

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

An Exempt Charity

(Registered Society No: 14888R)

Financial Statements

For the year ended 30 September 2025

(Co-Operative and Community Benefit Society)

Basis of Preparation

Compliant with 2018 SORP for Housing Associations and Accounting Direction 2022

**FINANCIAL STATEMENTS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Contents

Page:

3	Executive Officers and Advisors
4	Board Report
12	Report of the Independent Auditors
16	Statement of Comprehensive Income
17	Statement of Financial Position
18	Statement of Changes in Equity (Reserves)
19	Statement of Cash Flows
20	Notes to the Financial Statements

**EXECUTIVE OFFICERS AND ADVISORS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

BOARD OF MANAGEMENT

The Board Members who served from 1 October 2024 up to the date of approval of these financial statements were as follows:

Nichola Harrison	Chair
Nicholas Arthur	
Rachel Askew	
James Cross	
Sandra Ferguson	
Ernie Gray	Resigned 20 January 2025
Veronica Lindsay	Chair of Audit and Risk Committee
David Longbottom	
Sinead McQuillan	Vice Chair, and Chair of Governance and Remuneration Committee
Carol Myers	Co-optee from 6 November 2024. Appointed 12 March 2025
Ola Okuwobi-Dabiri	
Patricia Yusuff	Chair of Tenant Experience Committee

EXECUTIVE MANAGEMENT TEAM

Emma Keegan	Chief Executive and Company Secretary
Steve Hickman-Brown	Head of Operations
Kevin Hodge	Head of Finance (resigned 31 December 2024)
Abby Akinola	Head of finance (from 20 January 2025)

REGISTERED OFFICE 21 Claylands Place
London
SW8 1NL

AUDITORS Menzies LLP
4th Floor, 95 Gresham Street
London
EC2V 7AB

BANKERS Barclays Bank plc
50 Pall Mall
London
SW1A 1QD

PRINCIPAL LENDERS	GB Social Housing c/o Watermill Accounting Future Business Centre King Hedges Road Cambridge CM4 2HY	NatWest Bank Plc 135 Bishopgate London EC2M 3UR
------------------------------	---	--

**Registered under the Co-operative and Community Benefit Societies Act 2014 – No. 14888R
Regulator of Social Housing Registration Number - L0927**

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Board is pleased to present their annual report together with the audited Financial Statements for the year ending 30 September 2025.

LEGAL STATUS

Lambeth and Southwark Housing Association (LSHA) is registered under the Co-operative and Community Benefit Societies Act 2014.

PRINCIPAL ACTIVITIES

During the year, LSHA provided 352 good quality, well managed homes within the London Boroughs of Lambeth, Southwark and Lewisham at social and affordable rents for those in housing need and keyworkers.

REVIEW OF THE YEAR

LSHA is an ambitious community-based housing association which is proud of its heritage and guided by its values.

The financial statements show that a financial surplus of £1,027,274 (2024: £62,875) was made on a turnover of £3,019,548 (2024: £2,745,925). Rent increases were within the Regulator of Social Housing's parameters.

In 2024/25 the association continued with its cultural change programme around the theme of 'building trust' with the aim of driving up service standards. A series of 'meet the team' events were held throughout the year to increase staff visibility and the team restructured to include a role of Tenant and Community Engagement Officer and Maintenance Coordinator. A tenant joined the Board, and two others joined the newly created Tenant Experience Committee, strengthening the association's governance framework and incorporating customer insight at the highest level.

During the year, the Board, staff and involved tenants reviewed the vision, mission and values of LSHA determining that it aspires to create safe and secure places where people can thrive. A revised mission of "working together to provide homes and services we can all feel proud of and where people feel safe and happy to live" was devised. This consultation formed part of the work on the Association's new three-year corporate strategy, due to be launched in 2026.

Our values are:

Leadership

- We create a culture where people feel trusted and empowered to deliver our shared purpose.

Supportive

- We help and encourage our tenants and each other, working with partners where appropriate.

Honest

- We are truthful, open, and transparent in the way that we communicate and deliver our services.

Accountable

- We do what we say we are going to do and stand by our decisions and actions.

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Risks

LSHA has a risk management policy and framework which was reviewed during the year. The risk map identified the following key risks during the year:

- that increased regulation from the Regulator of Social Housing, the Financial Conduct Authority or others places an excessive administration burden on small associations
- that services are not delivered in line with tenants' expectations leading to media exposure from individuals, the Regulator or the Housing Ombudsman
- that LSHA cannot meet its financial obligations (liquidity risk and covenant compliance (Existing Debt))
- that a failure to maintain stock could result in quality issues and potential reputational damage
- the impact that a failure to meet housing service standards would have on tenants

Work continued throughout the year to refocus on our values and build trust with tenants. This included greater visibility on our estates, a tenant joining the board, a new committee overseeing compliance with the Regulator's Consumer Standards and expanding opportunities for tenants to influence service delivery and operational policies. Tenant safety remained an area of focus, alongside improved data management. During the year, an independent review of the association's approach to data protection was undertaken to strengthen legal compliance. Training on safeguarding, compliance and data protection supplemented the association's mandatory e-learning suite of courses for staff.

GOVERNANCE

Compliance with Governance and Financial Viability Standard

The Board confirms that the Association has met the Regulator of Social Housing's regulatory expectations in the governance and financial viability standard.

Code of Governance

The Association adopted the National Housing Federation's (NHF) Code of Governance 2020 in April 2022. The Association complies with the Code in all respects.

Committee Structure

LSHA operates an Audit and Risk Committee, a Tenant Experience Committee and a Governance and Remuneration Committee, which are chaired by Veronica Lindsay, Patricia Yusuff, and Sinead McQuillan respectively.

Internal Controls

The Board acknowledges its ultimate responsibility for the Association's system of internal control, and for ensuring that the Association has in place systems of internal control where the extent and formality of individual controls should relate to the risks incurred, whilst recognising that such systems can only provide reasonable and not absolute assurance against material misstatement or loss.

BOARD REPORT
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025

The key elements of control include:

- Formal policies and procedures covering the prime processes of the Association, which set out control activities, designated authorities, and financial limits.
- A 30-year long-term plan and approved budgets which are reviewed annually and monitored. Forecasts, a treasury strategy and covenant reporting.
- Board schedule of actions and management team annual workplan.
- Monitoring of the Association's financial performance and cash flows against approved short- and long-term plans, with analysis of material variances and confirmation of loan compliance.
- Monitoring of operational performance against approved targets, at least quarterly.
- Role profiles for staff and board members, terms of reference for committees, employment contracts, deeds of agreement for services for board members and board appraisals.
- A risk management framework.

The process of gaining assurance on the effectiveness of these controls include:

- Quarterly management reports to board
- Board monitoring of financial and operational performance and key activities
- A programme of independent internal audit
- External audit

The internal auditors presented their findings from their 2024/25 activity to the Audit and Risk Committee. Substantial or reasonable assurance was achieved for each of the three internal audits conducted during the year.

These processes of internal control are reviewed on an ongoing basis. Recommendations arising from the internal audits are presented to the Audit and Risk Committee and progress against them monitored. The Board has reviewed the effectiveness of the systems of internal control in existence in the Association for the year ended 30 September 2025 and until the date of approval of these financial statements.

Public Benefit Entity

As a public benefit entity, LSHA has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

VALUE FOR MONEY (VfM)

What VfM means to LSHA

LSHA views VfM as the relationship between economy, efficiency, effectiveness, and equity. LSHA has adopted the definitions used by the Regulator of Social Housing (RSH) in respect of the first three terms:

1. Economy – minimising the cost of resources, while having regard to quality
2. Efficiency – the relationship between the output from goods or services and the resources to produce them
3. Effectiveness – the extent to which objectives are achieved and the relationship between intended and actual impacts

To this, LSHA has added equity, which looks at who benefits and how fairly these benefits are distributed. As such, the Association is not necessarily aiming to achieve the lowest operational costs but to deliver quality services and homes that meet tenants' needs, are affordable and deliver satisfaction whilst protecting LSHA's viability. This approach helps make the best use of limited resources.

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

We are transparent about how we meet our targets and manage our finances. Our annual report and financial statements explain how we have managed our money and perform against agreed standards.

Significance

In accordance with the RSH's VfM Standard 2018, this statement will provide the following evidence:

- performance against our own targets and the RSH's metrics, including how we compare to our peers; and
- measurable plans to address any areas of underperformance.

Strategic Approach

A key objective of LSHA's Strategic Plan is to deliver affordable quality in homes and services. Through VfM, LSHA aims to ensure:

- that resources are available to achieve the association's Strategic Plan objectives and key priorities.
- a balance between cost, quality and performance; and
- a good level of tenant satisfaction.

The operating environment for registered providers, especially smaller providers, is challenging. Increased regulation around building safety, damp and mould, decarbonisation and consumer standards in addition to supporting an increasingly vulnerable tenant-base is costly. As a small housing association with limited levels of activity, there are constraints in the ways in which savings can be made without impacting the quality of services.

Investment during the year in IT infrastructure sought to streamline and improve processes whilst our continued commitment to training provides staff with the skills and confidence for them to provide quality services and respond to the changing requirements of tenants.

LSHA remains keen to play a part in meeting local housing need and investing in future homes to meet social needs. However, this is balanced with the need to invest in existing homes and ensure they are fit for the future. During the year, the association disposed of one property where it was deemed unfeasible to bring it up to modern day standards.

LSHA has four overarching VfM aims, which are:

1. To embed VfM and innovation within LSHA's culture by ensuring business decisions are driven by an understanding of cost, quality and comparison with other registered providers
2. To ensure the investment of our resources creates a positive social impact on the lives of tenants, staff, the local environment and community
3. To achieve efficiencies in major areas of spend and reduce overhead costs, and
4. To maximise or diversify our income and the return on assets

Performance against our own targets and the Regulator's Metrics

LSHA analyses its costs and performance against a range of measures, complementing those determined by the Regulator. LSHA compares its performance with the previous two years to identify trends and benchmarks against two groups, one being 20 small, predominantly general needs providers based in London and the South-East. The other is a group of national small associations with fewer than 1,000 units, that submit data to Acuity Benchmarking. Comparative data is at 31 March 2025 which it should be noted does not align with LSHA's financial year end. Where appropriate and meaningful, internal targets are set.

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Regulatory Metrics and KPIs

Measure (All measures are based on annual accounts unless otherwise stated)	LSHA 2022-23	LSHA 2023-24	LSHA 2024-25	Peer Group Median 2024-25 ¹	ABM Median 2024-25 ²	LSHA Target 2024-25
Business Health						
Metric 6 Operating margin (social housing) %	20.1 (2.8*)	6.5	10.3	19.5	17.7	15.1
Metric 6 Operating margin (overall) %	45.5 (10.0*)	12.3	14.0	20.5	15.6	20.8
Metric 4 EBITDA MRI Interest Cover	606.9 (143.3*)	132	91.4	146.8	184.3	>110
Metric 5 Headline social cost/unit £	4,658 (5,856*)	5,802	7,008	6,253	6,508	-
Growth and Capacity						
Metric 2a New supply delivered % (social units)	0	9.3	0	0	0	0
Metric 2b New supply delivered % (non-social housing)	0	0	0	0	0	0
Metric 1 Reinvestment in properties (existing stock and new supply) %	1.2	29.2	1.3	2.5	3.4	4.1
Metric 3 Gearing %	23.5 (24.2*)	26.6	20.1	24.9	14.0	<45
Business Process						
Average re-let time in calendar days (GN)	80	90	49	33	32	30
Current arrears as % of rent due (GN)	4.55	4.50	7.25	4.04	2.92	3.00
% of rent collected	NEW	97.81	96.58	99.00	99.55	100
% of emergency repairs completed within target	100	97.94	75.82	100	100	100
% of non-emergency repairs completed within timescale	85	78.47	78.35	95	94.15	95

* The figures in brackets assume that the cladding replacement work at Steedman Street was never required. The Association received a donation from Optivo for fire work costs of £845,784 in the year ending 30 September 2023.

¹ Acuity Peer Group: London and SE Benchmarking Group

² Acuity Benchmarking 2024/25

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Measure (All measures are based on annual accounts unless otherwise stated)	LSHA 2022-23	LSHA 2023-24	LSHA 2024-25	Peer Group Median 2024-25 ³	ABM Median 2024-25 ⁴	LSHA Target 2024-25
Cost per property p.a. Housing Management £	520	570	975	661	656	-
Cost per property p.a. Responsive repairs & voids £	837	842	784	1,193	1,029	-
Cost per property p.a. Major & cyclical works £	489	349	457	1,740	1,309	-
Homes						
Metric 7 Return on capital employed %	4.8 (0.8*)	1.0	1.3	3.1	3.1	-
Services						
TP01 – Overall satisfaction %	76	59	59	72	80	-
TP02 – Satisfaction with Repairs %	-	67	67	75	82	-
People						
Average working days lost to sickness	8.05	12.64	19.17	4.30	6.50	<6

* The figure in brackets is the outcome figure net of cladding replacement costs.

The social housing cost per unit increased in 2024/25 and is now above our benchmark comparators. This is largely due to increased service charge costs, which also drove up our housing management cost per property, and greater investment in our homes. Despite this increase in investment, it was still under budget in 2024/25, resulting in a cost per property for major and cyclical works below benchmark. Combined with no active development during the year, this resulted in a low reinvestment metric of 1.3%. Whilst there was a delay in tendering planned works due to the Maintenance Manager post being vacant for the first five months of the year, a number of new contractors have now been brought on board for works that LSHA has previously struggled to source which will assist with the programme in 2025/26. LSHA compares well with our comparators in terms of the cost per property for responsive repairs and voids.

Relet times have reduced significantly to an average of 49 calendar days but remain above target and benchmark comparisons. Continued close monitoring of voids, a new lettings policy, and a staff restructure during the year support continued improvement in this area.

³ Acuity Peer Group: London and SE Benchmarking Group

⁴ Acuity Benchmarking 2024/25

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Current arrears increased to 7.25% at year end, reversing last year's downward trend; this was largely driven by staff vacancies and turnover during the year and is a priority area to tackle in 2025/26.

The percentage of emergency repairs completed within timescale dropped this year, as did non-emergency works. This is partly due to errors in recording completion data due to staff changes but improved contractor management is also a focus. In 2025/26, the association intends to re-tender several contracts, including estate-based services, responsive repairs, and gas servicing and repairs.

Post year end, we conducted our biennial tenant satisfaction survey, designed to collect the tenant perception information required by the Regulator of Social Housing, plus feedback on other aspects of our service. The results were disappointing, with overall satisfaction with us as a landlord below the average for the sector. This will be reported to tenants in 2025/26. The figures reported here are from our November 2023 report. The tenants have given us a clear mandate to change the way that we deliver services and communicate with them, and this was a key focus during 2024/25 as outlined elsewhere in this report.

Staff sickness rose in 2024/25 for a third consecutive year. Almost three-quarters of the absence was due to 3 members of staff who were all off on long-term sick (defined here as more than four weeks) during the year. An employee assistance programme was introduced to support staff in December 2023 and a review of the staff structure has introduced additional resources, including a specific role around tenant engagement and community investment which was recruited to post year end and a maintenance co-ordinator role to assist the Maintenance Manager.

Areas for Investment

In 2025/26, the focus on tenant consultation and engagement will continue, allowing tenants to have a meaningful say in the way that services are delivered. This will include investing in the Association's Tenants Group and 'menu of involvement' and expanding our partnership arrangements in the area where we operate.

The information from the association's stock condition survey due to be conducted in 2025/26 and EPCs will be used to inform our long-term plan, so we fully understand the impact of this investment on our business plan and what grant funding might be required.

Planned strategic VfM activities in 2025/26

- Update our Asset Management Strategy using up to date stock condition and EPC data
- Procure new responsive repairs, grounds maintenance and cleaning contracts
- Carry out a comprehensive review of approved suppliers and current procurement arrangements
- Review service charge costs and suppliers, including procuring new utilities contracts where applicable
- Increase the take up of My Tenancy, a self-service portal which allows tenants to view their accounts 24/7, and automate processes on the Pyramid system to reduce errors and drive up efficiency

BOARD REPORT

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Statement of the Board's Responsibilities in Respect of the Financial Statements

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

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Board are responsible for the maintenance and integrity of the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Information for Auditors

We the members of the Board who held office at the date of approval of these Financial Statements as set out above confirm, so far as we are aware, that there is no relevant audit information of which the Association's auditors are unaware; and we have taken all the steps that we ought to have taken as Board members to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Menzies have expressed their willingness to continue in office. A resolution regarding their reappointment will be proposed at the forthcoming annual general meeting.

The Report of the Board was approved on 4 February 2026 and signed on its behalf by:


Nichola Harrison (Feb 14, 2026 07:19:29 EST)

Nichola Harrison, Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Opinion

We have audited the financial statements of Lambeth and Southwark Housing Association Limited for the year ended 30 September 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies in Note 1. 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 Association’s affairs as at 30 September 2025 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Other information

The other information comprises the information included in the Report of the Board of Management, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the Association has not maintained a satisfactory system of control over transactions; or
- the Association has not kept adequate accounting records; or
- the Association's financial statements are not in agreement with books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Responsibilities of the Board set out on page 11, the Board 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 Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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.

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Committee and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Association's activities and the regulated nature of the Association's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Use of our report

This report is made solely to the Association's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads "Menzies LLP". The signature is written in a cursive, slightly slanted style.

**Menzies LLP
Chartered Accountants
Statutory Auditor**

4th Floor, 95 Gresham Street
London
EC2V 7AB

Date: 23 February 2026

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

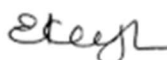
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	2025 £	2024 £
Turnover	2	3,019,548	2,745,925
Operating expenditure	2	(2,595,093)	(2,408,340)
Gain/(loss) on sale of fixed assets	2	930,296	-
		<hr/>	<hr/>
Operating surplus		1,354,751	337,585
Interest receivable		33,428	76,297
Interest payable	6	(451,027)	(437,417)
Increase/(decrease) in valuation of investment properties	12	-	(40,000)
Increase in valuation of fixed asset investments	14	90,122	126,410
		<hr/>	<hr/>
Surplus for the year		1,027,274	62,875
		<hr/>	<hr/>
Total comprehensive income for the year		1,027,274	62,875
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 16 to 36 were approved and authorised for issue by the Board on 4 February 2026 and were signed on its behalf by:


Nichola Harrison (Feb 14, 2026 07:19:29 EST)

Nichola Harrison
Chair



Emma Keegan
Secretary



Veronica Lindsay
Chair of A&RC

The Statement of Comprehensive Income relates wholly to continuing activities and the notes on pages 20 to 36 form an integral part of these financial statements.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

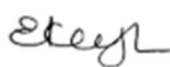
AS AT 30 SEPTEMBER 2025

	Notes	2025 £	2024 £
Fixed assets			
Housing properties	11	31,305,304	31,633,819
Investment properties	12	255,000	255,000
Other tangible assets	13	90,129	88,465
Fixed asset investments	14	972,303	882,181
		32,622,736	32,859,465
Current assets			
Trade and other debtors	15	310,149	225,238
Investments	16	384,206	1,260,017
Cash and cash equivalents		801,520	-
		1,495,875	1,485,255
Less: Creditors: amounts falling due within one year	17	(732,550)	(768,679)
Net current assets/(liabilities)		763,325	716,576
Total assets less current liabilities		33,386,061	33,576,041
Less: Creditors: amounts falling due after more than one year	18	(22,320,044)	(23,537,299)
Net assets		11,066,017	10,038,742
Non-equity share capital	19	19	18
Income and expenditure reserve		10,028,817	9,001,543
Revaluation reserve		1,037,181	1,037,181
Total reserves		11,066,017	10,038,742


The financial statements on pages 16 to 36 were approved and authorised for issue by the Board on 4 February 2026 were signed on its behalf by:


Nichola Harrison (Feb 14, 2026 07:19:29 EST)

Nichola Harrison
Chair



Emma Keegan
Secretary



Veronica Lindsay
Chair of A&RC

The notes on pages 20 to 36 form an integral part of these financial statements.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Income and expenditure reserve £	Revaluation reserve £	Total £
Balance as at 30 September 2023	9,025,078	950,771	9,975,849
Surplus / (deficit) from Statement of Comprehensive Income	(23,535)	86,410	62,875
Balance as at 30 September 2024	9,001,543	1,037,181	10,038,724
Surplus / (deficit) from Statement of Comprehensive Income	1,027,274	-	1,027,274
Balance as at 30 September 2025	10,028,817	1,037,181	11,065,998

The notes on pages 20 to 36 form an integral part of these financial statements.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	2025 £	2024 £
Net cash generated from operating activities	(i)	555,336	524,368
Cash flow from investing activities			
Proceeds from sale of fixed assets		971,657	-
Purchase of tangible fixed assets		(233,156)	(9,213,312)
Interest received		33,428	76,297
		<u>(771,929)</u>	<u>(9,137,015)</u>
Cash flow from financing activities			
Interest paid		(451,027)	(437,417)
Loans movement		(950,530)	3,000,000
Movement in share capital		1	2
		<u>1,401,556</u>	<u>2,562,585</u>
Net change in cash and cash equivalents		(74,291)	(6,050,062)
Cash and cash equivalents at beginning of the year		1,260,017	7,310,079
Cash and cash equivalents at end of the year		<u><u>1,185,726</u></u>	<u><u>1,260,017</u></u>
Cash and cash equivalents comprise of:			
Cash at bank		801,520	-
Investments		384,206	1,260,017
Total cash and cash equivalents		<u><u>1,185,726</u></u>	<u><u>1,260,017</u></u>
Note i			
	Notes	2025 £	2024 £
Cash flow from operating activities			
Surplus / (deficit) for the year		1,027,274	62,875
Adjustments for non-cash items:			
Depreciation of tangible fixed assets		525,006	499,682
Decrease / (increase) in trade and other debtors		(84,911)	(145,624)
(Decrease) / increase in trade and other creditors		(131,767)	(2,723)
Carrying amount of tangible fixed asset disposals		35,000	3,900
Revaluation of investment properties		-	40,000
Revaluation of fixed asset investments		(90,122)	(126,410)
Amortisation of Social Housing Grant		(171,086)	(168,452)
Adjustments for investing or financing activities:			
Interest payable		451,027	437,417
Interest receivable		(33,428)	(76,297)
Proceeds from sale of fixed assets		<u>(971,657)</u>	<u>-</u>
Net cash generated from operating activities		<u><u>555,336</u></u>	<u><u>524,368</u></u>

The notes on pages 20 to 36 form an integral part of these financial statements.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Legal Status

Lambeth and Southwark Housing Association Limited is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is 21 Claylands Place, London, SW8 1NL.

1. Principal Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified where appropriate, to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for registered social housing providers 2018 (SORP), the Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of social housing 2022 and the requirements of the Co-operative and Community Benefit Societies Act 2014. The financial statements are presented in sterling £. As a public benefit entity, the Association has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

Going concern

The Association's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future and has taken into consideration the cost-of-living crisis. We consider it appropriate to continue to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- a. **Categorisation of housing properties.** The Association has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Association has considered if the asset is held for social benefit or to earn commercial rentals.
- b. **Impairment.** The Association has identified a cash generating unit for impairment assessment purposes at a property scheme level.

Other key sources of estimation and assumptions:

- a. **Tangible fixed assets.** Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Principal Accounting Policies (continued)

Turnover and revenue recognition

Turnover represents rental income receivable, service charge income, amortised capital grant, revenue grants from local authorities, Homes England, Greater London Authority and other income and are recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

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.

Loan finance issue costs

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

Taxation

The Association has charitable status and is exempt from any liability to corporation tax.

Value Added Tax

The Association is not registered for VAT and therefore all costs incurred where applicable are inclusive of VAT.

Valuation of investments

Investments in unlisted company shares, which have been classified as fixed asset investments as the Association intends to hold them on a continuing basis, are re-measured to fair value at each Statement of Financial Position date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Investments in listed company shares, which have been classified as current asset investments, are re-measured to fair value at each Statement of Financial Position date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Current asset investments

Current asset investments include cash and cash equivalents invested for periods of more than 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the Statement of Comprehensive Income.

Investment property

Investment property includes commercial properties not held for the social benefit of the Association. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive income. There are no restrictions on realisation or remittance of income or disposal proceeds.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Principal Accounting Policies (continued)

Tangible fixed assets and depreciation

Housing properties

Tangible fixed assets are stated at cost, less accumulated depreciation.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

	Years		Years
Building	100	Boilers	15
Roof	60	Central Heating	30
Doors	30	Windows	25
Kitchen	20	Rewiring	30
Bathroom	25	CCTV	8

The Association depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives at the following annual rates:

Office properties	2%
Computer equipment	33%
Furniture, fittings and office equipment	20%
White goods supplied in scheme properties	20%

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into their intended use.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Principal Accounting Policies (continued)

Leasing and hire purchase

Where assets are financed by hire purchase contracts and leasing agreements that give rights approximating to ownership (finance leases), they are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor in creditors. They are depreciated over the shorter of the lease term and their economic useful lives.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit and loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

Other leases are treated as operating leases and payments are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received on leases to enter into operating lease agreements are released to Statement of Comprehensive Income over the term of the lease.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Contingent Liabilities

A contingent liability is recognised for a) a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or b) for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation; or c) when a sufficiently reliable estimate of the amount cannot be made.

Contingent Assets

A contingent asset is recognised when an inflow of economic benefits is probable (more likely than not) but not virtually certain.

Social Housing and other government grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income is included as part of Turnover.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Recycling of Capital Grant

Where Social Housing Grant is recycled the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Principal Accounting Policies (continued)

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

The following financial instruments are assessed individually for impairment:

- a. All equity instruments regardless of significance; and
- b. Other financial assets that are individually significant.

Other financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

- a. For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- b. For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in profit or loss immediately.

Revaluation Reserve

The revaluation reserve represents the difference between the cost and the fair value as at the reporting date of the fixed asset investments and the investment property.

Financial instruments

Financial instruments such as loans, accounts payables, accounts receivables and cash are classified either as basic or complex. All financial instruments are initially measured at their fair values at the time the transactions occur. Subsequently all basic instruments are measured at amortised cost and all complex financial instruments are measured at a fair value through the comprehensive income.

Financial instruments held by the Association are classified as follows:

- Cash and current asset investments are held at cost;
- Fixed asset investments are held at fair value through profit and loss;
- Receivables are classified as loans and receivables and held at amortised cost using the effective interest method;
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

2. Turnover, operating expenditure and operating surplus

	Turnover	Operating expenditure	2025 Surplus on Disposal	Operating surplus/(deficit)
	£	£	£	£
Social housing lettings (note 3)	2,786,603	(2,536,657)	-	249,946
Activities other than social housing				
Managed associations	22,557	(21,018)	-	1,539
Commercial rents	12,996	-	-	12,996
Key worker scheme	195,203	(37,418)	-	157,785
Other	2,189	-	-	2,189
Total	3,019,548	(2,595,093)	-	424,455
Gain/(loss) on sale of fixed assets (note 5)	-	-	930,296	930,296
Total	3,019,548	(2,595,093)	930,296	1,354,751

	Turnover	2024 Operating expenditure	Operating surplus/(deficit)
	£	£	£
Social housing lettings (note 3)	2,521,297	(2,357,821)	163,476
Activities other than social housing			
Managed associations	18,000	(22,262)	(4,262)
Commercial rents	12,996	-	12,996
Key worker scheme	191,737	(28,257)	163,480
Other	1,895	-	1,895
Total	2,745,925	(2,408,340)	337,585
Gain/(loss) on sale of fixed assets (note 5)	-	-	-
Total	2,745,925	(2,408,340)	337,585

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. Turnover and operating expenditure

	2025	2024
	£	£
Income		
Rent receivable net of identifiable service charges	2,389,950	2,149,307
Service charge income	225,567	203,538
Amortised government grants	171,086	168,452
Turnover from Social Housing Lettings	2,786,603	2,521,297
Operating expenditure		
Management	576,373	671,727
Services	355,888	241,409
Routine maintenance	546,327	562,254
Planned maintenance	364,518	260,855
Major repairs expenditure	147,123	124,633
Abortive costs	3,347	-
Rent losses from bad debts	12,089	-
Depreciation of housing properties	530,992	496,943
Operating expenditure on Social Housing Lettings	2,536,657	2,357,821
Operating Surplus / (Deficit) on Social Housing Lettings	249,946	163,476
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	26,678	40,572

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

4. Accommodation owned, managed and in development

	2024 No of properties owned & managed	Additions No of properties owned & managed	Disposals No of properties owned & managed	Completed No of properties owned and managed	2025 No of properties owned and managed
Social Housing					
Under management at end of year:					
Social housing (owned)	323	-	(2)	-	321
Key worker scheme (owned)	11	-	-	-	11
Commercial properties (owned)	1	-	-	-	1
Social housing (managed)	19	-	-	-	19
Social housing (in development)	-	-	-	-	-
	<u>354</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>352</u>

5. Gain/(loss) on disposal of fixed assets

	Right to Buy Sales	Low-Cost Home Ownership Staircasing Sales	Others	Total 2025	Total 2024
	£	£	£	£	£
Proceeds of sales	-	-	971,657	971,657	-
Less: Costs of sales	-	-	(41,361)	(41,361)	-
Surplus	<u>-</u>	<u>-</u>	<u>930,296</u>	<u>930,296</u>	<u>-</u>

6. Interest and financing costs

	2025 £	2024 £
Interest on loans	476,321	450,179
Loan premium released	(90,579)	(88,227)
Arrangement and other fees	48,285	43,528
Loan expenses amortised	17,000	31,937
	<u>451,027</u>	<u>437,417</u>

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

7. Surplus/ (deficit) on ordinary activities

	2025	2024
	£	£
The operating surplus is stated after charging / (crediting):		
Auditors' remuneration (excluding VAT)		
In their capacity as auditors	13,514	13,288
In respect of other services	510	1,500
Depreciation of housing properties	518,559	493,043
Depreciation of other fixed assets	6,448	6,639
Operating lease expense	55,000	53,281
	_____	_____

8. Tax on Surplus/(deficit) on ordinary activities

By virtue of s.478 Corporation Tax Act 2010 the Association is exempt from corporation tax.

9. Directors' remuneration

	2025	2024
	£	£
The aggregate emoluments paid to or receivable by non-executive Directors and former non-executive directors	5,000	2,500
The aggregate emoluments paid to or receivable by executive Directors and former executive directors	285,314	183,605
The aggregate compensation paid to or receivable by Key Management Personnel	-	-
The emoluments paid to the highest paid Director excluding pension contributions	93,833	90,224
The aggregate number of Directors or past Directors pensions, excluding amounts payable under a properly funded pension scheme	-	-
The aggregate amount of any consideration payable to or receivable by third parties for making available the services of a Director	-	226,973
The aggregate amount of any consideration payable to Directors for loss of office	-	-

The Association contributes to the Chief Executive's pension which is a defined contribution scheme on the same terms as all other employees. A contribution of £4,403 was made in the year (2024: £4,403).

Directors (key management personnel) are defined as members of the Board, the Chief Executive and any other person who is a member of the Senior Management Team or its equivalent.

The Chair is the only Board member to be remunerated in both 2025 and 2024.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

10. Employee information

	2025	2024
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:		
Office staff	7.0	7.3
Wardens, caretakers and cleaners	1.0	1.3
	8.0	8.6
	8.0	8.6

	2025	2024
	£	£
Staff costs		
Wages and salaries	379,521	367,027
Social security costs	45,269	41,724
Pension costs	21,331	27,301
	446,121	436,052
Consultant costs	38,280	150,677
	484,401	586,729
Agency staff costs	107,400	115,733
Total staff costs	591,801	702,462
	591,801	702,462

	2025	2024
Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000 in the year:		
£60,000 - £69,999	-	1
£70,000 - £79,999	2	1
£80,000 - £89,999	-	-
£90,000 - £99,999	1	1
£100,000 - £109,999	-	-

No employees received more than £100,000 in the year (2024: none).

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

11. Tangible fixed assets

	Completed Housing Properties £	Housing Properties Under Construction £	Total £
Cost			
At 1 October 2024	37,260,231	-	37,260,231
Additions	120,584	-	120,584
Component replacements	104,460	-	104,460
Disposals	(74,116)	-	(74,116)
At 30 September 2025	<u>37,411,159</u>	<u>-</u>	<u>37,411,159</u>
Depreciation			
At 1 October 2024	5,626,412	-	5,626,412
Charge for the year	518,559	-	518,559
Disposals	(39,116)	-	(39,116)
At 30 September 2025	<u>6,105,855</u>	<u>-</u>	<u>6,105,855</u>
Net book value at 30 September 2025	<u>31,305,304</u>	<u>-</u>	<u>31,305,304</u>
Net book value at 1 October 2024	<u>31,633,819</u>	<u>-</u>	<u>31,633,819</u>
		2025	2024
		£	£
Housing Properties comprise:			
Freeholds		22,640,811	22,969,326
Leaseholds		8,664,493	8,664,493
		<u>31,305,304</u>	<u>31,633,819</u>
Works to existing properties in the year:			
Improvement works capitalised		120,585	52,620
Component replacements		104,460	70,857
Amounts charged to expenditure		-	-

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

12. Investment properties

	2025	2024
	£	£
At start of year	255,000	295,000
Gain / (loss) from adjustment in fair value	-	(40,000)
	255,000	255,000
	255,000	255,000

Investment properties were valued at 21 October 2025 by JLL professional qualified external valuers. The valuation of properties was undertaken in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

13. Other fixed assets

	Furniture and Equipment £	Computer Equipment £	Office & Fittings £	Total £
Cost				
At 1 October 2024	16,627	71,994	108,271	196,892
Additions	-	5,000	3,111	8,111
Disposals	-	-	-	-
At 30 September 2025	16,627	76,994	111,382	205,003
	16,627	76,994	111,382	205,003
Depreciation				
At 1 October 2024	16,627	70,962	20,838	108,427
Charge for the year	-	1,033	5,414	6,447
Disposals	-	-	-	-
At 30 September 2025	16,627	71,995	26,252	114,874
	16,627	71,995	26,252	114,874
Net book value at 30 September 2025	-	4,999	85,130	90,129
	-	4,999	85,130	90,129
Net book value at 1 October 2024	-	1,032	87,433	88,465
	-	1,032	87,433	88,465

The net book value of other fixed assets includes £0 (2024: £0) in respect of assets held under finance leases.

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. Fixed Asset Investments

	2025	2024
	£	£
Fair value as at 1 October	882,181	755,771
Gain / (Loss) from adjustment in fair value	90,122	126,410
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Fair value as at 30 September	972,303	882,181
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Historic cost of investments	100,000	100,000
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

Fixed asset investments relate to unlisted investments held in unit trusts.

15. Trade and other debtors

	2025	2024
	£	£
Rent arrears	190,865	129,315
Less: provision for bad debts	(49,751)	(42,497)
Prepayments and other debtors	169,035	113,107
Taxation and social security payable	-	25,313
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	310,149	225,238
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

Debtors are all due within one year.

16. Current Asset Investments

	2025	2024
	£	£
Building society and bank deposits	384,206	1,260,017
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

17. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors and accruals	362,674	349,357
Loans due within one year	438	362
Taxation and social security payable	8,961	-
Rents paid in advance	79,944	82,825
Deferred income	-	-
Deferred capital grant (Note 22)	171,086	168,452
Managed associations	18,868	40,669
Bond premium	90,579	88,227
Bank overdraft	-	38,787
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	732,550	768,679
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

18(a). Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Bond premium	1,252,450	1,345,380
Loans (Note 18b)	7,465,616	8,416,222
Deferred capital grant (Note 22)	13,601,978	13,775,697
	<u>22,320,044</u>	<u>23,537,299</u>

18(b). Loan analysis

	2025	2024
	£	£
Loans repayable by instalments:		
In one year or more but less than two years	481	398
In two years or more and less than five years	1,752	1,445
In five years or more	7,531,580	8,531,876
Not by instalments:		
In five years or more	6,960	6,960
Less arrangement fees	(74,719)	(124,457)
Total loans	<u>7,466,054</u>	<u>8,416,222</u>

Loans are secured by specific charges on the Association's housing properties. Loans are repayable at varying rates of fixed interest between 5.0% – 7.0%.

At 30 September, the Association had undrawn loan facilities of £5.5m (2024: £4.5m).

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

19. Non-equity share capital

	2025	2024
	£	£
Allotted Issued and Fully Paid		
At the start of the year	16	17
Issued during the year	3	-
Surrendered during the year	-	(1)
At the end of the year	19	16
	19	16

The par value of each share is £1. The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights. All shares are fully paid.

20. Capital commitments

	2025	2024
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	-
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	-
The Association expects these commitments to be contracted within the next year and financed with:		
Social Housing Grant	-	-
Loans	-	-
Cash	-	-

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

21. Operating leases

The Association holds the following items under non-cancellable operating leases.

Land and Buildings

	2025	2024
	£	£
Within 1 year	55,000	53,281
Between 1 and 5 years	220,000	220,000
Total operating lease payments	275,000	273,281

The above lease payments relate to the office lease.

22. Deferred Capital Grant and financial assistance

	2025	2024
	£	£
At 1 October 2024	13,944,149	14,112,601
Grant received in the year	-	-
Released to income in the year	(171,086)	(168,452)
At 30 September 2025	13,773,064	13,944,149
Amount due to be released < 1 year (Note 17)	171,086	168,452
Amount due to be released > 1 year (Note 18(a))	13,601,978	13,775,697
The total accumulated government grant and financial assistance received or receivable at 30 September	17,782,891	17,782,891

23. Analysis of changes in net debt/(funds)

	2024	Cashflows	2025
	£	£	£
Short term liability	362	76	438
Long term liability	8,416,222	(950,606)	7,465,616
Total liabilities	8,416,584	(950,530)	7,466,054
Cash and cash equivalents	(1,260,017)	74,291	(1,185,726)
Total net debt/(funds)	7,156,567	(876,239)	6,280,328

LAMBETH AND SOUTHWARK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

24. Related parties

There are currently no related parties or related party transactions (2024: Nil).

25. Financial Instruments

The Association's financial instruments may be analysed as follows:

	2025	2024
	£	£
Financial assets		
Financial assets measured at cost		
Cash and cash equivalents	801,520	-
Current asset investments	384,206	1,260,017
Financial assets measured at fair value through profit or loss		
Fixed asset Investments	972,303	882,181
Financial assets measured at amortised cost		
Rental debtors	190,865	129,315
Other debtors and accrued income	169,034	113,107
Total financial assets	2,517,928	2,384,620
Financial liabilities		
Financial liabilities measured at amortised cost		
Rents paid in advance	79,944	82,825
Trade creditors and accruals	362,675	349,357
Other creditors	18,868	40,669
Housing loans	7,466,054	8,416,584
Total financial liabilities	7,927,541	8,889,435

26. Contingent Liability

There was no contingent liability for the year ended 30 September 2025 (2024: Nil).

27. Contingent Asset

No contingent asset has been recognised for the year ended 30 September 2025 (2024: Nil).