

Annual Report and Consolidated Financial Statements

for the year ended 31 March 2025



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We are pleased to present the annual report on the activities of the United Welsh Group for the year ended 31 March 2025.

We have made great progress in delivering our strategy for 2023-2027, by providing 148 new homes, maintaining our focus on customer satisfaction levels and keeping people safe.

We appreciate and are thankful for the commitment and hard work of the people who work for United Welsh Group, and also express our thanks to the Board members who served during the year.

We invite you to read on to find out more.

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Message from



Jeremy Brown
Chair



Richard Mann
Group Chief Executive



Contents

05
Strategic report

08
Great homes

12
Successful services

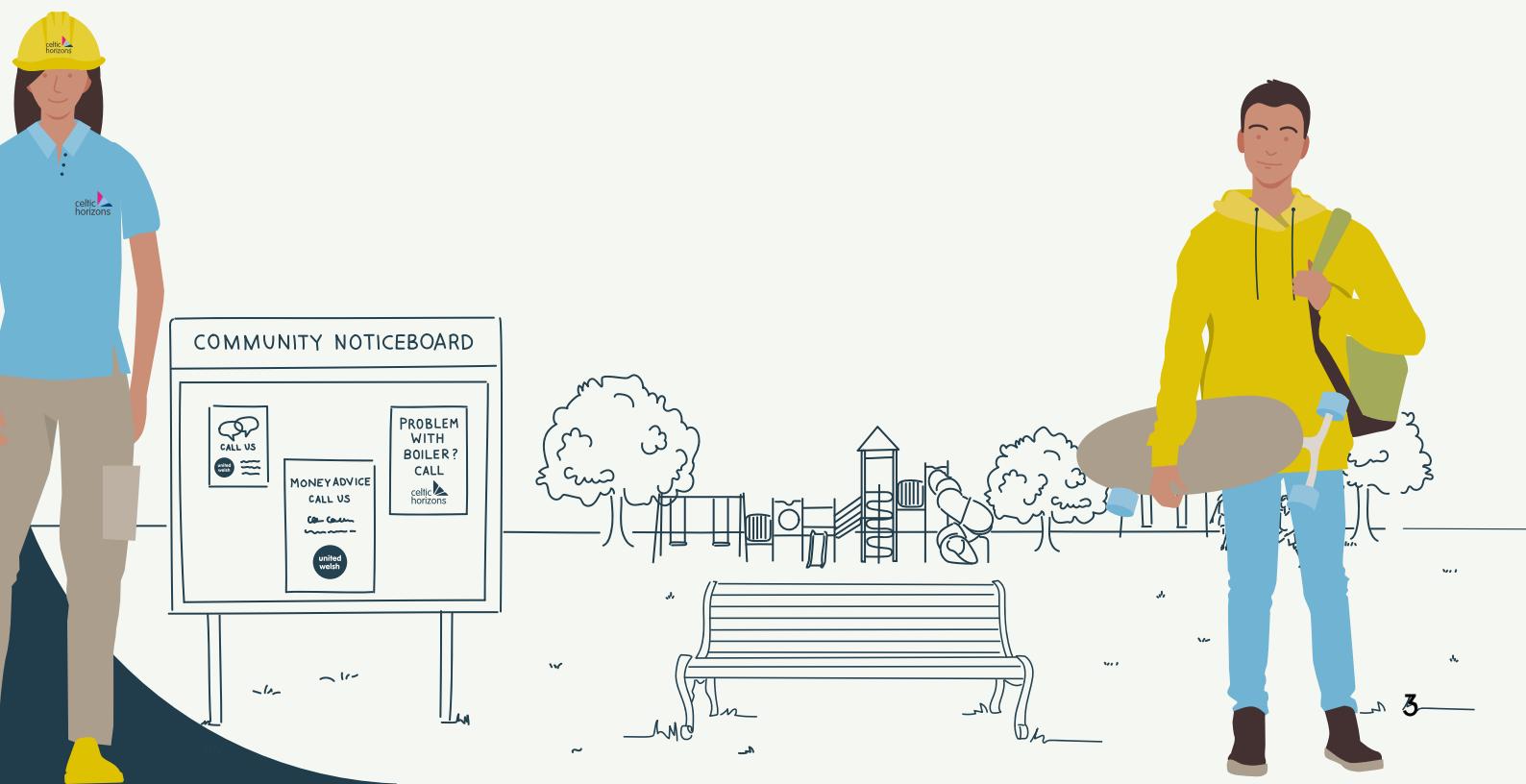
16
Happy, healthy people



23
Governance report



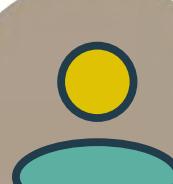
39
Financial statements



We **build**
homes



create
communities



and **transform**
lives



Strategic Report



Who we are

We work hard to make a difference and step up when our communities need us.

Providing homes is just the start. We help people to live happily and independently.

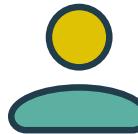
We tackle poverty, invest in greener communities, and challenge inequality at every turn.

The Group includes our repairs and maintenance service Celtic Horizons; timber frame home manufacturer Celtic Offsite and Harmoni Homes Ltd, which builds affordable homes and homes for sale.



6,800

We provide over 6,800 affordable homes for people across South Wales to enjoy a warm, safe place to live, with support from us.



400

The United Welsh Group is a not-for-profit organisation and employs over 400 people.

Our values

We work together in a spirit of trust and authenticity, confident to take measured risks in a culture that embraces new ideas and collaboration. Our values were chosen by staff across our organisation. They connect and inspire us, guiding our strategies as well as the decisions we make day to day.

To find out more visit our website.

Our Guiding Principles

These guiding principles govern the way we work, to do our best for our customers and communities.

Listen and engage

We value our customers and our staff, listening to their experiences to adapt and make better decisions. We ensure the services we plan and deliver benefit their changing needs.



Partnership

We work innovatively with Welsh Government, local councils, health boards and other community organisations to make the most of limited resources, sharing our experience to benefit everyone.



Inclusion

We value the diversity of people we work with and the communities where we work. We recognise that everyone is different, and we treat people with respect.



Affordability

Rent and service charges are set at affordable levels. We are focused on providing homes and services that represent value for money for our customers.



Strong governance, financial resilience and risk management

We are well-governed to maintain our financial strength and resilience. We manage risks and minimise our exposure to loss, while maximising the benefits of our operations to work efficiently and effectively.

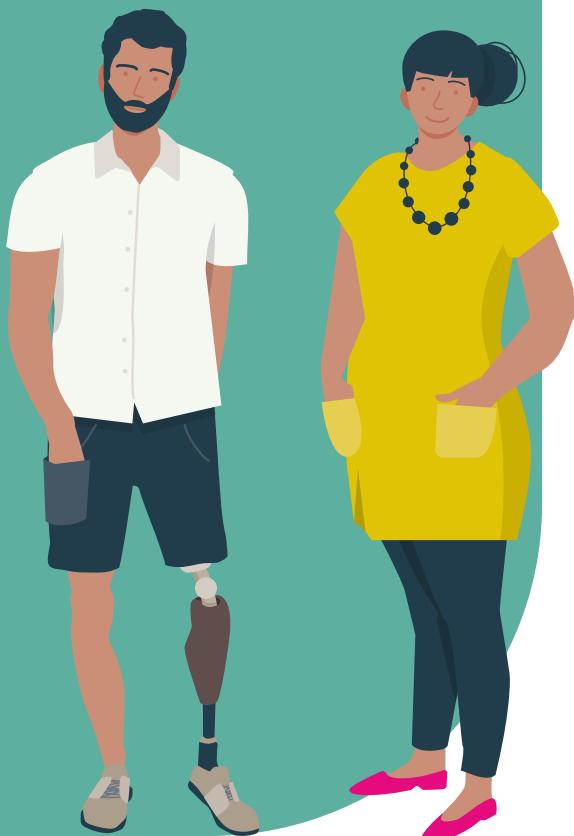


See overleaf how we are delivering on our strategy...

Great homes

We will deliver **1,300 low carbon homes** by 2027 that are warm, safe and happy places to live.

We will **invest in our existing homes** to make them more modern and energy-efficient.



 136

New homes provided in 2024/25

New energy efficient homes

A total of 136 new homes were provided in 2024/25, of which 46% were to EPC-A standard. In addition 26 families were able to access Low Cost Home Ownership through the resale of existing LCHO properties. These properties help people (predominately first-time buyers) access home ownership where they would otherwise be unable to access the open market.

New developments included homes at Ty Draw Road, Cardiff; at Tai Siriol, Nelson; East Haven, Barry; and Carn y Cefn (the site of the former Ebbw Vale College).

Since the launch of the Strategy in 2023/24 we have provided 359 new homes, and we have a forward pipeline of 935 homes either in contract, on site, or with contracts or acquisitions pending.

Grow Tai Ffres



By the end of the year Tai Ffres, our service for providing homes and support to young people, had grown to 34 homes, well on the way to achieving our target of 102 homes by 2027.



New bungalows in Nelson, Caerphilly



Expand Celtic Offsite



Celtic Offsite is a social enterprise within the United Welsh Group.

During 2024/25, they manufactured 70 timber frame home structures from their factory in Caerphilly. 16 were for United Welsh, and 54 were for other social landlords in Wales.

Customer satisfaction with Celtic Offsite's product remains high, with recent schemes ranging from 77% to 94%.

The team piloted the build of four self-contained, one-bedroom pods, suitable as moveable accommodation.

These have been sited at Oak House, expanding it to a 31-bedroom housing scheme that provides support and accommodation to single people and couples in Cardiff.

In January 2025, Celtic Offsite was pleased to host the launch of the Tai ar y Cyd consortium by the Cabinet Secretary for Housing and local Government, Jayne Bryant MS.

Celtic Offsite is a net positive carbon business.

Raise the standard of existing homes

We have invested £15.5m in our existing homes on planned component replacements, optimised retrofit works, planned major repairs and building safety works. The optimised retrofit works are part funded by Welsh Government grant.

To date the retrofit programme has improved 827 properties. We now have no EPC Band E properties in our portfolio, and only 222 are Band D.

On the basis of SAP assessed energy cost, the average saving across all 827 properties is £354 per year for each customer. Anecdotal feedback has been positive, with one customer letting us know that their energy bill had reduced from £90 per month to £30.



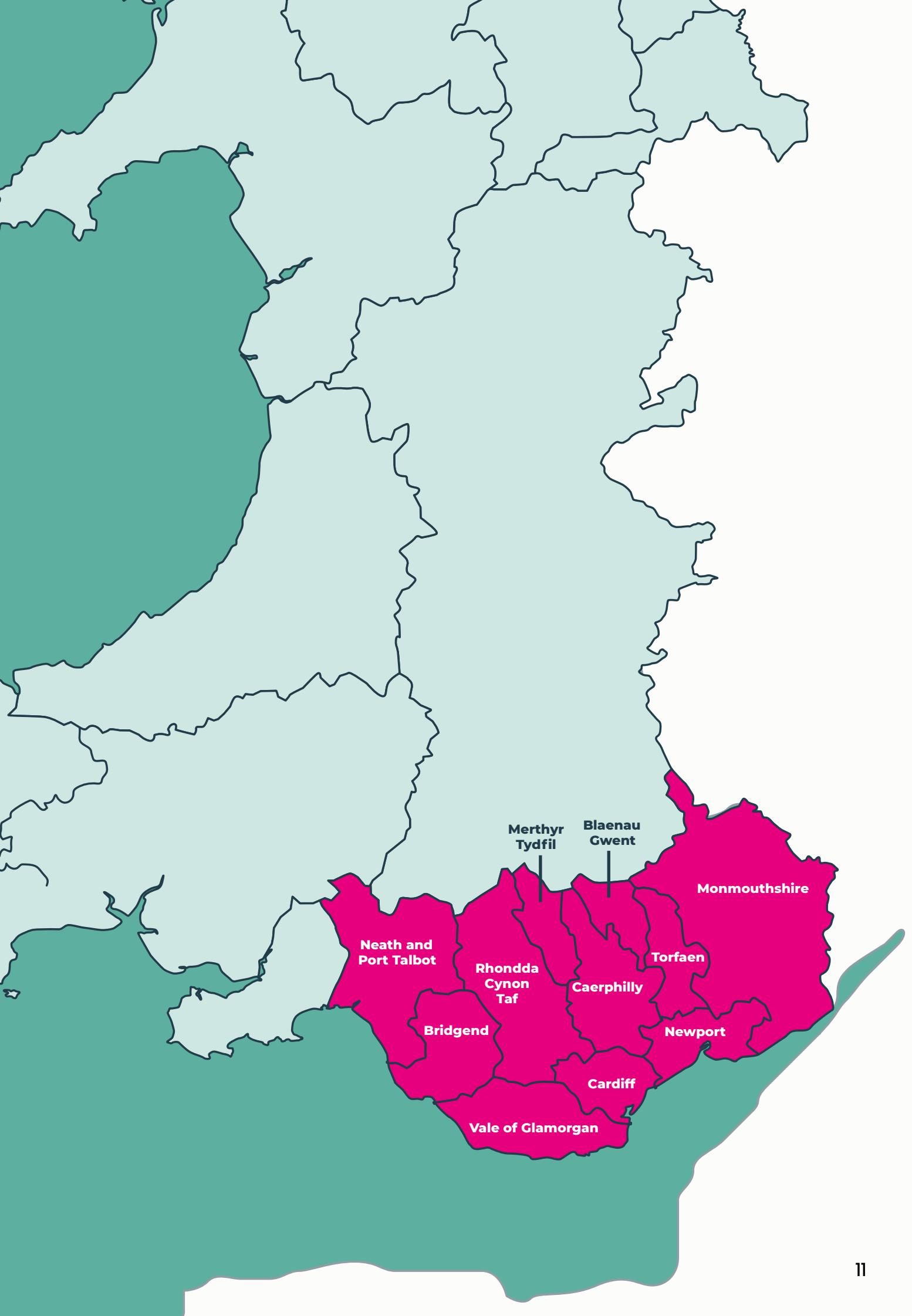
79%

Customers in 2024-2025 who expressed satisfaction with the overall quality of their homes*

*In comparison 83% for 2023/24. The Welsh Government's median for 2025 is 79%.

Properties managed

County	Housing types				
	General needs	Living Well	Supported	LCHO	Other
Blaenau Gwent	638	335	73	15	8
Cardiff	1,256	193	477	36	38
Caerphilly	1,970	280	151	114	31
Monmouthshire	11	44	-	-	-
Newport	121	-	10	22	9
Torfaen	67	-	10	-	-
Vale of Glamorgan	563	14	50	82	2
Neath & Port Talbot	-	-	24	-	-
Bridgend	16	-	85	4	-
Rhondda Cynon Taf	-	-	98	15	-
Merthyr Tydfil	-	-	10	-	-
Total	4642	866	988	288	88



Successful services

We will **improve the experiences of our customers** by creating and revitalising services that listen to their perspectives and align with their needs.

We will adopt **user-centred design principles** throughout the organisation to use our resources efficiently and provide better value.



Customer satisfaction with services

How successful our services are is determined by what our customers think. One way we seek the views of customers is via year-round telephone surveys carried out by Acuity, an independent company. 913 responses were received this year which is high enough to conclude that the findings are an accurate reflection of what all our customers think within +/-2.9% annually.

Our aim is to increase customer satisfaction so that in benchmarking with other housing providers in Wales we perform within at least the second quartile, i.e. above the median.

When compared with figures published by the Welsh Government in June 2025, we have achieved that level of performance in almost all the service-related measures, although it was disappointing that some levels of satisfaction had fallen compared with our 2023/24 levels.

Overall satisfaction fell in the first quarter of the year, and then recovered over the following quarters. We received feedback about a lack of returned calls when promised, which we realised was due to a shortage of staff in our customer engagement team. Once that team was fully staffed satisfaction in that area began to increase. We are continuing to work to understand the reasons for other dips so that we can take action in 2025/26.



Telephone surveys carried out



Residents enjoying a cake decorating course

This year we received and responded to 321 complaints. 41% were related to our repairs service, and we upheld 38%.

Customer satisfaction levels	2024/25	2023/24	WG 2025 median
With the service provided overall	79%	82%	79%
We listen to their views and act upon them	64%	70%	64%
Opportunities given to participate in the decision-making processes	71%	70%	58%
Given a say in how services are managed	68%	67%	59%
Rent provides value for money	80%	86%	80%
Service charges provide value for money	62%	68%	65%
With their neighbourhood as a place to live	81%	84%	80%
The way we deal with anti-social behaviour	66%	68%	61%





Customers in 2024-2025 who expressed satisfaction with the way we deal with repairs and maintenance*



Customer satisfaction with repairs

A key driver of customer satisfaction is how our customers view the repairs service.

Feedback from customers who were dissatisfied with the repair service mentioned delays and inadequate responses to their requests. During the year we have continued to monitor the number of repair orders still open alongside the % of repair jobs completed on time.

At the end of the year there were 993 repair jobs open, an improvement on 1,064 at the end of March 2024.

91% of non-emergency responsive repairs were completed on time (2023/24: 90%).

Develop our digital offer

Major digital projects this year included:

- Replacement of equipment such as door entry systems at Living Well (older persons' housing) schemes to be ready for the digital switchover
- The launch of a new system for the management and tracking of complaints so that all teams, including Celtic Horizons (our repairs service), can see all relevant information in one place.
- Implementation of a new Compliance Dashboard to give better visibility to Landlord Health & Safety related data.
- Starting work on a new monitoring system for repairs.

We have also strengthened our cyber-security measures and infrastructure with all systems now being cloud-based.

*In comparison to 77% for 2023/24. The Welsh Government's median for 2025 is 71%.

Listen and act on customer perspectives

Our community of engaged customers has grown significantly. 111 customers are signed up as volunteers at housing schemes, community groups or within their communities.

215 customers have also completed a variety of training courses through our Skills for Life programme, including British Sign Language Level 1, an Introduction to Teaching Assistant course, and Mental Health First Aid.

A Customer Communications Group has been established. Supported by ProMo Cymru, the group participated in sessions to learn employability and personal skills, while providing feedback on our communications. The skills training was about producing photo and video content, while feedback was provided about United Welsh's social media and website. The feedback will be used to inform content and website development for the next financial year, including a new "Residents Zone".

During the summer, a roadshow was held across 12 of our estates. Feedback was received from over 80 customers about what they like and dislike about their communities and the services we provide to them.



215

Customers completing a variety of training courses

The feedback received has been used as the core basis for some operational changes in our Neighbourhood Services including:

- Greater visibility of our staff in the community
- Trying to engage more proactively, rather than reacting to incidents or issues
- Improved availability to receive customer calls
- Quicker return call times to reduce failure demand
- Greater visibility of our staff at new customer sign ups
- Greater visibility and availability of our staff in the first eight weeks of their housing contract.

Customer Comms Group in action



Happy, healthy people

We will support our customers and staff to **live more fulfilled lives**.

We will focus on using our resources to **improve their quality of life and wellbeing**, while making the most of opportunities to become a more diverse, accessible organisation.



By the end of this year:



112

Customers referred for employment support



21

Customers gained successful employment because of support



168

Barriers to employment had been overcome

Affordable rent and service charges

We provide a wide range of support to make sure that our customers can afford their rents and are able to pay on time.

At the end of the year, arrears as a percentage of rent due were 2.99% (2024: 3.23%). Arrears levels have remained steady throughout the year, with no significant impact due to the managed migration to Universal Credit for general needs customers as yet. That migration continues.

The cost of living for some of our customers remains a challenge. We made 80 awards from our Hardship Fund totalling £9,721.

Our Money Advice Team had 1,488 referrals this year (2024: 1,396). These were largely complex cases where people needed help with welfare rights, grants and access to foodbanks among other reasons.

Part of the work we do to make sure customers find rent affordable is to support them into employment.



Residents at our Extra Care Housing Scheme Llys Nant y Mynydd taking part in an arts and crafts group.

Wellbeing and mental health services

Our Connect service continues to support residents and the local community to achieve good health and wellbeing. Connect is supported by a small group of incredible volunteers who help us month on month to deliver activities. Volunteering of itself helps the wellbeing of those involved.

Activities included completion of an art mural at Newtown Court, Welsh cake baking, lunch clubs, arts and crafts, Knit n Natter sessions, bingo, pancake breakfasts, karaoke, Tai Chi classes, a Valentine's dinner and dance, and celebrating the 80th anniversary of D-Day.

Keep Wales Tidy continue to support the schemes with funding to develop their gardens. Newtown Court has recently received items worth £2,000 to encourage wildlife development.

During Dementia Action Awareness Week, sessions were held which included playing games from years gone by, reminiscing about places where residents used to go dancing and a quiz on when certain appliances were first introduced into kitchens.

Oak House celebrated its 20th year of opening and supporting homeless people in Cardiff. It was officially opened in 2005 by Edwina Hart AS.

Some of our schemes are designed for residents with complex mental health needs. We were successful in a tender to continue delivering the Bespoke Repatriation Service, commissioned by Aneurin Bevan University Health Board, for a further two years.

BRS supports people with complex mental health and social needs to maintain their own independent housing contracts. For people with complex mental health difficulties, who also experience emotional distress and dysregulation, it can be challenging to leave a ward setting. Historically, it has also been difficult for local services to offer the intensive support needed for people with these health needs to move back into the community, closer to home, from a ward setting, resulting in individuals returning to health care settings.

Attract and retain diverse talented people

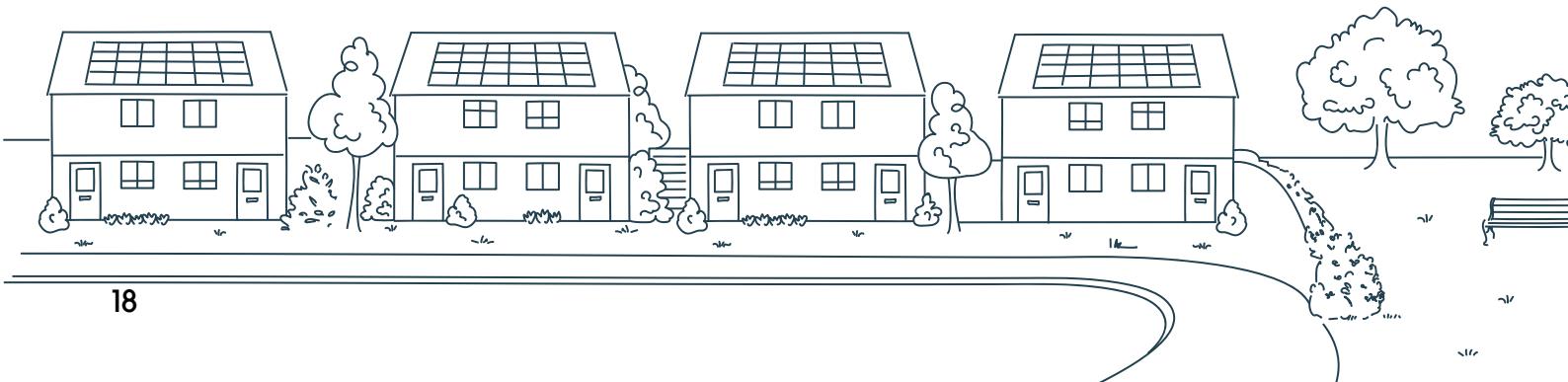
Numbers of employees	2025	2024
Housing, support and communities	163	156
Development, assets and sustainability	33	29
People and corporate services	44	41
Executive and governance	8	7
United Welsh total	248	233
Celtic Horizons	168	164
Celtic Offsite	17	18
Group total	433	415

Our staff turnover for the year was 16% across the Group, 15% for United Welsh (2024: 13%).

During the year, we introduced a health care scheme and established a cohort of Wellbeing Champions across all our teams. Our Seeds to Lead Management Programme also launched. This will provide practical guidance for managers across the Group split over several modules to be delivered over a period of 18 months.

We monitor both gender and minority ethnic pay gaps for both United Welsh and across the Group. These pay gaps measure the difference between median pay for two groups expressed in the table below as a % of the median pay for men and for white people respectively. Based on median hourly pay, ours show that we have a reasonably even distribution of genders across the Group at all salary levels. We have some work to do to bring more people from ethnic minority backgrounds to senior roles.

	United Welsh		Group	
	2024/25	2023/24	2024/25	2023/24
Gender pay gap	7%	9%	-7%	-8%
Minority ethnic pay gap	24%	16%	14%	7%





Staff with representatives from Autistic Minds and Lisa Williams from the Raw and Real Podcast during Neurodiversity Week.

Promote our commitment to equality, diversity and inclusion

As a result of feedback received during Neurodiversity Celebration Week, subsequently discussed by the Staff Forum, an area at Y Borth, our head office, has been designated a Quiet Zone. This enables people who require a calm and silent space in which to work to feel welcome and included.

As a keynote speaker on the 'Best Practice Case Study: Embedding a Menopause Strategy' panel, Rebekah shared our journey towards making United Welsh a more menopause-friendly workplace and the processes we've put in place to support staff experiencing menopause. Rebekah was highly commended in the "Woman of the Year – Housing association/council" category at the Women in Housing Awards in Manchester in June, and was one of only two Welsh finalists at the UK-wide awards.

Throughout the year, we continued to raise awareness of equality, diversity and inclusion matters, including:

- International Day of Disability, talking of our commitment as a Disability Confident Employer
- International Men's Day, focusing on an internal staff event about men's mental health

- International Women's Day, featuring a case study talking about coaching women to pursue leadership roles
- Joining colleagues across the sector at the Pride Cymru event to spread our message that "hate has no home here" and we are LGBTQ+ allies
- Ramadan awareness-raising with a Homeless Accommodation Housing Coordinator
- National Apprentice Week, featuring case studies with our HR Apprentice and Software Engineering Apprentice
- Black History Month, with a blog from an Oak House Support Worker about reclaiming narratives.

We support Get into Housing and Pathway to Board, both schemes providing opportunities for people from ethnic minority backgrounds to work in the housing sector or to become board members.

These form part of the planned actions in our Anti-Racism Action Plan.

People feeling safe and secure in their homes or at work is a top priority for us.



A group of residents at Newton Court painted a mural that represents a theme of welcome.

Make sure people feel safe and secure

Customer satisfaction levels	2024/25	2023/24	WG 2025 median
We provide a home that is safe and secure	85%	88%	84%
Customers agreeing with "I trust my landlord"	74%	70%	59%

	2024/25	2023/24
% of properties requiring a gas certificate that were compliant	99.9%	99.9%
% of properties with a current electrical certificate	100%	99.9%

We have introduced a new process for resolving cases of damp, mould or condensation which includes a follow-up call with the customer to check that the resolution is satisfactory. A case is not considered to be closed until the customer follow-up call confirming resolution has been completed.

- Under the new process 501 cases were raised, of which 324 were closed.
- Of the open cases at the end of the year 12 were awaiting a survey, 51 were awaiting works to be completed and the remaining 114 were awaiting the follow-up customer care call.



The average resolution time for closed damp and mould cases was 96.55 days.





Our Neighbourhood Officers visiting residents at Bryn y Gaer Werdd to talk about the issues that matter to them.

We are in the process of introducing a new monitoring system for Fire Risk Assessments (FRA) and the remedial actions arising from them. We have 322 properties which require a FRA and they all had current assessments with no remedial actions overdue.

In addition we have 357 walk-up flats which we monitor and make sure their fire safety arrangements are satisfactory.

All properties requiring a legionella risk assessment have a current assessment with no overdue remedial actions.

All properties requiring an asbestos reinspection report are in date with no overdue remedial actions.

Of the 72 lifting equipment inspections that are required, 69 were current with no overdue remedial actions.

At work, the devices which are used to provide alerts and summon help by staff who work away from the office and may be vulnerable, have been upgraded and are now in use by all teams who undertake lone-working.

We have also conducted a review of all staff sites, identifying and reducing potential risks to employees' health and safety, ensuring staff have the essential training and equipment they need to work safely.

Redesign how we use customer demographic data

During this year we developed a comprehensive Data Management strategy to review how we collect, store and use data to inform how services are shaped, and better understand our customers. A Data Quality Analyst was appointed to lead in delivering the strategy and has begun work to assess what we currently hold, how we use it and what insight can be gained from it before moving on to support us to improve our data management.



Risks

Our approach to risk management is to manage risk rather than avoid it. We minimise exposure to loss from any activity while maximising the benefit to us and our customers; making best use of our resources.

Our strategic risks are monitored monthly by the Executive Team and are discussed by the Audit & Risk Committee at each of their meetings. The Committee's comments are then presented to the Board. We maintain assurance maps so that the Committee can assess not only the level of the risk, but also the assurances in place to demonstrate that the risk is being managed.

The risks we keep a particular eye on are:

Major Health & Safety failure (property and staff)

Keeping people safe in their homes and as they work is all important. Celtic Horizons carry out all the safety checks, and a sample are independently verified. A new process for managing damp, mould and condensation cases has been established. Specialist surveyors are engaged for initial assessments, and advice as to whether the property is safe to live in. We are implementing a programme of improved reporting and monitoring across all the 'Big 6' compliance areas. A full time Health & Safety Partner role provides advice and support on staff health and safety.

Cyber attack (unauthorised loss of data)

Keeping information about our customers safe is also important. With the increase in scams, phishing, and ransom attacks, our Technology & Transformation team make sure our system security is up to date at all times. We continue to make our infrastructure safer and a specialist in cyber security was appointed during 2024/25. We are working towards implementing ISO 27001.

Bad decisions based on poor data

Having good data and information is critical to good decision-making. We have developed a comprehensive Data Management strategy to review how we collect, store and use data to inform how services are shaped, and better understand our customers. A Data Quality Analyst has been appointed to lead in delivering the strategy. Internal audit reviews regularly include checking the quality of information presented to the Executive and the Board.

Other risks on our strategic risk map are:

- Delays in development delivery
- Poor service delivery
- Partner insolvency or cost-cutting
- Failures in high-risk services, leading to reputational damage
- Contract-holders struggling financially (non-payment of rent)
- Breach of loan conditions
- Adverse economic conditions
- Loss of staff wellbeing and resilience
- Poor planning for repairs service review due in 2028
- Governance failure

Governance report



Governance arrangements

The Board is responsible for directing the affairs of the Group and is committed to ensuring that it provides strategic leadership and promotes sound ethical standards, acting with integrity, in line with our aims and values. It is responsible for the Group's strategy and policy framework, delegating the day-to-day management and implementation of that framework to the Group Chief Executive and other senior executives (the Executive Team).

As part of its responsibilities, the Board is mindful that, in parallel with the duties set out in s172 Companies Act 2006 for company directors, there may be an expectation that the Board fulfils those obligations in conducting the business of the Association. How those obligations are met in our context is described in different sections in the Strategic Report.

The Board requires that good governance principles and practices are adhered to throughout United Welsh. Good governance is about helping to run the Group well. It involves ensuring that clear aims and strategies are developed, and that an effective internal framework of systems and controls is put in place which clearly defines authority and accountability and promotes success whilst permitting the management of risk to appropriate levels. The Board is responsible for ensuring that business is conducted in accordance with the law and applicable standards.

Good governance involves the exercise of judgement as to the definitions of success, the appropriateness of risk and the levels of delegation to the Executive Team and members of staff. The exercise of this judgement is the responsibility of the Board and involves consideration of processes and assumptions as well as outcomes. The Executive Team is required to provide such information to the Board as the Board needs to enable it to exercise its judgement over these matters.

Legal framework

United Welsh Housing Association Ltd is a charitable housing association regulated by the Welsh Government (Reg. no J099) and also registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 (Reg. no. 26623R). Consumer credit activity undertaken by the Association is authorised by the Financial Conduct Authority (Firm ref. 742550).

United Welsh has two wholly owned subsidiaries, Celtic Horizons Ltd and Harmoni Homes Ltd each of which is a company registered under the Companies Acts (Reg. no. 7838396 and 10923446 respectively).

Welsh Government Regulation

The Welsh Government as part of its Regulatory Framework sets out Regulatory Standards that United Welsh is expected to meet. They assess whether governance (including services to contract-holders) and financial viability meet their required standards. The last such assessment by the Regulation Team at Welsh Government was in March 2022 judging United Welsh to be Compliant for Governance and Compliant for Financial Viability, signalled as a Green/Green status, the best we can achieve under the Regulatory Framework. Our self-evaluation against the Regulatory Standards and our Regulatory Improvement Plan are published on our website.

A group of staff at a workshop during the Away Day, discussing agile working at United Welsh.



Governance structure

The Board

The Board of United Welsh may comprise up to twelve members, including any co-opted board members.

New board members agree to serve for a term of three years, with the option to continue for a further two three-year terms. Board members are drawn from a wide background bringing together professional, commercial and local experience. The Board recognises that diversity of membership will lead to improved decision-making. Co-option is also used where specific expertise may be required in addition to that already on the Board and to accommodate orderly succession in board membership. Membership is reviewed every year to ensure the Board contains the range of necessary skills. Those skills include:

- Leadership and working effectively as a team
- Direct knowledge of the needs and aspirations of the communities and people served
- General business, financial and management skills
- Knowledge of the external framework, including financial markets, political imperatives and operating environments in which United Welsh works
- Other relevant and specialist skills such as commercial, financial, investment, risk management, legal, health, social services, property management and housing development
- Effective communication skills and an ability to focus on key issues facing United Welsh, and
- The ability to foster a culture that enhances commitment, enthusiasm and excellent performance from staff.

Currently the Board has twelve members, two of whom are executives, with the remaining ten being non-executives. The Board is 50% female/male, 17% minority ethnic, none have a disability, the average age is 51, 67% are Christian and all identify as heterosexual.

Non-executive board members have a fixed term, which means there is regular turnover of board members. The average tenure of current non-executive board members is 3.7 years.

Non-executive board members are remunerated. Details of the remuneration received are included in the Notes to the financial statements. Executive board member remuneration is determined through benchmarking for their executive role, taking into account the level of responsibility they carry. Levels of non-executive board remuneration are reviewed every three years based on independent advice. Such a review was carried out in 2024, with the conclusion that remuneration levels for 2024/25 be increased.

Governance Codes

In order to ensure that the Group is well governed, the Association applies the Community Housing Cymru Code of Governance and complies with the National Housing Federation Code of Governance in all material respects.

Whilst there are no significant departures from either Code, areas for improvement include, against a context of several recent new appointments, Board members maintaining their relationships, and dynamism. This will be addressed by informal contact prior to regular face to face meetings, and an Awayday which will include a learning session to support members to raise questions and promote healthy debate.

Board meetings and decisions

The Board meets formally eleven times a year. Significant discussions and decisions by the Board in 2024/25 included:

- Entering into contracts in relation to a site at the former Windsor Colliery; this site will provide 152 homes in a mix of tenures and provide opportunities for supporting local regeneration.
- Appointment of two Board members
- Updating the Association's Rules
- Discussions and decisions in relation to the Association's position in respect of the sector-wide EICR issue.
- Detailed briefing on cyber security risks
- Asset Management strategy 2025-30

Board effectiveness

Individual Board members discuss their performance with the Chair on an annual basis and, every three years, with an independent consultant. A tailored training programme is put together where required.

This year each Board member completed a survey which was followed up by individual discussions with the Chair. Comments and feedback were considered by the Remuneration & Governance Committee and actions for improvement were incorporated into the 2025 Governance Improvement Plan.

The Board's review of its own composition concluded that the Board continues to have broadly the appropriate mix of skills, experience and diversity of background to enable it to work effectively in leading United Welsh to deliver the strategy determined for the next five years.

Committees and Subsidiary Boards

The Board is supported by two committees – the Audit & Risk Committee and the Remuneration & Governance Committee. All members of these Committees are drawn from the non-executive board members of United Welsh.

The boards of Celtic Horizons Ltd and Harmoni Homes Ltd consist of five and four Directors respectively, nominated from amongst the United Welsh Board members and members of the Executive Team, with an appropriate mix of non-executive and executive members.

Audit & Risk Committee

The Audit & Risk Committee meets at least three times a year and can comprise up to seven members selected by the Board, of whom at least four must be appointed non-executive Board members. Currently the Committee has five members. Executive board members may not be members of the Committee. The members of the Executive Team attend the meetings of the Committee.

The Committee advises the Board on its responsibilities in relation to financial reporting and considers the appointment of internal and external auditors, the scope of their work and their reports. It also reports to the Board on the effectiveness of the Association's internal control arrangements and scrutinises treasury management and risk management, including work on stress testing and business continuity.

Remuneration & Governance Committee

The Remuneration & Governance Committee meets at least once a year and is comprised of the Chair of the Board and up to four other non-executive Board members selected by the Board. The current Committee has four members. Executive board members may not be members of the Committee.

The Committee advises the Board on the remuneration and form of the Agreement for Services of the non-executive board members, and on the terms and conditions of service of the Executive Team. In discharging the former duty, the Committee is advised by an independent adviser. The Committee also advises the Board on the skills and composition of the Board itself, and on other governance matters.

Management, advisers and corporate information

The Board

Jeremy Brown	Chair since January 2023. Member since 2018. Managing director of a charity that owns and runs care homes.
Emma Tamplin	Chair of the Remuneration & Governance Committee since January 2023. Member since 2016. Member of the Chartered Institute of Personnel and Development. Founder of a social enterprise promoting gender equality.
Bart Geere	Chair of Audit & Risk Committee since July 2023. Member since 2016. Retired Head of Credit Risk.
Joanne Bolton	Member since 2017. Chartered Accountant. Finance Director.
Mary Hopkins	Member since 2021. NHS Digital Health Professional (Deputy Director).
Sue Phelps	Member since 2023. Retired strategic leader in the third sector within health and social care.
Bunmi Ajayi-Obanewa	Member since 2023. Lawyer with experience in taxation, compliance and risk management; currently working in housing.
Mark Harris	Member since 2023. Qualified town planner working as a policy adviser.
Daniel Bowers	Appointed November 2024. Head of Psychology at the University of South Wales.
Leighton Philips	Appointed November 2024. Director of Research, Innovation and Value in the Welsh NHS and an Honorary Professor at Aberystwyth University.
Richard Mann	Co-opted 2018. Group Chief Executive. Member of the Royal Institution of Chartered Surveyors (Building).
Samantha Daniel	Co-opted 2022. Executive Director People & Corporate Services. Fellow of the Association of Chartered Certified Accountants.

Committee Membership

Audit & Risk Committee	Remuneration & Governance Committee
Bart Geere	Emma Tamplin
Joanne Bolton	Bart Geere
Mary Hopkins	Jeremy Brown
Jeremy Brown	Sue Phelps
Bunmi Ajayi-Obanewa	

Subsidiary Company Directors

Celtic Horizons Ltd	Harmoni Homes Ltd
Emma Tamplin	Samantha Daniel
Richard Mann	Julian Pike
Samantha Daniel	Jeremy Brown
Lynn Morgan	Mark Harris
Jeremy Brown	

The Executive Team

Richard Mann	Group Chief Executive (appointed 2021). Previously Group Director Operations at United Welsh, with first appointment to the Executive Team in 2005. Member of the Royal Institution of Chartered Surveyors.
Samantha Daniel	Executive Director People & Corporate Services (appointed 2022). Fellow of the Association of Chartered Certified Accountants.
Lynn Morgan	Executive Director Development, Assets & Sustainability (appointed 2022). Member of the Royal Institution of Chartered Surveyors.
Julian Pike	Executive Director Housing, Support & Communities (appointed 2022). Over 20 years' experience in housing services.

Advisers to the United Welsh Group

Secretary	Nia Roblin, ACA
Registered auditor	Azets Audit Services, Fleet House, New Road, Lancaster, LA1 1EZ.
Bankers	Lloyds Bank plc, 25 Gresham Street, London, EC2V 7HN

The registered office for each Group entity is:
Y Borth, 13 Beddau Way, Caerphilly, CF83 2AX

Board report

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

The Group

The results for the year ended 31 March 2025 of the subsidiaries, Celtic Horizons Ltd and Harmoni Homes Ltd have been consolidated in the Group accounts.

Principal activities

The principal activity of the Association is the provision of affordable quality housing accommodation for those in housing need. As well as managing existing properties the Association is a developer of new affordable housing. The principal activity of Celtic Horizons Ltd is providing associated housing services and manufacturing low carbon homes. The principal activity of Harmoni Homes Ltd is to manage the construction of new affordable housing stock for United Welsh Housing Association.

Board

The Board consists of 2 executive directors and 10 non-executive directors. Each non-executive director holds one fully paid share of £1 in the Association. The executive directors hold no interest in the Association's share capital.

Internal control statement

The Welsh Government requires registered social landlords to report on internal controls in accordance with Housing Association Circular 02/10 – Internal Controls and Reporting. The Board is responsible for the Group's system of internal controls which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information. The Board has reviewed the effectiveness of the system of internal controls and deem them sufficiently robust.

The procedures that have been established to provide effective internal control are:

- Corporate governance arrangements and an organisational structure with clearly defined lines of accountability;
- Written financial procedures with delegated authorities;
- A comprehensive system of financial reporting including annual budgets and monthly management accounts to report actual performance against budget and to highlight variances;

- A risk map maintained and reviewed by the Executive Team, Audit & Risk Committee and Board;
- Audit & Risk Committee reviews of the fraud register at each of its meetings and;
- Monitoring of the internal controls and procedures by both the Association's internal auditor and external auditor.

Internal audit services were obtained under contract with Astari Ltd for the year ended 31 March 2025.

Board's Assessment of Going Concern

The financial statements have been prepared on a going concern basis which the Board consider to be appropriate.

The 30 year business plan was approved in July 2024 by Board. The base plan is stress tested for a number of scenarios. The scenarios test the financial impact of specific risks on the Groups finances and its ability to weather extreme financial challenges.

In addition, the risk areas in relation to the activities of Celtic Offsite are being carefully monitored on an ongoing basis and the subsidiary generated surpluses year ending 31 March 2025.

The Board, after reviewing the group and company budgets for 2025/26 and the group's medium term financial position as detailed in the 30-year business plan is of the opinion that, taking account of severe but plausible downsides, the Group and the Association have adequate resources to continue in business for the foreseeable future. In order to reach this conclusion, the Board have considered:

- Rent and service charge receivable – budget and business plan assumptions in relation to arrears, bad debts and voids are set at prudent levels to allow for the cost of living crisis.
- Maintenance costs – budget and business plan scenarios have been modelled to take account of cost increases.
- The property market – the budget is set using prudent handover assumptions. In addition, the Association is currently in a strong position with £102m of unsecured properties available if property values fall as well as having excess security on its loan portfolio.
- Liquidity – Cash flow forecasts indicate that new funding is required in October 2025. The Association holds an available Revolving Credit Facility (RCF) of £45m which is fully secured and ring-fenced exclusively for liquidity and unforeseen expenditure. This provides liquidity of approximately 18 months in compliance with our Treasury Management Policy. The Association has sufficient liquidity for its development programme and its other activities until April 2027.
- The group's ability to withstand other adverse scenarios such as higher interest rates.

- The ongoing court case in relation to landlords obligations in the Renting Homes (Wales) Act 2016 for which a contingent liability note has been included.

On the basis of its operational review the Board is confident of the Group's ability to adapt and meet the continuing challenges presented by current economic climate. The Board believe the Group and the Association has sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios. The Board's consideration of the risk areas and of the Group's ability to meet its operational and financial obligations into the future enables it to make the assessment that, taking account of severe but plausible downsides, the Group and Association will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Statement of Board's responsibilities in respect of the Board's Report and the financial statements

The Board is responsible for preparing the strategic report, the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and the Association and of the income and expenditure of the Group and the Association for that period.

In preparing each of the Group and the Association financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group's and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Group or the Association or to cease operations or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative

and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

The Board members who held office at the date of approval of this Board report confirm that, so far as they are each aware, there is no relevant audit information of which the Association's auditor is unaware; and each Board member has taken all the steps that he or she ought to have taken as a Board member to make himself or herself aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

By order of the Board

Nia Roblin
Secretary

26 June 2025

Staff listening to a presentation given by Richard Mann, Group CEO, at our Staff Away Day in November 2024.



Financial review

for the year ended 31 March 2025

The Group made a total surplus of £4.4m (2024 - £4.6m) for the year to 31 March 2025. Turnover increased by 9.2% to £53.5m (2024 - £49.0m) and operating costs in the same period rose by 12.3% to £41.1m (2024 - £36.6m). Interest and financing costs decreased by 2.0% to £9.7m (2024 - £9.9m).

Group revenue

	2025	2024
	£'000	£'000
Social lettings	38,841	35,232
Service charges	5,694	4,945
Amortised grant	2,954	2,680
Revenue grant	2,021	1,972
Other social housing activities	-	264
Other activities	3,973	3,893
Total turnover	53,483	48,986

Group operating costs

	2025	2024
	£'000	£'000
Management costs	12,313	10,776
Service costs	4,266	4,037
Depreciation	9,457	8,236
Development administration	783	392
Day to day maintenance	11,105	9,619
Other social housing activities	-	264
Other activities	3,162	3,284
Total operating costs	41,086	36,608

The increase in social lettings reflects an average annual increase in rents of 6.7% plus additional rent of £1,248k from new properties handed over during the year.

Asset management

The partnership contract between Celtic Horizons Ltd, United Welsh and Mears plc provides the asset management service to the Group. The Group invested £11.4m on major repairs to existing properties (2024 - £8.9m) and spent £11.1m (2024 - £9.6m) on day to day maintenance and cyclical repairs.

Development of new homes

Details of the Group's properties are set out in note 12 of the financial statements. During the year the Group spent £49.0m (2024 - £54.7m) on acquisition and development of social housing and received grant totaling £49.6m (2024 - £32.3m). The grant received includes S106 subsidy of £2.5m (2024 - £3.5m) to support this expenditure. At the end of the year the Group's capital commitments in respect of contracted new developments amounted to £28.8m (2024 - £37.6m), which will be funded by a combination of public subsidy and private finance.

At the end of the year the Group has 6,872 properties in management as set out in note 12c to the financial statements.

Capital structure

Tangible fixed assets are financed by Social Housing Grant (SHG) and other grants, private finance and reserves.

Treasury and funding

The Treasury strategy is presented to Board annually and, in-depth treasury performance reviews are presented half yearly. Compliance with loan covenants is reported to Board quarterly.

At the end of the year the Group had cash balances of £48.2m (2024 - £44.0m). The average monthly cash balance held during the year was £23.9m (excluding funds held to finance the Tai Ffres project).

Loans at the end of the year totalled £246.1m (2024 - £243.2m).

In March 2025 United Welsh received a £10m 20 year RSL development loan from Welsh Government at a rate of 3% to fund De-carbonisation and provide additional affordable housing.

Free cash flow statement

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Net cash generated from operating activities	20,704	20,952	18,106	16,727
Interest paid	(10,911)	(10,911)	(8,848)	(8,848)
Interest received	1,485	1,395	2,143	2,060
Adjustments for reinvestment in existing properties:				
Component replacements	(11,431)	(11,467)	(8,921)	(8,959)
Purchase of other replacement fixed assets	(5,625)	(5,618)	(2,334)	(2,328)
Grant received for component replacements	885	885	3,136	3,136
Free cash generated before loan repayments	(4,893)	(4,764)	3,282	1,788
Loans repaid	(4,516)	(4,516)	(6,330)	(6,330)
Free cash generated after loan repayments	(9,409)	(9,280)	(3,048)	(4,542)

Group Financial Summary

	2025	2024	2023
	£'000	£'000	£'000
Statement of Comprehensive Income			
Turnover	53,483	48,986	45,853
Operating surplus	12,397	12,378	12,289
Surplus for the year	4,380	4,596	3,887
Statement of Financial Position			
Property, plant and equipment	695,201	638,747	581,070
Investment properties	295	420	445
Investments	15,200	15,368	15,392
Net current assets	46,824	44,896	57,774
Other creditors due after more than one year	(275,881)	(267,527)	(256,078)
Defined Benefit Pension Liability	(2,352)	(3,394)	(3,274)
Social Housing Grant and other grants	(417,857)	(371,827)	(342,483)
Share capital and reserves	61,430	56,683	52,846

Group Financial Performance Indicators

	2025	2024	2023
	£'000	£'000	£'000
Operating surplus as % of turnover*	23%	25%	28%
Surplus as % of turnover	8%	9%	8%
Rental income loss from empty properties	1.5%	1.5%	1.4%
EBITDA** as % debt	3%	4%	4%
Net capital expenditure as % of turnover	124%	135%	101%
Gearing	27%	29%	30%
Interest cover	213%	216%	193%
Net additional properties	123	216	121

*Operating surplus as % of turnover excluding Shared Ownership sales.

**Earnings before interest, tax, depreciation and amortisation.

Reserves statement

General reserves represent the Group's investment in housing properties that are not funded by grant and loans. The adequacy of the Group's general reserves is determined by the Group's long-term financial forecasts and are benchmarked against other similar sized housing associations.

Reserves are used:

- To maintain a buffer against risk;
- To meet future liabilities, out of past and present income streams, e.g. major repairs;
- To satisfy the financial covenants of lenders;
- To financially support the quality of customer services at times of increasing pressures on revenue expenditure, e.g. during high levels of price inflation;
- To financially support the Group's development programme; and
- To fund interest and repayment of financing not covered by surpluses or refinancing.

The Group has general reserves at the year-end of £61.4m (2024 – £56.7m) which represents an increase of 8.3% on the previous year. Included in reserves is £693k relating to interest earned on the Tai Ffres loan. This is to be spent to purchase properties for the Tai Ffres scheme only in accordance with the agreement.

Financial Statements



Independent auditor's report to the members of united welsh housing association limited

Opinion

We have audited the financial statements of United Welsh Housing Association Limited (the 'parent association') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the group statement of comprehensive income, the group statement of changes to reserves, the parent association statement of comprehensive income, the parent association statement of changes to reserves, the group statement of financial position, the parent association statement of financial position, the group statement of cash flows and notes to the group statement of cash flows, the parent association statement of cash flows and notes to the parent association statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP), the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent association's affairs as at 31 March 2025 and of the income and expenditure of the group and the parent association for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting 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 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 members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The board members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

With respect to the Board's statement on internal controls, in our opinion the Board has provided the disclosures required by the Welsh Government Circular RSL 02/10 and the 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 the Board members' responsibilities, the board members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the board members are responsible for assessing the group's and parent 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 members either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the association through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to the members 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.

Susanna Cassey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Date: 24 July 2025

Chartered Accountants
Statutory Auditor Fleet House
New Road
Lancaster
United Kingdom

Statements of comprehensive income for the year ended 31 March 2025

Notes	2025		2024		
	Group £'000	Association £'000	Group £'000	Association £'000	
Turnover	3	53,483	50,837	48,986	46,185
Operating costs	3	(41,086)	(38,408)	(36,608)	(33,941)
Operating surplus		12,397	12,429	12,378	12,244
Gain on disposal of property, plant and equipment		351	351	70	70
Interest receivable	10a	1,485	1,395	2,143	2,060
Interest and financing costs	10b	(9,725)	(9,725)	(9,909)	(9,909)
Movement in fair value of investment properties	13	(125)	(125)	(25)	(25)
Gift aid from subsidiary		-	396	-	24
Surplus before tax		4,383	4,721	4,657	4,464
Tax on surplus	11	(3)	-	(61)	-
Surplus for the year		4,380	4,721	4,596	4,464
Other Comprehensive Income					
Actuarial gain/(loss) in respect of defined benefit pension scheme	30	367	367	(759)	(759)
Total comprehensive income for the year		4,747	5,088	3,837	3,705

The notes on pages 49 to 81 form part of these financial statements.

The financial statements were approved by the Board on 26 June 2025 and signed on its behalf by:

J Brown
Chair

J Bolton
Board member

N Roblin
Company Secretary

Statements of changes in reserves for the year ended 31 March 2025

Notes	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Balance at beginning of year	56,683	56,911	52,846	53,206
Surplus from Statement of Comprehensive Income	4,747	5,088	3,837	3,705
Balance at end of year	61,430	61,999	56,683	56,911

Total reserves are solely comprised of the comprehensive income reserve for both the Association and Group.

The notes on pages 49 to 81 form part of these financial statements.

The financial statements were approved by the Board on 26 June 2025 and signed on its behalf by:

J Brown
Chair

J Bolton
Board member

N Roblin
Company Secretary

Statements of financial position as at 31 March 2025

Notes	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Fixed assets				
Housing properties	12a	670,454	671,092	618,533
Other property, plant and equipment	12b	24,747	22,416	20,214
Investment properties	13	295	295	420
		695,496	693,803	639,167
Investments: Homebuy and LCHO loans receivable	14	13,284	13,284	13,430
Investments: Other	15	1,916	1,916	1,938
		15,200	15,200	15,368
Current assets				
Stock	16	1,385	10	1,270
Debtors	17	23,438	27,348	18,147
Cash and cash equivalents		48,176	44,585	44,045
		72,999	71,943	63,462
Creditors: amounts falling due within one year	18	(26,175)	(24,950)	(18,566)
Net current assets		46,824	46,993	44,896
Total assets less current liabilities		757,520	755,996	699,431
Creditors: amounts falling due after more than one year	19	(693,738)	(691,645)	(639,354)
Provisions for liabilities and charges	11	-	-	-
Defined benefit pension liability	30	(2,352)	(2,352)	(3,394)
Net assets		61,430	61,999	56,683
Capital and reserves				
Share capital	24	-	-	-
Reserves	31	61,430	61,999	56,683
		61,430	61,999	56,683
				56,911

The notes on pages 49 to 81 form part of these financial statements.

The financial statements were approved by the Board on 26 June 2025 and signed on its behalf by:

J Brown
Chair

J Bolton
Board member

N Roblin
Company Secretary

Company registration number: 26623R.

Statements of cash flows for the year ended 31 March 2025

Notes	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Cashflow from operating activities				
Surplus for the year	4,380	4,721	4,596	4,464
Adjustment for non-cash items:				
Depreciation	9,533	9,271	8,127	7,848
Amortisation of grant	(2,979)	(2,979)	(2,705)	(2,705)
Decrease in fair value of investment properties	125	125	25	25
Decrease/(increase) in debtors	35	18	295	(361)
Increase in creditors	2,614	2,492	538	340
(Increase)/decrease in stock	(218)	-	197	-
Difference between pension costs charged in operating surplus and pension cashflows	(675)	(675)	(663)	(663)
Profit on disposal of fixed assets	(351)	(351)	(70)	(70)
Interest payable	9,725	9,725	9,909	9,909
Interest receivable	(1,485)	(1,395)	(2,143)	(2,060)
Cash inflow from operations	20,704	20,952	18,106	16,727
Cashflows from investing activities				
Finance income received	1,485	1,395	2,143	2,060
Proceeds from sale of property, plant and equipment	351	351	70	70
Purchase of property, plant and equipment	(50,977)	(50,973)	(58,887)	(58,398)
Component replacements to existing properties	(11,431)	(11,467)	(8,921)	(8,959)
Purchaser's equity in properties held for sale	103	103	441	441
Government grants received	41,536	41,536	28,188	28,188
Net acquisition of financial asset investments	345	345	115	115
Net cash outflow from investing activities	(18,588)	(18,710)	(36,851)	(36,483)
Net cash inflow/(outflow)before financing activities	2,116	2,242	(18,745)	(19,756)
Cashflows from financing activities				
Finance costs paid	(10,911)	(10,911)	(8,848)	(8,848)
Other government funding	9,942	9,942	14,951	14,951
New loans	7,500	7,500	-	-
Repayment of borrowings	(4,516)	(4,516)	(6,330)	(6,330)
Net cash inflow (outflow) from financing activities	2,015	2,015	(227)	(227)
Net increase/(decrease) in cash and cash equivalents	4,131	4,257	(18,972)	(19,983)
Cash and cash equivalents at the beginning of the year	44,045	40,328	63,017	60,311
Cash and cash equivalents at the end of the year	21	48,176	44,585	44,045
				40,328

The notes on pages 49 to 81 form part of these financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2025

1. Legal status

The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is a Registered Social Landlord. The Association has adopted charitable rules. The Association's wholly owned subsidiaries, Celtic Horizons Ltd and Harmoni Homes Ltd are registered under the Companies Act 2006.

2. Principal accounting policies and key estimates and judgements

Basis of accounting

These financial statements have been prepared in accordance with applicable Accounting Standards, specifically Financial Reporting Standard 102 (FRS102) in the United Kingdom and the Statement of Recommended (Accounting) Practice for Registered Social Housing Providers 2018 (SORP 2018) and comply with the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. The Group meets the definition of a Public Benefit Entity under FRS102. These financial statements have been prepared on the historical cost basis, except for the modification to a fair value basis for investment properties and certain financial assets as specified in the accounting policies below. Other than the Statement of Cash Flows, these financial statements have been prepared on the accruals basis. Accounting policies are consistently applied from one financial year to another. The financial statements are prepared in Sterling, which is the functional currency of the Company. Monetary amounts in the financial statements are rounded to the nearest whole £'000, except where specifically stated that another rounding is used.

Basis of consolidation

The consolidated accounts include the financial statements of United Welsh Housing Association Ltd and its subsidiaries, Celtic Horizons Ltd and Harmoni Homes Ltd made up to the 31 March 2025. The purchase method of accounting has been adopted. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies used into line with those used by the Group.

Going concern

The Group and Association continues to adopt the going concern basis in preparing its financial statements which the Board considers appropriate.

The 30 year business plan was approved in July 2024 by Board. The base plan is stress tested for a number of scenarios. The scenarios test the financial impact of specific risks on the Groups finances and its ability to weather extreme financial challenges.

In addition, the risk areas in relation to the activities of Celtic Offsite are being carefully monitored on an ongoing basis and the subsidiary generated surpluses year ending 31 March 2025.

The Board, after reviewing the group and company budgets for 2025/26 and the group's medium term financial position as detailed in the 30-year business plan is of the opinion that, taking account of severe but plausible downsides, the Group and the Association have adequate resources to continue in business for the foreseeable future.

The Board believe the Group and the Association has sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios. The Board's consideration of the risk areas and of the Group's ability to meet its operational and financial obligations into the future enables it to make the assessment that, taking account of severe but plausible downsides, the Group and Association will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The parent company, United Welsh Housing Association will provide ongoing support to Celtic Horizons Ltd and Harmoni Homes Ltd for the foreseeable future.

Turnover

Turnover represents rental and service charge income, sundry housing services and government grants receivable. Revenue for rent and service charges receivable is recognised in line with the letting period, net of losses from voids, from the point at which properties become available for letting. Service charge income and costs are recognised in the period that they relate. For variable service charges in the instance where there is a difference between what has been collected and spent we will set up the appropriate debtor/creditor as any over/under will be adjusted for in the following year.

Rent and service charge losses from bad debts are included within operating costs. Social Housing Grant (SHG) is amortised over the expected useful life of the property. Feed-in tariff income receivable is recognised at the point the supply is provided.

Turnover from the sale of timber frames is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred as a proportion of total costs for each project. Where the outcome cannot

be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered. Costs calculated on long-term projects are recognised by reference to the stage of completion of the project at the Statement of Financial Position date. Profits on projects are recognised when the Company is satisfied that the outcome of the project can be assessed with reasonable certainty. When it is probable that total project costs will exceed turnover, the expected total loss is recognised as an expense immediately. The amount due from customers for project work billed in the year is shown within trade debtors; amounts recognised as income but not yet billed is shown within accrued income. Where customers have been invoiced amounts in excess of the amount recognised as income, the excess is shown within deferred income.

Interest payable and receivable

Interest costs directly attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets. Interest costs are capitalised when the following occur:

- i) Purchase of land or start on site commences
- ii) The cost of the asset exceeds the grant received
- iii) Capitalisation ceases on practical completion of the site

All other interest costs are recognised in the Statement of Comprehensive Income in the period to which they relate.

Interest receivable is credited to the Statement of Comprehensive Income and interest payable is debited to the Statement of Comprehensive Income.

Property, plant & equipment

Housing and other buildings (and their components) held for social benefit are shown at historical cost, less accumulated depreciation. Directly attributable costs, such as land costs, contractor payments and architects' fees are capitalised at cost. Directly attributable management expenses are allocated to the costs of schemes under construction to the extent that they represent incremental costs. The costs of improvement to existing housing properties are included if the improvements increase rental income, reduce future maintenance costs or significantly extend the life of the property. Where this is the case the full cost of each of the components is capitalised. When schemes are purchased requiring refurbishment, the costs of these refurbishments are fully capitalised.

Gains or losses on disposal of property is recognised in the Statement of Comprehensive Income at the date a sale becomes certain. The profit or loss arising on disposal is the difference between the sale price, SHG income previously recognised within income, and the total of depreciated cost together with any associated costs of disposal such as legal and valuation fees.

Other fixed assets are held at historical cost, less accumulated depreciation.

Freehold land and assets in the course of construction are not depreciated.

Depreciation

The Group charges depreciation over the expected useful economic lives of assets on a straight line basis (unless indicated otherwise) as follows:

Freehold properties	Lives
(a) Residential buildings:	
New build structure	150 years from date of construction
Rehabilitated properties structure	120 years from date of rehabilitation
(b) Non-residential buildings:	
Office buildings	60 years from date of construction
Other non-residential buildings	120 years from date of construction
Leasehold buildings	50 years from the commencement of the lease or over the length of the lease (whichever is shorter)
Individual components	
Kitchens	16 years
Bathrooms	26 years
Heating systems	30 years
Boilers	15 years
Windows	30 years
Doors	15 to 20 years
Roofs	70 years
Other	15 to 30 years
Photovoltaic panels	25 years
Other fixed assets	
Motor vehicles	25% reducing balance
Fixtures, furniture and equipment	3 - 20 years
Computer equipment and software	3 - 6 years
Tools and machinery	3 - 10 years

Social Housing Grant, Housing Finance Grant and other capital grants

All government grants initially appear as creditors in the Statement of Financial Position at the fair value of the sum receivable. Grants are amortised on a straight line basis over the life of the asset whose purchase they support, unless they are received in respect of the provision of properties under the Homebuy or LCHO schemes, in which case grants are only taken to the Statement of Comprehensive Income at the point the loan is redeemed.

Social Housing Grant (SHG) and Housing Finance Grant (HFG) are receivable from the Welsh Government. SHG is received in full when a property is developed or acquired. HFG is received over a 30-year period with interest receivable from the Welsh Government, on the total capital value of the grant, over that period. Where land or buildings are acquired at below market value the carrying value reflects the fair value of the asset received, with the subsidy implicit in the arrangement deemed as grant and added to the grant creditor (note 22).

SHG and HFG are repayable in the event of a related property being sold and the grant not being re-utilised within three years (notes 23).

Grant received in respect of revenue costs, or from a non-Government source, is credited to the Statement of Comprehensive Income in the period in which those costs are incurred.

Homebuy, S106 and other LCHO loans receivable

The loan to the purchaser of a property purchased under the Homebuy initiative or Low Cost Home Ownership (LCHO) scheme is treated as a fixed asset investment.

The Group retains equity shares ranging between 22% and 50% in homes purchased under the Homebuy and LCHO schemes. The investment in Homebuy and LCHO is held on the Statement of Financial Position at cost (the initial value of the Association's equity share). On sale of the property the Association will receive a proportion of the sale proceeds equal to the Association's (percentage) equity share in the property. Grant received on Homebuy and LCHO schemes is recyclable on sale of these properties.

Where a property has been acquired by the Group at below market value (e.g. through a section 106 agreement), the difference between cost and market value at the point of purchase is deemed as grant.

Stock

For low cost home ownership (LCHO) properties, stock represents the value of the prospective purchaser's equity share in completed properties and the costs incurred to date of properties under construction.

For properties currently held for open market sale, stock represents the cost of properties.

For timber frames stocks are valued at the lower of cost and net realisable value. The cost of raw materials is determined on a first in first out basis.

Stock of housing properties that are under construction via a design and build contract are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and direct labour costs that have been incurred.

Impairment of properties

Where it is recognised that there is a permanent diminution in value of any property, the full reduction in value is written off through operating costs to the Statement of Comprehensive Income in the year in which the diminution is recognised.

Investment properties

Properties held for the purpose of generating revenue or capital appreciation are classified as investment properties and held at fair value, with changes in fair value taken directly to the Statement of Comprehensive Income as a gain or loss.

Other Investments

The Group's interest in UK Treasury bonds is held at amortised cost.

Investment in subsidiary

These are the financial statements of the Group and the Association only. Separate financial statements are produced for the subsidiaries Celtic Horizons Ltd and Harmoni Homes Ltd. Investment in these subsidiaries is carried at cost less impairment.

Debtors

Debtors are recognised initially at transaction price less attributable transaction costs.

Creditors

Creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost less, in the case of rent debtors, any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments, discounted at a market rate for a similar debt instrument.

Loans

Loans are held at their initial value received and held in the statement of financial position. Celtic Offsite received an interest free loan from the Welsh Government. In accordance with FRS 102 sub section 34 this has been accounted for as a public benefit entity concessionary loan.

Gift Aid

Profits from subsidiaries are gift aided to United Welsh Housing Association and paid within 9 months of the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Leases and similar hire purchase agreements

Where the Group leases property, plant or equipment (either as lessee or lessor) and there is a transfer of substantially all of the risks and rewards of ownership, the lease is classified as a finance lease. All other leases are classified as operating leases. Leased assets are held by the lessor at an amount equal to the lower of their fair value and the present value of the minimum lease payments, with an equivalent finance lease liability recognised. The Group recognises lease income and costs relating to operating leases in the statement of comprehensive income on a straight-line basis over the term of the lease, subject to any adjustment for lease incentives or onerous lease contracts.

Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. After initial recognition, financial assets and liabilities are measured at amortised cost. A financial asset is de-recognised when the contractual rights expire. A financial liability is de-recognised when the contractual obligation is extinguished.

Housing and other loans classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost using the effective interest method, less any impairment losses.

Employee benefits

Short term employee benefits (including holiday pay) and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Pensions

From the 1st April 2022 all staff have been transferred from the Social Housing Defined Benefit CARE 80th Scheme, to the Defined Contribution scheme, managed by The Pensions Trust. New employees are also eligible to join the Defined Contribution scheme.

The Group's share of assets and liabilities in respect of the Social Housing Pension Scheme are assessed by the scheme actuary as at each reporting date, based upon key assumptions including discount rates, mortality rates, inflation, future salary costs and future pension costs. See note 30, for details. Changes in the Group's net asset or net liability in respect of its obligations to scheme members pass through Other Comprehensive Income and have an impact on the Group's financial reserves.

Corporation tax

The Association is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Celtic Horizons Ltd and Harmoni Homes Ltd are subject to Corporation Tax. The Corporation Tax disclosures are included in note 11.

Value added tax

The Association charges Value Added Tax (VAT) on some services and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Association and not recoverable from HM Revenue and Customs. VAT payable or recoverable at the year end is included as a current liability or asset as appropriate.

Celtic Horizons Ltd and Harmoni Homes Ltd are subject to VAT.

Deferred tax

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of such timing differences which have arisen but not reversed by the date of Statement of Financial Position, except as otherwise required by Section 29 of FRS102.

Related Party transactions

See note 8 for details of related party transactions. In accordance with paragraph 33.1A of FRS102, transactions between the Group's wholly owned subsidiaries, Celtic Horizons Ltd, Harmoni Homes Ltd and other members of the Group have not been separately disclosed in these financial statements.

Impairment

The carrying values of the Associations' property assets is reviewed annually in line with Paragraph 27.9 of FRS102 and the SOPR 2018.

Critical judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for income and expenditure during the year. The Group based its estimates and assumptions on parameters available at the time the financial statements were prepared.

Impairment of non-financial assets

Social housing properties are sensitive to potential changes in value in use which may lead to impairment. The Association carries out an annual impairment review, assessing the Useful Economic Lives of properties and their future value to the Association, taking into account: the current level of demand for properties, the level of void losses, projected discounted cash flows and the ongoing investment in property maintenance and improvement.

Fair value of investment properties

The fair values of investment properties are sensitive to changes in market conditions, therefore the Group's investment properties are valued annually by an independent valuer and the carrying value amended, when necessary, to reflect current values.

Defined Benefit Pension Liability

The Group's share of the Social Housing (Defined Benefit) Pension Scheme fund deficit is shown on the Statement of Financial Position. The assumptions used to determine the liability have been considered and no amendments have been made as they were deemed appropriate. The SHPS accounting disclosures and assumptions have been shown in full (note 30).

Timber frames stages of completion

The stage of completion is calculated by comparing costs incurred as a proportion of total costs for each project. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

3. Turnover, operating costs and operating surplus

Group	2025			2024		
	Turnover £'000	Operating costs £'000	Operating surplus £'000	Turnover £'000	Operating costs £'000	Operating surplus £'000
	(note 4)	(note 5)				
Social housing						
Social housing lettings	49,510	(37,924)	11,586	44,829	(33,060)	11,769
Other social housing activities						
First tranche shared ownership sales	-	-	-	264	(264)	-
Total from social housing	49,510	(37,924)	11,586	45,093	(33,324)	11,769
Non social housing activities						
Lettings	409	(210)	199	412	(69)	343
Other activities	3,564	(2,952)	612	3,481	(3,215)	266
Total	53,483	(41,086)	12,397	48,986	(36,608)	12,378

3. Turnover, operating costs and operating surplus (continued)

Association	2025			2024		
	Turnover £'000	Operating costs £'000	Operating surplus £'000	Turnover £'000	Operating costs £'000	Operating surplus £'000
	(note 4)	(note 5)				
Social housing						
Social housing lettings	49,510	(37,703)	11,807	44,829	(33,273)	11,556
Other social housing activities						
First tranche shared ownership sales	-	-	-	264	(264)	-
Total from social housing	49,510	(37,703)	11,807	45,093	(33,537)	11,556
Non social housing activities						
Lettings	409	(210)	199	412	(69)	343
Other activities	918	(495)	423	680	(335)	345
Total	50,837	(38,408)	12,429	46,185	(33,941)	12,244

4. Group and Association – income from social housing lettings

Turnover	2025			2024	
	General needs housing £'000	Supported housing £'000	Total £'000	Total £'000	
Rents receivable net of voids	33,297	5,544	38,841	35,232	
Service charge income	4,427	1,267	5,694	4,945	
Amortisation of Social Housing Grant & other grants	2,385	569	2,954	2,680	
Grant receivable	183	1,838	2,021	1,972	
Turnover from social housing lettings	40,292	9,218	49,510	44,829	
Rent losses from voids (memorandum note)	(418)	(252)	(670)	(618)	

5. Group and Association – expenditure on social housing lettings

Group			2025	2024
	General needs housing £'000	Supported housing £'000	Total £'000	Total £'000
Management costs	8,674	3,535	12,209	10,803
Service charge costs	3,798	468	4,266	4,037
Development administration	707	76	783	392
Depreciation	7,786	1,671	9,457	8,236
Rent losses from bad debts	114	(10)	104	(27)
Day to day maintenance & cyclical repairs	8,801	2,304	11,105	9,619
Operating costs on social housing lettings	29,880	8,044	37,924	33,060
Operating surplus on social housing lettings	10,412	1,174	11,586	11,769

Association			2025	2024
	General needs housing £'000	Supported housing £'000	Total £'000	Total £'000
Management costs	8,674	3,535	12,209	10,800
Service costs	3,798	468	4,266	4,037
Development administration	402	76	478	500
Depreciation	7,786	1,671	9,457	8,236
Rent losses from bad debts	114	(10)	104	(27)
Day to day maintenance & cyclical repairs	8,885	2,304	11,189	9,727
Operating costs on social housing lettings	29,659	8,044	37,703	33,273
Operating surplus on social housing lettings	10,633	1,174	11,807	11,556

During the year the Group capitalised £11.4m of major repairs expenditure (2024 - £8.9m).

6. Auditor's remuneration

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Audit of financial statements	60	45	58	43
Tax advisory fees	–	–	12	12
	60	45	70	55

7. Group and Association – key management personnel

The remuneration paid to the senior executives was:	2025	2024
	£'000	£'000
Emoluments (including pension contributions and benefits in kind)	556	470
Emoluments (excluding pension contributions) paid to the highest paid senior employee	139	104

Total remuneration of £62k was paid to non-employee members of the Board during the year (2024 - £46k). The Chair of the Board is paid £10k, other Chairs £6k and Board members £5k.

The emoluments of non-employee Board members and senior employees, including pension contributions, were in the following ranges:

	2025	2024
	No.	No.
£1 - £50,000	11	9
£50,001 - £60,000	-	-
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	3
£120,001 - £130,000	2	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-

The Group Chief Executive is an ordinary member of the pension scheme and no special terms apply. The contribution for the year in respect of the Group Chief Executive's pension fund amounted to £30k (2024 - £29k).

8. Interests and related party transactions

The Association entered into transactions with The Pensions Trust (TPT) in respect of the pensions schemes offered to employees. Details of such transactions are included in Note 30.

The Association provides administrative support to Celtic Horizons Ltd and Harmoni Homes Ltd. The costs for this service is apportioned based on staff time. The Association also provides development services to Harmoni Homes Ltd, this is recharged based on the development programme.

The Association provides on-lending to Celtic Horizons Ltd and Harmoni Homes Ltd.

The Association leases PV panels to Celtic Horizons Ltd.

Harmoni Homes Ltd recharged costs of £15.2m reflecting a 2% mark up on costs for construction of social housing which is included in note 12a housing properties (2024 - £10.9m). Profits are Gift aided to United Welsh Housing Association Ltd.

Celtic Horizons Ltd recharged the Association £6.4m for provision of labour associated with the delivery of the responsive, cyclical and planned maintenance service reflecting a mark up on costs of 2.5% (2024 - £6.0m). Costs of £3.7m are included in day to day maintenance and cyclical repairs, £0.9m included in service costs, £0.3m management costs (note 5) and £1.5m housing properties (note 12a).

There were no tenant Board members during the year.

9. Employees and employee costs

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Wages and salaries	14,991	8,885	13,572	7,812
Social security costs	1,527	905	1,356	773
Pension costs - Defined benefit	17	17	16	16
Pension costs - Defined contribution	1,315	1,149	1,132	967
	17,850	10,956	16,076	9,568

During the year Celtic Horizons Ltd continued to provide the labour associated with the delivery of the responsive, cyclical and planned maintenance service to United Welsh in partnership with Mears.

	2025		2024	
	Group No.	Association No.	Group No.	Association No.
The average monthly number of staff (full time equivalent) during the year	419	234	395	215
The actual number of staff at end of year	433	248	413	233

10a. Interest receivable

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Interest received from deposits and gilts	1,485	1,395	2,143	2060
	1,485	1,395	2,143	2060

10b. Group and Association - interest payable and similar charges

	2025	2024
	£'000	£'000
On loans repayable by instalments	4,745	4,922
On loans repayable other than by instalments	5,016	4,936
Imputed interest from effective interest rate	258	262
HFG Finance cost contribution	(202)	(207)
Capitalised interest	(239)	(145)
Finance charge in respect of the defined benefit pension scheme	147	141
	9,725	9,909

Capitalised interest has been capitalised under an average rate of 3.125% (2024: 2.445%)

11. Corporation tax

As referred to in the accounting policy note 2, the Association is not subject to corporation tax. The group tax charge is set out below:

	2025	2024
	Group £'000	Group £'000
a) Analysis of the tax charge		
Current tax - UK Corporation tax on profit	-	-
Deferred tax - Deferred tax charge / (credit)	3	61
Total tax	3	61

	2025	2024		
	Provided £'000	Group Unprovided £'000	Provided £'000	Group Unprovided £'000
b) Deferred tax				
Provided and unprovided deferred tax comprises the following:				
Losses	-	-	-	-
Fixed asset timing differences	(1)	-	(4)	-
Other short term timing differences	-	-	-	-
	(1)	-	(4)	-

	2025	2024
	Group £'000	Group £'000
Reconciliation of effective tax rate		
Surplus before taxation	4,383	4,657
Effects of:		
Tax using the UK corporation tax rate of 25% (2024: 25%)	(1,180)	(1,174)
Non-taxable surpluses (due to charitable status)	1,081	1,110
Non-deductible expenses	(3)	(3)
Tax exempt income	-	-
Tax rate changes	-	-
Gift aid relief	99	6
Total tax	(3)	(61)

12a. Housing properties

Group	Social housing properties held for letting £'000	Housing properties in the course of construction £'000	Total social housing properties £'000
Cost or valuation			
At beginning of year	636,686	52,536	689,222
Transferred on completion	56,923	(56,923)	-
Additions during the year	11,431	49,022	60,453
Disposals during the year	(91)	-	(91)
Components replaced	(1,820)	-	(1,820)
At end of year	703,129	44,635	747,764
Depreciation			
At beginning of year	70,689	-	70,689
Charge for the year	8,467	-	8,467
Disposals during the year	(26)	-	(26)
Components replaced	(1,820)	-	(1,820)
At end of year	77,310	-	77,310
Net book value			
At end of year	625,819	44,635	670,454
At beginning of year	565,997	52,536	618,533

12a. Housing properties (continued)

Association	Social housing properties held for letting £'000	Housing properties in the course of construction £'000	Total social housing properties £'000
Cost or valuation			
At beginning of year	636,983	52,536	689,519
Transferred on completion	56,923	(56,923)	-
Additions during the year	11,467	49,327	60,794
Disposals during the year	(91)	-	(91)
Components replaced	(1,820)	-	(1,820)
At end of year	703,462	44,940	748,402
Depreciation			
At beginning of year	70,689	-	70,689
Charge for the year	8,467	-	8,467
Disposals during the year	(26)	-	(26)
Components replaced	(1,820)	-	(1,820)
At end of year	77,310	-	77,310
Net book value			
At end of year	626,152	44,940	671,092
At beginning of year	566,294	52,536	618,830

Land and buildings includes land with a carrying value of £143m (2024 - £127m). The additions under housing properties held for letting comprise improvements to existing properties of £12m (2024 - £9m), £11.5m components and a further £0.5m classified as scheme equipment in note 12b.

12b. Other property, plant and equipment

Group	Non-housing properties £'000	Scheme equipment £'000	Photovoltaic panels £'000	Plant & machinery, vehicles & office equipment £'000	Total £'000
Cost or valuation					
At beginning of year	11,321	9,261	5,983	3,623	30,188
Additions during the year	-	1,493	3,977	369	5,839
Disposals during the year	-	(63)	-	(32)	(95)
Components replaced	-	(80)	-	(39)	(119)
At end of year	11,321	10,611	9,960	3,921	35,813
Depreciation					
At beginning of year	2,249	3,390	2,140	2,195	9,974
Charge for the year	118	535	285	354	1,292
Disposals during the year	-	(56)	-	(31)	(87)
Components replaced	-	(74)	-	(39)	(113)
At end of year	2,367	3,795	2,425	2,479	11,066
Net book value					
At end of year	8,954	6,816	7,535	1,442	24,747
At beginning of year	9,072	5,871	3,843	1,428	20,214

12b. Other property, plant and equipment (continued)

Association	Non-housing properties £'000	Scheme equipment £'000	Photovoltaic panels £'000	Plant & machinery, vehicles & office equipment £'000	Total £'000
Cost or valuation					
At beginning of year	11,321	9,261	1,730	2,966	25,278
Additions during the year	-	1,493	3,977	362	5,832
Disposals during the year	-	(63)	-	(32)	(95)
Components replaced	-	(80)	-	(39)	(119)
At end of year	11,321	10,611	5,707	3,257	30,896
Depreciation					
At beginning of year	2,249	3,389	63	1,949	7,650
Charge for the year	118	535	115	262	1,030
Disposals during the year	-	(56)	-	(31)	(87)
Components replaced	-	(74)	-	(39)	(113)
At end of year	2,367	3,794	178	2,141	8,480
Net book value					
At end of year	8,954	6,817	5,529	1,116	22,416
At beginning of year	9,072	5,872	1,667	1,017	17,628

12c. Housing and other properties

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Properties NBV:				
Freehold	672,120	672,758	620,875	621,172
Long leasehold	4,831	4,831	4,170	4,170
Short leasehold	2,457	2,457	2,560	2,560
	679,408	680,046	627,605	627,902
Represented by:				
Social housing properties (note 12a)	670,454	671,092	618,533	618,830
Non-housing properties (note 12b)	8,954	8,954	9,072	9,072
	679,408	680,046	627,605	627,902

	2025		2024	
	NO.	No.	NO.	No.
Properties owned and managed				
General needs housing properties in management		5,508		5,347
Supported housing bed spaces - agency managed		919		917
Supported housing bed spaces - directly managed		69		93
Homebuy/LCHO/Shared Ownership		288		297
Other properties		88		95
		6,872		6,749

Fixed charges have been granted on the Association's housing properties to secure SHG.

13. Group and Association – investment properties

	2025		2024	
	£'000	£'000	£'000	£'000
At beginning of year		420		445
Movement in fair value		(125)		(25)
At end of year		295		420

The existing freehold investment properties, comprising one office and one shop, were valued by Savills, an independent valuer, with a recognised and relevant professional qualification in March 2025. The basis of the valuation was market value.

14. Group and Association – Investments: Homebuy and LCHO loans receivable

	2025		
	Homebuy £'000	LCHO £'000	Total £'000
At beginning of year	1,194	12,236	13,430
Additions during the year	-	169	169
Disposals during the year	(151)	(164)	(315)
Transferred during the year	-	-	-
At end of year	1,043	12,241	13,284

Homebuy and other LCHO loans receivable represent the initial value of the Association's remaining equity share in properties funded under the Homebuy initiative and other equity share Low Cost Home Ownership (LCHO) Schemes.

	2024		
	Homebuy £'000	LCHO £'000	Total £'000
At beginning of year	1,212	12,220	13,432
Additions during the year	-	211	211
Disposals during the year	(18)	(143)	(161)
Transferred during the year	-	(52)	(52)
At end of year	1,194	12,236	13,284

15. Group and Association – Investments: other

	2025	2024
	Total £'000	Total £'000
Gilt	1,916	1,938

This represents the Group and Association's investment in UK Government Bonds (4.5% 2042 issue) with a nominal value of £1,466,400. The Gilt is a basic financial instrument held at amortised cost.

The Association owns 100% of the ordinary share capital of Celtic Horizons Ltd and Harmoni Homes Ltd, companies incorporated in the United Kingdom. The principal activity of Celtic Horizons Ltd is associated housing activities and the principal activity of Harmoni Homes Ltd is property development. The cost of the Association's investment in each entity is £1.

16. Stock

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
LCHO held for sale	10	10	113	113
Work in progress	1,276	-	1,118	-
Raw Materials	99	-	39	-
	1,385	10	1,270	113

17. Debtors

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Arrears of tenant rent and service charges	1,454	1,454	1,496	1,496
Provision for bad and doubtful debts	(1,054)	(1,054)	(1,056)	(1,056)
	400	400	440	440
Other rental debtors	399	399	468	468
Other debtors and prepayments	9,376	8,560	3,778	3,338
Housing Finance Grant	11,622	11,622	11,969	11,969
Interest reserve fund cash deposit	1,641	1,641	1,492	1,492
Intercompany account	-	1,292	-	740
Intercompany loan	-	697	-	697
Finance lease contracts	-	2,737	-	2,896
	23,438	27,348	18,147	22,040
Amounts falling due after one year included above:				
Housing Finance Grant	11,259	11,259	11,622	11,622
Finance lease contracts	-	2,568	-	2,737
Intercompany loan	-	697	-	697
	11,259	14,524	11,622	15,056

Housing Finance Grant is paid by the Welsh Government as a contribution towards the costs of housing assets. The grant is payable over a period of 30 years. Housing Finance Grant of £363k (2024 - £347k) is due within one year and £11,259k (2024 - £11,622k) is due in over one year.

At the end of the year the Association had invested £4.3m in photovoltaic panels for the purpose of letting under lease contracts. Fees during the year from lease contracts amounted to £181k (2024 - £190k). The investment in lease contracts in the Association includes £2.7m (2024 - £2.9m) of which £169k (2024 - £159k) is due within one year and £2.57m (2024 - £2.74m) is receivable in over one year. These assets are leased to the Association's subsidiary Celtic Horizons Ltd.

18. Creditors: amounts falling due within one year

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Maintenance and other supplies	2,147	1,566	2,130	1,663
Capital expenditure on housing properties	4,445	3,921	2,885	2,059
Housing loans (note 20)	11,588	11,588	4,211	4,211
Social Housing Grant and other grants (note 22)	3,270	3,270	2,955	2,955
Accruals and deferred income	3,129	3,129	3,200	3,200
Prepayments of rents and service charges	1,255	1,255	718	718
Recycled Capital Grant fund (note 23)	-	-	2,155	2,155
Tax and social security	341	221	312	200
	26,175	24,950	18,566	17,161

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

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Housing loans (note 20)	231,598	231,598	235,734	235,734
Social Housing Grant and other grants (note 22)	417,857	417,857	371,827	371,827
Other government funding	34,518	32,425	24,098	22,005
Recycled Capital Grant fund (note 23)	2,628	2,628	153	153
Other long term creditor	700	700	739	739
Deferred creditor	6,437	6,437	6,803	6,803
	693,738	691,645	639,354	637,261

Housing loans are held at amortised cost and are secured by fixed charges on housing properties.

Other government funding includes £15m interest free loans from Welsh Government for the Tai Ffres project. In addition, in March 2024 United Welsh HA was successfully awarded a 30 year £5m loan from Welsh Government to fund Decarbonisation and provide additional affordable housing and a further 20 year £10m loan in March 2025 at an interest rate of 3%.

Celtic Horizons Ltd received an interest free loan from Welsh Government for the purpose of setting up an offsite timber manufacturing company. In accordance with FRS102 sub section 34 this has been accounted for as a public benefit entity concessionary loan. The terms of the loan state that it is interest free, repayable on 1 April 2036 and that any surpluses from the factory operations will fund decarbonisation on retrofit of the existing affordable housing stock of United Welsh Housing Association. The value of the loan is £2.093m and was received in full.

20. Group and Association – Housing loans

	2025	2024
	£'000	£'000
Loans repayable by instalments fall due as follows:		
In five years or more	104,549	109,477
Between two and five years	14,535	22,838
Between one and two years	13,217	4,373
	132,301	136,688
In one year or less	4,339	4,468
	136,640	141,156
Loans repayable other than by instalments fall due as follows:		
In five years or more	95,000	102,000
Between two and five years	7,000	-
Between one and two years	-	-
	102,000	102,000
In one year or less	7,500	-
	109,500	102,000
Total housing loans	246,140	243,156
Amortised costs due within one year	(251)	(257)
Amortised costs due after one year	(2,703)	(2,954)
Total net loans	243,186	239,945

The interest rates are between 1.96% and 11.21% for fixed rate loans and between 0.60% and 1.50% (plus SONIA / Base Rate) for variable rate loans.

21. Analysis of changes in net debt

Group	At 1st April 2024 £'000	Cash flows £'000	At 31st March 2025 £'000
Cash and cash equivalents	44,045	4,131	48,176
Housing loans due within one year	4,211	7,377	11,588
Housing loans due after more than one year	235,734	(4,136)	231,598
	283,990	7,372	291,362
Association	At 1st April 2024 £'000	Cash flows £'000	At 31st March 2025 £'000
Cash and cash equivalents	40,328	4,257	44,585
Housing loans due within one year	4,211	7,377	11,588
Housing loans due after more than one year	235,734	(4,136)	231,598
	280,273	7,498	287,771

22. Group and Association – Social Housing Grant and other grants

	2025	2024
	£'000	£'000
At beginning of year	374,782	345,018
Grant amortised during the year	(2,985)	(2,706)
Amortisation credit written back on disposal	6	1
Grant receivable	49,644	32,280
Grant transferred to Recycled Grant Fund (Note 23)	(320)	189
At end of year	421,127	374,782
Amount due within one year (Note 18)	3,270	2,955
Amount due after one year (Note 19)	417,857	371,827
At end of year	421,127	374,782

23. Group and Association – Recycled Capital Grant Fund

	2025	2024
	£'000	£'000
At beginning of year	2,308	2,497
Grant recycled in the year (Note 22)	320	(189)
At end of year	2,628	2,308
Amount due for repayment to Welsh Government within one year (Note 18)	-	2,155
Amount due for repayment to Welsh Government after one year (Note 19)	2,628	153

24. Group and Association – Share capital

	2025	2024
	£	£
Shares of £1 each fully paid:		
At beginning of year	22	19
Issued during the year for cash	2	3
Cancelled during the year	(2)	-
At end of year	22	22

Shareholders have no equity interest in the Association. There are voting rights attached to the shares. The shares carry no rights to dividend payments or distribution on winding up and there is no provision for redemption. Shares cancelled are written back to reserves.

25. Obligations under leases

Finance Lease Agreements with the Association as Lessor

The Association leases solar PV generators to its subsidiary Celtic Horizons Ltd under a finance lease. Future minimum rentals under non-cancellable finance leases are as follows:

	2025	2024
	£'000	£'000
Within one year	169	159
Between two and five years	785	740
Over five years	1,783	1,997
	2,737	2,896

Operating Lease Agreements with the Association as Lessor

The Association leases its housing stock under various forms of occupational contract, all of which allow the contract holder to terminate the agreement on 28 days notice. Additionally, the Association leases some non-housing properties to third parties for uses that benefit the local community and some retail and office properties under standard commercial leases. The operating leases have remaining terms of between 1 and 21 years. Future minimum rentals receivable under operating leases are as follows:

	2025	2024
	£'000	£'000
Within one year	4,018	3,750
Between two and five years	1,347	1,300
Over five years	5,243	5,727
	10,608	10,777

26. Group and Association – Capital commitments

	2025		2024	
	Group £'000	Association £'000	Group £'000	Association £'000
Contracted less certified	28,775	7,953	37,642	15,982
Authorised by the Board but not contracted	256,040	27,504	246,972	51,019
	284,815	35,457	284,614	67,001

The capital commitments will be funded by a combination of SHG, other grants and private finance.

27. Group and Association – Contingent liabilities

In March 2024, many RSLs across the Welsh Housing Sector, including UW Group, became aware that the current drafting of the Renting Homes (Wales) Act 2016 (“the Act”) and the Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (as amended) (“the Regulations”) was resulting in different interpretations of legal obligations for landlords. On identification of this issue, immediate steps were taken to ensure compliance with legal obligations as we are currently able to understand them. Following legal advice, a number of Registered Social Landlords issued proceedings in the High Court to seek a series of declarations as to the correct meaning and interpretation of the potential obligations. Following an initial High Court judgement last year, hearing dates have now been confirmed for 29-31 July to hear the counterclaims. A judgement will follow later in the year.¹ 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.

28. Post balance sheet events

There were no events requiring reporting between the balance sheet date and the date on which these financial statements were approved.

29. Group information

United Welsh Housing Association is the ultimate parent of both Celtic Horizons Ltd and Harmoni Homes Ltd, holding 100% of the ordinary share capital of both entities. All entities are incorporated in Great Britain and registered in England and Wales. Celtic Horizons Ltd principal activity is the provision of associated housing services and Harmoni Homes Ltd principal activity is property development.

30. Group and Association – Pension costs

The Group participates in the Social Housing Pension Scheme (the Scheme), a multi employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a define benefit scheme in the UK. From the 1st April 2022 all staff have been transferred to the Defined Contribution scheme managed by The Pensions Trust. There are no current service costs and the scheme is closed to future accrual.

The Group's share of assets and liabilities in respect of the defined benefit Social Housing Pension Scheme (The Scheme) are assessed by the scheme actuary as at each reporting date, based upon key assumptions including discount rates, mortality rates, inflation, future salary costs and future pension costs. Changes in the Group's net asset or net liability in respect of its obligations to scheme members pass through Other Comprehensive Income and have an impact on the Group's financial reserves.

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

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

Under the plan, the required deficit contribution from the Group is £755k in 2025/26. These payments will increase by 2% each year. Payments under the recovery plan are due until 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

30. Group and Association – Pension costs (continued)

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before late 2025 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. Of which, £825k is attributable to the Group. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Social Housing Pension Scheme

Fair Value Of Plan Assets, Present Value Of Defined Benefit Obligation, And Defined Benefit Asset (Liability)	31 March 2025 £'000	31 March 2024 £'000
Fair value of plan assets	14,067	14,192
Present value of defined benefit obligation	16,419	17,586
Surplus (deficit) in plan	(2,352)	(3,394)
Defined benefit asset (liability) to be recognised	(2,352)	(3,394)
Net defined benefit asset (liability) to be recognised	(2,352)	(3,394)

Reconciliation Of Opening And Closing Balances Of The Defined Benefit Obligation	Period ended 31 March 2025 £'000	Period ended 31 March 2024 £'000
Defined benefit obligation at start of period	17,586	17,684
Current service cost	-	-
Expenses	17	16
Interest expense	850	847
Member contributions	-	-
Actuarial losses (gains)	(1,471)	(334)
Benefits paid and expenses	(563)	(627)
Defined benefit obligation at end of period	16,419	17,586

30. Group and Association – Pension costs (continued)

Reconciliation Of Opening And Closing Balances Of The Fair Value Of Plan Assets	Period ended 31 March 2025 £'000	Period ended 31 March 2024 £'000
Fair value of plan assets at start of period	14,192	14,410
Interest income	703	706
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(1,104)	(1,093)
Deficit contributions by the employer	822	780
Expenses	17	16
Contributions by plan participants	-	-
Benefits paid and expenses	(563)	(627)
Fair value of plan assets at end of period	14,067	14,192

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £334,000.

Defined Benefit Costs Recognised In Statement Of Comprehensive Income (SoCI)	Period from 31 March 2024 to 31 March 2025 £'000	Period from 31 March 2023 to 31 March 2024 £'000
Current service cost contributions	-	-
Expenses	17	16
Net interest expense	147	141
Defined benefit costs recognised in statement of comprehensive income (SoCI)	164	157

Defined Benefit Costs Recognised In Other Comprehensive Income	Period ended 31 March 2025 £'000	Period ended 31 March 2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(1,104)	(1,093)
Gains and losses arising on the plan liabilities – gain (loss)	1,471	334
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain (loss)	367	(759)
Total amount recognised in other comprehensive income – gain (loss)	367	(759)

30. Group and Association – Pension costs (continued)

Assets	31 March 2025 £'000	31 March 2024 £'000
Global Equity	1,576	1,415
Absolute Return	-	555
Distressed Opportunities	-	500
Credit Relative Value	-	465
Alternative Risk Premia	-	450
Liquid Alternatives	2,608	-
Emerging Markets Debt	-	183
Risk Sharing	-	830
Insurance-Linked Securities	43	74
Property	705	570
Infrastructure	2	1,434
Private Equity	12	11
Real Assets	1,684	-
Private Debt	-	559
Opportunistic Illiquid Credit	-	555
Private Credit	1,722	-
Credit	538	-
Investment Grade Credit	433	-
High Yield	-	2
Cash	191	280
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	4	91
Secure Income	235	423
Liability Driven Investment	4,260	5,776
Currency Hedging	23	(6)
Net Current Assets	31	25
Total assets	14,067	14,192

None of the fair values 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.

30. Group and Association – Pension costs (continued)

Key assumptions	31 March 2025 % per annum	31 March 2024 % per annum
Discount Rate	5.85%	4.91%
Inflation (RPI)	3.09%	3.14%
Inflation (CPI)	2.79%	2.78%
Salary Growth	3.79%	3.78%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 years	
	31 March 2025	31 March 2024
Male retiring in 2025	20.5	20.5
Female retiring in 2025	23.0	23.0
Male retiring in 2045	21.7	21.8
Female retiring in 2045	24.5	24.4

31. Reserves

Of the £61.43m reserves at the year end date (2024 - £56.68m), £693k relates to interest earned on the Tai Ffres loan (2024 - £381k). This portion of reserves are restricted, and in accordance with the agreement, it can only be spent to purchase properties for the Tai Ffres scheme only.

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We are able to provide information in other formats including large print, audio or an alternative language. If you have any comments on the format or content of this report that could help us improve it for next year please contact Nia Roblin, Company Secretary.