources of assurance, including reports from the internal auditors, external auditor, the Executive Team and the Audit and Risk Committee. In addition, a major component of this assessment is the risk management process described above. The key features are:

- The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues including treasury management strategy and new investment projects;
- The Board regularly reviews key performance indicators to assess the progress towards the achievement of key targets and progress against the corporate plan;
- The Association has in place an Internal Audit Plan and a risk-based approach to internal audit reviews. The plan covers financial and non-financial areas. The Audit and Risk Committee monitors progress on agreed actions to address recommendations arising from these reviews. The internal auditors also follow up actions from previous recommendations and the extent to which these have been implemented;
- A review of complaints is undertaken and the results reported to the Board; and
- There is a comprehensive set of financial and operating policies and procedures covering all aspects of the organisation.

The Audit and Risk Committee presents quarterly reports to the Board outlining its work during each period to support the assurance work on internal controls.

The Board has approved an anti-fraud policy covering prevention, detection and reporting of fraud and the recovery of assets, supported by a confidential reporting policy and fraud response plan. Details of identified frauds are maintained in a fraud register, which is reviewed quarterly by the Audit and Risk Committee. There are no losses due to fraud in the reported period.

The organisation has adequate internal controls in place, as a result there are no significant internal control issues that need to be disclosed in the financial statements.

Board Report
for the Year Ended 31 March 2026

Our Activities

GCHA has demonstrated resilience and a continued focus on service quality and strong governance throughout 2025/26.

Customer satisfaction remains a key priority. In March 2026, GCHA achieved a **Customer Service Excellence (CSE) compliance plus accreditation**, reflecting our commitment to delivering high-quality services and improving outcomes for residents in line with our strategic objectives.

In addition, GCHA achieved an **Investors In People (IIP) - Silver status**, reflecting our commitment to maintain high levels of staff satisfaction and engagement in line with our strategic objectives.

We maintain compliance with regulatory standards through robust monitoring, the use of specialist contractors, and regular reporting to the Board. Investment in our housing stock has continued, with a focus on delivering a comprehensive stock condition survey and maintaining an effective planned maintenance programme. During the year, one property was disposed of, with proceeds reinvested into improving existing homes.

Significant capital works were completed, including upgrades to 10 structures, 7 roofs, 9 kitchens, 9 bathrooms, 51 doors, 6 windows, and 23 heating systems, ensuring our homes remain safe, modern, and fit for purpose.

Our proactive approach to income management has reduced rent arrears to 1.8% (2025: 2.09%), outperforming our target of 2.5%. We continue to work closely with residents and partners to sustain tenancies and support financial resilience.

TSM results improved in all 12 areas of the perception survey results where overall satisfaction with GCHA services improving by 12% which is just below median quartile and a 18% increase in overall satisfaction with complaints Handling which when benchmarked against other small HA was just below upper quartile, benchmarking results. This is reinforced by the overall KPI performance improved in all areas including overall complaints reducing from 66 (24/25) to 32 (25/26) (by 48%).

Performance on void management has improved, with 26 void properties during the year, representing a reduction of 20 compared to the previous year. Average re-let times reduced to 20 days (2025: 26 days), although this remains above our 14 day target. Ongoing collaboration with contractors and local authority partners is focused on further reducing turnaround times and minimising void losses.

The year end valuation of investment properties resulted in a non-cash loss of £1.5m, which was the principal factor contributing to the GCHA reporting a deficit of £729k for the year. As this valuation movement is a non-cash accounting adjustment, it does not impact the underlying cash generation, operational performance, or compliance with loan covenants.

In assessing value for money, we continue to benchmark our performance against both our local benchmarking club (42 London-based associations under 1,000 units) and the Regulator of Social Housing’s global accounts medians for organisations under 2,500 units, using the latest available 2024/25 data. Detailed results and commentary are set out below.

Value for money statement

The Regulatory Framework for Social Housing includes a specific standard for Value for Money. Our regulator, the Regulator of Social Housing, requires registered providers to:

- clearly articulate their strategic objectives;
- have an approach agreed by their Board to achieving value for money in meeting these objectives and demonstrate their delivery of value for money to stakeholders;
- through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs; and
- ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

The Board has approved the strategic priorities for GCHA as set out on page 4, which is supported by a Value for Money Strategy that was reviewed and approved by the Board in April 2024. The VFM strategy is an integral part of our Strategic Plan which also emphasises our vision and guiding values. This approach has enabled us to improve our resident and staff satisfaction and lower our average staff turnover.

The Value for Money Strategy aims to deliver more social value by reinvesting surpluses and improving service outcomes. The key objectives of the strategy are:

- A robust approach to achieving VFM, including a robust approach to decision making and a rigorous appraisal of potential options for improving performance;
- Regular and appropriate consideration by the Board of potential VFM gains;
- Consideration of VFM across their whole business; and
- Have appropriate targets in place for measuring performance in achieving VFM in delivering the organisation's strategic objectives, ensuring regular monitoring and reporting of performance against these targets.

1 REINVESTMENT %

	£			£		
Properties acquired	-		Housing properties			
Development of new properties	-		At cost	30,954,305		
Works to existing	421,802		At valuation	7,094,262		
Capitalised interest	-					
						A/B
	421,802	A		38,048,567	B	1.1%

SPBM median	3.4%	2025-Global accounts <2,500 units	4.4%	GCHA 2024-25	1.8%

No new properties were acquired in 2025/26, however we continue to invest in existing properties.

Board Report
for the Year Ended 31 March 2026

2 NEW SUPPLY DELIVERED %

A		B	
New supply delivered (Social housing units)	0	New supply delivered (Non-social housing units)	0
Total social housing units managed at period end	577	Total non-social housing unit managed at period end	35
	0%		0.0%
SPBM median	0.0%	SPBM median	0.0%
Global accounts <2,500 median	0.0%	Global accounts <2,500 median	0.0%
GCHA 2024-25	0.0%	GCHA 2024-25	0.0%

No new supply was delivered in 2025/26.

3 GEARING %

A	£		B	£		
Short term loans	500,947		Housing properties at cost	30,954,305		
Long term loans	13,895,159		Housing properties at valuation	7,094,262		
Cash	(623,666)					
						C/D
	13,772,440	C		38,048,567	D	36.2%

SPBM median	13.8%	2025-Global accounts <2,500 median	34.5%	GCHA 2024-2025	35.8%

Our gearing increased slightly to 36.2% from 35.8% in 2025/26. Although no new borrowing was drawn during the year and scheduled loan repayments continued, a £1.4m reduction in the valuation of investment properties resulted in a higher gearing ratio overall. While gearing remains above the global accounts benchmark of 34.5%, it is substantially higher than the SPBM median of 13.8%, this variance is likely attributable to lower levels of development related borrowing across the benchmark group.

4 EARNINGS BEFORE INTEREST, TAX, DEPRECIATION, AMORTISATION, MAJOR REPAIRS INCLUDED (EBITDA MRI) INTEREST COVER %

	£			£		
Operating surplus/(deficit)	30,520					
- Amortised government grant	(162,754)		Capitalised interest in housing properties	-		
+ Interest receivable and other income	8,129					
- Capitalised major repairs expenditure	(421,802)		+ Interest payable and financing costs	791,425		
+ Total depreciation charge	727,994					
- Deficit on disposal	(176,430)					
+ Decrease in value of investment property	1,486,140					E/F
	1,491,797	E		791,425	F	188.5%

SPBM median	192.0%	2024-2025 Global accounts <2,500 median	62.2%	GCHA 2024-2025	93.1%

The GCHA's EBITDA MRI interest cover was 188.5%, marginally below the SPBM median of 192.0% but substantially above the Global Accounts median of 62.2%. This indicates a strong capacity to meet financing costs from operating activities, notwithstanding the effect of non-cash accounting adjustments during the year. Major works expenditure also reduced during the year, falling from £701k in 2024/25 to £422k in 2025/26, reflecting the completion of a significant programme of planned works undertaken in 2024/25 following the carve-out.

5 HEADLINE SOCIAL HOUSING COST PER UNIT

	£				
Management costs	577,563		Total social housing units managed at period end	577	
+ Service costs	816,391				
+ Routine maintenance costs	835,541				
+ Planned maintenance costs	221,847				
+ Capitalised major repairs expenditure	421,802				
+ Other(social housing letting) costs	253,713				
+ Other social housing activities: other	-				G/H
	3,126,857	G		577	H £5,419

SPBM median	£6,524	2025-Global accounts <2,500 median	£7,406	GCHA 2024 -2025	£6,146

This metric highlights the amount spent on the social housing units of an organisation, and by excluding depreciation, largely only includes controllable costs. 2025-26 has seen a decrease in cost per unit to £5,419 (2024-25: £6,146), which is lower than both the SPBM median of £6,524 and the Global Accounts median of £7,406. This reflects GCHA's continued focus on cost control efficiency while maintaining appropriate investment in responsive repairs, planned maintenance and the quality of its housing stock.

6 OPERATING MARGIN %

A	£	B	£
Operating margin (social housing lettings only)		Operating margin (overall)	
Operating surplus from social housing lettings	955,853	Operating surplus (overall)	1,516,660
		- Gain on disposal	(176,430)
Turnover from social housing lettings	4,333,279	Turnover (overall)	4,856,445
	22.1%		27.6%
SPBM median	17.3%	SPBM median	15.37%
Global accounts <2,500 median	18.6%	Global accounts <2,500 median	17.3%
GCHA 2024-2025	15.8%	GCHA 2024-2025	21.4%

GCHA's overall operating margin increased compared with the previous year, reflecting a stronger performance from core operations for 2025-26. The operating margin for social housing lettings also increased slightly year on year.

This demonstrates that our underlying operating efficiency remains strong, while our non-social housing activities continue to make a positive contribution to the organisation's overall surplus.

7 RETURN ON CAPITAL EMPLOYED (ROCE) %

	£			£		
Operating surplus/(deficit) (overall)	1,516,660		Total assets less current liabilities	37,917,730		I/J
	1,516,660	I		37,917,730	J	4.0%

SPBM median	3.10%	Global accounts <2,500 median	2.7%	GCHA 2024-2025	2.5%

Our return on capital employed (ROCE) improved from 2.5% to 4.0%, driven by an increase in operating surplus and stronger underlying business performance during the year.

Throughout the year, the organisation reports to the Board on a number of KPIs, which are generated alongside the monthly accounts. Core operational targets are set and monitored, including a financial budget for the year, arrears levels and void day turnarounds. In addition, we continue to report on health & safety areas covering the following key areas; gas safety, fire safety, electrical inspections, asbestos management, carbon monoxide detectors and damp and mould, legionella management and lift safety.

We continue to utilise the Southeast Consortium to ensure we reap the pricing benefits that this presents, providing us with access to contractors at rates agreed across the consortium, enabling us to benefit from economies of scale we could not achieve on our own.

In addition, we invested in our Estate Management Team to reduce reliance on contractors for minor reactive works, delivering gross savings of £188k and net savings of £83k.

Gravesend Churches Housing Association Limited

Board Report
for the year ended 31 March 2026

Statement of the Board's Responsibilities

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

The Board has prepared the Association's financial statements in accordance with United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, and the Statement of Recommended Practice for *Registered Social Housing Providers 2018 (SORP 2018)*.

The Board must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Association and of its surplus or deficit for the period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and SORP 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for maintaining adequate accounting records, safeguarding the Association's assets, and ensuring compliance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 and SORP 2018.

In discharging these responsibilities, the Board has overseen the Association's financial performance, risk management, internal controls, treasury position, regulatory compliance and long-term viability. The Board has reviewed the Association's forecasts, cash flow projections and principal risks and is satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The Board is also responsible for the maintenance and integrity of the corporate and financial information published on the Association's website.

Disclosure of information to the auditor

To the best of each Board member's knowledge and understanding:

- there is no relevant audit information of which the Association's auditor is unaware; and
- each Board member has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board confirms that it has fulfilled its responsibilities in relation to the preparation of the annual report and financial statements for the year ended 31 March 2026.

This report was approved by the Board on 30th July 2026 and signed on its behalf by

Marie Li Mow Ching
Marie Li Mow Ching (Jul 31, 2026 10:47:55 GMT+1)

Marie Li Mow Ching
Chair

Date: 30th July 2026

Independent Auditor's Report to the Members of Gravesend Churches Housing Association Limited

We have audited the financial statements of Gravesend Churches Housing Association Limited (the 'Association') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows 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, including Financial Reporting Standard 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 Association's affairs as at 31 March 2026, and of the income and expenditure of the Association for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

Basis for Opinion

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

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the Board members 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 Report and Financial Statements, other than the financial statements and our auditor's report thereon. The Board members 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- a satisfactory system of control has not been maintained over transactions; or
- adequate accounting records have not been kept; or
- the Association's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the statement of Board's responsibilities set out on page 12, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

- We obtained an understanding of the legal and regulatory frameworks within which the Association operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Co-operative and Community Benefit Societies Act 2014 (the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The audit procedures to address the risks identified included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Discussions with management about actual or potential litigation and claims;
- Challenging assumptions made by management in their significant accounting estimates;
- Identifying and testing the appropriateness of journal entries and assessing whether the judgements made in making accounting estimates were indicative of a potential bias;
- Reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator of Social Housing to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility; and
- Reviewing financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditors responsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Association's members as a body in accordance with the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP

Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31 July 2026

Gravesend Churches Housing Association Limited

Statement of Comprehensive Income
for the year ended 31 March 2026

	Notes	2026 £	2025 £
Turnover		4,856,445	4,642,563
Operating expenditure		(3,516,215)	(3,648,933)
Deficit on disposal of investment properties		-	(23,320)
Surplus on disposal of housing properties		176,430	-
Operating surplus / (deficit)	**4**	1,516,660	970,310
Interest receivable and similar income	**5**	8,129	10,501
Interest payable and financing costs	**6**	(791,425)	(888,375)
Change in value of investment property		(1,486,140)	-
(Deficit) / surplus for the year		(752,776)	92,436
Other comprehensive income:			
Actuarial surplus/(deficit) on defined benefit pension plan for the year	**17**	24,000	57,000
Total comprehensive (loss)/income for the year		(728,776)	149,436

There were no acquisitions and no discontinued operations for the year.

The notes on pages 20 to 39 form an integral part of these financial statements.

Gravesend Churches Housing Association Limited

Statement of Changes in Equity
for the year ended 31 March 2026

	Revenue reserve £	Called up share capital £	Total £
2025			
As at 1 April 2024	13,761,502	10	13,761,512
Deficit for the year	92,436	-	92,436
Actuarial deficit on defined benefit pension plan for the year	57,000	-	57,000
Movement in share capital	-	(1)	(1)
As at 31 March 2025	13,910,938	9	13,910,947
2026			
As at 1 April 2025	13,910,938	9	13,910,947
Deficit for the year	(752,776)	-	(752,776)
Actuarial surplus on defined benefit pension plan for the year	24,000	-	24,000
Movement in share capital	-	(1)	(1)
As at 31 March 2026	13,182,162	8	13,182,170

The notes on pages 20 to 39 form an integral part of these financial statements.

Statement of Financial Position
as at 31 March 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Property, plant and equipment					
Housing properties	**10**		30,954,305		31,259,092
Other property, plant and equipment	**11**		434,665		505,314
			31,388,970		31,764,406
Investments					
Investment properties	**12**		7,094,263		8,570,269
			38,483,233		40,334,675
Current assets					
Debtors	**13**	193,318		167,817	
Cash and cash equivalents		623,666		843,112	
		816,984		1,010,929	
Creditors: amounts falling due within one year	**14**	(1,382,487)		(1,857,752)	
Net current liabilities			(565,503)		(846,823)
Total assets less current liabilities			37,917,730		39,487,852
Creditors: amounts falling due after more than one year	**15**		(24,582,560)		(25,317,905)
Provisions	**17**		(153,000)		(259,000)
Net assets			13,182,170		13,910,947
Capital and reserves					
Called up share capital	**18**		8		9
Revenue reserve	**19**		13,182,162		13,910,938
			13,182,170		13,910,947

The financial statements were approved by the Board and authorised for issue on 30th July 2026.

On behalf of the Board

Marie Li Mow Ching
Marie Li Mow Ching (Jul 31, 2026 10:47:55 GMT+1)

Chris Starke (Jul 31, 2026 14:04:19 GMT+1)

Robert Heapy
Robert Heapy (Jul 31, 2026 14:06:01 GMT+1)

Marie Li Mow Ching
Chair

Chris Starke
Board Member

Bob Heapy
Interim Chief Executive
and Company Secretary

The notes on pages 20 to 39 form an integral part of these financial statements.

Gravesend Churches Housing Association Limited

Statement of Cash Flows
for the year ended 31 March 2026

	Notes	2026 £	2025 £
Net cash generated from operating activities	**20**	1,432,781	1,697,147
Cash flow from investing activities			
Proceeds from disposals of investment properties		-	554,169
Proceeds from disposals of housing properties		269,298	560,288
Interest received		8,129	10,501
Additions to housing properties		(421,802)	(703,096)
Additions to investment properties		(3,191)	(18,731)
Additions to other property, plant and equipment		(10,133)	(34,983)
Net cash (used in)/generated from investing activities		(157,699)	368,148
Cash flow from financing activities			
Repayments of borrowings		(966,103)	(591,794)
Loans drawn down		250,000	-
Interest paid		(778,425)	(871,375)
Grant repaid		-	(448,000)
Net cash used in from financing activities		(1,494,528)	(1,911,169)
Net (decrease)/increase in cash and cash equivalents		**(219,446)**	**154,126**
Cash and cash equivalents at beginning of the year		843,112	688,986
Cash and cash equivalents at end of year		**623,666**	**843,112**

The notes on pages 20 to 39 form an integral part of these financial statements.

Notes to the Financial Statements
for the Year Ended 31 March 2026

1. Legislative provisions

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 (No: 16849R) and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing (No: LH0870). The principal activity of the Association is the provision and management of social rented homes.

The registered office is 14 London Road, Northfleet, Kent DA11 9JQ.

2. Accounting policies

2.1. Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties in accordance with the Association's accounting policies and in accordance with applicable Accounting Standards in the United Kingdom, including Financial Reporting Standard 102 ("FRS 102"), the Statement of Recommended Practice for Registered Social Housing Providers ("the Housing SORP 2018") and the Accounting Direction for Private Registered Providers of Social Housing 2022 ("the Direction").

In accordance with FRS 102 (3.3A), the Association is a public benefit entity that has applied the "PBE" prefixed paragraphs.

The financial statements are presented in Sterling (£) except where specifically stated otherwise.

2.2. Going concern

The Association reported net current liabilities of £566k (2025: £847k). Regular cash flow reviews, based on the 30-year business plan, confirm that the Association can meet its debt obligations and comply with lender covenants.

Long-term financial modelling has continued throughout the year. The base case scenario identifies no risk in the short term to covenant compliance or cash flow. Stress testing of potential cost of living impacts indicates no threat to the Association's viability, with actual performance to date supporting this position. Existing cash reserves are sufficient to absorb potential pressures, even before any rephasing of capital and planned improvement works.

A key financial consideration is the refinancing of the Barclays Revolving Credit Facility due in July 2027, which falls within the assessment horizon. A credit-approved for a new term loan offer has been received from Unity Trust Bank, and we are progressing with our solicitors to finalise the contractual and security arrangements. We are confident the refinancing will be completed ahead of the facility's maturity.

The Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements.

Accordingly, the financial statements have been prepared on a going concern basis.

2.3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions regarding the recorded values of assets and liabilities at the Statement of Financial Position date and the amounts reported for revenues and expenditure during the year.

2.3. Judgements and key sources of estimation uncertainty (continued)

- **Categorisation of housing properties as investment properties or property, plant and equipment**

Classes of properties within the category of housing properties that are held to earn commercial rentals or for capital appreciation or both are accounted for as investment properties. Properties rented to provide social housing and properties used for the production or supply of goods and services or for administrative purposes are classified as property, plant and equipment.

- **Impairment of housing properties**

Impairment reviews are carried out where there has been a trigger event, including any known threats to the financial viability of the asset. Whether or not there is a trigger ("indicator of trigger") is a matter of judgement. Impairment is recognised when the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Association's policy is to use the property scheme level as the base for the cash generating unit.

- **Estimation uncertainty**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

- **Multi-employer pension obligation**

Various estimates are used in the calculation of the defined pension liability, such as discount rate, inflation, salary growth and mortality rates. The Pensions Trust provided base assumptions which the Association can flex to reflect more accurately the particular circumstances of the organisation. In determining the appropriate discount rate, consideration is made of the interest rates of corporate bonds with at least an AA rating. Inflation is set by considering market expectations, salary growth is set by aligning with the Association's business plan and mortality rates have been adjusted to allow for any expectation of higher or lower life expectancy of scheme members due to geographic, socio-economic or demographic factors. The value of the provision is highly sensitive to relatively small changes in assumptions. A provision of £153,000 is recorded in the Statement of Financial Position as at 31 March 2026 (2025: £259,000).

- **Investment property**

Investment properties are stated at fair value, at amounts disclosed in Note 12. The assumptions on which the valuations have been based include, but are not limited to, matters such as the tenure and tenancy details for the properties, the structural conditions of the properties, prevailing market yields and comparable market transactions. However, the valuation of the Association's properties are inherently subjective, as it is made on the basis of assumptions which may not prove to be accurate.

- **Property, plant and equipment**

In line with SORP 2018, component accounting policies are applied to the capitalisation and depreciation of assets. The individual components of each property are depreciated over their expected useful life. On new build developments, the value of components is assigned using land purchase costs and the contractor's detailed costing schedule. For off the shelf purchases, appropriate percentages are applied to each component using data from similar new build development schemes. The actual lives are assessed on an annual basis and may vary depending on a number of factors such as property life cycle and their component replacement programmes. As at 31 March 2026 the carrying value of property, plant and equipment was £31,388,970 (2025: £31,764,406).

2.4. Turnover

Turnover is measured at the fair value of the consideration received or receivable and principally represents rental and service charge income receivable in the year net of rent and service charge losses from voids together with amortised social housing grant and management fees from property management contracts with local charities.

Turnover is recognised as follows:

- **Rental and service charge income**

Income from rent and service charges is recognised in the period to which it relates net of any voids. Where there are new developments, income and any voids recognition starts from the practical completion date. Where sites are being redeveloped, income and any voids are recognised up until the contract start date.

- **Capital grants**

Capital grants received are initially deferred and then credited to turnover in the Statement of Comprehensive Income on a straight line basis over the expected life of the asset which they have funded.

- **Other grants and donations**

Grants and donations that relate to revenue are recognised in the Statement of Comprehensive Income in accordance with the period to which the grant relates. Where the grant requires future performance conditions to be met, the grant is not recognised until these have been satisfied. Any grant received before these conditions are met is held as a liability in the Statement of Financial Position.

- **Management fees**

Income from management fees is recognised in the period to which it relates.

2.5. Interest payable

Interest on loans specifically financing development is capitalised on a weighted average cost basis for the period from start of works up to the date of practical completion or acquisition of legal title, whichever is later. The interest is either on borrowings specifically financing a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. This treatment applies irrespective of the original purpose for which the loan was required.

2.6. Property, Plant and Equipment

Housing properties and depreciation

Housing properties are properties held for the provision of social housing and are recorded at cost less depreciation less any applicable impairment. The cost of the property is recorded as the initial cost of acquiring the land and buildings together with those costs that are directly attributable to acquisition and development, including any interest cost up to the date of completion.

Housing properties in the course of construction are stated at cost plus capitalised interest and are not depreciated until they are reclassified as housing properties on practical completion of construction.

Freehold and leasehold housing properties are depreciated by component on a straight line basis over the estimated lives of component categories, in accordance with the principles of component accounting in SORP 2018. Where a component is replaced before the end of its useful life, any remaining depreciation charges are accelerated into the year of disposal. Useful estimated lives for identified components are as follows:

2.6. Property, Plant and Equipment – (continued)

Freehold land	- not depreciated
Structure	- remaining estimated life of the property not exceeding 100 years from date of construction
Short leasehold structure	- over life of lease or estimated useful life if less
Roofs	- 40 to 80 years
Windows	- 40 years
Electrical systems	- 40 years
Bathrooms	- 30 years
Doors	- 20 years
Lifts	- 20 years
Kitchens	- 20 years
Heating systems	- 15 years

2.7. Works to existing housing properties

Expenditure on existing housing properties is capitalised when this represents a component replacement or when a new component is created. All other expenditure in respect of general repairs to the housing stock is charged to the Statement of Comprehensive Income as it is incurred. The cost of replacing a part of an item of property plant and equipment is also capitalised if the replacement is expected to provide incremental future benefits to the Association. The carrying amounts of the replaced parts is derecognised.

2.8. Impairment of housing properties

Housing properties are assessed at each Statement of Financial Position date to determine if there are any indicators of impairment. If there are such indicators of impairment, then an exercise is undertaken to compare the properties' carrying value to their recoverable amount. Any excess over the recoverable amount is recognised as an impairment loss and charged as expenditure in the Statement of Comprehensive Income; the carrying value is reduced appropriately. For impairment purposes, properties are appraised on either an individual basis, or where they are part of a collective development such as a block of flats, on a scheme by scheme basis.

2.9. Investment property

Investment property is measured at cost on initial recognition, including purchase cost and any directly attributable expenditure, then at fair value at each Statement of Financial Position date. Fair value is calculated using a combination of local house price inflation indicators, local market sales data and valuations generated by external valuers.

2.10. Other property, plant and equipment

Other property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life on a straight line basis, and the asset lifetimes are as follows:

Freehold office land	- not depreciated
Freehold office structure	- 100 years
Freehold office roof	- 80 years
Freehold office windows	- 40 years
Freehold office electrical systems	- 40 years
Freehold office bathrooms	- 30 years
Freehold office doors	- 20 years
Freehold office kitchens	- 20 years
Freehold office heating systems	- 15 years
Plant and equipment	- 5 to 10 years
IT hardware	- 4 years
IT software	- 4 years

2.11. Government grants

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Government grants received for housing properties are treated as deferred income and recognised in turnover over the estimated useful life of the housing property structure, under the accrual model.

Grants relating to revenue are recognised in the Statement of Comprehensive Income over the same period as the expenditure to which they relate, once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current liabilities.

2.12. Leases

Leases are classified as finance leases where the terms of the leases transfer substantially all the risks and the rewards incidental to ownership of the leased asset. All other leases are classified as operating leases.

Assets held under finance leases are measured initially at the fair value of the leased asset and the corresponding lease liability. Assets held under finance leases are included in property, plant and equipment and depreciated in the same way as owned assets.

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

The aggregate benefits of any lease incentive are recognised as a reduction in expenses recognised over the term of the lease.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Any incentives offered in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2.13. Pensions

The Association participates in the Social Housing Pension Scheme ("SHPS"). SHPS is a multi-employer defined benefit (career average revalued earnings) contributory pension scheme administered independently.

In the Statement of Financial Position, the assets of the scheme are measured at fair value and the liabilities are measured on an actuarial basis, discounted at a rate equivalent to yields on "high quality" corporate bonds of appropriate duration and currency, or a suitable proxy. The resulting net asset or liability is then presented separately on the face of the Statement of Financial Position as a provision. Current service costs and net financial returns are included in the Statement of Comprehensive Income in the period to which they relate. Any actuarial gains or losses for the year are taken to the Statement of Comprehensive Income as other comprehensive income.

2.14. Provision for liabilities

The Association recognises a provision where a past event has given rise to a present obligation and where a reliable estimate can be made of the value of the provision.

The recorded amount of the liability is the best estimate of the sum required to settle the present obligation at the date of the Statement of Financial Position.

2.15. Cash and cash equivalents

This includes all forms of cash and includes cash in hand, deposits repayable on demand, overdraft repayable on demand and short term held with various banks, which can be withdrawn without disrupting the business and are readily convertible to a known amount of cash at the year end at or close to the carrying values. These cash balances are used in our cash flow statements and future cash projections.

2.16. Financial instruments

Financial assets and liabilities comprise of trade and other debtors, cash and cash equivalents, trade and other payables, accruals and loan balances.

Financial assets and financial liabilities are recognised when the Association becomes party to the contractual provisions of the financial instrument.

All financial assets and financial liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Association intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Debt instruments which meet the conditions of Section 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Other financial instruments and investments in equity instruments are recognised at fair value with any gains or losses being reported in surplus or deficit.

Financial assets are only derecognised when and only when:

- the contractual rights to the cash flows from the financial asset expire or are settled;
- the Association transfers to another party substantially all the risk and rewards of ownership of the financial asset; or
- the Association, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Trade (including rental) and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Association will not be able to collect all amounts due.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. Where the debt is not at a market rate, initial measurement will be the present value of cash flows, discounted at a market rate for a similar debt instrument, net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.16. Financial instruments (continued)

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

2.17. Property managed by agents

Where the Association carries the financial risk on property managed by its agents, all the income and expenditure arising from the property is included in the Statement of Comprehensive Income.

2.18. VAT

The Association is not registered for VAT and VAT billed to the organisation is accounted for as a cost to the organisation within the respective expenditure heading.

2.19. Taxation

The Association has charitable status and therefore is not subject to corporation tax on surpluses derived from charitable activities, provided that the surpluses are applied to the charitable objects of the Association.

3. Social Housing Income and Expenditure

	2026	2025
	£	£
Rents receivable net of rent loss from voids	3,870,660	3,723,876
Service charge income	292,864	267,106
Revenue, capital grants, contract, and other income	169,754	169,955
Total income from social housing activities	4,333,279	4,160,937
Social housing activities expenditure	(3,377,426)	(3,501,645)
Operating surplus from social housing activities	955,853	659,292
Rent losses from voids	12,378	16,859

Notes to the Financial Statements
for the Year Ended 31 March 2026

4. Operating surplus

	2026	2025
	£	£
The operating surplus is stated after charging:		
Depreciation and other amounts written off		
Property, plant and equipment	727,994	694,024
Auditors' remuneration:		
For audit services- current year (net of VAT)	33,000	46,799
Gain on disposal of social properties	176,430	-
Deficit on disposal of investment properties	-	23,320
Operating lease rentals		
Office equipment	1,159	2,949
Vehicle lease	13,228	10,096
Premises	2,400	1,200

5. Interest receivable and similar income

	2026	2025
	£	£
Bank interest	8,129	10,501
	8,129	10,501

6. Interest payable and financing costs

	2026	2025
	£	£
Included in this category is the following:		
Interest on loans repayable	801,721	894,671
Remeasurement of loan balance	(23,296)	(23,296)
Defined benefit pension – net interest expense	13,000	17,000
	791,425	888,375

Notes to the Financial Statements
for the Year Ended 31 March 2026

7. Employee information

Number of employees	**2026** **No.**	**2025** **No.**
The average number of persons employed during the year expressed in full time equivalent (including the Chief Executive) was:		
Staff	16	16

Employment costs	**2026** **£**	**2025** **£**
Wages and salaries	675,315	672,521
Social security costs	90,236	68,289
Other pension costs	68,292	75,694
	833,843	816,504

Higher paid staff (including key management personnel)

	2026	**2025**
Staff members paid between £70,000 and £80,000	1	-
Staff members paid between £80,000 and £90,000	2	2
Staff members paid between £90,000 and £100,000	-	1
	3	3

8. Senior management team emoluments

The remuneration paid to the senior management team of the Association was:	**2026** **£**	**2025** **£**
Emoluments	259,743	262,279
Pension contributions	32,324	30,958
Social security costs	36,710	32,429
	328,777	325,666

The emoluments paid to the highest paid member of the senior management team:	**2026** **£**	**2025** **£**
*Chief Executive	75,960	98,490

The Chief Executive was an ordinary member of the defined benefit pension scheme until December 2025, with no enhanced or special terms applying. There were no additional pension arrangements. During the year, GCHA made pension contributions of £8,924 (2025: £11,642) in respect of the Chief Executive, in addition to the Chief Executive's personal contributions.

In addition to the salary disclosed above for the Chief Executive, GCHA paid £17,769 in respect of an Interim Chief Executive for the period from January to March 2026. Total emoluments relating to the Chief Executive role for the year amounted to £93,730.

As well as the Chief Executive's pay as aforementioned a total of £21,712 (2025: £24,846) remuneration was paid to Board members during the year.

Expenses totalling £58 (2025: £765) were reimbursed to board members during the year.

9. Taxation

No taxation is payable by the Association since it has charitable status, and its charitable activities are exempt from tax.

10. Housing properties

	Housing properties held for letting	Housing properties under construction	Total
	£	£	£
Cost			
At 1 April 2025	41,015,336	-	41,015,336
Additions:			
Capital additions	421,802	-	421,802
Disposals	(205,867)	-	(205,867)
At 31 March 2026	41,231,271	-	41,231,271
Depreciation and impairment			
At 1 April 2025	9,756,244	-	9,756,244
Charge for year (including accelerated depreciation on replaced components)	726,589	-	726,589
On disposals	(205,867)	-	(205,867)
At 31 March 2026	10,276,966	-	10,276,966
Net book value			
At 31 March 2026	30,954,305	-	30,954,305
At 31 March 2025	31,259,092	-	31,259,092

Tenure status	**2026**	**2025**
Freehold	30,590,653	30,893,908
Short leasehold	290,321	297,965
Long leasehold	73,331	67,219
Total	30,954,305	31,259,092

Works to existing properties

The cost of building components replacements within the year amounted to £421,802 (2025: £701,024).
The value of planned improvement works to existing properties, expensed to the Statement of Comprehensive Income, amounted to Nil (2025: Nil)

11. Other property, plant and equipment

	Freehold office	Plant and equipment	IT Hardware / Software	Total
	£	£	£	£
Cost				
At 1 April 2025	489,119	104,194	344,687	938,000
Additions	-	-	3,191	3,191
At 31 March 2026	489,119	104,194	347,878	941,191
Depreciation				
At 1 April 2025	79,348	95,282	258,056	432,686
Charge for the year	10,146	4,434	59,260	73,840
At 31 March 2026	89,494	99,716	317,316	506,526
Net book value				
At 31 March 2026	399,625	4,478	30,562	434,665
At 31 March 2025	409,771	8,912	86,631	505,314

12. Investment properties

	Housing properties	Office building	Total
	£	£	£
Value			
At 1 April 2025	8,195,269	375,000	8,570,269
Additions	10,134	-	10,134
Increase/(decrease) in value	(1,486,140)	-	(1,486,140)
At 31 March 2026	6,719,263	375,000	7,094,263
Historic cost	6,576,124	268,309	6,844,433

There has been a change in the assumptions applied to the fair value of investment properties, reflecting a move from a Market Value – Vacant Possession (MV–VP) basis, used in the 2024/25 accounts, to a Market Value (MV) basis in 2025/26. Overall, values have decreased by £0.7m under both bases, with MV reducing from £7.4m (2022) to £6.7m (2026), and MV–VP from £8.6m to £7.9m.

Notes to the Financial Statements for the Year Ended 31 March 2026

13. Debtors

	2026	2025
	£	£
Rental debtors	75,279	77,898
Other debtors	50,433	50,244
Prepayments and accrued income	67,606	39,675
	193,318	167,817

Rental debtors are stated after providing a bad debt provision of £46,527 (2025: £28,311). The gross amount of rental debtors before bad debt provision is amounted to £121,806 (2025: £106,209).

14. Creditors: amounts falling due within one year

	2026	2025
	£	£
Trade creditors	182,460	297,648
Rent in advance	153,131	152,966
Other taxes and social security costs	17,176	17,960
Other creditors	75,220	76,329
Accruals and deferred income	283,499	511,589
Housing loans (note 15)	500,947	631,305
Government grants – deferred capital grant (note 16)	170,054	169,955
Grant received in advance (note 16)	-	-
	1,382,487	1,857,752

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

	2026	2025
	£	£
Housing loans	13,895,159	14,480,905
Government grants – deferred capital grant (note 16)	10,687,401	10,837,000
	24,582,560	25,317,905

Loans

	2026	2025
Repayable in one year or less (note 14)	500,947	631,305
Repayable between one and two years	4,866,752	613,838
Repayable between two and five years	1,850,476	6,091,723
Repayable in five years or more	7,177,931	7,775,344
	14,396,106	15,112,210

The nominal value of loans as at 31 March 2026 was £14,256,334 (2025: £14,949,142).

Actual interest rates on borrowings range from 3.35% to 10.63%. All loans are fixed-rate, with the exception of the Barclays loan, which is subject to a variable interest rate.

Housing loans

Housing loans from private and public sources are secured by specific charges on the Association's properties and are repayable at varying rates of interest in instalments partly due in five years or more.

16. Social Housing Grant

Social Housing Grant	**£**
At 1 April 2025	15,922,369
Grant movement	20,254
At 31 March 2026	15,942,624
Amortised Social Housing Grant	
At 1 April 2025	(4,915,414)
Amortisation charge for the year	(169,754)
As 31 March 2026	(5,085,168)
Net Book Value	
At 31 March 2026	10,857,456
At 31 March 2025	11,006,955

17. Pension arrangements

The Association operates a defined benefit scheme.

The UK defined benefit scheme the Association participates in is the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the Association 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.

Please refer to Note 27 for details on the contingent liability.

Notes to the Financial Statements
for the Year Ended 31 March 2026

17.Pension arrangements (continued)

Statement of Financial Position	**2026**	**2025**
	£	**£**
Fair value of Plan assets	1,810,000	1,724,000
Present value of funded retirement benefit obligations	(1,963,000)	(1,983,000)
Deficit in Plan	(153,000)	(259,000)

Reconciliation of movements on the fair value of plan assets	**2026**	**2025**
	£	**£**
Fair value of the Plan assets at the start of the period	1,724,000	1,794,000
Interest income	102,000	89,000
Experience loss on Plan assets	(43,000)	(187,000)
Contributions by the employer	101,000	115,000
Contributions by members	-	-
Benefits paid and expenses	(74,000)	(87,000)
Fair value of Plan assets at the end of the period	1,810,000	1,724,000

Reconciliation of movements on the defined benefit obligation	**2026**	**2025**
	£	**£**
Defined benefit obligation at the start of the period	(1,983,000)	(2,203,000)
Expenses	(6,000)	(5,000)
Interest cost	(115,000)	(106,000)
Actuarial gains/(losses) due to scheme experience	36,000	(80,000)
Actuarial losses due to changes in demographic assumptions	(17,000)	-
Actuarial gains due to changes in financial assumptions	48,000	324,000
Benefits paid and expenses	74,000	87,000
Defined benefit obligation at the end of the period	(1,963,000)	(1,983,000)

Amounts recognised in the Statement of Comprehensive Income

	2026	**2025**
	£	**£**
Expenses paid	6,000	5,000
Net interest on defined benefit liability	13,000	17,000
Total expenses	19,000	22,000

17.Pension arrangements (continued)

Amounts recognised in Other Comprehensive Income

	2026 £	2025 £
Experience gain/(loss) arising on the Plan assets	(43,000)	(187,000)
Experience gain/(loss) arising on the Plan liabilities gain	36,000	(80,000)
Effects of changes in the demographic assumptions underlying the present value of the Plan liabilities –gain	(17,000)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	48,000	
Effects of changes in assumptions underlying the present value of the Plan liabilities – gain	-	324,000
Actuarial surplus/(deficit) recognised	24,000	57,000

Principal actuarial assumptions at the financial position date:	2026	2025
Discount rate	6.22%	5.90%
Inflation (RPI)	3.27%	3.06%
Inflation (CPI)	3.04%	2.80%
Salary growth	4.04%	3.80%
Allowance of commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (years)		Life expectancy at age 65 (years)
Male retiring in 2026	20.9	in 2025	20.5
Female retiring in 2026	23.2	in 2025	23.0
Male retiring in 2046	22.2	in 2045	21.8
Female retiring in 2046	24.6	in 2045	24.4

Notes to the Financial Statements
for the Year Ended 31 March 2026

17.Pension arrangements (continued)

Categories of plan assets are as follows:	**2026**	**2025**
	£'000s	**£'000s**
Absolute Return	-	-
Alternative Risk Premia	-	-
Corporate Bond Fund	-	-
Credit Relative Value	-	-
Currency Hedging	-	3
Distressed Opportunities	-	-
Emerging Markets Debt	-	-
Cash	-	23
Credit	72	66
Global Equity	201	193
High Yield	-	-
Infrastructure	-	-
Insurance-Linked Securities	3	5
Investment Grade Credit	106	53
Liability Driven Investment	552	522
Liquid Alternatives	322	320
Liquid Credit	-	-
Long Lease Property	-	-
Net Current Assets	18	4
Opportunistic Credit	-	-
Opportunistic Illiquid Credit	-	-
Private Credit	219	211
Private Equity	4	2
Private Debt	-	-
Property	88	86
Real Assets	170	207
Risk Sharing	-	-
Secured Income	55	29
Total Assets	1,810	1,724

Notes to the Financial Statements
for the Year Ended 31 March 2026

18. Share capital – non equity

The shares have a denomination of £1 and limited rights. They carry no entitlement to dividend, they are not repayable and do not participate in a winding up. They carry an entitlement to vote at the Association's annual general meeting and special general meetings.

Called up share capital

	2026	2025
Issued and fully paid – ordinary shares of £1 each	**£**	**£**
At 1 April 2025	9	10
Issued during the year	1	2
Cancelled during the year	(2)	(3)
At 31 March 2026	8	9

19. Revenue reserve

This reserve relates to the cumulative retained net surpluses.

20. Notes to the Statement of Cash Flows

	2026 £	2025 £
Operating surplus	1,516,660	970,310
Depreciation	727,994	694,024
(Gain)/loss on disposal of property	(176,430)	23,320
Amortised government grants	(169,754)	(169,955)
Pension adjustment	(95,181)	(110,000)
(Increase)/decrease in debtors	(25,501)	20,471
Increase/(decrease) in creditors	(345,007)	268,977
Net cash generated from operating activities	1,432,781	1,697,147

Notes to the Financial Statements
for the Year Ended 31 March 2026

21. Net debt reconciliation

	At 1 April 2025 £	Cash flows £	Other non-cash changes £	At 31 March 2026 £
Cash and cash equivalents				
Cash	833,112	(219,445)	-	613,666
Cash equivalents	10,000	-	-	10,000
	843,112	(219,445)	-	623,666
Borrowings				
Debt due within one year	(631,305)	966,103	(835,745)	(500,947)
Debt due after one year	(14,480,905)	(250,000)	835,745	(13,895,160)
	(15,112,210)	716,103	-	(14,396,107)
	(14,269,098)	496,658	-	(13,772,440)

22. Accommodation managed by agents

The Association owns property managed by other bodies, as follows:

	2026	2025
Clarion Housing Association Ltd	17	17
KASBAH	15	15

23. Housing Units owned and managed

Housing Units owned

	Social Housing				Market Housing	Supported	Total
	Fair	Social	Affordable	Discounted			
At 1 April 2025	**19**	**420**	**104**	**3**	**35**	**32**	**613**
Disposals	-	(1)	-	-	-	-	**(1)**
Changes in tenancy	(1)	1	-	-	-	-	-
At 31 March 2026	**18**	**420**	**104**	**3**	**35**	**32**	**612**

24. Operating lease commitments

Operating leases have been taken out for our office vehicles, workshop, and photocopier.

Total commitment under non-cancellable operating leases which expire:

	2026 £		
	Vehicles	Buildings	Total
Within one year	9,238	-	9,238
One to two years	9,238	-	9,238
Two to five years	12,317	-	12,317
Over five years	-	-	-
Total	30,793	-	30,793

	2025 £		
	Vehicles	Buildings	Total
Within one year	9,238	800	10,038
One to two years	9,238	-	9,238
Two to five years	21,555	-	21,555
Total	40,031	800	40,831

25. Amounts Receivable under Operating Lease

This relates to the letting out of our commercial building as an office.

Future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2026 £	2025 £
Not later than one year	31,250	31,250
One to five years	125,000	125,000
Later than five years	16,952	48,202
Total	173,202	204,452

The 2025 office lease figures have been restated. In the previous statutory accounts, the lease term was calculated using the break date of 14 October 2026 as the lease end date. In the current year, the lease has been reassessed, and the calculations have been based on the full contractual lease term ending on 14 October 2031. As a result, the comparative 2025 figures have been restated to ensure consistency and comparability.

26. Related party transactions

In addition to the key management personnel remuneration disclosed in Note 8, GCHA entered into the following related party transaction during the year. The Interim Chief Executive, who served from January to March 2026, is also the Chair of South East Consortium (SEC). During this period, GCHA paid membership fees of £300 to SEC. The transaction was undertaken on normal commercial terms.

27. Contingent Liability

In the prior year, we were notified by the Trustee of the Scheme that it had performed a review of the changes made to the Scheme's benefits over the years and the result was that there was uncertainty surrounding some of these changes. The Trustee was advised to seek clarification from the Court on these items so that it has the certainty it needs to properly administer the Scheme. The Court case is still ongoing, and the outcome is not expected until later on in 2026 at the earliest. It is recognised that this could potentially impact the value of the scheme liabilities, and the current best estimate of this impact to the Association is currently estimated at £110k though until the Court directions are received, this amount cannot be confirmed. No adjustment has been made in these financial statements in respect of this potential issue.