

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

Directors	Vicky Evans Michael Khouri-Bent Paul Moat Kieran Timmins (appointed 10 September 2024)
Registered number	09810057
Registered office	Loxley House Station Street Nottingham NG2 3NJ
Independent auditors	Bishop Fleming Audit Limited Chartered Accountants & Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Lloyds Bank Plc Parliament Street Nottingham NG1 3DA
Solicitors	Nottingham City Council Loxley House Station Street Nottingham NG2 3NG

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

The directors present their report and the financial statements for the year ended 31 March 2025.

Principal activity

Nottingham City Homes Registered Provider (NCHRP or the Company) is a housing company working to provide good quality, affordable rented housing for local people to help reduce homelessness and meet specialist housing needs in the City of Nottingham.

The Company is incorporated as a private company limited by guarantee under the Companies Act 2006. As such it has no share capital. The Company's sole member is Nottingham City Homes Limited (NCH). As a not for profit company, the Company reinvests any surpluses for the benefit of local people, making a significant contribution to the Nottingham economy.

Business review

Nottingham City Homes Registered Provider (NCH RP) is a housing company providing good quality, affordable rented housing in Nottingham and supporting Nottingham City Council to deliver its statutory homelessness duties through the provision of temporary accommodation for families in housing crisis. It forms part of the wider Nottingham City Homes Group but acts independently of the group, with its own Board.

As a not for profit company, we reinvest any surpluses for the benefit of local people, making a significant contribution to the Nottingham economy.

The Company's core business over the year included:

- Delivering Move-On homes, with MHCLG funding, to house and support survivors of domestic and sexual violence and abuse in conjunction with Refuge providers in the City;
- Providing accommodation for homeless families on behalf of Nottingham City Council (NCC);
- Providing homes and wraparound support to single homeless citizens through the Housing Led programme; and
- Providing affordable and social rented homes.

Housing regulation

The Regulator of Social Housing (RSH) adopts a model of co-regulation, which sees the focus on governance, financial viability, quality of service and value for money, with organisations held accountable for service delivery through effective tenant scrutiny arrangements.

The regulatory approach taken by the Regulator of Social Housing for NCHRP is as follows:

- Both the economic and consumer standards apply;
- Only limited data requirements apply;
- The RP must publish annual Value for Money performance information;
- The RP must submit early information on restructures;
- It must submit relevant statutory notifications in relation to constitutional changes and disposals;
- The RP is subject to annual review of financial statements and, if relevant, the audit management letter. As appropriate, other information may be assessed e.g. if developing new homes, the regulator normally seeks and considers financial forecast information;
- Regulatory notices issued where the regulator has evidence that provider is in breach of an economic standard or for serious detriment finding; and
- NCHRP is not required to complete a Quarterly Survey, or subject to Stability Checks, IDAs or regulatory judgements.

The Company complies with the Governance and Financial Viability Standard in 2024/25.

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Finance review

The Income Statement shows a reported profit before tax of £0.975 million for the 2024/25 financial year compared with a profit before tax of £0.777 million in the prior year.

Principal risks and mitigation

The Board reviews the Risk Register quarterly and has recently reviewed its risk management processes to better reflect the current position of the organisation. The Board considers there to be the following four specific areas of risk across the Company.

- Operational and Customer – risks surrounding the quality of service provided to customers including compliance, repairs, damp and mould and tenant engagement.
- Enablers – risks surrounding the resources required for the Company to operate successfully including Finance, Staffing and Governance.
- External – associated with the surrounding environment including NCC and key stakeholders, Regulatory, Governmental and reputational risks.
- Company Specific – those risks unique to NCHRP such as provision of Temporary Accommodation, NCH RP related risk and potential asset disposal

Key risks identified include:

- Ensuring NCHRP company governance meets the needs of the business and National Housebuilding Federation Code of Conduct, including Board recruitment and training.
- Carefully assessing the on-going financial viability of NCH RP within the NCH Group.
- Working with NCC to improve services delivered to tenants and licensees through the Service Contract, monitoring performance against targets, safeguarding residents and learning from tenant and resident feedback.
- Responding to regulatory and legislative requirements and customer needs in conjunction with our service provider, NCC Housing Services.
- Completing an Asset Management plan so NCH RP homes can be properly maintained

The Company does not operate an internal audit department but this has been mitigated by the recent commissioning of a data integrity audit around the flow of financial and operational service information into the board.

Directors

The directors who served during the year were:

Vicky Evans
Michael Khouri-Bent
Paul Moat
Kieran Timmins (appointed 10 September 2024)

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Value for Money statement

The Regulator of Social Housing (RSH) implemented a set of requirements with regard to VfM reporting, commencing from 1st April 2018. This means that as a Registered Provider (RP) we are required to include seven key financial metrics in this report. These are set out below.

Metric 1 – Reinvestment %

Good = higher %

Development of New Properties	= £0.000m
Works to existing properties	= £0.000m
Capitalised Interest	= <u>£0.000m</u>
Total	= £0.000m
Divided by	
Tangible Fixed Assets (note 8)	= £4.589m

Result = 0%

(2023/24: 0%)

This is a measure of spending on new homes compared to previous spending.

Direction of travel – At the start of 2025/26 there were no further property acquisition schemes agreed or approved by the Board.

Metric 2 – New supply delivered %

Good = higher %

Social housing (includes affordable housing)	
New/(reduction in) supply	18 units
Divided by	
Total at period end	476 units

Result = 4% increase

(2023/24: 6% reduction)

Figures include those Homes leased by the Company from NCH, NCC and private sector landlords.

Direction of travel – this has stabilised during 2024/25 and would normally be expected to fall each year as NCHRP's asset base decreases.

Metric 3 – Gearing

Good = lower %

Borrowing	£3.853m
Cash	<u>£2.409m</u>
Net Value	£1.444m
Fixed Assets	£4.589m

Result = 31.5%

(2023/24: 42.3%)

This is a measure of the ratio between the net value of borrowing (less cash and cash equivalents) and the fixed assets owned by the RP. At the end of 2024/25, 39 homes belong to NCHRP with all others leased and the balance between the value of fixed assets and borrowing met mostly by grants.

Direction of travel – fallen since the prior year with no further acquisitions or borrowing.

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Metric 4 – Earnings before interest, tax, depreciation, amortisation, major repairs (EBITDA) Interest Cover %
Good = higher

Operating Profit	£1.063m
Add back:	
- amortised grants	£0.010m
- depreciation charge	<u>£0.070m</u>
Total	£1.143m

Divided by	
Interest payable and financing costs	<u>£0.127m</u>
Total	£0.127m

Result = 900%
(2023/24: 763%)

This is a measure of the ratio between earnings and interest costs.

This result is one that will look rather strange as operating profit includes significant income from leased properties, which incur no loan interest charges.

Direction of travel – this would be expected to increase over future years where increased turnover from activities is driven by leases rather than owned properties supported by loans.

Metric 5 – Headline social housing cost per unit
Good = lower

Premises costs	£6.662m
Services	£2.690m
Less Depreciation	(£0.070m)
Less Operating Leases	(£5.938m)
	= £3.344m

Divided by	
Total social housing units owned or managed	= 476

Result = £7,025 per unit
(2023/24: £5,245 per unit)

This may be higher than a number of other RPs due to the majority of NCHRP's properties being let to homeless families and hence costs include the intensive support for families during those tenancies.

Direction of travel – Stabilising moving forward

Metric 6 & 6b – Operating margin %
Good = higher

Operating profit	£1.063m
Divided by	
Turnover	£10.428m

Result = 10.2%
(2023/24: 10.2%)

This measure shows whether and to what degree an operational surplus is generated on the RP's turnover.

Direction of travel – stabilised.

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Metric 7 – Return on capital employed (ROCE)
Operating profit £1.063m
Divided by
Total assets less current liabilities £6.829m

Result = 15.6%
(2023/24: 14.2%)

This measure shows whether and to what degree an operational surplus is generated on the RP's capital.

Direction of travel – this stabilised in 2024/25

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Michael Khouri-Bent
Director

Date: 11th SEPTEMBER 2025

Loxley House
Station Street
Nottingham
NG2 3NJ

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025**

The directors are responsible for preparing the Directors' report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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:

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

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

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED

Opinion

We have audited the financial statements of Nottingham City Homes Registered Provider Limited (the 'Company') for the year ended 31 March 2025, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that housing services and staff within the Company's parent company Nottingham City Homes Limited were transferred back into Nottingham City Council on 1 April 2023. The vast majority of properties used in the business are leased from Nottingham City Homes Limited. There is no plan in place that sets out how the services delivered by the Company will continue to be delivered, and it is likely that NCH will be disposing of these properties outside of the Group.

As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report 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 Directors' report.

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

- adequate accounting records have not been kept, 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' exemptions in preparing the Directors' report and 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.

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOTTINGHAM CITY HOMES REGISTERED
PROVIDER LIMITED (CONTINUED)**

Auditors' 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 Auditors' 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.

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 have considered the nature of the sector, control environment, business performance and performance targets;
- we have considered the results of enquiries with management in relation to their own identification and assessment of the risk of irregularities within the Company;
- we have reviewed the Company's documentation of their policies and procedures relating to:
- identifying, evaluation and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- we have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, FRS 102, the Accounting Direction for private registered providers of social housing in England, the Housing Statement of Recommended Practice and UK tax legislation. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or avoid a material penalty, including landlord health and safety laws and regulations covering fire risks, gas safety, water hygiene, electrical safety and asbestos.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing board meeting minutes;
- enquiring of management in relation to actual and potential claims or litigations or areas of non-compliance with laws and regulations;
- performing detailed testing in relation to the recognition of revenue, with a particular focus around year-end cut off;

**NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOTTINGHAM CITY HOMES REGISTERED
PROVIDER LIMITED (CONTINUED)**

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

Bishop Fleming Audit Limited

Nathan Coughlin FCA (Senior statutory auditor)
for and on behalf of

Bishop Fleming Audit Limited

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: *23/09/2025*

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	2024 £000
Turnover	3	10,428	8,900
Gross profit		10,428	8,900
Administrative expenses	4	(9,375)	(8,004)
Other operating income		10	10
Operating profit		1,063	906
Interest receivable and similar income		39	-
Interest payable and similar expenses	7	(127)	(129)
Profit before tax		975	777
Tax on profit		(259)	(209)
Profit for the financial year		716	568
Other comprehensive income for the year			
Total comprehensive income for the year		716	568

The notes on pages 13 to 25 form part of these financial statements.

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:09810057

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £000	2024 £000
Fixed assets			
Tangible assets	8	4,589	4,659
		<u>4,589</u>	<u>4,659</u>
Current assets			
Debtors: amounts falling due within one year	9	517	439
Cash at bank and in hand	10	2,409	1,919
		<u>2,926</u>	<u>2,358</u>
Creditors: amounts falling due within one year	11	(686)	(842)
Net current assets		<u>2,240</u>	<u>1,516</u>
Total assets less current liabilities		<u>6,829</u>	<u>6,175</u>
Creditors: amounts falling due after more than one year	12	(4,609)	(4,670)
Net assets		<u><u>2,220</u></u>	<u><u>1,505</u></u>
Capital and reserves			
Profit and loss account		2,220	1,505
		<u><u>2,220</u></u>	<u><u>1,505</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


Michael Khouri-Bent
 Director

Date: 11th SEPTEMBER 2025

The notes on pages 13 to 25 form part of these financial statements.

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Nottingham City Homes Registered Provider Limited (NCHRP or the Company) is a limited company domiciled and incorporated in England in the United Kingdom. The address of the Company's registered office and principal place of business is disclosed on page 2. The Company's principal activities and the nature of the Company's operations are set out in the Directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102) and in accordance with the Housing Statement of Recommended Practice (SORP) and Accounting Direction for Private Register Providers of Social Housing 2022.

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Nottingham City Homes Limited as at 31 March 2025 and these financial statements may be obtained from Companies House.

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.3 Going concern

NCH Registered Provider Limited (NCHRP) is a not-for-profit provider of social housing, registered with the Regulator of Social Housing. NCHRP's business interests are concentrated on delivering general needs homes for social and affordable rent let to families and citizens in Nottingham, the provision of specialist supported housing for homeless families and citizens in housing crisis including move on from women's aid refuges and exploring opportunities to meet the housing needs of Nottingham in accordance with the aims and objectives of the NCHRP business plan.

The Company has generated a surplus and positive cash returns in each of the previous two years. The Company has produced forecasts that predict the Company will continue to generate sufficient returns to enable the Company to continue to meet all liabilities as they fall due for a period of at least 12 months following the approval of the financial statements. The Board has therefore, concluded that it is appropriate to prepare these financial statements on a going concern basis.

The majority of the properties used by the business are leased from its parent company Nottingham City Homes Limited (NCH). On 1 April 2023, all of NCH's housing activities and staff were transferred back to Nottingham City Council (NCC or the Council). A longer term plan is being developed with the Council to address the activities being completed by other group companies including the services provided by NCHRP. At this stage it is uncertain whether these operations will remain in NCHRP or be transferred to another entity or potentially ceased.

There are ongoing discussions between NCH and the Council around a settlement payment to be made to the Council for previous surpluses generated by NCH from the delivery of services for the Council that were reinvested into housing activities by NCH. It is likely that an amount of over £27m will need to be repaid to the Council. NCH does not have sufficient current assets to make such a repayment and some of the surpluses would be tied up in the housing properties acquired that are leased to NCHRP.

NCC remains reliant upon NCHRP as a significant provider of temporary accommodation and discussions are ongoing around protecting these services moving forward. Although NCHRP has been reliant upon continuing to lease NCH dispersed properties to provide temporary accommodation, NCH has now received lender consent from NCC that it may dispose of the dispersed property cohort. A plan over a three-year period is in place to ensure as each dispersed property is sold, it is replaced by a directly commissioned external property through NCHRP. This will both protect the temporary accommodation capacity delivered through NCHRP whilst ensuring NCHRP remains financially sustainable over the next three years.

The lack of a longer term approved plan that sets out how and in which entity these services will continue to be delivered, along with ongoing discussions between the parent company NCH and the Council around how a final settlement could be returned to the Council, casts significant doubt over the ability to deliver in accordance with future forecasts and hence creates a material uncertainty over the Company's ability to continue as a going concern. Further clarity around this will emerge over the next 12 months.

NOTTINGHAM CITY HOMES REGISTERED PROVIDER LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Boilers	- 15 years
Heating systems	- 30 years
Kitchens	- 20 years
Bathrooms	- 20 years
Doors	- 30 years
Windows	- 30 years
Re-wiring	- 40 years
Roofs	- 70 years
Structure	- 80 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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2. Accounting policies (continued)

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs, except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial

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2. Accounting policies (continued)

2.16 Financial instruments (CONTINUED)

measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Turnover

An analysis of turnover by class of business is as follows:

	2025	2024
	£000	£000
Property rental income	10,428	8,900
	10,428	8,900

All turnover arose within the United Kingdom.

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4. Operating expenses

	2025 £000	2024 £000
Supplies and services	2,690	2,740
Premises	6,662	5,231
Legal and professional	23	30
Administration	-	3
	<u>9,375</u>	<u>8,004</u>

Particulars of turnover & operating costs

	Turnover & Operating Income £000	Operating Costs £000	Operating Profit £000
2023/24			
Social and affordable housing	335	(227)	108
Other housing	8,665	(7,777)	798
	<u>9,000</u>	<u>(8,004)</u>	<u>906</u>

	Turnover & Operating Income £000	Operating Costs £000	Operating Profit £000
2024/25			
Social and affordable housing	354	(229)	125
Other housing	10,084	(9,146)	938
	<u>10,438</u>	<u>(9,375)</u>	<u>1,063</u>

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Social & affordable housing lettings - general needs

	2025 £000	2024 £000
Rents (net of voids)	344	327
	344	327
Amortised grant	10	8
	354	335
Housing management	(46)	(40)
Routine maintenance	(60)	(48)
Property insurance	(8)	(5)
Other supplies & services	(45)	(64)
Depreciation	(70)	(70)
Operating expenditure	(229)	(227)
Operating surplus pre-interest charge	125	108

5. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2025 £000	2024 £000
Fees payable to the Company's auditors for the audit of the Company's financial statements	5	5

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2024: £NIL).

None of the Executive Management Team receive any emoluments from NCHRP or have pension contributions paid by NCHRP on their behalf.

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FOR THE YEAR ENDED 31 MARCH 2025

7. Interest payable and similar expenses

	2025	2024
	£000	£000
Other loan interest payable	127	129
	127	129

8. Tangible fixed assets

	Freehold land and buildings £000
COST	
At 1 April 2024	4,971
At 31 March 2025	4,971
DEPRECIATION	
At 1 April 2024	312
Charge for the year on owned assets	70
At 31 March 2025	382
NET BOOK VALUE	
At 31 March 2025	4,589
At 31 March 2024	4,659

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Debtors

	2025	2024
	£000	£000
Trade debtors	206	165
Amounts owed by group undertakings	260	220
Prepayments and accrued income	5	18
Other taxes and social security	46	36
	517	439

10. Cash and cash equivalents

	2025	2024
	£000	£000
Cash at bank and in hand	2,409	1,919
	2,409	1,919

11. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£000	£000
Other loans	40	38
Amounts owed to group undertakings	332	419
Corporation tax	108	209
Other creditors	22	7
Accruals and deferred income	184	169
	686	842

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. Creditors: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£000	£000
Other loans	3,853	3,893
Government grants received	756	777
	4,609	4,670

The aggregate amount of liabilities repayable wholly or in part more than five years after the reporting date is:

	2025	2024
	£000	£000
Repayable by instalments	3,683	3,749
	3,683	3,749

Included within creditors are annuity loans from NCC and are repayable over 50 years with interest set at fixed rates between 3.17% and 3.35%. Loan principal and accrued interest on the outstanding balances are repaid every 6 months. Borrowings are secured against the land and buildings of the Company.

13. Loans

Analysis of the maturity of loans is given below:

	2025	2024
	£000	£000
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Intercompany Parent Loans	40	38
	40	38
AMOUNTS FALLING DUE 1-2 YEARS		
Intercompany Parent Loans	3,853	3,893
	3,893	3,931

14. Share capital and reserves

The Company is limited by guarantee and the liability of the members to contribute to any deficiency of assets is £1 per member. The members have no rights to the income or assets of the Company.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Accommodation

At the end of the year accommodation in management for each class of accommodation was as follows:

	2025 Units	2024 Units
General Needs Housing and Buildings		
Social rent	10	10
Affordable rent	29	29
	<u>39</u>	<u>39</u>
Owned Accommodation Leased From Others		
Accommodation leased or licensed from others	437	419
Total Accommodation	<u><u>476</u></u>	<u><u>458</u></u>

16. Capital commitments

The Company has no capital commitments (2024: no capital commitments).

17. Commitments under operating leases

At 31 March 2025 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2025 £000	2024 £000
Not later than 1 year	2,146	3,241
Later than 1 year and not later than 5 years	949	948
	<u><u>3,095</u></u>	<u><u>4,189</u></u>

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18. Related party transactions

The Company has related party transactions with NCH, Nottingham City Homes Enterprises Limited (NCHEL) and Nottingham City Council (NCC). NCH and NCHEL provide properties under a lease agreement to the Company for temporary accommodation use.

During the year, £1,512k was charged by NCH (2024: £1,333k), which included various housing management services provided to NCHRP by NCC and £302k (2024: £285k) was charged by NCHEL. NCC provide a variety of services to NCHRP including repairs, housing management and support services through a service contract, as well as loans and some property leases. Total charged by NCC during the year was £2,510k (2024: £3,069k).

The individual balances outstanding at 31 March 2025 are:

	NCH 2025 £000	NCH 2024 £000	NCC 2025 £000	NCC 2024 £000
Trade and other debtors	-	2	261	218
Trade and other creditors	-	(51)	(332)	(368)
Intercompany loans (due within 1 year)	-	-	(40)	(38)
Intercompany loans (due after 1 year)	-	-	(3,853)	(3,893)
Grant (due after 1 year)	-	-	(111)	(112)
	-	(49)	(4,075)	(4,193)

19. Controlling party

The Company is a wholly owned subsidiary of Nottingham City Homes Limited.

The ultimate parent is Nottingham City Council.