



ClwydAlyn

Annual Report and Financial Statements **2024 - 2025**



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Our Social Purpose

“Together, we will end poverty”

Five years ago, we imagined how different Wales would be if we had no poverty – a place where everyone has access to high quality, affordable homes that they can afford to heat, where they can afford the food, they need to stay healthy, and where they have good employment and volunteering opportunities and live in communities where they feel they belong.

We have a clear organisational purpose which drives all we do, and expresses our desire to work collaboratively, and to prioritise our resources so that:

TOGETHER, WE WILL END POVERTY

We have engaged with residents and colleagues across ClwydAllyn to listen to views to help shape the next five years of our work. The result is a clearer image of what the world would look like should we achieve our purpose and our corporate plan priorities.

ENDING HOMELESSNESS - An end to homelessness would mean that no-one is sleeping on the street, and no-one is living in temporary accommodation.

WARM HOMES - At ClwydAllyn all our residents would live in warm homes. They are homes that are energy efficient and affordable to heat and live in.

GOOD AFFORDABLE FOOD - In our future world, ClwydAllyn residents would all have access to good food. This means no one goes hungry or skips meals.

To achieve our priorities, we need to ensure that our colleagues are fully supported and that we have the right support services in place. We have therefore developed two further enabling priorities to help us progress towards our mission.

LOYAL STAFF - Who believe in our work and feel that ClwydAllyn values and support them.

CORPORATE SUPPORT - Services that enable the corporate objectives to be achieved.

ClwydAllyn was formed in 1978 as a non-charitable Registered Social Landlord. The Group now manages almost 6,800 homes and employs around 800 staff, to deliver a range of housing management related services, including care and supported housing, specialist care and nursing homes, leasehold management and low-cost home ownership, development, and repair and maintenance services.

The Group is much more than a social housing provider. We make a significant contribution to the North Wales economy both as an employer and as an investor with 1,169 new homes planned for the next five years across the region, using as many local companies as possible and enhancing the social value of every pound we spend.

Chair's Review

The financial year ended 31st March 2025 also marked the completion of our 2020 – 2025 Corporate Plan, so as I write this review, it feels appropriate to consider what we have achieved and the challenges we have faced over the last five years.

Our mission, “Together to Beat Poverty” remained the guiding force behind every decision, partnership, and innovation we pursued. Over the past five years, we have successfully delivered on the ambitions set out in our Corporate Plan, despite navigating an extraordinary and unpredictable global landscape. This period was defined by unprecedented global challenges.

The Covid pandemic placed intense pressure on communities, exacerbating health inequalities, social isolation, and financial hardship, particularly among those already experiencing poverty. In parallel, the war in Ukraine disrupted global supply chains, escalated energy costs, and contributed to a deepening cost-of-living crisis in the UK. These events created a more complex environment for delivering our mission but also reinforced the relevance of our work.

Against this backdrop, our organisation adapted swiftly and with purpose. We strengthened community partnerships, accelerated digital transformation, and embedded flexibility in our services to ensure continuity and resilience. We expanded access to affordable, safe, and energy-efficient housing, supported wellbeing and employment initiatives, and championed our values of trust kindness and hope in both our work with residents and the way we work with colleagues.

KEY OUTCOMES INCLUDE:

The following highlight just some of the exceptional progress made over the past five years.



Sustainable & Low Carbon Housing

- 902 new homes completed.
- Received £170m in Welsh Government Grants and innovative capital funding streams to support our new build programme.
- 95% of new homes are off gas and all are EPC ‘A’ rated.
- 100% of our Contractors building new homes are Welsh based with 80% to 90% of materials sourced locally’.
- Top 50 Developer of social rented homes across the whole of the UK, and second largest in Wales in 2024/5.



Capital Investment & Maintenance Impact

- Optimised Retrofit Programme (ORP) continues to improve older stock, £6.5m spent to date helping to improve 299 homes to EPC ‘C’ or above and now only have 1% stock below EPC D, and 75% at C or above.
- 118,217 maintenance jobs completed by our in-house teams over the past five years, delivering reliable, day-to-day services for residents.
- An average first-time fix rate of 88.8%.
- We’ve invested £47million into maintaining and caring for our homes.

- 930 homes received new energy-efficient windows and doors.
- 1,028 homes upgraded with modern boilers and heating systems.
- 1,654 kitchens and bathrooms refurbished to modern standards.
- 891 adaptations made to support residents to live safely and independently in their homes.



Strategic Partnerships

- Rosa Hovey Homes transfer of engagements, adding £1m in asset value.
- Transfer of engagements of Penrhos Housing Society adding £2.2m in asset value and beginning our growth in Gwynedd; with two new housing developments completed to date.
- Hosting the national Zero Carbon Hub for Wales; sharing learning and innovation.
- Timber frame systems supplied by Williams Homes Bala and manufactured by HMP Berwyn inmates.
- Joint Venture, Onnen with Cartrefi Conwy Housing Association is delivering decarbonisation works to existing homes.
- Engagement with North Wales Health Board to provide key worker housing in St Asaph and Bodelwyddan.
- ClwydAllyn led the North Wales response to the Ukrainian Crisis helping 100 people to resettle initially and then find longer term homes.
- ClwydAllyn continues to be a key partner with WellFed; to tackle food poverty and provide access to affordable good food.



Environment

- Environment, Social and Governance report published each year demonstrating the value we are providing across North Wales.
- Biodiversity integrated into all new development schemes.
- Independent survey of 1,200 residents each year to establish priority areas for social value interventions.
- Environmental and Sustainability Strategy and new Asset Management Strategy approved.
- GIS mapping software introduced to support data-driven investment decisions.



Financial Health, Credit Ratings and Regulation

- Strong credit ratings- S&P: A Stable; Moody's: Outlook Stable.
- Robust Treasury Strategy and strong liquidity.
- Highest Regulatory judgement for five years for finance, governance and tenant Services.
- Business plan remains resilient, with all key financial metrics met.
- Achieved an average operating margin of 20.6% over the 5-year period.



Tenancy Support and Resident Engagement

- No evictions into homelessness in five years.
- Over the last five years we have remained in the top or median quartile for resident satisfaction with services.
- Housing Service ethos all around building relationships of trust with residents focus on support and help rather than enforcement of rules.
- Engaged residents have influenced Rent Setting Policy and Annual Rent increase.
- As the cost-of-living challenges emerged, we undertook a scheme-by-scheme review of service charges with residents and made changes to reduce and contain costs.
- Launch of 'Our Promise;' service commitments agreed by ClwydAlyn and developed by Residents and reported on each year.
- Developed our new engagement approach #InfluenceUs with over 177 members providing feedback on service/policy change in ways that work for them e.g. via text, survey, workshops.
- Social media engagement up by 75%.



Employer of Choice Journey

- Equitable and attractive terms and conditions of employment embedded.
- Market median pay; Living Wage Employer.
- Values-Based Recruitment introduced with positive candidate feedback.
- Workforce planning developed and career development pathways.
- 93% of staff feel happy at work.
- 32 staff promoted internally during 2024/25.
- Hot meals provided for staff; financial wellbeing hub launched.
- 50 staff trained in Mental Health first aid.
- Developed a neurodiversity network, Hafan Pawb, menopause support group, Menomania and an Inclusion peer support group.
- Staff Forum provides robust staff engagement and representation.

I have only been with ClwydAlyn for the last two years, and it is great to see the journey that the Association has been on over the last five years. We know that the challenges people in our communities face are not reducing and as a Board and Executive team we are committed to continuing to make brave choices about how we can enable our residents and staff to be able to live their lives well and with choice.



Cris McGuinness

Chair of the Board

Strategic Report

ClwydAllyn operates across seven counties in North and Mid Wales. We own and manage around 6,800 properties, the majority of which are social rented homes.

Included in our portfolio of homes we also operate 10 extra care schemes with 550 flats and three care homes with 130 beds. We also have Group Homes supporting 379 individuals and supported living schemes which provide accommodation for 223 people, including homeless accommodation and a domestic violence refuge.

We do not build homes for outright sale, and any disposals are simply to ensure we have an efficient property portfolio. During the year we disposed of a small number of underperforming or surplus properties.

Housing Services

We continue to embed our community-based approach to housing services. Housing Teams work in small community patch areas with approximately 260 properties per Officer. Working in this way allows Officers to build relationships with our residents to understand their circumstances and needs and provide targeted support where it's needed.

Over the past year we have reduced arrears across the business from 4.19% in 2023/24 to 3.51% in 2024/25.

Our rent setting is based on the Joseph Rowntree Foundation, Living Rent model, which builds affordability into any rent setting decisions. Satisfaction with rent providing value for money stands at 81% which is 1% above the UK median.

In 2024/25 Department of Work and Pensions commenced the Universal Credit Migration programme. This saw residents who had always previously been in receipt of legacy benefits migrate over to Universal Credit. This process was difficult for some to navigate and there were financial implications if the switch was not completed correctly and within given timescales. Our Housing Teams proactively identified residents who would be affected and provided support to 612 residents to successfully migrate.

Residents' Fund

ClwydAllyn currently has a Residents' Fund that is utilised to help residents that are in financial hardship or crisis. During 2024/25 £56K was given to support over 200 residents in most need. Examples of support provided includes:

- Emergency Food provision.
- Help with Gas and Electric.
- Pest Control.
- Essential furniture.
- Support with rent arrears.
- Property clearance.
- Contents Insurance.
- White goods.

Support Work – Financial Gains

Our Welfare Rights Team and our Early Intervention Officers provide support to residents who may be struggling with their finances or who are struggling to manage their tenancy. Over the past 12 months we have supported 331 residents through our Welfare Rights Team and 455 through our Early Intervention Service. We captured the financial impact from a range of interventions and total financial gains for the year are £1.5m, up from £1.2m in the previous year.

This additional income for residents is in a range of forms such as:

- PIP applications and support with appeals.
- Budgeting Advice.
- Application for work capability assessments / ESA.
- Application for discounts and bill reductions where eligible.
- Referral for specialist debt support.
- Discretionary Housing Payments.

Wellbeing Support

Wellbeing Support is key to ensuring that residents are able to manage their tenancies and sustain their accommodation. We have seen the role of the Housing Officer change over recent years, and the Housing Officer is often viewed as the only constant in residents' lives.

New Residents

During the year we welcomed 635 new residents:

Affordable Homes	42
Extra Care	99
General Needs	356
Group Homes	54
Supported Living	84

Supported Housing

Supported Housing refers to accommodation that is provided to residents who require additional support to live independently. The level of support can vary depending on the needs of the residents, but the overall goal is to help individuals maintain stable housing and achieve greater independence while addressing their specific challenges.

Across ClwydAlyn, we run a number of services that support young people, families, mothers and babies, individuals with complex health needs and victims of domestic abuse. Examples of support provided includes:

- Access to treatment services for alcohol, drug, or health problems.
- Help with getting benefits.
- Developing independent living skills, such as budgeting and cooking.
- Increasing physical and mental wellbeing, including the ability to cope in a crisis.
- Encouragement to reconnect with family and friends or develop new social networks.
- Assistance in taking up education, training, and employment opportunities.

Over the course of the last financial year, we have supported 377 residents by:

- Moving 99 on into independent living.
- 122 taking part in engagement activities by accessing employment, volunteering, training and education.
- 156 supported to increase their income and better manage their money.
- 186 residents have been able to improve their mental health with support from the service.
- 96 residents have been able to improve their physical health with support from the service.
- We have worked with partners such as We Mind the Gap to enrol residents onto employability programmes; one of whom now works for us. 8 residents from Llys Emllyn Williams were offered volunteer work experience.
- ICAN Service supported 1,753 clients, with 29 having access to employment, volunteering, training and education and 210 working on improving their mental health with support from the service.
- 12 residents were supported to experience a day trip to Glan Lyn to experience canoeing, bush craft and high rope skills to help build their resilience and social skills.

ClwydAlyn's Domestic Abuse Service (CAWA) has supported 712 residents/clients in the community, including 45 living in the refuge accommodation.

Examples of support include:

- 24 moving on successfully.
- 65 accessed engagement activities concerning employment, volunteering, training and education.
- 64 have been able to improve their mental health with support from the service.
- 291 were supported to increase their income and better manage their money, access benefits or reduce debt.
- 391 have been able to improve their physical health with support from the service.

Extra Care

ClwydAlyn is a leading provider of Extra Care housing within Wales. Our schemes give older people the choice to live in their own home independently with access to innovative, high quality and flexible service provision. Purpose-built, our extra care housing is an alternative to conventional care homes for those over 55.

Extra Care remains a popular option for older adults, and our new scheme in Welshpool consisting of 66, 1 and 2 bed apartments was completed during 2024/25 and opened to residents in April 2025. Occupancy rates have remained consistently high over the course of 2024/25, and we benefit from a very experienced management team who ensure that services meet the needs of our residents. Loss from empty homes has exceeded targets which highlights how popular Extra Care remains for older people. Over the course of the past 12 months, we have continued to invest in services with upgrades to communal areas, including carpets, painting and new furniture as required.

Care & Nursing

ClwydAlyn's Care and Nursing Homes provide a range of services that include dementia care, nursing care, general care for the elderly and mental health care for younger adults. In doing so, our fully trained staff support our residents in a caring, relaxed, and homely environment.

Over the course of the last financial year, all three of our Care Homes received unannounced inspections from the Care Inspectorate for Wales. The inspection reports were very positive in each instance, with no areas of non-compliance. Chirk Court was inspected under the new rating system that came into force from April 2025 and received three scorings of 'Good' with the Environment rated as 'Excellent'. The common thread was that our residents live well and received high quality care and support from knowledgeable and trained care teams.

All three Care Homes have high demand with financial performance in line with budget expectations.

An additional focus has been to actively solicit feedback on the quality of our services and Chirk Court, our 66-bed dementia Home is now the highest ranked home in the County of Wrexham (as seen on www.carehomes.co.uk). Merton Place, our 54-bed Nursing Home, is now the second ranked nursing home in the County of Conwy. Llys Marchan, our 10 bed Care Home in Ruthin is currently rated as excellent by CIW's latest inspection in February 2025.

Homes

During 2024/25 we have developed our Asset Management Strategy, Environmental & Sustainability Strategy, Welsh Housing Quality Standard ("WHQS") Compliance Policy, Damp, Mould and Condensation Policy and our Voids Standard Policy. These work together to ensure that our future investment activities provide homes that are safe and warm for residents. During the year, the focus remained on prioritising measures that not only improve our residents' homes but also taking steps towards reducing energy consumption and improving affordability.

Our retrofit activities follow the PAS 2035 methodology, focussing on fabric measures being installed on a property first basis, before installing renewables and upgrading heating systems. 2024/25 saw our biggest investment yet, supported by Welsh Government Optimised Retrofit Program funding, we invested £4.5 million in 435 retrofit assessments and 387 homes upgraded. Installations include:

- 381 Solar panel installations.
- 30 Battery storage installations.
- 387 Intelligent Energy Systems and Environmental Sensors.
- 7 Air Source Heat Pumps.
- 51 NexGen Infrared Heating Systems.
- 228 Loft Insulations.
- 32 External Wall Insulations.
- 12 Internal Wall Insulations.
- 25 Cavity Wall Insulations.
- 11 Flat Roof Insulation.
- 60 Homes with Airex Mechanical Air Bricks.
- 120 Homes with Low Energy Lighting.
- 45 Solar Diverters to Hot Water.

Work continues to improve our Energy Performance Certificate (“EPC”) data, and we are investing in the training of our property surveyors to include the capacity to complete EPCs within the survey opportunity. At the end of the year, we have just 40 homes rated below EPC D and work is planned in to improve the energy efficiency of these and other homes. Over 70% of ClwydAlyn homes are at EPC C or above.

ClwydAlyn maintains a strong commitment to resident safety and regulatory compliance, 100% of our homes meet the Welsh Housing Quality Standard. During the past year 100% of homes have had all required gas safety checks completed, 100% of homes have had all required fire risk assessments conducted and 99.4% of homes have received electrical installation condition reports within the five-year cycle. The 0.6% of homes that have not received an electrical installation condition report are due to instances where the resident has struggled to allow access to their home and the Team are supporting them through this process.

The new Damp, Mould and Condensation policy articulates how ClwydAlyn manage and mitigate risk to residents' health caused by damp and mould. All damp and mould cases go through a triage system which involves Customer Services colleagues asking key questions at initial point of contact. We will also seek to obtain photos or videos where possible to further assist, technical colleagues in the Property Team review each case within 24 hours to understand the next steps required.

ClwydAlyn does not build homes for sale, however sales do happen in the rare circumstance that a property is assessed as no longer suitable for social housing. During the year £692k was generated due to shared ownership staircasing and other property sales. The surpluses on these sales are reinvested into our existing homes. We have also been able to access grants for some of our long-term empty homes via the Transitional Accommodation Capital Programme funding (TACP). During 2024/25 we refurbished 24 properties totalling approximately £1.3m of which 80% will be funded by TACP. This is in addition to the 38 properties completed in the previous 18 months. Access to the TACP funding has significantly reduced our property disposals.

Our joint venture with Cartrefi Conwy, Onnen, addresses the net zero challenge by collaborating and sharing resources to deliver green retrofitting measures to residents' homes. Onnen has had a successful year spending £1.4m with 80% funded by ORP grant for a range of measures on 122 ClwydAlyn Homes.

Examples of this work:

- Solar Panels.
- Solar Battery Storage.
- Cavity Wall Insulation.
- Environmental sensors.

Repairs and Maintenance

During the year we carried out 26,930 repairs, an increase of 1,496 or 5.88% on last year.

We delivered significant improvements to residents' homes, spending £10.5m on improving existing homes and a further £10.7m in repairing and maintaining them.

During the year we installed:

- 218 kitchens and bathrooms.
- 135 windows and doors (Full Property Replacements).

- 23 Communal Access Doors.
- 120 boilers installed.
- 3 electrical heating systems.
- Refurbished 398 empty properties.
- Our first-time fix rate was 88.8%, an improvement of 0.91% since last year.
- Appointments kept was 93.08%, an improvement of 1.07% since last year.

Development

ClwydAlyn's new 5-year Corporate Plan, underpinned by the Business Plan approved by the Board in March 2025, sets out the planned completion of new homes to 2029/30 and an ambition to bring ClwydAlyn's total predicted homes approaching 8,000 by the end of that period.

In the latter part of 2025, a new Development & Growth Strategy will be completed, aligned with the Corporate Plan Objectives and Business Plan to provide more new homes into the future. This new strategy will focus on the types of homes ClwydAlyn will provide and which areas and tenures to prioritise. It is likely that the new Strategy will continue to deliver more general housing type accommodation, which is less complex, sustainable and financially viable and has a positive effect upon the Business Plan.

An element of the Development Programme which has focused on innovation with the Welsh Government has provided 258 homes low carbon by design, exceeding building regulations, with a further 216 of this type on site or due to start and which will be completed over the coming years.

These homes incorporate a range of features which reduce carbon in their construction and costs in their operation, reducing energy bills for residents. These homes are constructed off site in partnership with a Contractor who set up a factory within Berwyn Prison. The factory continues to employ around 30-35 people to make and deliver to site the superstructure for the homes i.e. walls, floor cassettes and panels. This has resulted in the rapid building of some schemes, handed over prior to contracted completion dates. The low carbon homes include, solar panels, battery storage, triple glazing, low concrete foundations, air source heating and recycled plastic in place of bitumen in roads to name but a few of the very special elements of these homes. Welsh Government have made available higher grant funding rates to facilitate these homes and the higher costs attributable to encourage more off-site manufacturing. All other homes delivered or on-site are EPC A and mostly 'off-gas.'

In 2024-25 ClwydAlyn's 10th Extra Care Project for older people was completed providing 66 new self-contained apartments with 24-hour on-site care and auxiliary facilities in Powys, Mid Wales.

We have continued to procure our projects with mainly local companies who provide more local jobs, apprenticeships, and training opportunities as part of their activities. All contractors are based in Wales and use local supply chains and sub-contractors. All 8 of the Contractors currently being utilised range from small to large providing choice in relation to size and complexity of projects being undertaken.

We continue to ensure that more supplies and labour are sourced from local communities and encouraged the use of materials which are sustainable and locally sourced including Welsh Timber for the construction on many of the homes.

Colleagues

We have maintained our commitment to pay market median salaries and be a real living wage employer (RLW) despite the compression this creates, which has been addressed by some additional increases in pay award to maintain adequate differentials. Overall pay increases ranged from 2.2% to 4.95% with higher levels of % increase awarded to our lower paid staff to reach RLW or to maintain differentials.

Our colleague induction day 'Welcome Home' continues to receive very positive feedback providing an opportunity for people who are new to the organisation to get together and learn about our Mission, Values and about the wider organisation. We continue to recognise Welsh Culture and promote the Welsh Language through a session at the induction delivered by Iaith. Our Neurodiverse peer support group 'Hafan Pawb' also deliver a session around our commitment and support to be fully inclusive organisation. In 2024/25 financial year 67 colleagues have attended.

We continue to increase the number of Trainees, Apprentices and staff on Career Pathways. We currently have 55 staff in these development roles with our People Team and managers continually reviewing where we can offer pathway, trainee or apprenticeships when roles become vacant.

To support our mission and priority around food poverty we recognise that this may affect our colleagues as well as residents. During the 2024/25 financial year, 31,393 meals were provided through our Extra Care Schemes and Care Homes to colleagues. These meals are free of charge so that whilst in work, individuals will have access a healthy lunch.

Our first Inclusion Plan has been delivered, it focused on, Recruitment, Culture and Data, we also prioritised additional activity such as awareness raising, wider learning, building Welsh language capacity and recognising, addressing and reporting discrimination and hate crime. We have implemented a 'Getting To Know You' form in line with the 'best practice' guidance set out by Tai Pawb to better capture the Equality, Diversity and Inclusion ("EDI") information of both our staff and residents, to influence our plans and better tailor our services moving forward which is ongoing.

The Wellbeing Team have supported 75 staff members (10.14% of the business) in 12 months. Of the 75 individuals supported, 46 (61.33%) did not require time off for sickness absence due to the wellbeing interventions.

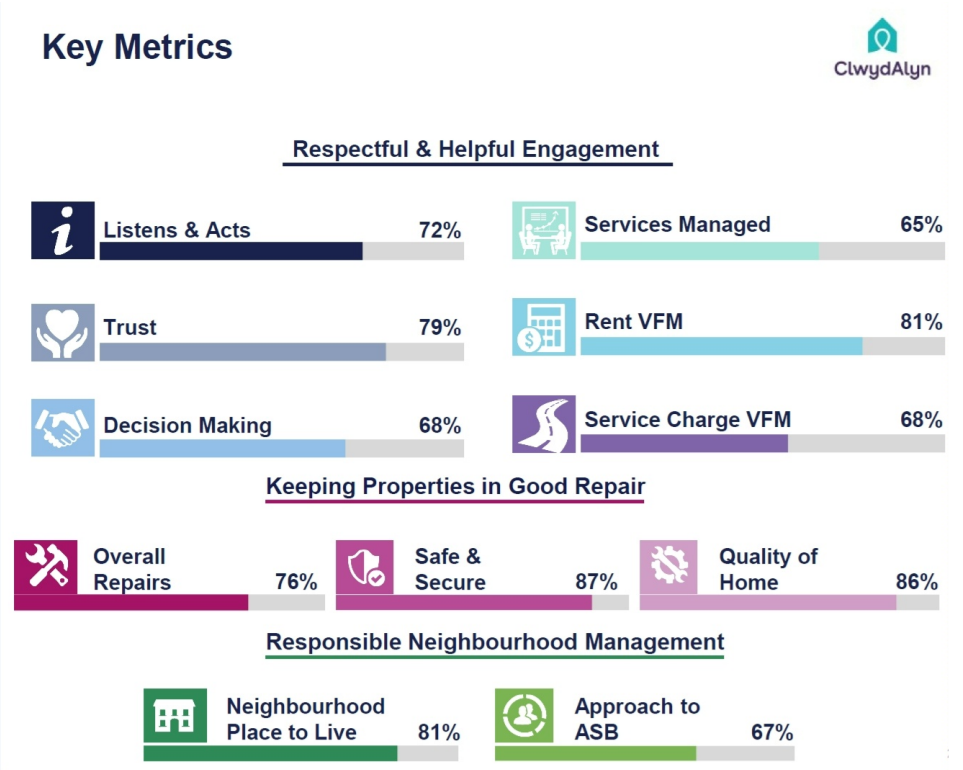
During the year we developed a new management and leadership programme covering the themes of self-awareness, personal leadership and growing great teams. Our first manager cohorts have completed their programme, with a further 4 groups now underway. We are also developing a hub for managers to access management and leadership content which we are calling 'Leadership Connect.'

Customer Satisfaction

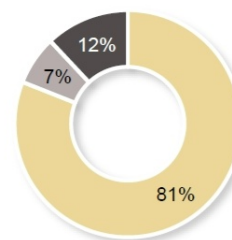
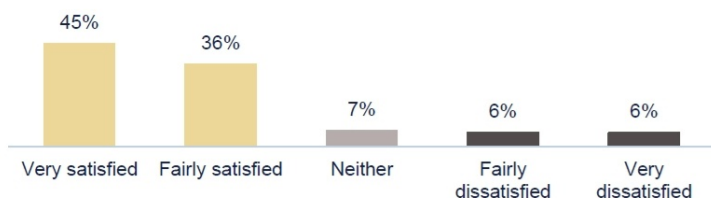
The results from the 'STAR' surveys carried out in 2024/25 continue to demonstrate that there remain high levels of satisfaction with most services delivered by ClwydAllyn. Overall satisfaction with landlord services at ClwydAllyn is 85% which is 6% above the average across UK Landlord and ranks 2nd in Wales. This is backed up by high satisfaction for areas such as residents feeling safe and secure in their homes, quality of the home, listens and acts and approach to Anti-Social Behaviour where we have maintained upper quartile positions when comparing across UK landlords.

85%
Overall Satisfaction

Overall satisfaction has seen a 1 percentage point (p.p) decrease in satisfaction from 2023/24 to 2024/25.
Eight metrics (including overall satisfaction) in this annual report have a satisfaction score of over 70%, that being for ClwydAllyn's ability to listen and act (72%), trust in ClwydAllyn (79%), VFM rent (81%), overall repairs satisfaction (76%), safe and secure home (87%), quality of the home (86%) and neighbourhood as a place to live (81%).
No metrics in 2024/25 have a satisfaction score of less than 60% however, the lowest satisfaction score is with services managed by ClwydAllyn (65%).



Value for Money - Rent



■ Satisfied ■ Neither ■ Dissatisfied

Satisfaction with the value for money provided by the service charge is lower, at 68%, but we are hopeful that the ongoing service charge review work which has already delivered reductions for all schemes reviewed will support an increase in satisfaction in this area moving forward.

Environmental, Social and Governance Report



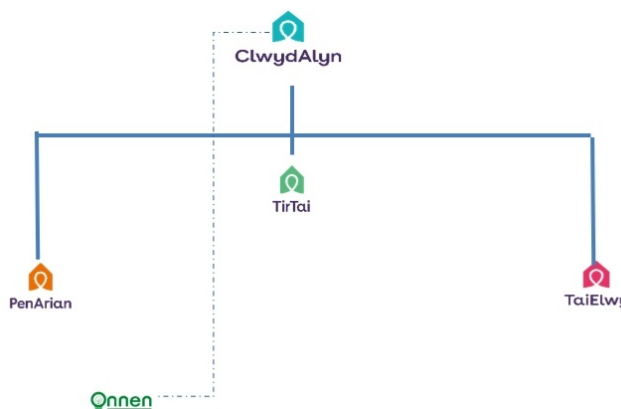
ClwydAlyn takes its Environmental, Social and Governance (ESG) responsibilities very seriously. By embracing the Sustainability Reporting Standard early, we've shown how proactive we are to negate any impact we may have on environment.

We are balancing our ambitious goals to reduce poverty with our environmental responsibilities, ensuring that ClwydAlyn is governed well, financially sustainable, and doing its part to protect the future of our communities and the planet. We produced our fourth ESG Report containing information about activities we have undertaken and assessing our performance against the relevant criteria.

A copy of the report can be found on our website. <https://www.clwydalyn.co.uk/documents/>

Governance

Our Group consists of ClwydAlyn Housing, the parent, and principal operating company, three subsidiaries, PenArian, Tir Tai and Tai Elwy (which is currently dormant) and a Joint Venture, Onnen.



ClwydAlyn Housing Limited – a charitable Registered Social Landlord (Co-Operative and Community Benefit Societies Act 2014) which develops, owns, manages, and maintains housing, as well as providing housing and care & support services.

TirTai Limited – the development arm of the Group, undertaking all the development activities on behalf of the Group. A Company Limited by Guarantee whose sole shareholder is ClwydAlyn.

PenArian Housing Finance Plc - a special purpose vehicle set up to administer the bond finance for the group. A Public Limited Company.

Tai Elwy Limited - the commercial vehicle to undertake activities and projects outside of ClwydAlyn's charitable aims – particularly without grant funding. (currently Dormant).
A Private Company Limited by Shares – ClwydAlyn is the sole shareholder.

Onnen – A Joint Venture with Cartrefi Conwy established to deliver decarbonisation work and provide investment in low energy efficient homes. Onnen will act as a principal contractor and sub-contract work to third parties.

Our Committees

The ClwydAlyn Board is supported by four Committees, the Assurance Committee, the People Committee, the Property Committee, and the Resident Committee.

Assurance Committee

The Assurance Committee provides the Board with assurance on the effectiveness of the Group's internal control system (which includes risk management, operational and compliance controls), internal & external Audit and financial reporting.

People Committee

The People Committee provides the Board with assurance that the organisational climate and culture is operating and developing in keeping with the group's values and mission to fulfil our purpose and manage risks well.

Property Committee

The Property Committee provides the Board with assurance on the quality, value for money and performance of investment in both building new homes and maintaining existing homes.

Resident Committee

The Resident Committee provides the Board with assurance on resident engagement, resident scrutiny.

The Group is governed by the Board and adheres to the Community Housing Cymru's Code of Governance. The Board's primary role is to define strategy and ensure compliance with the Group's values and objectives. It agrees the strategic direction of the organisation and makes sure that policies and plans are in place to achieve those objectives. It also establishes and oversees a framework of delegation and systems of control, ensuring that good governance practices are embedded across the Group's operations. Some of the Board members sit on the Board of one of the subsidiaries and all the Board members sit on at least one of the group's committees.

Board, Executive and Residents Committee Members

ClwydAlyn is led by a Board and Executive Team with a wide range of experience in relevant fields. They are responsible for leading the strategic direction and development of the Group. Further details about our Executive Team, Board and Committees can be found on our website.

<https://www.clwydalyn.co.uk/meet-the-team/>

The Group Executive Directors hold no interest in the Association's share capital. They act as Executives within the authority delegated by the Board.

The Executive Team

Name	Role
Clare Budden	Group Chief Executive
Sandy Murray	Executive Director Resources
Craig Sparrow	Executive Director Development & Asset Management
Sian Williams	Executive Director People, Culture & Communications
Suzanne Mazzone	Executive Director Housing Service
Edward Hughes	Executive Director Care, Support, Home Ownership, Health and Safety

ClwydAlyn Board

Name	Board/Committee	Appointed	Stood Down
Cris McGuinness	Chair ClwydAlyn Board, PenArian, Tir Tai, Tai Elwy Board and People Committee	September 2023	
Hayley Hulme	ClwydAlyn Board and Chair Property Committee	September 2021	
Clare Budden	ClwydAlyn Board, Tir Tai, PenArian and Tai Elwy Board	April 2018	
Nia Hughes	Chair Tir Tai, ClwydAlyn, PenArian and Tai Elwy Board and Assurance Committee	October 2019	
Robert Morton	Chair PenArian Board, Tir Tai Board, Tai Elwy Board, ClwydAlyn Board, Chair Assurance Committee	April 2020	
Roger Rowett	ClwydAlyn Board and Chair, People Committee	May 2020	
Edward Hughes	ClwydAlyn Board	November 2020	
Peter Smith-Hughes	ClwydAlyn Board and Chair Resident Committee	September 2022	
Sally Thomas	ClwydAlyn Board, People Committee	September 2023	
Bethan Smith	ClwydAlyn Board, Assurance Committee	September 2023	
Tania Silva	ClwydAlyn Board and Property Committee	September 2023	
Brian Strefford	ClwydAlyn Board and Resident Committee	September 2023	
Sandy Mewies	ClwydAlyn Board and Property Committee	October 2016	October 2024

Independent Committee Members

Name and Committee	Appointed	Stood down
Debbie Attwood – People Committee	November 2019	
Michael Larkin – Property Committee	June 2021	
Eileen Smith-Hughes – People and Property Committee	September 2022	
Lorraine Orger – Chair Staff Forum	October 2022	
Jason Davies – Assurance Committee	September 2023	July 2024
Jen Griffiths – Assurance Committee	September 2023	
Nik Evans – Property Committee	October 2023	
Tom Bishop – Vice-Chair Staff Forum	November 2023	

Resident Committee Members

Name	Appointed	Stood down
Peter Smith-Hughes - Chair	January 2018	
Brian Strefford - Vice Chair	January 2018	
Carol Quinn	September 2019	
David Perkins	December 2022	
Andrew O'Brian	June 2023	
Ashley Knight	September 2023	
Rachel King	October 2023	
Samantha Doidge	September 2024	
Rebecca Evans	January 2025	

ClwydAllyn is regulated by the Welsh Government. At least annually we are required to produce and submit a self-evaluation which evaluates the quality of our governance, service delivery and financial viability when delivering our purpose and objectives. ClwydAllyn is compliant and green for governance (including tenant services) and financial viability. We are currently taking part in a pilot for the new Regulatory Framework with Welsh Government and expect the outcome in the Autumn.

Strategic and Operational Business Risks

At ClwydAllyn, we take risk management extremely seriously, recognising it as a critical enabler of our long-term success and resilience. To ensure a proactive and agile approach, we undertake a fundamental review of our strategic and operational risks annually. Our risk management framework is comprehensive and well-embedded, underpinned by the widely recognised Three Lines of Defence model. The Board retains overall accountability, ensuring the framework remains fit for purpose through regular oversight and review.


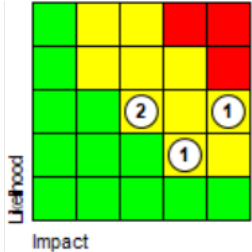

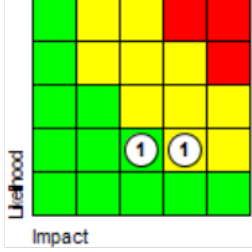

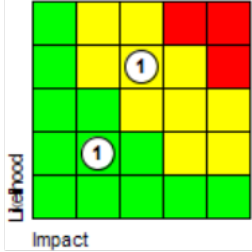
We acknowledge that some external risks such as increasing financial pressures on households and businesses are beyond our direct control. However, we remain vigilant and adaptive. The Executive Team and Board play an active role across our sphere of influence, engaging with key stakeholders and working closely with sector bodies such as Community Housing Cymru to shape and respond to developments in policy, regulation, and legislation.


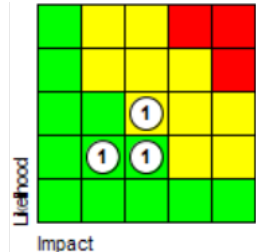

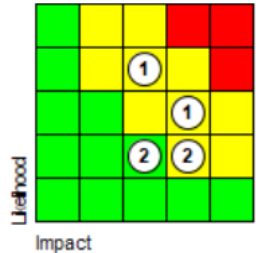
Risks are classified as either Strategic or Operational and are subject to ongoing scrutiny by the Board. ClwydAlyn has significantly strengthened its approach to risk management as part of its alignment with the new 2025-2030 Corporate Plan. This process has been driven by the Board and Executive Team and is underpinned by a robust risk governance framework.

Development of the New Risk Register

A Group Risk Register has been developed to reflect the objectives of the new Corporate Plan, the current operating environment, and key internal and external risks. In November, the Board engaged in a risk workshop, supported by an external facilitator, to define and assess risks using cause, effect, and likelihood analysis to determine their risk appetite for each risk area and identify emerging risks linked to new strategic objectives, legislation and regulation.

Risks are categorised according to their impact on our Corporate Plan objectives and allocated to the Board or appropriate Committee for oversight. Strategic risks, those with inherent score of 15 or above are monitored by the Board. Each Committee is responsible for ensuring controls are evidence-based and effective. This structured and proactive approach ensures risk is effectively identified, assessed, and managed across the organisation, reinforcing sound governance and supporting the delivery of the Corporate Plan.

Risk	Assessment	RAG Status	Status of Risks
<p>Warm Homes</p> <p>Failure to provide good quality homes</p> <p>Failure to enable customers to use their home properly and live well in them</p> <p>Failure to respond to climate change</p> <p>Failure to meet Regulatory and Legal Standards through not complying with Health and Safety requirements in relation to Property Compliance</p>	Medium		
<p>Ending Homelessness</p> <p>Failure to deliver new homes targets</p> <p>Failure to support customers to maintain their tenancies and to maximise their wellbeing</p>	Medium		
<p>Good Food</p> <p>Lack of access to affordable healthy food</p> <p>Failure of partnerships to deliver outcomes to address food poverty</p>	Medium		

Risk	Assessment	RAG Status	Status of Risks
People and Culture Inability to attract, recruit and retain the right people who align with our values Failure to develop culture which supports our people and strategic objectives The voice of residents is not heard and acted on	Low		
Corporate Risks Failure to deliver the Financial Business Plan Failure to Access Funding / Cash Failure to comply with regulations and legislation IT / Cyber Security Threat Failure to ensure robust data quality and data integrity Failure of Governance	Medium		

Financial Summary

The group's financial highlights for the year:

- Retained 'A Stable' credit rating with Standard and Poor's.
- Retained A3 credit rating from Moody's.
- We achieved an Operating Margin of 20%.
- Received £27m in grants during the year for new build, decarbonisation, fire safety and stock improvement.

Treasury Management

The Treasury Management activities of all members of the Group are controlled by the Executive Director of Resources with detailed scrutiny provided by the Board. The Group employs the services of external consultants (Savills) where appropriate and they have helped to draft the Treasury Management Strategy, which is approved by the Board. The purpose of the Treasury Management function is to ensure that adequate cost-effective funding is in place to meet the Group's financial obligations and to minimise exposure to financial risk. The function is subject to internal and external audit.

Cash flow forecasting is undertaken on a regular basis. At the end of March 2025, ClwydAllyn's cash and investments totalled £15m. The Association also has access to a £25m revolving credit facility with Barclays Bank.

The £250m Corporate Bond was initially issued in June 2017 and during 2022 a £150m 'tap' was carried out increasing its value to £400m. As of 31st March 2025, £225m had been drawn on the bond. This means that £175m is left undrawn on the bond.

The details of drawn facilities at the year-end are as follows:

Loan facility	2024 £'000	2025 £'000
Fixed rate	272,658	272,095
Variable rate	0	0
Total	272,658	272,095
Available unused facilities	25,000	25,000
Average interest rate	3.66%	3.62%

Covenants and Golden Rules

Our bank and other investors impose limits on some of our financial activity. These are known as covenants and are designed to prevent the group from over-stretching itself financially and to protect the money that has been loaned to us. Within its Treasury Strategy, the Group lays out 'Golden Rules.' These are internally imposed limits to ensure that the group does not come close to any of its covenants.

These golden rules and covenants are shown below:

Measure	Limit	Outturn
Interest Cover:		
Revolving Credit Facility	>130% Covenant	Revolving Credit Facility 205%
Standard Life Investment	>120% Golden rule	Standard Life Investment 128%
Gearing (Revolving Credit Facility))	<65% Covenant <55% Golden rule	35%
Liquidity (short-term)	£5m cash available	£15.1m cash held at year end
Liquidity (medium-term)	Golden rule – Cash and facilities to cover ClwydAlyn's commitments Credit Agency >150% and increasing	150.2%
Debt / EBITDA MRI	Credit Agency <20 and reducing	18.5
Debt to Revenue	Credit Agency <5 and reducing	4.3

Business Plan and Stress Testing

In addition to its Treasury Strategy, the group maintains a 30-year business plan which is subject to regular internal review and updating. It is also reviewed annually by external advisers and the Welsh Government as part of their Financial Viability Judgement. This ensures the Board can be assured about its ability to operate over the long term and repay loans when they are due.

This plan is subject to an annual stress test to ensure that the Association is robust enough to survive any significant financial shocks and has plans in place to deal with them.

During the year, a firm of consultants reviewed the plan to ensure it was accurate and free from any technical errors. We also had a firm of consultants review our Asset Management Plan and compare it to the business plan to ensure it reflected a reasonable view of our future asset expenditure forecasts. Our Treasury Advisers also reviewed the assumptions as part of preparing our Treasury Strategy.

Value for Money

Value for money is key to what we do. Value for money is defined in our Value for Money Strategy as obtaining the maximum benefit from the goods and services we acquire or provide. It not only measures the cost of goods and services, but also the quality, fitness for purpose, sustainability & ethical considerations, timeliness and convenience to judge whether when taken together it constitutes good value for money. If we can ensure that every pound is spent as effectively as possible then we will be able to have a bigger impact on our communities.

During the year:


- Our residents' survey showed that during 24/25, 81% of residents thought that rent provided value for money. Service charge satisfaction is lower, with 68% satisfied with the value for money derived from service charges. Satisfaction on VfM for both rent and service charges has been gradually declining since 2020 due to Covid, the continued invasion and war in Ukraine and the cost-of-living crisis with higher inflationary cost increases, especially energy and food costs. We have tried to mitigate these wherever possible with reviews of individual schemes and services. This year in particular we have focussed on energy costs, negotiating a new electricity contract saving 32% and a new gas contract delivering 68% cost reduction.
- During the year 24/25 we carried out 26,930 repairs, this is slightly higher than the previous year, the cost per repair has however increased, moving from £133.45 to £153.45 per repair. Higher overheads and vehicle costs, along with inflation have increased costs for repairs, however the changes in the planning of repairs and vehicle management has also led to improved service delivery with 'appointments kept' moving from an average of 92% in 23/24 to an average of 93% in 24/25 - and the last six months of 24/25 averaged 95.5% appointments kept. The team have also seen an increase in satisfaction with repairs, and it is therefore argued that value for money in this case is delivered through the effectiveness lens.
- The Property Appraisal Group continued to meet regularly throughout the year to make quicker decisions on action to take on empty properties. An empty property working group was established to overcome the operational challenges in the processes and communications between departments. The resolution of these issues allowed for declining number of long-term empty homes and importantly, everyone to be working together in a more productive way. We have been successful in accessing a further £641,095 of Transitional Capital Accommodation Programme funding facilitating the refurbishment of 4 long-term, most expensive empty homes.
- Throughout 2024/25 a total of 308 homes were completed and handed over, with approximately 503 on site at the end of the year. 229 of the new build properties were built to EPC A. This means that the properties should provide value for money in terms of future energy costs and deliver against resident expectations in terms of sustainability in living efficiently.

Successful procurements carried out during the year include:

- A consolidated single supplier waste contract for all general and clinical waste allowing alignment with the new Wales Waste Regulations 2024, improved reporting and consolidated invoicing.

- Specialist Cleaning Contract procured appointing two new suppliers and taking off contract/ non-compliant spend of approximately £362,500 in 2023/24 onto contract. No Social Value activity was recorded from the previous suppliers. Comparison spend from 23/24 and 24/25 evidences an annual saving of £200,000. Also, both new suppliers have clear KPIs in place for Social Value and have action plans in place to work more closely with residents and support projects and deliver training to some of our residents.
- Pest control Contract procured taking recurring off contract / non – compliant spend with one supplier for over 10 years of approximately £70,000 per annum onto contract. We are confident that the new supplier will be able to deliver efficiencies and contribute to our Social Value objectives as the contract is implemented and managed.
- Scaffolding procurement has taken approximately £500,000 per annum off contract/non-compliant spend onto contract, with a commitment and KPI for our new supplier to contribute and work with us on our Social Value objectives.
- Skips Contract has taken approximately £120,000 off contract/non-compliant spend onto the Ffrâm24 framework contract delivering a 1% kickback payment as a Social Value contribution.
- We have procured a new Learning Management System.
- Extra Care meals and food provision procurement.

The Strategic Report was approved by the Board on 2nd September 2025 and signed on its behalf by:

Signed by:

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Clare Budden
Group Chief Executive

Statutory, Regulatory and Other Information

Executive Management

The Group Board delegates day-to-day management of activities to the Group Chief Executive, Clare Budden, who is responsible for ensuring that the organisation has appropriate executive arrangements in place to meet Group objectives and targets, and that those arrangements reflect the complex needs of the business, including financial performance, capital investment, compliance, growth and business planning. The Chief Executive is supported by the Executive Management Team comprising five Executive Directors, covering Resources, People, Development and Asset Management, Housing and Care and Support.

Audit

Beevers and Struthers provides external audit services and RSM performs internal audit services. There is an annual review of the performance of the audit functions carried out by the Assurance Committee.

Group Financial Statements

The Financial Statements for the Group consist of the financial results of the Association and its subsidiary undertakings, which have been consolidated in accordance with the relevant financial reporting standards.

Rent

The Group has various types of housing tenancies, the rents for which are set in accordance with the regulatory framework for social housing in Wales.

Health and Safety

It is the clear intention of the Group to ensure, as far as reasonably practicable, the health, safety, and welfare at work of all its employees. The Group undertakes to comply, as a minimum, with the provisions of the Health and Safety at Work Act 1974 and other relevant legislation to meet the objective of achieving the highest possible standards.

Political and charitable donations

The Group made no donations to political organisations (2024: none). The Group made donations to charitable organisations of £75k (2024: £75k).

Employee engagement

We have a well-established Staff Forum that represents staff views on a variety of matters, the Forum is comprised of Staff Representatives and Staff Champions and has been established for three years; we recognise the role of the group has changed over that time. We also canvas our employees' views twice a year using pulse surveys, this give and indication of employee engagement and culture in the organisation on a range of subjects from learning and development, wellbeing and internal communications.

Ethical business

The Group is committed to conducting its business in an ethical and responsible manner. This involves making decisions which are not purely based on economic considerations, but also social and environmental impacts. Our Poverty priorities of Food, Fuel, Digital Inclusion and Employability are key considerations when we work with our Development Partners and Suppliers. During the year we issued our ESG report reflecting the work we have done round our wider Environmental, Social and Governance agenda.

We understand the requirements under the Modern Slavery Act are likely to be strengthened, during the year we have been working with our larger suppliers to understand how they manage this risk within their business. We are also working with Business Wales to raise awareness of this area. Our modern slavery statement is available on our website.

Equality and diversity

Through social media, our website, and our internal communication channels, we have supported and promoted Pride Month which included a 'Let's Talk' session with Norena Shopland a Welsh historian and author specialising in LGBTQ+ and women's history in Wales, as well as other awareness raising initiatives such as Black History Month and National Inclusion Week. A member of our Hafan Pawb (peer support network for people who are neurodiverse) also led, designed and supported the delivery of a conference, in partnership with Wrexham University, to raise awareness of autism in the workplace and how organisations can better support people with neurodiversity. The conference received a huge amount of interest and was successful in engaging organisations from a wide range of sectors through stories of lived experience and practical advice of steps we can all take to enable neurodiverse people to feel supported at work.

Our Inclusion Network and Hafan Pawb continue to reinforce connections across the organisation so they have a greater influence in key decisions and plans, we regularly consult with these networks to consult on policies and strategies and are doing more of this since the launch of our Inclusive Decision Making Framework this year which now accompanies all strategies and policies and ensures that all colleagues consider and reflect a wide range of diverse views and perspectives. As we move into the next financial year, our priorities will continue to focus on gathering data to identify service improvements, through the lens of equality ensuring we continue to embed a culture of inclusion and belonging, and that our workforce reflects the communities we support.

ClwydAllyn employs circa 760 colleagues across a wide variety of roles including care, maintenance, housing and homeless services. Our workforce profile for this financial year was made up of two thirds female and one third male and in terms of pay we pay the Real Living Wage and market median salaries. For 2023/24 our mean gender pay gap was 13.26% which was an improvement from the previous year at 15.29%, with the median at 20.45% and increase from the previous year at 16.89%. This could be due to the higher proportion of females to males within the business. We also reported our Disability and Ethnicity pay gaps for the first time which we will continue to in the coming years as part of our commitment to being a fully inclusive organisation.

Events after the reporting period

There were no significant events after the reporting period.

Internal Controls

The Group Board is ultimately responsible for ensuring that the Group maintains a system of internal control that is appropriate to the various business environments in which it operates. Internal control systems are designed to meet the needs of the Group and the risks to which it is exposed. The controls by their nature can provide reasonable but not absolute assurance against material misstatement or loss.

The Group Board has established key procedures to provide internal control and there are clear lines of responsibility for the creation and maintenance of the procedures through the scheme of delegation. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within ClwydAllyn or for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets against unauthorised use or disposition.

Major business risks are identified through a system of continuous monitoring. The financial control framework includes the following key features:

- the Group Board being directly responsible for strategic risk management.
- the adoption of formal policies and procedures including documentation of key systems and rules relating to a delegation of authorities which allows the monitoring of controls and restricts the unauthorised use of the Group's assets.
- experienced and suitably qualified staff being responsible for important business functions. Annual appraisal procedures have been established to maintain standards of performance.
- executives to monitor the key business risks and financial objectives allowing the Group to progress towards its financial plans set for the year and the medium-term. Regular management accounts are prepared promptly providing relevant, reliable, and up-to-date financial and other information including significant variances from targets which are investigated as necessary.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures.
- the Assurance Committee reviews reports from management, and auditors to provide reasonable assurance that control procedures are in place and are being followed.
- Internal and external auditors both provide an annual opinion on the internal controls and financial statements.

On behalf of the Group Board, the Assurance Committee has reviewed the effectiveness of the systems of internal control in existence in the Group for the year ended 31 March 2025 and is not aware of any material changes at the date of signing the Financial Statements.

Arrangements for Managing the Risk of Fraud

The Group has robust arrangements in place for managing the risk of fraud. These include:

- **Prevention** - the Group seeks to generate a strong anti-fraud culture supported by appropriate controls over operational and employment systems.
- **Detection** - the Group has implemented comprehensive systems and procedures to detect evidence of fraud and to facilitate and encourage the reporting of fraud.
- **Investigation** - the Group follows a comprehensive Group investigation and reporting.
- **Insurance** - the Group has appropriate insurance cover in place to mitigate the potential financial losses associated with fraud.

Going Concern

The financial statements have been prepared on a going concern basis. At 31 March 2025, the Association's current liabilities exceeded its current assets by £1.7m (2024: net current assets £42.8m). The reduction in cash balances from £56m to £15m during the year reflects the planned investment in the Association's development programme.

The Board has considered the Association's liquidity and funding position. At the balance sheet date, £25m remained available under the Association's Revolving Credit Facility, and negotiations are well advanced for an additional £35m facility, expected to complete in September 2025. The Board has approved forecasts and cash flow projections which demonstrate that the Association has sufficient resources to meet its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Accordingly, the Board considers it appropriate to prepare the financial statements on a going concern basis.

Statement of Board's Responsibilities in Respect of the Annual Report and Financial Statements

Board members are responsible for preparing the Report of the Board of Management and the Financial Statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Societies law and social housing legislation require the board members to prepare the financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers (Update 2018) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the report of the board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers (Update 2018).

Disclosure of Information to the Auditor

In the case of each of the persons who are Board members of the Society at the date when this report was approved:

- so far as each of the Board members are aware, there is no relevant audit information (as defined in the Co-operative and Community Benefit Societies Act 2014) of which the Society's auditors are unaware; and
- each of the Board members has taken all the steps that they ought to have taken as a director to make them aware of any relevant audit information (as defined) and to establish that the Society's auditors are aware of that information.

AUDITOR: Beevers and Struthers.

BY ORDER OF THE BOARD DATED: 2nd September 2025

Rachel Storr Barber - **Company Secretary**

DocuSigned by:

Rachel Storr-Barber

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Independent Auditor's Report to the Members of ClwydAlyn Limited

Opinion

We have audited the financial statements of ClwydAlyn Limited ('the Association') and its subsidiaries ('the Group') for the year ended 31 March 2025 which comprise the Group and Association Statements of Comprehensive Income, Group and Association Statements of Changes in Reserves, Group and Association Statements of Financial Position, Group Statement of Cash Flows and the 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 Group's and of the Association's affairs as at 31 March 2025 and of the Group's and Association's 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 Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or 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.

Other information

The other information comprises the information included in the Strategic Report, 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 the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 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 proper 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.

Opinion on other matters prescribed by the housing association circular RSL 02/10: Internal Controls and Reporting.

With respect to the Board's statement on internal financial controls on page 26, in our opinion:

- The Board have provided the disclosures required by the housing association circular RSL 02/10: Internal Controls and Reporting; and
- The Board's statement is not inconsistent with the information of which we are aware from our audit work on the financial statements.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 28, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Group's and 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 intends to liquidate the Group or the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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, regulations and guidance that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance 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 Requirements for Registered Social Landlords General Determination (Wales) 2015, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We 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 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 regulated nature of the Group's activities.

- We reviewed financial statements disclosures and 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.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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 it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.



Beever and Struthers
Statutory Auditor
One Express,
1 George Leigh Street,
Manchester,
M4 5DL
Date: 08 September 2025

Group Statement of comprehensive income for the year ended 31 March 2025

	Notes	2025 £'000	2024 £'000
TURNOVER	3	63,951	57,911
Operating costs	3	(51,735)	(47,172)
Surplus on sale of fixed asset properties	5	692	758
Transfer of Engagements		-	1,127
OPERATING SURPLUS		12,908	12,624
Interest receivable and similar income		1,659	1,591
Interest payable and similar charges	6	(8,800)	(8,504)
Share of operating surplus in joint venture		83	3
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		5,850	5,714
Tax on surplus on ordinary activities	7	(43)	(4)
SURPLUS FOR THE YEAR		5,807	5,710
OTHER COMPREHENSIVE INCOME			
Actuarial gain/(loss) in respect of pension scheme	19	619	(1,333)
TOTAL COMPREHENSIVE INCOME		6,426	4,377

The Group's turnover and expenses all relate to continuing operations.

Group Statement of changes in reserves

	Income and expenditure reserve £'000	Total reserves £'000
At 1 April 2023	18,462	18,462
Surplus and total comprehensive income for the year	4,377	4,377
At 31 March 2024	22,839	22,839
Surplus and total comprehensive expenditure for the year	6,426	6,422
At 31 March 2025	29,265	29,261

Cris McGuinness **Chair**

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Cris McGuinness

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Hayley Hulme **Vice Chair**

Signed by:

Hayley Hulme

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Rachel Storr Barber **Secretary**

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Rachel Storr-Barber

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Association Statement of Comprehensive Income for the year ended 31 March 2025

	Notes	2025 £'000	2024 £'000
TURNOVER	3	65,971	59,681
Operating costs	3	(53,757)	(48,944)
Surplus on sale of fixed asset properties	5	692	758
Transfer of Engagements		-	1,127
OPERATING SURPLUS		12,907	12,622
Interest receivable and similar income		1,659	1,592
Interest payable and similar charges	6	(8,800)	(8,504)
Gift Aid Receivable		648	337
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		6,414	6,047
Tax on surplus on ordinary activities	7	(43)	(4)
SURPLUS FOR THE YEAR		6,371	6,043
OTHER COMPREHENSIVE INCOME			
Actuarial gain/(loss) in respect of pension scheme	19	619	(1,333)
TOTAL COMPREHENSIVE INCOME		6,990	4,710

The Companies turnover and expenses all relate to continuing operations.

Association Statement of changes in reserves

	Income and expenditure reserve £'000	Total reserves £'000
At 1 April 2023	21,289	21,289
Surplus and total comprehensive income for the year	4,710	4,710
At 31 March 2024	25,999	25,999
Surplus and total comprehensive expenditure for the year	6,990	6,986
At 31 March 2025	32,989	32,985

Cris McGuinness **Chair**

Hayley Hulme **Vice Chair**

Rachel Storr Barber **Secretary**

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Rachel Storr-Barber

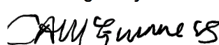
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Group Statement of Financial Position as at 31 March 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Tangible assets			
Housing properties - Cost	11	731,262	652,417
Housing properties – Depreciation	11	(84,241)	(78,322)
		647,021	574,095
Other tangible fixed assets	12	6,061	5,425
FIXED ASSET INVESTMENTS			
Homebuy loan	13	3,018	3,118
		656,100	582,638
CURRENT ASSETS			
Stocks	14	452	450
Debtors – due after one year	15	3,056	3,154
Debtors – due within one year	15	5,586	5,316
Investments	16	65	65
Cash at bank and cash equivalents		15,125	55,840
		24,284	64,825
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	17	(25,956)	(22,056)
NET CURRENT (LIABILITIES)/ASSETS		(1,671)	42,768
TOTAL ASSETS LESS CURRENT LIABILITIES		654,429	625,406
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	18	(621,488)	(597,180)
PROVISION FOR LIABILITIES			
Pension Defined Benefit Liability	19	(3,676)	(5,387)
Deferred taxation	22	-	-
NET ASSETS		29,265	22,839
CAPITAL AND RESERVES			
Non-equity share capital reserves	23	29,265	22,839
		29,265	22,839

The financial statements on pages 33 to 62 were approved by the Board of Management on 2nd September 2025 and were signed on its behalf by:

Cris McGuinness **Chair**

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Hayley Hulme **Vice Chair**

Signed by:

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Rachel Storr Barber **Secretary**

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Association Statement of Financial Position as at 31 March 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Tangible assets			
Housing properties - Cost	11	735,093	655,593
Housing properties – Depreciation	11	(84,241)	(78,322)
		650,852	577,271
Other tangible fixed assets	12	6,061	5,425
FIXED ASSET INVESTMENTS			
Homebuy loan	13	3,018	3,118
Investments	27	50	50
		659,981	585,864
CURRENT ASSETS			
Stocks	14	452	450
Debtors – due after one year	15	3,057	3,154
Debtors – due within one year	15	5,192	5,245
Investments	16	65	65
Cash at bank and cash equivalents		15,123	55,839
		23,889	64,752
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	17	(24,472)	(20,783)
NET CURRENT (LIABILITIES)/ASSETS		(583)	43,969
TOTAL ASSETS LESS CURRENT LIABILITIES		659,395	629,833
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	18	(622,730)	(598,447)
PROVISION FOR LIABILITIES			
Pension Defined Benefit Liability	19	(3,676)	(5,388)
Deferred taxation	22	-	-
NET ASSETS		32,989	25,999
CAPITAL AND RESERVES			
Non-equity share capital reserves	23	32,989	25,999
		32,989	25,999

The financial statements on pages 33 to 62 were approved by the Board of Management on 2nd September 2025 and were signed on its behalf by:

Cris McGuinness **Chair**

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Cris McGuinness

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Signed by:

Hayley Hulme **Vice Chair**

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DocuSigned by:

Rachel Storr Barber **Secretary**

Rachel Storr-Barber

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Group Statement of Cash Flows for the year ended 31 March 2025

	2025	2024
	£'000	£'000
Cash from operating activities		
Surplus / (deficit) for the financial year	6,426	4,377
Depreciation of fixed assets	7,663	6,852
Impairment losses	-	-
Amortised grant	(2,145)	(1,887)
Interest payable	8,800	8,504
Interest received	(1,659)	(1,591)
Tax on surplus for the year	43	4
(Increase) / decrease in trade and other debtors	(173)	(56)
Increase / (decrease) in trade and other creditors	3,728	4,559
(Increase) / decrease in stocks	(2)	(5)
Increase / (decrease) in provisions	(1,712)	295
Add back deficit / (surplus) on sale of fixed assets	(692)	(758)
Difference between pension expense / cash contribution	(1)	(1)
Cash from operations	20,276	20,293
Taxation paid	(7)	(3)
Net cash generated from operating activities	20,269	20,290
Cash flow from investing activities		
Purchase of fixed assets – housing properties	(79,295)	(62,972)
Purchase of fixed assets – other	(1,435)	(776)
Proceeds from sale of fixed assets	1,523	1,568
Grants received	26,735	41,846
Grants repaid	(147)	(134)
Interest received	1,659	1,591
Net cash from investing activities	(50,960)	(18,877)
Cash flows from financing activities		
Interest paid and loan breakage costs	(9,587)	(9,036)
New loans	146	43,272
Loans repaid	(673)	(1,949)
Debt issue costs incurred	90	80
Net cash used in financing activities	(10,024)	32,367
Net increase in cash and cash equivalents	(40,715)	33,780
Cash and cash equivalents at beginning of year	55,840	22,060
Cash and cash equivalents at the end of the year	15,125	55,840
Free cash flow		
Net cash generated from operating activities,	20,269	20,290
Interest paid	(9,587)	(9,036)
Interest received	1,659	1,591
Adjustments for reinvestment in existing properties:		
Component replacements	(7,180)	(4,008)
Free cash generated before loan repayments	5,161	8,837
Loans repaid	(673)	(1,949)
Free cash generated after loan repayments	4,488	6,888

Notes to the Financial Statements for the year ended 31 March 2025

Legal Status

ClwydAlyn Housing Limited is incorporated in Wales under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Welsh Government as a Registered Social Landlord. The registered office is 72 Ffordd William Morgan, St Asaph Business Park, St Asaph, Denbighshire, LL17 0JD.

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Applicable Accounting Standards in the United Kingdom and in accordance with the Accounting Requirements for Registered Social Landlords (General Determination) Wales 2015, and the 2018 Statement of Recommended Practice, "Accounting by Registered Social Housing Providers" issued by the National Housing Federation.

ClwydAlyn is a Public Benefit Entity (PBE) and has applied the provisions for FRS102 specifically applicable to PBE's. The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and are presented in sterling £'000.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires the Association's management to exercise judgement in applying the Association's accounting policies (Note 2).

The following principal accounting policies have been applied:

Basis of preparation and going concern

The financial statements have been prepared on a going concern basis. At 31 March 2025, the Association's current liabilities exceeded its current assets by £1.7m (2024: net current assets £42.8m). The reduction in cash balances from £56m to £15m during the year reflects the planned investment in the Association's development programme.

The Board has considered the Association's liquidity and funding position. At the balance sheet date, £25m remained available under the Association's Revolving Credit Facility, and negotiations are well advanced for an additional £35m facility, expected to complete in September 2025. The Board has approved forecasts and cash flow projections which demonstrate that the Association has sufficient resources to meet its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Accordingly, the Board considers it appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Association, and its subsidiary undertakings made up to 31 March 2025.

Subsidiaries are included in the financial statements using the acquisition method of accounting. Accordingly, the group statement of comprehensive income and cash flows statement include the results and cash flows of subsidiaries for the period since their acquisition. Purchase consideration is allocated to assets and liabilities on the basis of fair value at the date of acquisition.

Turnover

Turnover represents rents, service charge, net of empty property voids, revenue grants receivable in respect of tenanted properties, amortisation of grants and other sundry income. All turnover is derived from operations within Wales. Rental income is recognised from the point when properties under development reach practical completion and are formally let. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Government grants

Grants received in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the statement of comprehensive income on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with the Housing SORP 2018 the useful economic lives of the housing property structure is 125 years which is in line with the rate of depreciation for housing structures as detailed in the depreciation table below.

Where social housing grant funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the statement of comprehensive income.

Grants for revenue expenditure are recognised in comprehensive income over the same period as the expenditure to which they relate once performance related conditions have been met.

Grants due from government or received in advance are included as current assets or liabilities.

Fixed asset investments - Homebuy loans

Under the Homebuy Option ClwydAlyn advances 30% of the value or cost of the property to a purchaser. The advance is secured by a second charge on the property. This loan is financed in full by SHG from the Welsh Government.

When a property is sold 30% of the sales proceeds or the loan (whichever is lower) are recovered and the equivalent grant repaid. The grant is held within creditors until repaid.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Investments held as current assets are stated at the lower of cost and net realisable value.

Operating leases

Rental payable under operating leases are charged on a straight-line basis over the term of the lease.

Shared ownership sales – first tranche

Low-cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as current asset and related sales proceeds included in turnover. The remaining element is included in completed housing property at cost. Sales of subsequent tranches are treated as a part disposal of property plant and equipment. Such stair-casing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate 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.

Interest charges incurred on the financing of housing properties are capitalised up to the date of practical completion. Interest charges arising after that date are charged to the statement of comprehensive income.

Retirement benefits

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

Depreciation

Depreciation is calculated to write off the cost less estimated residual value of fixed assets on a straight-line basis over their estimated useful lives.

Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in the periods in which economic benefits are expected to be consumed.

Housing land and property is split between land, structure and other major components that are expected to require replacement over time. Land is not depreciated on account of its indefinite useful economic life.

Depreciation of the structure is charged so as to write down the cost of freehold housing properties, other than freehold land, to their estimated residual value on a straight-line basis over their expected useful economic lives. Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the properties to which they relate, if shorter, at the following annual rates:

Structure	125 years
Roofs	75 years
Kitchens – general needs	25 years
Kitchens – supported needs	10 years
Kitchens – hostels & homeless	6 years
Bathrooms – general needs	25 years
Bathrooms – supported needs	15 years
Bathrooms – hostels & homeless	8 years
Doors – general needs / supported needs	25 years
Doors – hostels & homeless	20 years
Windows – general needs / supported needs	30 years
Windows – hostels & homeless	25 years
Fire Systems – general needs / supported needs	20 years
Fire Systems – hostels & homeless	10 years
Solar Panels	25 years
External Wall Insulation	30 years
Internal Wall Insulation	30 years
Ground Source Heat Pump	25 years
Infrared Heating	40 years
PV Invertors	15 years
PV Batteries	10 years
Air Source Heat Pumps	20 years
Electrical Heating Installation	25 years
Hot Water Cylinders	40 years
Property Rewires	30 years
Retaining Walls	30 years

The group has an active asset management strategy whereby all units with voids over six weeks are reviewed. Impairment reviews have been undertaken on schemes where voids are known to be particularly high over a sustained period of time. The group looks at the net realisable value, under the options available, when considering the recoverable amount for the purpose of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit.

The group defines cash generating units as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger cash generating units. Where the recoverable amount of an asset or cash generating unit is lower than its carrying value an impairment is recorded through a charge to income and expenditure.

Depreciation on other fixed 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:

Offices	50 years
Fixtures and fittings	10 years
Computer equipment	5 years
Computer software	10 years
Vehicles	7 years

Tangible fixed assets – Housing Properties

Housing properties constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development. The directly attributable costs include the labour costs of the group's own employees which arise directly from the construction or acquisition of the property, along with the incremental costs which would have been avoided if the property had not been constructed or acquired.

Directly attributable costs of acquisition include capitalised interest calculated on a proportional basis, using finance costs on borrowing which has been drawn in order to finance the relevant construction or acquisition. Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

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.

Cash and cash equivalents

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits and short-term investments with an original maturity of three months or less.

Recoverable amount of rental and other trade receivables

The group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

Loans, investments and short-term deposits

All loans, investments and short-term deposits held by the group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the group has determined that the difference between the historical cost and amortised cost basis is not material except for inflation indexed loans. Therefore, the non-indexed loans are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Stocks

Stocks represent tools and equipment held for maintenance and repairs and properties acquired as part of the Welsh Governments Rent to Own scheme, an initiative to support first time buyers by retaining 25% of rental income for use as a deposit for future purchase. Stock is stated at the lower of cost and net realisable value.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured as the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

Contingent liabilities

A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources, or 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 when a sufficiently reliable estimate of the amount cannot be made. A contingent liability exists on grant repayment which is dependent on the disposal of related property.

Funds Held In Trust

The group operates both fixed and variable service charges on a scheme-by-scheme basis. Service charges on all schemes are set on the basis of budgets. Where variable service charges are used the budget will include an allowance for the surplus or deficit from prior years, with a surplus being returned to residents in the form of a reduced charge for the year and a deficit being recovered via a higher service charge. Charges made for the replacement of equipment and repairs are held in provisions which are ring-fenced for use on those estates. Such provisions are disclosed under creditors on the balance sheet, as funds held in trust.

Judgements In Applying Policies

In preparing these financial statements, the key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the group's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The members have considered the measurement basis to determine the recoverable amount of the assets where there are indicators of impairment based on EUV-SH (existing use value social housing) or depreciated replacement cost. The members have also considered impairment based on their assumptions to define cash or asset generating units.
- The anticipated costs to complete on a housing property development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, we then determine the recoverability of the cost of properties developed for sale. This judgement is also on the member's best estimate of sales value based on economic conditions within the area of development.
- Whether leases entered into by the group either as a lessor or a lessee are classified as operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- The categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.
- The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments, where a financing transaction, are initially recognised at fair value including any premium or discount on issue and subsequently measured at amortised cost using the effective interest method.

2. KEY SOURCES OF ESTIMATION UNCERTAINTY

The appropriate allocation of costs for mixed tenure developments; and furthermore, the allocation of costs relating to shared ownership between current and fixed assets.

The estimate for rental and other trade receivables relates to the recoverability of the balance outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

The Association is diverse and receives significant government and public sector financial support through housing benefit and contract payments for supported living and care placements. This means that the Association considers there would be no impairment of its revenue generating assets and that existing EUV-SH valuations for its housing stock are reasonable. While short term cost pressures have been seen in the care and nursing homes with higher than normal voids, the demand for places is high and there should be no long-term detriment to the valuations of these assets and current valuations are reasonable. The Association has a number of 'Homebuy' properties that are held at historic cost which, in most cases, is significantly below current market valuations and means no impairment is necessary. The Association does not build houses for market sale.

The Association has concluded that there is no impact on its bad debt provision or arrears for 2024/25 and it does not expect any impact during 2025/26.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT)

GROUP	Turnover	Operating Costs	2025 Operating surplus (deficit)	Turnover	Operating Costs	2024 Operating surplus (deficit)
Social Housing lettings (Note 4)	62,713	(51,537)	11,175	56,913	(46,968)	9,945
Other social housing activities:						
First tranche property sales	-	-	-	-	-	-
Sales and Marketing	32	-	32	28	-	28
Development overheads written off	-	26	26	-	23	23
Other	926	-	926	693	-	693
Non-social housing activities						
Lettings	224	(121)	103	220	(125)	95
Other	57	(104)	(47)	58	(104)	(46)
Total	63,952	(51,736)	12,216	57,911	(47,172)	10,739

Operating surplus in Statement of Comprehensive Income of £12,908k includes gains of £692k (2024: £758k) on disposal of housing. There were no gains on the transfers of engagements during 2025 (2024: £1,127k).

ASSOCIATION	Turnover	Operating Costs	2025 Operating surplus (deficit)	Turnover	Operating Costs	2024 Operating surplus (deficit)
Social Housing lettings (Note 4)	62,712	(51,537)	11,175	56,913	(46,968)	9,945
Other social housing activities						
First tranche property sales	-	-	-	-	-	-
Sales and Marketing	32	-	32	28	-	28
Development Services	2020	(1,990)	30	1,770	(1,744)	26
Development overheads written off	-	26	26	-	23	23
Other	926	-	926	693	-	693
Non-social housing activities						
Lettings	224	(121)	103	220	(124)	96
Other	57	(134)	(77)	58	(131)	(73)
Total	65,971	(53,756)	12,215	59,682	(48,944)	10,738

Operating surplus in Statement of Comprehensive Income of £12,907k includes gains of £692k (2024: £758k) on disposal of housing properties. There were no gains on the transfers of engagements during 2025 (2024: £1,127k).

4. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

GROUP and ASSOCIATION	General needs and sheltered housing £'000	Supported housing £'000	Other social housing letting income £'000	2025 Total £'000	2024 Total £'000
Income					
Rents receivable	32,853	1,217	3,280	37,350	33,427
Service charges receivable	5,785	2,616	8,295	16,696	15,984
Income for support services	1,277	4,678	377	6,332	5,104
Other income from lettings	34	1	-	35	253
Amortised grants	2,172	63	65	2,300	2,145
Turnover from social housing lettings	42,120	8,575	12,017	62,712	56,913
Cost					
Management costs	6,455	521	1,983	8,959	8,215
Service costs	9,480	5,695	7,201	22,376	21,855
Routine maintenance	9,804	350	550	10,705	7,721
Major repairs expenditure	2,336	15	16	2,367	2,743
Bad debts	102	139	25	266	319
Depreciation of housing properties	6,347	262	255	6,864	6,115
Impairment of housing properties	-	-	-	-	0
Operating costs on social housing activities	34,525	6,983	10,029	51,537	46,968
Operating surplus on social housing lettings	7,595	1,593	1,987	11,175	9,945
Void Losses					
Rent loss due to voids	517	84	632	1,233	1,102
Service charge loss due to voids	118	164	2	284	334
Total Void Loss	635	248	634	1,517	1,436

5. SALES OF FIXED ASSET PROPERTIES

GROUP AND ASSOCIATION	Shared ownership further tranches	Right to Buy & to Acquire & Other	2025 Total £'000	2024 Total £'000
Proceeds of sales	634	3,283	3,917	1,703
Cost of sales: NBV	(332)	(2,893)	(3,225)	(945)
Surplus	302	390	692	758

6. INTEREST PAYABLE AND SIMILAR CHARGES

GROUP and ASSOCIATION	2025 £'000	2024 £'000
Bank loans, overdrafts, and other loans:		
- by instalments	9,355	8,726
- other than by instalments	-	92
Interest on DB pension scheme liabilities	232	218
	9,587	9,036
Less: Capitalised	(787)	(532)
Total Interest Payable	8,800	8,504

The sum for capitalised interest relates to loans which are fixed rate. The average rate for the period was 3.62% (2024: 3.66%).

7. TAXATION

GROUP	2025 £'000	2024 £'000
UK Corporation tax charge for the year	43	4
Adjustments in respect of prior years	-	(2)
Total current tax charge for the year	43	2
Deferred tax charge / (credit) for the year	-	-
Total deferred tax charge / (credit) for the year (note 22)	-	-
Total tax charge for the year	43	2
Factors affecting the current tax charge for the year:		
Profit for the year before taxation	5,850	5,710
Tax on profit on ordinary activities at 25% (2024: 25%)	1,463	1,428
Income / expenses not deductible for tax purposes	(1,238)	(1,349)
Other permanent differences	(162)	(83)
Adjustments in respect of prior years	-	(2)
Deferred tax not recognised	(20)	9
Marginal Relief	-	(1)
Total tax charge for the year	43	2
ASSOCIATION		
UK Corporation tax at 25% (2024: 25%)	43	2
Adjustments in respect of prior years	-	2
Total current tax charge for the year	43	4
Deferred tax origination and reversal of timing differences	-	-
Total deferred tax charge / (credit) for the year (note 22)	-	-
Total tax charge for the year	43	4
Factors affecting the current tax charge for the year:		
Profit for the year before taxation	6,414	5,727
Current tax payable at 25% (2024: 25%)	1,604	1,432
Expenses not deductible for tax purposes	15,270	13,880
Income not deductible for tax purposes	(16,813)	(15,316)
Adjustments to tax charge in respect of previous periods	-	(2)
Deferred tax not recognised	(18)	8
Total tax charge for the year	43	2

8. AUDITOR REMUNERATION

GROUP	2025 £'000	2024 £'000
In their capacity as auditor (excluding VAT)	65	60
In respect of other services (excluding VAT)	2	3
ASSOCIATION		
In their capacity as auditor (excluding VAT)	45	40
In respect of other services (excluding VAT)	2	3

9. STAFF COSTS

GROUP and ASSOCIATION

Staff costs including directors:

Wages and salaries

Social security costs

Other pension costs

2025 £'000	2024 £'000
21,793	20,150
2,008	1,810
1,065	997
24,866	22,957

Average number of full-time equivalent persons (including executive directors) employed during the year:

	Number 2025	Number 2024
Office staff	128	122
Housing staff	56	52
Care staff	480	479
Maintenance	125	113
Total employees	789	766
Total employees at the year end	808	765

10. KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel comprise the executive and non-executive directors. Total remuneration amounted to £917k, (2024: £919k).

GROUP and ASSOCIATION

Remuneration for executive directors for the year ended 31 March 2025

2025 £'000	2024 £'000
848	840

The remuneration for executive directors disclosed above include pension contributions.

Non-executive Board Member remuneration for the year ended 31 March 2025:

Cris McGuinness
 Rob Morton
 Peter Smith-Hughes
 Hayley Hulme
 Roger Rowett
 Brian Strefford
 Nia Hughes
 Sally Thomas
 Tania Silva
 Bethan Smith
 Sandy Mewies
 Stephen Porter
 Paul Robinson
 Frazer Jones
 Sara Mogel
 Sheila Powell

2025 £'000	2024 £'000
11	6
8	8
8	8
7	7
7	7
6	5
5	5
5	3
5	3
5	3
-	5
-	6
-	4
-	3
-	4
-	2
67	79

Non-executive Board Members receive remuneration for services only and there is no pension liability.

The highest paid executive excluding pension contributions

2025 £'000	2024 £'000
157	146

The Chief Executive is an ordinary member of the pension scheme, and no enhanced or special terms apply.

The full-time equivalent number of key management personnel whose remuneration payable in the period fell within the following bands was:

	2025	2024
£50,000 - £59,999	-	-
£60,000 - £69,999	2	-
£70,000 - £79,999	-	-
£80,000 - £89,999	-	-
£90,000 - £99,999	-	2
£100,000 - £109,999	-	1
£110,000 - £119,999	3	1
£120,000 - £129,999	1	1
£130,000 - £139,999	-	1
£170,000 - £179,999	-	1
£180,000 - £189,999	1	-

Remuneration of senior personnel includes the employer contribution to pension costs plus a contribution towards the deficit in the closed Defined Benefit pension scheme.

11. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

GROUP	Housing properties held for lettings £'000	Housing properties in the course of construction £'000	Completed shared ownership housing properties £'000	Total £'000
COST				
At 1 April 2024	541,918	86,724	23,776	652,418
Additions – components	6,947	1,525	233	8,705
Additions	2,205	69,685	24	71,914
Disposals components	(824)	-	(52)	(876)
Disposals - other	(648)	-	(251)	(899)
Schemes completed	27,716	(27,716)	-	-
At 31 March 2025	577,314	130,218	23,730	731,262
DEPRECIATION AND IMPAIRMENT				
At 1 April 2024	73,888	-	4,434	78,322
Charge for the year	6,603	-	261	6,864
Disposals	(839)	-	(106)	(945)
At 31 March 2025	79,652	-	4,589	84,241
NET BOOK VALUE				
At 31 March 2025	497,662	130,218	19,141	647,021
At 31 March 2024	468,029	86,724	19,342	574,095

ASSOCIATION	Housing properties held for lettings £'000	Housing properties in the course of construction £'000	Completed shared ownership housing properties £'000	Total £'000
COST				
At 1 April 2024	544,762	87,055	23,776	655,593
Additions – components	6,947	1,525	233	8,705
Additions	2,205	70,341	24	72,570
Disposals components	(824)	-	(52)	(876)
Disposals - other	(648)	-	(251)	(899)
Schemes completed	28,047	(28,047)	-	-
At 31 March 2025	580,489	130,871	23,730	735,093
DEPRECIATION AND IMPAIRMENT				
At 1 April 2024	73,888	-	4,434	78,322
Charge for the year	6,603	-	261	6,864
Disposals	(839)	-	(106)	(945)
At 31 March 2025	79,652	-	4,589	84,241
NET BOOK VALUE				
At 31 March 2025	500,840	130,871	19,141	650,852
At 31 March 2024	470,874	87,055	19,342	577,271

All housing properties are freehold.

Surpluses totalling £3.828m generated by Tir Tai (development subsidiary) though recharges to ClwydAlyn (parent company) have been consolidated out of the Group's housing property costs. Maintenance expenditure of £7.180m was capitalised to existing properties in the year (2024 £4.008m).

Total maintenance expenditure to existing properties of £13.072m (2024 £10.464m) was charged to the Income and Expenditure account in the year. Interest charges incurred on the financing of housing properties are capitalised up to the date of practical completion. The cumulative interest and finance charges included in housing properties at cost amounted to £5.869m (2024 £5.082m).

The carrying amount of the housing properties that have been pledged as security for the housing loans (including undrawn facilities) is £289m (2024 £287m).

12. TANGIBLE FIXED ASSETS – OTHER

GROUP and ASSOCIATION	Freehold Offices £'000	Fixtures & Fittings £'000	Computer Equipment & software £'000	Vehicles £'000	Total £'000
COST					
At 1 April 2024	3,770	475	6,416	2,204	12,866
Additions	-	29	436	970	1,435
Disposals	-	-	-	(106)	(106)
At 31 March 2025	3,770	504	6,852	3,068	14,195
DEPRECIATION					
At 1 April 2024	1,253	383	4,403	1,401	7,440
Charge for the year	77	26	433	263	800
Disposals	-	-	-	(106)	(106)
At 31 March 2025	1,330	409	4,836	1,558	8,134
NET BOOK VALUE					
At 31 March 2025	2,440	95	2,016	1,510	6,061
At 31 March 2024	2,517	92	2,104	803	5,426

13. FIXED ASSET INVESTMENTS – HOMEBUY LOANS

GROUP and ASSOCIATION	2025 £'000	2024 £'000
COSTS		
At 1 April	3,118	3,208
Additions in year	-	-
Disposals	(100)	(90)
At 31 March	3,018	3,118

See note 21 for details of Homebuy grant received from the Welsh Government which was used to fund the Homebuy loans.

14. STOCKS

GROUP and ASSOCIATION

	2025 £'000	2024 £'000
Stock of tools & repairs equipment	452	450

15. DEBTORS

GROUP

Amounts falling due after one year:

Grants receivable	3,056	3,154
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Amounts falling due within one year:

Rental debtors	3,120	2,724
Less: provisions for bad debts	(788)	(843)

	2,332	1,881
--	-------	-------

Grants receivable	97	94
-------------------	----	----

Trade debtors	1,177	939
---------------	-------	-----

Loans to employees	62	40
--------------------	----	----

Surplus on undertakings in joint venture	83	-
--	----	---

Prepayments and accrued income	1,835	2,362
--------------------------------	-------	-------

	5,586	5,316
--	-------	-------

ASSOCIATION

Amounts falling due after one year:

Grants receivable	3,057	3,154
-------------------	-------	-------

Amounts falling due within one year:

Rental debtors	3,120	2,724
----------------	-------	-------

Less: provisions for bad debts	(788)	(843)
--------------------------------	-------	-------

	2,332	1,881
--	-------	-------

Grants receivable	97	94
-------------------	----	----

Loans to employees	62	40
--------------------	----	----

Trade debtors	865	722
---------------	-----	-----

Amounts due from subsidiary undertakings	-	146
--	---	-----

Prepayments and accrued income	1,836	2,362
--------------------------------	-------	-------

	5,192	5,245
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16. CURRENT ASSET INVESTMENTS

GROUP and ASSOCIATION

	2025 £'000	2024 £'000
Money market and term deposits	65	65

Included above are deposits as security for certain loans of £65k (2024 £65k).

17. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	2025 £'000	2024 £'000
Housing loans (note 18)	667	621
Trade creditors	3,295	5,163
Rent in advance	1,346	1,396
Corporation tax	43	7
Other taxation and social security costs	643	268
Other creditors	9	9
Pension deficit contributions	-	1
Deferred capital grant (note 20)	2,300	2,145
Accruals and deferred income	12,964	8,017
Fund held in trust	4,689	4,429
	25,956	22,056
ASSOCIATION		
Housing loans (note 18)	667	621
Trade creditors	3,292	3,091
Rent in advance	1,346	1,396
Corporation tax	43	6
Other taxation and social security costs	643	232
Other creditors	9	9
Pension deficit contributions	-	1
Deferred capital grant (note 20)	2,300	2,145
Accruals and deferred income	6,640	5,244
Fund held in trust	4,689	4,429
Amounts due to Group undertaking	4,843	3,609
	24,472	20,783

18. CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £'000	2024 £'000
GROUP		
Housing loans	45,187	45,770
Housing loans - Bond issue	225,000	225,000
Recycled Capital Grant Fund	3,057	3,700
Deferred capital grant (note 20)	343,976	318,406
Homebuy grant (note 21)	3,018	3,118
Other Creditors	1,250	1,186
	621,488	597,180
ASSOCIATION		
Housing loans	46,428	47,037
Housing loans - Bond issue	225,000	225,000
Recycled Capital Grant Fund	3,057	3,700
Deferred capital grant (note 20)	343,976	318,406
Other Creditors	1,251	1,186
Homebuy grant (note 21)	3,018	3,118
	622,730	598,447
Housing loans - Group		
Amounts repayable by instalments:		
Not wholly repayable within five years:		
Repayable between one and two years	563	655
Repayable between two and five years	2,177	1,969
Repayable after five years	262,447	263,146
	265,187	265,770
Amounts repayable otherwise than by instalments		
Repayable after five years	5,000	5,000
	270,187	270,770
Amounts repayable by instalments repayable within one year	667	621
Total housing loans – Group	270,854	271,391
Housing loans – Association		
Amounts repayable by instalments:		
Not wholly repayable within five years:		
Repayable between one and two years	563	655
Repayable between two and five years	2,177	1,969
Repayable after five years	263,688	264,413
	266,428	267,037
Amounts repayable otherwise than by instalments:		
Repayable after five years	5,000	5,000
	271,428	272,037
Amounts repayable by instalments repayable within one year	667	621
Total housing loans – Association	272,095	272,658

Housing loans are secured by specific charges on the Group's housing properties and bear interest at rates ranging from 2.96% to 11.18%.

At 31 March 2025 100% of the loans were fixed (2024: 100%). The fixed loans bore interest ranging from 2.96% to 11.18%, with a weighted average of 3.62% (2024: 2.96% to 11.18%, weighted average 3.66%).

At the year-end, 0% of the loans were variable (2024: 0%) and £25m remained available under the Association's Revolving Credit Facility.

The loan liability includes a £9.95m 45-year lease and leaseback arrangement with Aviva PLC. From an accounting perspective it has been assessed that, in substance, this is a basic loan arrangement secured on the properties of the association. Interest on the Aviva arrangement is payable quarterly and linked to CPI, the interest rate is therefore calculated as the effective rate of interest to discount the future cash flows to the amortised cost of the loan.

Recycled Capital Grant Fund

Recycled Capital Grant Fund at 1 April
 Received in the year
 Recycled in the year
 Recycled Capital Grant Fund at 31 March

2025	2024
£'000	£'000
3,700	3,664
431	351
(1,074)	(315)
3,057	3,700

19. DEFINED BENEFIT PENSION OBLIGATIONS

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2025:

KEY ASSUMPTIONS

Discount Rate
 Inflation (RPI)
 Inflation (CPI)
 Salary Growth

2025	2024
%	%
5.85	4.91
3.09	3.14
2.79	2.78
3.79	3.78

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

Life expectancy	At age 65 years
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

GROUP ASSETS

Global Equity
 Absolute Return
 Distressed Opportunities
 Credit Relative Value
 Alternative Risk Premia
 Liquid Alternatives
 Emerging Markets Debt
 Risk Sharing
 Insurance-Linked Securities
 Property
 Infrastructure
 Private Equity

2025	2024
£'000	£'000
2,508	2,298
-	900
-	813
-	756
-	732
4,151	-
-	298
-	1,350
69	119
1,121	926
4	2,330
20	19

GROUP ASSETS

	2025	2024
	£'000	£'000
Real Assets	2,680	-
Private Debt	-	907
Opportunistic Illiquid Credit	-	901
Private Credit	2,740	-
Credit	856	-
Investment Grade Credit	689	-
High Yield	-	4
Cash	304	455
Long Lease Property	6	149
Secured Income	374	689
Liability Driven Investment	6,779	9,385
Currency Hedging	36	(9)
Net Current Assets	48	40
Total Assets	22,385	23,062

None of the fair value of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

GROUP and ASSOCIATION**Analysis of the amount charges to operating expenditure in the Statement of Comprehensive Income**

	2025	2024
	£'000	£'000
Expenses	(30)	(29)
Past service cost	-	-
Total Operating Charge	(30)	(29)

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	1,128	1,136
Interest on pension liabilities	(1,360)	(1,354)
Amounts charged/credited to finance costs	(232)	(218)

Amount of gains and losses recognised in the Statement of Comprehensive Income

Actuarial (losses) on pension scheme assets	(1,643)	(1,574)
Actuarial gains on scheme liabilities	2,261	240
Actuarial gain/(loss) recognised	618	(1,334)

Surplus/(deficit) in scheme at 1 April

Movement in year:

Opening Defined Benefit pension liability	(5,388)	(5,093)
Expenses	(30)	(29)
Employer contributions	1,356	1,286
Past service cost	0	0
Net interest/return on assets	(232)	(218)
Remeasurements	618	(1,334)
(Deficit) in scheme at 31 March	(3,676)	(5,388)

Asset and Liability Recognition**Recognition of Liabilities**

GROUP and ASSOCIATION
Liabilities at start of period

	2025 £'000	2024 £'000
Liabilities at start of period	28,450	28,239
Service cost		-
Interest cost	1,360	1,354
Employee contributions	-	-
Remeasurements	(2,261)	(240)
Benefits paid	(1,518)	(932)
Past service cost	30	29
Curtailments and settlements	-	-
Liabilities at end of period	26,061	28,450

Recognition of Assets
Assets at start of period

Assets at start of period	23,062	23,146
Return on plan assets	1,128	1,136
Remeasurements	(1,643)	(1,574)
Employer contributions	1,356	1,286
Employee contributions	0	0
Benefits paid	(1,518)	(932)
Assets at end of period	22,385	23,062

The actual return on the plan assets (including any changes in share of assets) for the Group over the year ended 31 March 2025 was a credit value: £515k (2024: credit value: £438k).

20. DEFERRED CAPITAL GRANT
GROUP and ASSOCIATION

	2025 £'000	2024 £'000
At 1 April	320,552	280,671
Grant received during year	28,347	42,278
Housing property disposals	(323)	(252)
Amortisation for the year	(2,300)	(2,145)
Net grant creditor 31 March	346,276	320,552
The grants are amortised as follows:		
Amounts falling due:		
Within one year (note 17)	2,300	2,145
Between one and two years	2,300	2,145
Between two and five years	6,900	6,435
In five years or more	334,777	309,827
In more than one year (note 18)	343,976	318,407
Total grant creditor	346,276	320,552

Gross capital grant received is £384.95m (2024: £356.97m).

21. HOMEBUY GRANT

	2025 £'000	2024 £'000
GROUP and ASSOCIATION		
At 1 April	3,118	3,208
Additions in the year	-	-
Disposals in the year	(100)	(90)
At 31 March	3,018	3,118

22. DEFERRED TAXATION

There was no deferred taxation.

23. NON-EQUITY SHARE CAPITAL

The shares of the Association, each of £1 nominal value, carry no rights to a dividend or provision for redemption or a distribution on winding up. The members are entitled to a vote at annual and special meetings of the Association.

24. CAPITAL COMMITMENTS

	2025 £'000	2024 £'000
GROUP		
Capital expenditure contracted for but not provided for in the financial statements	67,866	47,946
Capital expenditure authorised but not yet contracted for in the financial statements.	88,891	101,127
ASSOCIATION		
Capital expenditure contracted for but not provided for in the financial statements	6,431	8,951

The capital expenditure is to be financed by a combination of grants (including Social Housing Grant) of £52 million, the existing cash balance of £15 million and additional lending. The group has access to the revolving credit facility of £25 million and is in the final stages of securing a new £35m loan facility.

25. OPERATING LEASES

GROUP and ASSOCIATION

At 31 March 2025 the association had no lease payments under non-cancellable operating leases.

26. ACCOMMODATION IN MANAGEMENT

GROUP and ASSOCIATION

General needs and other rented
Sheltered & Extra Care
Supported Housing
Low-cost home ownership
Residential / Care Homes
Managed on behalf of others
Homebuy & D.I.Y.H.O
Intermediate rental

2025 Number	2024 Number
4,462	4,429
723	723
234	234
453	475
130	130
40	40
186	189
363	293
6,591	6,513

27. GROUP UNDERTAKINGS

As at 1 April 2024 and 31 March 2025.

Subsidiaries:

Subsidiary Entities	Nature of business
Tir Tai Limited	Project construction
Tai Elwy Limited	Property management
PenArian Housing Finance PLC	Special purpose lending vehicle

Joint Ventures

Joint Venture	Nature of business
Onnen Limited	Property decarbonisation

Onnen Limited is a joint venture between ClwydAlyn Housing Limited and Cartrefi Conwy Limited. The purpose of the Company is to carry out decarbonisation and retrofit works to properties of both housing associations.

28. CONTINGENT LIABILITIES

In previous years there has been correspondence with HMRC with reference to the taxable status of income generated by solar panels owned by the ClwydAlyn Group. At present a response is awaited and the ClwydAlyn Group has obtained advice that a reasonable position has been taken. In the event that there was an adverse finding then tax would become payable of £103k (2024 £97k) and would be treated as a prior year tax charge.

In March 2024 the Association became aware that it may not have been fully compliant with potential legal obligations arising under the Renting Homes (Wales) Act 2016 (“the Act”) and the Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (as amended) (“the Regulations”). On identification of the issue, immediate steps were taken to ensure full compliance with legal obligations as the Association is currently able to understand them. There is an ongoing claim in the High Court brought by a number of other Registered Social Landlords to seek a series of declarations as to the correct meaning and interpretation of the potential obligations. The

Association has assessed that the likelihood of an outflow of resources to settle this potential liability following the legal proceedings is less than probable but, acknowledging the inherent uncertainty with such legal proceedings, is more than remote.

A high level of uncertainty remains because the interpretation of the requirements under the Act and Regulations needs clarification which will only be possible following determination of the proceedings that are currently before the High Court, hence any financial effect cannot currently be measured with sufficient reliability at this time.

A high level of uncertainty also exists regarding whether there is any possibility of reimbursement. Any such consideration can only follow the resolution of the above matter.

29. RELATED PARTY TRANSACTIONS

During the year the following transactions took place between entities in the ClwydAlyn Group (note these transactions and balances are eliminated on consolidation): -

Entities received intragroup management income as follows: -

- Tir Tai Limited £2,020,031 (2024: £1,770,053).
- Onnen Limited £0 (2024: £50,000).
- Penarian Housing Finance PLC £7,204,729 (2024: £6,699,421).

At the year ended 31 March 2025 had the following intragroup balances outstanding: -

- Tir Tai Limited a creditor balance of £3,741,746 (2024: creditor balance of £2,536,168).
- PenArian Housing Finance PLC a creditor balance of £226,101,508 (2024: creditor balance of £226,073,004).
- Onnen Limited a creditor balance of £517,139 (2024: a debtor balance of £146,194).

In 2019 ClwydAlyn entered into an informal partnership agreement with Flintshire County Council and a charity called CanCook, to create a company called WellFed. This company promotes good food for all and raises funds to subsidise ingredients, ready meals and training for communities in North Wales.

Although this is not a formal partnership, ClwydAlyn appoints two of the six board members to the WellFed Board.

ClwydAlyn awarded WellFed a contract to supply meals to its extra care homes and to tenants in distress. WellFed also receives a grant from ClwydAlyn each year and in 2025 this was £75k (2024: £75k).

During the year ClwydAlyn spent £791k with WellFed.

30. MOVEMENT IN NET DEBT

	At 31 March 2024 £'000	Cash Flows £'000	At 31 March 2025 £'000
Cash and bank balances	55,840	(40,715)	15,125
Bank overdrafts	-	-	-
	<u>55,840</u>	<u>(40,715)</u>	<u>15,125</u>
Housing loans	(271,390)	536	(270,854)
Current assets investment	65	-	65
	<u>(215,485)</u>	<u>(40,179)</u>	<u>(255,664)</u>



ClwydAlyn

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