Pelham Homes Limited

Financial statements

for the year ended 31 March 2025

Company registration no. 05184359 (England and Wales)

Contents

Board Members, Professional Advisors and Bankers

Board Directors

Paul Adams MSc BSc – Chair

Paul Moat DMS, MBA, MRICS, BSc (Hons)
Allan Fisher BSc (Hons), PG (DIP), MSc
Gary Reynolds LLB
Paul High BSc (Hons)
Andrew Kilby FCCA
Raj Kambo BA (Hons) FCCA
(Appointed 13th November 2024)
Mohammed Habib FCIH, MCIOB
(Resigned 24th October 2024)

Company Secretary

Sylvia Hart BA (Hons), CPFA, ACG

External Auditors

RSM UK Audit LLP
10th Floor
103 Colmore Row
Birmingham
West Midlands
B3 3AG

Solicitors

Freeths LLP
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80 Mount Street
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NG1 6HH

Bankers

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Gillingham Kent
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Registered Office

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Company number
05184359

Report of the Board

The Board presents its report and audited financial statements for the year ended 31 March 2025.

Report of the Board includes the Directors Report requirements under the Companies Act 2006.

Legal structure and activities

Pelham Homes Limited ("the Company")
Pelham Homes Limited ("the Company") is a wholly owned subsidiary of Nottingham Community Housing Association Limited, which operates within the East Midlands, and its head office is in Nottingham.

The Company's principal activities are:

- Development and sales of residential properties; and
- The provision of property related services.

Performance for the year

Statement of Comprehensive Income shows an operating loss for the year £190k (2024 - £90k loss). After interest, gift aid and distributions from jointly controlled entities the Company made a profit before taxation of £247k (2024 - £160k profit).

The Company holds one shared ownership property.

During the year the Company's principal activity was the development of properties for sale at Old Dalby, Long Clawson and Baxters Green. No units were completed during the year and the majority are anticipated to be completed and generate profits in 2025/26. Capitalised costs generated notional interest of £657k (2024 £189k).

The Company reported a total comprehensive profit for the year of £247k which will lead to a gift aid of £424k which will be paid in 2025 (2024 – £183k). Gift aid payments are based on profits from the previous financial year.

Board members and directors

The board members of the Company are set out on page 4. The board members are drawn from a wide background bringing together professional, commercial and local experience. The Board is responsible for managing the affairs of the Company and meets on a regular basis to review the Company's performance and future development strategies.

Auditors

A resolution to re-appoint RSM UK Audit LLP as Auditors for the ensuing year will be proposed at the Annual General Meeting to be held on 25th September 2025 in accordance with Section 485 of the Companies Act 2006.

Events after the end of the accounting period

We consider that there have been no events since the financial year end which have had a material effect on the financial position of Pelham Homes Limited.

Going concern

After making enquiries, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Board 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 law).

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 of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

i. Select suitable accounting policies and then apply them consistently;
ii. Make judgements and accounting estimates that are reasonable and prudent; and
iii. 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 which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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

Statement of disclosure to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

i. There is no relevant audit information of which the Company's auditors are unaware
ii. They have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This report was approved by the Board of Directors on 3 September 2025 and is signed on their behalf by:

Paul Moat

Paul Moat
Board Member

Report of the Independent Auditor to the Members of Pelham Homes Limited

Opinion

We have audited the financial statements of Pelham Homes Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its 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 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 directors' 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 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 report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the Board has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 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 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 these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non- compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures and reviewing legal and professional costs incurred during the period.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations as set out in the Data Protection Act 2018 and the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

This report is made solely to the 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.

Anna Spencer-Gray

Anna Spencer-Gray
(Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor.

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
10th Floor
103 Colmore Row,
Birmingham
B3 3AG
Date 22/09/25

Statement of Comprehensive Income

Statement of Comprehensive Income

For the year ended 31 March 2025		2025	2024 Restated
	Note	£'000	£'000
Turnover	**2**	**415**	**493**
Operating costs	2	(422)	(451)
Cost of sales	2	9	42
Gross profit		**2**	**84**
Administration expenses		(192)	(174)
Operating loss		**(190)**	**(90)**
Distributions from jointly controlled entities	4	46	30
Interest receivable	5	1,038	285
Interest payable and similar charges	6	(470)	(42)
Gift Aid	7	(183)	(23)
Profit on ordinary activities before taxation		**241**	**160**
Tax charge on profit at 25%	9	(106)	(35)
Tax relief in respect of Gift Aid	9	106	35
Profit on ordinary activities after taxation		**241**	**160**
Revaluation gain	10	6	-
Total comprehensive income for the year		**247**	**160**

All of the activities of the Company are classed as continuing.

The notes on pages 21 – 37 form part of these financial statements.

Statement of Financial Position

Statement of Financial Position

As at 31 March 2025		2025	2024
	Note	**£'000**	**£'000**
Fixed assets			
Investment properties	10	37	31
Investment in jointly controlled entities	11	934	935
Total fixed assets		**971**	**966**
Current assets			
Stock of properties for sale	12	11,106	5,910
Debtors	13	5,773	3,362
Cash at bank and in hand		887	789
		17,766	**10,061**
Creditors			
Amounts falling due within one year	14	(727)	(475)
Net current assets		**17,039**	**9,586**
Total assets less current liabilities		**18,010**	**10,552**
Creditors: amounts falling due after more than one year	15	**(9,211)**	**(2,000)**
Provision for liabilities	17	-	-
Net assets		**8,799**	**8,552**
Capital and reserves			
Called-up equity share capital	16	2,000	2,000
Profit and loss account		6,799	6,552
Total		**8,799**	**8,552**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 13 to 37 were approved and authorised for issue by the Board of directors on 3rd September 2025 and are signed on behalf of the Board by:

Paul Moat

Paul Moat
Board Member

Sylvia Hart

Sylvia Hart
Secretary

Company Registration Number: 05184359

Statement of Changes in Equity

Statement of Changes in Equity

For the year ended 31 March 2025	Called-up share capital	Profit and loss account	Total
	£'000	£'000	£'000
At 1 April 2023	**2,000**	**6,392**	**8,392**
Total comprehensive income for the year	-	160	160
At 1 April 2024	**2,000**	**6,552**	**8,552**
Total comprehensive income for the year	-	247	247
At 31 March 2025	**2,000**	**6,799**	**8,799**

Statement of Cash Flows

Statement of Cash Flows

For the year ended 31 March 2025	2025	2024
	£'000	£'000
Cash flows from operating activities		
Profit for the financial year	241	160
Interest receivable	(1,038)	(285)
Interest payable and similar charges	470	42
Distributions from jointly controlled entities	(46)	(30)
Changes in:		
Stock of properties for sale	(4,539)	(4,379)
Loan to jointly controlled entities	(2,046)	(2,700)
Provisions	-	(27)
Trade and other debtors	11	(29)
Trade and other creditors	252	(66)
Cash generated from operations	**(6,695)**	**(7,314)**
Interest paid	(470)	(42)
Interest received	5	137
Profit share from jointly controlled entities	46	30
Net cash from operating activities	**(7,114)**	**(7,189)**
Cash flows from investing activities		
Refund of investment in jointly controlled entities	1	13
Net cash from investing activities	**1**	**13**
Cash flows from financing activities		
Loan drawn down	7,211	2,000
Payment to parent for Money Market investment	-	4,500
Net cash from financing activities	**7,211**	**6,500**
Net increase/(decrease) in cash and cash equivalents	**98**	**(676)**
Cash and cash equivalents at beginning of year	**789**	**1,465**
Cash and cash equivalents at end of year	**887**	**789**

Notes to the Financial Statements

1. Principal accounting policies

(a) Basis of accounting

The Company's financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in the financial statements are rounded to the nearest thousand pounds.

The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

(b) Going concern

The Company's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the 12 months from the date of approval.

The key risks for the Company are in relation to scheme viability and the ongoing economic risk in relation to the housing market. There are no completed unsold homes at year end and the regional housing market remains strong. The Company's budget and business plan have been approved by the Board and demonstrate good headroom within existing loan agreements and resilience against a range of identified risks and stresses.

(c) Judgements and key sources of estimation uncertainty

In application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revisions and future periods where the revision affects both current and future periods.

Recoverability of investments in jointly controlled entities

Management are required to assess the recoverability of its development joint venture investments (Pelham Waterside Two LLP) and consider whether both the loan and the investment are recoverable. Management consider the judgement in relation to both the expected future performance of the investments and the assets held within the investments to be sufficient in measuring the recoverability of the amounts.

The following judgements detailed below have had the most significant effect on amounts recognised in the financial statements.

1. Principal accounting policies (continued)

(c) Judgements and key sources of estimation uncertainty (continued)

Valuation of stock

The Company is holding stock under construction in relation to its active development sites. The valuation of the stock has been reviewed with reference to latest scheme appraisals for the developments. This review has concluded that the valuation of stock is supported.

Recognition of future Gift Aid

The company intends to fully Gift Aid its 2024/25 taxable profit and therefore not recognise a tax liability arising from the current year.

(d) Turnover and revenue recognition

Turnover represents rental income (less loss of rent due to voids) and other charges receivable, outright sales of properties and other income and is recognised in relation to the period when the goods and services have been supplied.

Rental income is recognised when the property is available for let.

Sales of properties developed for outright sale are included in turnover and cost of sales.

(e) Service charges

Service charge income and costs are recognised on an accruals basis. The Company operates both fixed and variable service charges annually on a scheme-by-scheme basis in full consultation with the residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to the residents by a reduced charge and a deficit being recovered by future higher charges. Until these are returned they are held as service charge creditors (see note 15). Where they are due to be recovered they are held as service charge debtors in the Statement of Financial Position.

(f) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

1. Principal accounting policies (continued)

(g) Provision for bad debts

A provision for debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

No provision is made against shared ownership arrears as it is assumed that action will be taken to recover arrears against the owner's equity in the property in the event of significant levels of arrears.

Provisions are made against all other debts, 50% of arrears over three months old and 100% of arrears over six months old

(h) Corporation Tax

Current Tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

(i) Value Added Tax (VAT)

The Company is a member of the VAT group 859 7959 34. Although the Company is registered for VAT, most of its activities are exempt. The Company charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in these accounts are inclusive of VAT to the extent that it is suffered by the Company and is irrecoverable.

(j) Investment properties

Having sold all of its other investment properties in prior years, Pelham Homes has a share in one final shared equity property that it intends to sell in 2025/26.

Any changes in fair value are recognised in the Statement of Comprehensive Income.

(k) Shared ownership and shared equity properties

The costs of shared ownership and shared equity properties are split between current and fixed assets on the basis of the first tranche portion (see note 10). The first tranche portion is accounted for as a stock current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as an investment property fixed asset and subsequent sales treated as sales of fixed assets.

1. Principal accounting policies (continued)

(l) Fixed asset investments

Valuation of investments in jointly controlled entities are measured at cost less accumulated impairment.

The Company has investments in two other organisations (2024 – three), namely:

- Three Together is jointly owned with another housing association and owns a training company, Access Training Ltd, which provides training services. The partners provided a loan to Three Together to purchase Access Training Ltd. The loan from Pelham Homes Limited to Three Together to purchase Access Training is their investment therein.
- Pelham Waterside Two LLP is a joint venture company developing properties for sale.
- The jointly controlled entity, Pelham Waterside LLP, which was held in the prior year has now been wound up following completion of its development activity.

The Company's profits generated by, and returns on investments from, these organisations is recognised on a received basis and shown in the Statement of Comprehensive Income in other operating income.

1. Principal accounting policies (continued)

(m) Properties held for sale

Properties developed for outright sale are included in the Statement of Financial Position in current assets as they are intended to be sold, at the lower of cost or estimated selling price after costs to complete and then sell.

Sales of properties developed for outright sale are included in turnover and cost of sales.

At each reporting date properties held for sale are assessed for impairment. If there was evidence of impairment the carrying value would be reduced to the selling price after costs to complete and sell. The impairment would be recognised immediately in the Statement of Comprehensive Income.

The valuation of the other properties held in stock in the 2024/25 accounts is determined by review of market conditions. Any changes in fair value are recognised in the Statement of Comprehensive Income.

(n) Provisions

The Company recognises a provision where:

- It has an obligation at the reporting date as a result of a past event;
- It is probable that it will be required to transfer economic benefits in settlement; and
- The amount of the obligation can be estimated reliably.

(o) Management costs

No staff are employed by the Company. The Company pays a management fee to its parent company, Nottingham Community Housing Association for the:

- Management and maintenance administration of the leasehold properties;
- Provision of accounting services; and
- Provision of other services.

This fee is based on the level of service provided, calculated consistently with other members of the NCHA Group.

1. Principal accounting policies (continued)

(p) Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets
Basic financial assets, which include debtors and bank balances, are initially measured at transaction price including transaction costs.

Basic financial liabilities
Basic financial liabilities, including other creditors and loans, are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

(q) Maintenance funds held for residents

Reserve funds are set aside to cover the costs of both internal and external redecorations every few years and other major works to the communal areas. These sums have been deposited in a trust bank account administered by Nottingham Community Housing Association Limited.

2. Turnover, operating costs, cost of sales and gross profit/(loss)

	2025				2024 Restated			
	Turnover	Operating costs	Cost of sales	Gross profit/(loss)	Turnover	Operating costs	Cost of sales	Gross profit/(loss)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Lettings	-	-	-	-	-	-	-	-
Shared ownership and leasehold: rents and service charges	236	(264)	-	(28)	237	(218)	-	19
Property sales	-	-	9	9	-	-	42	42
Pelham Architects	143	(124)	-	19	182	(162)	-	20
Camberley Builders	36	(34)	-	2	74	(71)	-	3
Disposal of fixed assets	-	-	-	-	-	-	-	-
Total	**415**	**(422)**	**9**	**2**	**493**	**(451)**	**42**	**84**

The Property sales credit arose from developments of properties sold in prior years. Anticipated costs that had been prudently included in Cost of Sales ultimately did not transpire.

The treatment of administration expenses changed in 2025, whereby costs were no longer apportioned to the operating activities shown above, whereas in 2024 £130k had been apportioned, see below.

	2024			
	Turnover	Operating costs	Cost of sales	Gross profit/(loss)
	£'000	£'000	£'000	£'000
Shared ownership and leasehold: rents and service charges	237	(280)	-	(43)
Property sales	-	-	42	42
Pelham Architects	182	(210)	-	(28)
Camberley Builders	74	(91)	-	(17)
Total	**493**	**(581)**	**42**	**(46)**

3. Operating profit

This is arrived at after charging:

	2025	2024
	£'000	£'000
Auditors remuneration (including VAT):		
- for audit services	24	24
- for non-audit services	10	13
Maintenance fee paid to the parent company (including maintenance management)	22	54
Management fee paid to the parent company	208	200
Design fee paid to the parent company	151	152

4. Distributions from jointly controlled entities

	2025	2024
	£'000	£'000
Distribution of profits from joint venture Pelham Waterside LLP	12	11
Distribution of profits from joint venture Three Together	34	19
Total	**46**	**30**

5. Interest receivable

	2025	2024
	£'000	£'000
Pelham Waterside Two loan	376	4
Interest on Money Market investment	-	87
Bank interest	5	5
Notional interest from developments	657	189
Total	**1,038**	**285**

The terms of the loan with Pelham Waterside Two were amended during 2022/23 so that interest on the loan was only payable at the amount which accrued above a threshold of £208k. This occurred in March 2024.

6. Interest payable and similar charges

	2025	2024
	£'000	£'000
Intercompany loan	470	42
Total	**470**	**42**

7. Gift Aid

In line with Company Strategy, Gift Aid of 100% of 2024/25 taxable profits amounting to £424k will be paid to NCHA in 2025/26 and will be accounted for in that period. Gift aid from taxable profits in 2023/24 was £183k and was paid to NCHA in 2024. The tax relief derived from this Gift Aid is included in the estimate of Corporation Tax payable for 2024/25 (see note 9).

8. Ultimate controlling party, staff costs and directors emoluments

The ultimate parent is Nottingham Community Housing Association Limited, incorporated in England, owning all the shares and controlling the composition of the Board of Management. Its accounts are available from the registered office detailed on page 4.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

8. Ultimate controlling party, staff costs and directors emoluments (continued)

The Company employs no staff. Instead, services are secured from the ultimate parent. The key employees of the ultimate parent are its Executive team, detailed below.

Paul Moat
DMS, MBA, MRICS, BSc (Hons)
Chief Executive

- The NCHA Group Leadership
- Corporate Governance
- Risk
- Health and Safety
- Marketing Communications

Allan Fisher BSc (Hons), PG (DIP), MSc
Director of Development and Sustainability

- Development
- Sales
- Pelham Architects
- Environmental Sustainability

Holly Dagnall
BA (Hons), PG (DIP), MSc
Director of Homes and Wellbeing

- Affordable Social Housing
- Sub Market Rent
- Shared Ownership
- Care and Support
- Almshouse Charities
- Equality, Diversity and Inclusion
- Social Impact

Naomi Dobraszczyc
BA (Hons) ACA
Director of Finance and Resources

- Finance
- People
- Technology
- Transformation
- Procurement
- Information and Intelligence
- Value for Money

David Langhorne
Bsc (Hons)
Director of Assets and Property Services

- Direct Maintenance Services
- Planned Investment
- Asset Management
- Work Planning and Operational Support
- Systems Improvement

The directors of NCHA are the key management personnel of the Company. They receive no payment for their role in the Company.

The Company purchases management and financial services from NCHA. These services include the handling and settling of the majority of Pelham Homes Limited invoices on behalf of the Company, and NCHA recharges the Company for the invoiced amount as summarised in note 19.

The Company's Board is outlined on page 4. Payments were made to three independent board members totaling £16k (2024 - £16k to three board members) in the year. Board member expenses in the year were £76. (2024 £81)

9. Taxation

Corporation Tax is payable at 25% (2024 - 19%) on profits retained. Pelham Homes makes Gift Aid payments to reduce retained profits. In 2025 a Gift Aid payment of 100% of profit is due to be made, which has resulted in a tax charge of £nil for the year (2023/24 £nil).

10. Investment properties

	2025	2024
	£'000	£'000
Freehold cost at 1 April	31	31
Revaluation of investment properties	6	-
Total	**37**	**31**

11. Investment in jointly controlled entities

	2025	2024
	£'000	£'000
Three Together Limited	397	397
Pelham Waterside LLP	-	1
Pelham Waterside Two LLP	537	537
Total	**934**	**935**

During 2022/23 Pelham Waterside LLP substantially completed its planned development and sales activity. During 2023/24 and 2024/25 further small reimbursements were made prior to strike-off and dissolution of the LLP on 1st July 2025.

12. Stock of properties for sale

	2025	2024
	£’000	£’000
Properties under development	11,106	5,910
Total	**11,106**	**5,910**

13. Debtors

	2025	2024
	£’000	£’000
Loan due from Pelham Waterside Two LLP	5,246	3,200
Loan interest due from Pelham Waterside Two LLP	379	3
Other debtors	148	159
Total	**5,773**	**3,362**

Pelham Homes has made available an intercompany loan facility of up to £6.5m to Pelham Waterside Two LLP. An amount of £5.2m had been drawn by Pelham Waterside Two LLP at the year-end (2024 – £3.2m). The loan is secured against the assets of the LLP and, following a revision to the agreement in 2024/25, is repayable in full in on or before 31st January 2026. The interest rate is based on Bank of England Base Rate + 4%.

14. Creditors: amount falling due within one year

	2025	2024
	£'000	£'000
Rent in advance	7	5
Amount due to parent undertaking	82	133
Other creditors and accruals	337	73
Maintenance funds held for residents	301	264
Total	**727**	**475**

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

	2025	2024
	£'000	£'000
Intercompany loan with parent undertaking	9,211	2,000
Total	9,211	2,000
Loans are repayable as detailed below		
Between one and two years	-	2,000
In five years or more	9,211	-
Total	9,211	2,000

An intercompany loan facility of up to £25m has been set up from NCHA, to be drawn and repaid as Pelham Homes' requirements fluctuate. It is secured by mortgage debenture fixed and floating charges over all present and future assets of the Company, and is repayable in full on 27 March 2035. The interest rate is based on Bank of England Base Rate + 3.7%. The loan facility was increased from £18m to £25m in March 2024.

16. Called-up share capital

	2025	2024
	£'000	£'000
Authorised share capital		
2,000,100 Ordinary shares of £1 each at the end of the year	2,000	2,000
Allotted and fully paid		
2,000,100 Ordinary shares of £1 each at the end of the year	2,000	2,000

The ordinary shares have full voting, distribution and capital rights. The ordinary shares are not redeemable.

17. Provision for liabilities

	2025	2024
	£'000	£'000
At beginning of year	-	27
Release of provision for major works	-	(27)
At end of year	**–**	**-**

The provision in 2023/24 was required in respect of works to replace cladding which represented a constructive obligation. The works were identified due to inspections undertaken in 2022 and completed April 2024. The retention was settled during the year, resulting in the utilisation of the provision.

18. Capital commitments

	2025	2024
	£'000	£'000
Capital expenditure that has been contracted for, but has not been provided for in the financial statements	18,835	18,096
Capital expenditure that has been authorised by the Board, but has not yet been contracted for	3,482	3,419
Total	**22,317**	**21,515**
The Company expects to finance the expenditure above by		
Sales proceeds	22,317	21,515
Total	**22,317**	**21,515**

19. Related parties and investments

Pelham Homes Limited is part of NCHA Group and purchases management and financial services from NCHA. These services include the handling and settling of the majority of Pelham Homes Limited invoices on behalf of the Company, and NCHA recharges the Company for the invoiced amount.

The transactions that have occurred between the two organisations are detailed below.

	2025	2024
	£'000	£'000
Loan interest	470	42
Management fee	208	200
Design fee	264	152
Development fee	35	-
Maintenance fee	22	54

19. Related parties and investments (continued)

The intercompany loan of up to £25m with NCHA is secured by a security trust deed over all present and future assets of Pelham Homes Limited. The interest rate is based on Bank of England Base Rate + 3.7%. The loan facility was increased from £18m to £25m in March 2025. The management fee is determined by an intercompany Agreement for services agreed by both Boards. The design fee and maintenance fee are determined by the works carried out.

The Company has investments in two (2024 – three) jointly controlled entities.

Three Together Limited is a company limited by guarantee jointly owned, 50% Pelham Homes and 50% Futures Housing Group. During 2016/17 Pelham Homes increased its stake in the company from 33.3%, acquiring the share formerly held by Acclaim Housing Group, at a cost of £30k. Three Together Limited purchased Access Training (East Midlands) Ltd on 28 February 2014. Pelham Homes issued a loan of £367k to Three Together Limited to fund the purchase, which remains outstanding as at 31 March 2025 and is held as a fixed asset investment. During the year a distribution of £34k was made to Pelham Homes Limited for the year ended 31 March 2025 (2024 - £19k).

Pelham Waterside Two LLP is a joint venture company developing properties for sale and is jointly owned by Pelham Homes and Norse Homes (Trent Lane) Limited (formerly Purecourt Limited). On 28 June 2019 land to the value of £976k was transferred to Pelham Waterside Two. The land represents Pelham's investment in Pelham Waterside Two at the proportion (55%) funded by Pelham Homes (45% Purecourt), shown in note 11. The investment shall be recoverable through the property sales which shall include the land. Separately Pelham Homes made a loan to Pelham Waterside Two of £5,246k as at 2025 (2024 £3,200k), and will make further loan advances as required. The intercompany loan facility of up to £6.5m with Pelham Waterside Two LLP is secured by a security trust deed over all present and future assets of the LLP.

Pelham Waterside LLP was a joint venture company which developed and sold properties and was jointly owned by Pelham Homes and Langar Investments Limited. During the year the remainder of the investment, £2k, was refunded to the partners (2024 £23k) of which Pelham Homes' share was £1k (2024 £13k.) All profits have now been distributed and the LLP was dissolved on 1st July 2025.

20. Financial Instruments

	2025	2024
	£'000	£'000
Assets measured at amortised cost		
Investment in jointly controlled entities	934	935
Loan to jointly controlled entities	5,246	3,200
Trade Debtors	148	159
Cash at bank and in hand	887	789
Total	**7,215**	**5,083**
Liabilities measured at amortised cost		
Loan	9,211	2,000
Trade Creditors	337	73
Total	**9,548**	**2,073**

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An electronic version of this report can be found on our website, **www.ncha.org.uk**

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