

Registered number: IP16264R

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

MOUNT GREEN HOUSING ASSOCIATION LIMITED

COMPANY INFORMATION

Board members	Martin Large David Hunter (resigned 30 September 2024) Verena Buchanan Greg Falvey John Skivington Becky Slaymaker Agnieska Stobinska Kelvan Swinnerton Juliana Crowe
Company secretary	Anne Harling
Community Benefit Society Number	IP16264R
Regulator of Social Housing Number	L0042
Registered office	Suite C, Lancaster House Grange Business Park Enderby Road Leicester LE8 6EP
Independent auditors	Beever and Struthers 150 Minories London EC3N 1LS
Bankers	Barclays Bank Level 27 1 Churchill Place London E14 5HP
Principal Solicitors	Trowers and Hamlins London EC1Y 8YZ

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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## **MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025**

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#### **Introduction**

The Board presents its report and audited financial statements for Mount Green Housing Association Limited (the 'Association') for the year ended 31 March 2025.

#### **Nature of the business and principal activities**

Mount Green Housing Association Limited is a Registered Society under the Cooperative and Community Benefit Societies Act 2014, with charitable status, and a Registered Provider with the Regulator of Social Housing (RSH). Its parent is Stonewater Limited (the 'Group' or 'Stonewater').

Mount Green's principal activities include:

- provision of a range of accommodation which includes family housing, homes for people with disabilities, older persons housing and housing for key and essential workers;
- letting of housing for rent to people who are unable to rent or buy at open market rates;
- property management services to leaseholders;
- development of new homes over the full range of tenures to alleviate housing need in Surrey;
- development of low-cost home ownership products for people of low to moderate incomes who are able to buy a share of the equity in their home.

We currently have 1,709 properties that we own or manage, mainly within Surrey and North Sussex.

#### **Business review**

The turnover of £14.5 million is £0.4 million lower than last year due to a decrease in 1st tranches sales proceeds of £1.1 million, offset by a rent increase of 7.7% for the majority of tenures. The Association made an operating surplus of £3.4 million, and had a total comprehensive loss of £0.7 million.

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## MOUNT GREEN HOUSING ASSOCIATION LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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#### Chair's Statement

This year has been another especially challenging one for customers, colleagues, and for the entire sector, because of the ongoing cost-of-living crisis and the tough operating environment. Although the rate of inflation has eased, interest rates remain high and there are many competing demands on the business.

Mount Green has also seen change this year: its partnership with Stonewater becoming effective at the beginning of February 2024. I believe this partnership will be positive for customers and colleagues. I would like to thank everyone for their continued focus on delivering a good service to Mount Green customers. I would also like to thank David Hunter, the previous knowledgeable and experienced Chair for his leadership of the Mount Green Board.

There have also been other changes at the Board, and again I would like to thank all of the directors who have either left or joined the board for all their hard work.

We are looking forward to the phased expansion of the internal repairs service, formerly provided by Greenoak, and the growth of our housing management services, both of which we believe will ultimately lead to a better service for all Mount Green.

The last year has seen many legislative changes in the sector, making it more important than ever to foster an effective governance process and guide the association's strategic direction. We are well prepared for this and despite the continuing economic uncertainty and insecurity overseas, as part of the Stonewater Group we will be able to continue to put customers first.

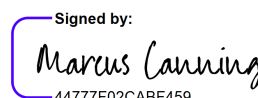
We are well prepared for the passage of the Social Housing Act and publishing our Tenancy Satisfaction Measures, which will help us better understand what we are doing right and what needs improvement.

I am looking forward to continuing to work with the senior leadership to develop our services to Stonewater's Surrey and Sussex based properties.

Signed by:  
  
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**Martin Large**  
Chair

#### Report of Management

At the beginning of February 2024 Mount Green became a subsidiary of Stonewater Housing Association. This has been an opportunity for both associations to learn from each other. One of the aims of the partnership is to provide an opportunity for a Surrey based subsidiary to provide a 'local' service to Mount Green, former Greenoak and Stonewater customers. Plans to expand the former Greenoak internal maintenance service to provide maintenance to these properties are well under way, with a successful launch event for the maintenance team taking place in June, which I was pleased to attend.

Signed by:  
  
44777F02CABF459...  
**Marcus Canning**  
Director of Mount Green

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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**RISKS AND UNCERTAINTIES**

The Stonewater Group risk register is monitored by the Stonewater Group Risk and Assurance Committee, which provides assurance to the parent board. Mount Green are in the process of adopting Stonewater's policies. The Board is responsible for reviewing Mount Green's risks and, if appropriate, escalating material risks to the Group Risk and Assurance Committee. Mount Green's top operational risks are:

1. Inability to manage expenditure
2. Poor service delivery of our local model, which is a key aspect of the Stonewater partnership arrangement
3. Reputational damage
4. Mount Green's leaders do not have the capacity and/or capability to deliver the corporate plan and/or the supporting team does not have the capacity and/or capability to undertake the full range of responsibilities delegated to them
5. Data or security breach as a result of insufficient cyber security measures
6. Failure to expand the delivery of the Direct Labour Organisation (DLO) as agreed

Mount Green risks are managed within the overarching Stonewater Group risk appetite. The board reviews compliance with the risk appetite at each meeting and confirms to the parent board whether or not Mount Green's operations are in line with this. If they move outside the risk appetite, corrective actions are put in place.

**GOVERNANCE**

The Board has overall responsibility for the strategic oversight and management of Mount Green. Day-to-day performance management is delegated to the Director. The Board approves the strategy, ensures effective management of resources and risk, oversees performance and the achievement of the strategic goals, and ensures effective governance and external reporting. The Board has adopted the 2020 National Housing Federation (NHF) Code of Governance and was fully compliant with it at 31 March 2025 and post year end. The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

Mount Green's principal accounting policies are set out in Note 2 of the financial statements. The financial statements comply with the Statement of Recommended Practice for Social Housing Providers (SORP) 2018 and FRS102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland).

**EQUALITY, DIVERSITY AND INCLUSION (ED&I)**

Equality, Diversity and inclusion is integral to Mount Green's Corporate Plan, our mission statement of 'Everyone Matters' and through one of the values – 'Fair'. Combining these and the objectives that sit underneath, it is how we will proactively work on ED&I internally with our team and externally with our residents.

As of April 2025, we have adopted Stonewater's values and strategic plan aligning with the strong Group commitment to ED&I and utilising the framework and resources in place at a group level.

ED&I is also a main principle of good governance running through the National Housing Federations (NHF) Code of Governance, the newly launched NHF Code of Conduct as well as the Regulator of Social Housing's (RSH) Regulatory Standards.

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## MOUNT GREEN HOUSING ASSOCIATION LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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#### VALUE FOR MONEY

Our definition of Value for Money (VfM) is using our finite resources to maximum effect to get the optimum outcomes for customers. Our key aim is to get the right balance between quality and cost and get the most out of our assets and employees by operating efficiently and effectively.

Adding Social Value (SV) is another key part of our offering to customers. We define SV as 'making a positive difference to the lives of our residents and the wider communities in which they live and the general economy'. This is enshrined in our vision of being an excellent landlord. As a business with social objectives, we reinvest surpluses in new homes and improving properties and services.

The Value for Money regulatory framework requires us to publish our results against seven specific measures. The regulation allows for us to decide what our target should be and to benchmark appropriately. The results for Mount Green are in the following table:

Measure	2024/25	2023/24	2022/23	2021/22	MG Target	Global Accounts Median 2023/24
Reinvestment %	5.6%	4.0%	5.8%	3.2%	2.4%	7.7%
New supply delivered % (social)	0.0%	2.5%	2.8%	0.5%	0.5%	1.4%
New supply delivered % (non-social)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gearing %	63.9%	79.2%	61.4%	59.8%	52.0%	45.6%
EBITDA MRI interest cover %	(77.1)%	64.8%	86.3%	90.5%	120.0%	122.0%
Social housing cost pu (£)	£10,162	£6,373	£5,724	£5,110	£5,867	£5,136
Operating margin % (social)	10.3%	25.7%	30.3%	30.8%	35.0%	20.4%
Operating margin % (overall)	15.3%	29.0%	29.7%	28.6%	33.0%	18.5%
Return of capital employed	2.6%	4.6%	3.8%	4.4%	4.0%	2.8%

**Reinvestment and new supply** - This demonstrates the extent to which we are investing our own money in new supply and works to our existing properties and is one of our key strategic objectives.

**Gearing** – This measures the proportion of borrowing in relation to our asset base. Our strategy in recent years has been to borrow to fund our ambitious growth which has led to our gearing ratio being high.

**Social Housing cost per unit (cpu)** – Our cost per unit has increased largely due to increased compliance and our decision to invest more upfront on compliance. Increased costs on

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## MOUNT GREEN HOUSING ASSOCIATION LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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materials, energy and labour, and the bringing forward of fire safety works, have all led to the deterioration in this cost per unit measure.

**Operating margin** –This demonstrates the profitability of our operating activities. Increasing operating margins are one way to improve the financial efficiency of a business, although as we have social objectives too, this is not always a straightforward measure. This metric excludes the surplus on the disposal of housing assets.

**Return on capital employed** - This shows how well we are using both capital and debt to generate a financial return. This measure has decreased from prior years, reflecting our decreased operating surplus.

### FINANCIAL PERFORMANCE

For 2024/25 we are reporting a net deficit of £0.7m against a turnover of £14.5m. The following table shows the results over the past 5 years.

Summarised financial performance	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Turnover	14,500	14,884	13,756	11,856	12,937
Operating surplus	3,364	5,699	4,582	5,083	3,745
Net interest	(4,113)	(4,820)	(3,734)	(3,740)	(3,773)
Net surplus/(deficit) before tax	(749)	879	848	1,343	(28)
Operating surplus %	23.2%	38.3%	33.3%	42.9%	28.9%
Net (deficit)/surplus before tax %	(5.2%)	5.9%	6.2%	11.3%	(0.2%)
Total fixed assets (housing stock at cost)	150,800	143,594	139,966	132,585	129,896
Total reserves	24,211	24,881	24,157	23,457	22,316

Overall surpluses in the year and reserves are also impacted by the value of the Social Housing Pension Scheme (SHPS). As at 31 March 2025 we are now recognising a liability of £0.45m (2024: £0.66m). This recognition in the movement of a pension liability has the potential to impact the total comprehensive income and expenditure in future years as the liability we recognise is determined partly by how well the pension funds' assets are invested and macro-economic factors. Mount Green has minimised the liability for future years as the final salary pension scheme has been closed to new entrants for a number of years.

Mount Green's accumulated reserves amounted to £24.2m (2024: £24.9m).

As a result of joining the Stonewater group, there is an intercompany loan facility from Stonewater Limited. The total loan facility from Stonewater Limited is for £71.5m and consists of two tranches. The first is an interest free tranche of £11.5m which is undrawn and available for Mount Green to use for investment in existing properties. The second tranche, for £60.0m, is charged at an interest rate of SONIA plus a margin of 1.0%.



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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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The facility expires in March 2031. At 31 March 2025, £9.7m of this tranche was drawn (2024: £37.4m).

In January 2025, Stonewater Funding PLC reallocated part of the 2042 bonds which had been onlent to Stonewater Limited, to Mount Green Housing Association. The terms of the reallocated debt are the same as the terms of the original onlending to Stonewater Limited so that Stonewater Funding continues to receive sufficient interest to pay the investors who hold the bond. £30.0m of nominal debt (and the associated bond premiums) were onlent to Mount Green at a fixed interest rate of 5.034%.

**Going concern**

The Board has reviewed the Association's five-year strategic plan and 30-year financial projections. This review included stress testing and analysis of potential impact on covenants. The Board is fully satisfied that the Association has adequate resources to continue trading for the foreseeable future and therefore continues to adopt the going concern basis in preparing the Association's financial statements.

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## **MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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### **CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2025**

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The Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

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

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

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

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Financial statements are published on the association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the association's website is the responsibility of the Board members. The Board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

#### **Disclosure of information to auditors**

The Board members who held office at the date of approval of this report confirm that in fulfilling their duties as a Board member they have taken the steps they ought to have taken to make themselves aware of any information relevant to the audit and the auditors are aware of that information. So far as they are aware there is no relevant audit information which they have not made the auditors aware of.

#### **Post balance sheet events**

There were no post balance sheet events.

#### **Auditors**

Beever and Struthers LLP were re-appointed as Mount Green Housing Association Limited's external auditors for 2024/25 on 22 September 2024 by the Board.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**CHAIRMANS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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

Signed by:  
  
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**Martin Large**  
Chair

Date: 05 August 2025

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

**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's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Other information**

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

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

We have nothing to report in this regard.

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## MOUNT GREEN HOUSING ASSOCIATION LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT GREEN HOUSING ASSOCIATION LIMITED

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#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of the Board**

As explained more fully in the Statement of Responsibilities of the Board set out on page 7, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Extent to which the Audit was Considered Capable of Detecting Irregularities, Including Fraud**

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

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

- We obtained an understanding of laws and regulations that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

**Use of our report**

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



Beever and Struthers  
Chartered Accountants  
Statutory Auditor

150 Minories  
London  
EC3N 1LS

Date: 07 August 2025

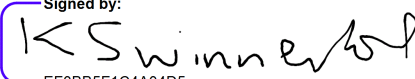
MOUNT GREEN HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	2024 £000
Turnover	3	14,500	14,884
Cost of sales	3	(248)	(912)
Operating costs	3,4	(12,037)	(9,660)
Surplus on disposal of fixed assets	3,10	1,149	1,387
<b>Operating surplus</b>		<b>3,364</b>	<b>5,699</b>
Interest receivable and similar income	11	12	11
Interest payable and financing costs	12	(4,125)	(4,831)
<b>(Deficit)/surplus for the year</b>		<b>(749)</b>	<b>879</b>
Actuarial (loss)/gain in respect of pension schemes	24	79	(155)
<b>Total comprehensive (loss)/income for the year</b>		<b>(670)</b>	<b>724</b>

The notes on pages 16 to 50 form part of these financial statements.

Signed by:  
  
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**Martin Large**  
Chair

Signed by:  
  
EF0BB5F1C4A04D5...  
**Kelvan Swinnerton**  
Board Member

Signed by:  
  
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**Anne Harling**  
Company Secretary

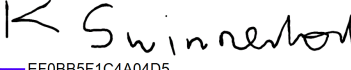
**MOUNT GREEN HOUSING ASSOCIATION LIMITED**  
**REGISTERED NUMBER:IP16264R**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**

	Note	2025 £000	2025 £000	Restated 2024 £000	Restated 2024 £000
<b>Fixed assets</b>					
Housing Properties	14		128,761		123,862
Other fixed assets	15		2,008		2,393
			<u>130,769</u>		<u>126,255</u>
<b>Current assets</b>					
Stocks	16	-		42	
Debtors	17	812		1,399	
Current asset investments	25	262		248	
Cash at bank and in hand	25	1,778		3,245	
			<u>2,852</u>	<u>4,934</u>	
Creditors: amounts falling due within one year	18	(3,708)		(5,446)	
			<u>(856)</u>		<u>(512)</u>
<b>Net current liabilities</b>					
			<u>(856)</u>		<u>(512)</u>
<b>Total assets less current liabilities</b>			<u>129,913</u>		<u>125,743</u>
Creditors: amounts falling due after more than one year	19	(104,553)		(100,206)	
			<u>(104,553)</u>		<u>(100,206)</u>
<b>Provisions for liabilities</b>					
Other provisions	23	(700)		-	
Pension liability	24	(449)		(656)	
			<u>(1,149)</u>		<u>(656)</u>
<b>Net assets</b>			<u>24,211</u>		<u>24,881</u>
<b>Capital and reserves</b>					
Profit and loss account			24,211		24,881
			<u>24,211</u>		<u>24,881</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 05 August 2025

Signed by:  
  
1E2D91C0F38743E...  
**Martin Large**  
Chair

Signed by:  
  
EF0BB5F1C4A04D5...  
**Kelvan Swinnerton**  
Board Member

Signed by:  
  
0EFEAF2629D247A...  
**Anne Harling**  
Company Secretary

The notes on pages 16 to 50 form part of these financial statements.



MOUNT GREEN HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 MARCH 2025

	Income and expenditure reserve	Total reserves
	£000	£000
At 1 April 2024	24,881	24,881
<b>Comprehensive income for the year</b>		
Loss for the year	(749)	(749)
Actuarial gains in respect of pension scheme	79	79
<b>Total comprehensive loss for the year</b>	(670)	(670)
<b>At 31 March 2025</b>	<u>24,211</u>	<u>24,211</u>

The notes on pages 16 to 50 form part of these financial statements.

MOUNT GREEN HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 MARCH 2024

	Income and expenditure reserve	Total reserves
	£000	£000
At 1 April 2023	24,157	24,157
<b>Comprehensive income for the year</b>		
Profit for the year	879	879
Actuarial losses in respect of pension scheme	(155)	(155)
<b>Total comprehensive income for the year</b>	724	724
<b>At 31 March 2024</b>	24,881	24,881

The notes on pages 16 to 50 form part of these financial statements.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**1. Legal status**

Mount Green is incorporated in the United Kingdom and is registered under the Co-operative and Community Benefit Societies Act 2014 and with the Regulator of Social Housing as a Registered Provider. Its registered office is Suite C Lancaster House, Grange Business Park, Enderby Road, Whetstone, LE8 6EP. The principal activities and operating base are set out in the Report of the Board. On 31st January 2024 Mount Green became a subsidiary of Stonewater Limited.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements of Mount Green are prepared in accordance with applicable accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Statement of Recommended Practice for registered social housing providers, Housing SORP 2018.

In accordance with FRS 102 Mount Green is a public benefit entity that has applied “PBE” prefixed paragraphs.

The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The accounts are prepared on the historical cost basis of accounting and are presented in sterling (£'000's), unless otherwise stated

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

The financial statements are presented in Sterling (£'000) except where specifically stated otherwise.

In preparing these financial statements, advantage has been taken of the following disclosure exemptions available to subsidiary undertaking in FRS 102:

- No cash flow statement has been presented.
- Disclosures in respect of the Association's financial instruments have not been presented.
- Disclosure in respect of the related party transactions with intra group companies.

The information is included in the consolidated financial statements of Stonewater Limited as at 31 March 2025 and these financial statements may be obtained from Stonewater's registered address as disclosed on the Company Information page.

**2.2 Going concern**

Mount Green continuously reviews its exposure to risks related to operations, with the factors likely to affect its future performance and financial position. The adopted stress testing framework within our 30-year business plan will make our assessments around the business more thorough and meaningful.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)****2.3 Significant judgements and estimates**

Preparation of the financial statements in conformity with generally accepted accounting practices requires management to make significant judgements and estimates that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The judgements and estimates made are detailed in the relevant accounting policy section. Those areas that have the most significant effect on the amounts recognised are:

- Recognition of development expenditure - £nil (2024: £3.4m)
- Housing properties useful lives and subsequent depreciation - £1.9m (2024: £1.8m)
- Impairment - £0.5m (2024: £nil)
- Estimating the liability to pay defined benefit pensions - £0.4m (2024: £0.7m)
- Provisions for bad debts - £0.3m (2024: £0.4m)
- Provision for liabilities - £0.7m (2024: £nil)

The basis of the calculations of these items are detailed in the sections below.

**2.4 Turnover**

Turnover represents rental and service charge income, grants receivable from local authorities and from Homes England, income from shared ownership first tranche sales, and proceeds from property sales, grant amortisation and other income, all of which arises in the UK.

**2.5 Revenue recognition**

Rental and service charge income is recognised from the point where properties under developments reach practical completion or otherwise become available for letting net of voids

Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale. First tranche sales and open market sales are included within turnover and the related portion of the cost of the asset recognised as an operating cost. The resultant surplus or deficit is recognised within the income statement.

Capital grants received are initially deferred and then credited to turnover in the Statement of Comprehensive Income on a straight-line basis over the expected life of the asset which they have funded once that asset is completed. Revenue grants are recognised when the conditions for receipt are met.

**2.6 Bad debt provision**

Provisions are made at the end of each period based on the outstanding value of monies owed from customers. The debt is analysed by type and by the length of time that it has been outstanding to decide which would be the most at risk and therefore require a provision to be made.

The rental debtors balance of £776k (2024: £685k) (note 17) recorded in the Statement of Financial Position comprises a relatively large number of small balances. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible. The bad debt provision was increased to reflect the increased risk of residents being unable to pay debts due, caused by cost-of-living increases.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)****2.7 Service charges**

The Association adopts a mixture of fixed and variable method for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated or fixed amounts chargeable.

**2.8 Operating costs**

Direct employee, administration and operating costs are allocated to either the statement of comprehensive income or capital schemes on the basis of costs of staff or the extent to which they are directly engaged in the operations concerned.

**2.9 Development costs, work in progress and properties held for sale**

Work in progress (WIP) is stated at the lower of cost and net realisable value.

Cost includes the cost of acquiring land and buildings, development costs, staff costs and interest charges incurred during the development period. Distinguishing the point at which a project is more likely to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation of development costs, management monitors the asset and considers whether changes indicate that impairment is required.

Additions to WIP include the costs of finance charges specifically related to the funding of the purchase and development of the property, except that interest costs incurred prior to construction and after practical completion are written off in the period to which they relate. Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development, if it represents either:

- a) interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
- b) interest on borrowings as a whole, after deduction of interest on SHG in advance, to the extent that they can be deemed to be financing the development programme.

Where there is a mixed tenure development which has more than one element, Mount Green allocates the cost of the land to each element of the scheme to reflect the respective values of the land for different tenure types.

Properties developed with the intention of outright sale are recorded within current assets at the lower of cost and net realisable value. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)****2.10 Housing properties and depreciation**

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses.

Where an asset comprises of components with materially different useful lives, those assets are separately identified and depreciated over those individual lives. Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

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

MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

2. Accounting policies (continued)

2.10 Housing properties and depreciation (continued)

Depreciation of housing properties major components is on a straight-line basis over the following terms:

Central heating, boilers and hard-wired alarms	- 15	years
Kitchens	- 20	years
Lifts	- 20	years
Heating, ventilation and plumbing systems	- 40	years
Bathrooms	- 30	years
Windows and external doors	- 30-40	years
Electrics	- 30	years
Roof	- 20-50	years
Main fabric of the building	- 100-125	years

The accumulated depreciation at 31 March 2025 was £22.1m compared to £20.3m as at March 2024.

Subsequent expenditure which relates to either the replacement of previously capitalised components or the enhancement of such components which results in incremental future benefit is capitalised and the carrying amount of any replaced component or part component is derecognised. Expenditure comprises of invoiced values and an allocation of staff costs.

Properties acquired from another Registered Provider as a result of stock swaps or a transfer of engagement are initially recorded at their fair value.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The split is determined by the percentage of the property sold under the first tranche disposal and the remainder retained within social property, plant and equipment. The first tranche proportion is classed as inventory in current assets and related sales proceeds included in turnover and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for appreciation or impairment.

The exception to the above is where this would result in a surplus on the disposal of the current asset that would exceed the anticipated overall surplus. In these circumstances any surplus on disposal of the first tranche is limited to the overall surplus by adjusting the costs allocated to current or fixed assets.

The overall surplus is the difference between the net present value of cashflows and the cost. The net present value of the cashflows is the sum of the first tranche proceeds, net rental streams and expected receipts from subsequent disposal of the asset, less any grant repayable.

Depreciation of Shared Ownership properties is over 100 years.

The residual values of fixed assets, their useful lives and their depreciation rates are reviewed at each reporting date and where there is an indication of a significant change since the previous reporting date, they are adjusted prospectively. Social housing grant (SHG) is amortised to income over 100 years for social housing lettings.

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## MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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## 2. Accounting policies (continued)

### 2.11 Development costs, work in progress and properties held for sale

Work in progress (WIP) is stated at the lower of cost and net realisable value. Cost includes the cost of acquiring land and buildings, development costs, staff costs and interest charges incurred during the development period. Distinguishing the point at which a project is more likely to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation of development costs, management monitors the asset and considers whether changes indicate that impairment is required.

Additions to WIP include the costs of finance charges specifically related to the funding of the purchase and development of the property, except that interest costs incurred prior to construction and after practical completion are written off in the period to which they relate. Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development, if it represents either:

- a) interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
- b) interest on borrowings as a whole, after deduction of interest on SHG in advance, to the extent that they can be deemed to be financing the development programme.

Where there is a mixed tenure development which has more than one element, Mount Green allocates the cost of the land to each element of the scheme to reflect the respective values of the land for different tenure types.

Properties developed with the intention of outright sale are recorded within current assets at the lower of cost and net realisable value. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

### 2.12 Other property, plant and equipment depreciation

Other property, plant and equipment comprises other fixed assets and are stated at cost less accumulated depreciation.

Depreciation is provided evenly on the cost of other property, plant and equipment to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. Management reviews its estimate of the useful lives of depreciable assets at each reporting date.

The estimated useful lives range as follows:

Freehold office buildings	-	60 years
Computer software and hardware	-	3-7 years
and office equipment		
Office furniture and fittings	-	4-15 years
Estate equipment	-	5-20 years

Gains or losses arising on the disposal of other property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.



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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)****2.13 Financial instruments**

Financial assets and liabilities comprise investments, trade and other debtors, cash and cash equivalents, trade and other payables, accruals and loan balances.

The classification of financial instruments as “basic” or “other” requires judgement as to whether all applicable conditions as basic are met. This includes consideration of the form of the instrument and its return.

Financial assets and financial liabilities are recognised when Mount Green becomes party to the contractual provisions of the financial instrument. All financial assets and financial liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the Statement of Comprehensive Income, which are initially measured at fair value (normally the transaction price less transaction costs), unless the arrangement constitutes a financial transaction. If an arrangement constitutes a financing transaction, the financial asset or financing liability is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when, there exists a legally enforceable right to set off the recognised amounts and Mount Green intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Debt instruments which meet the conditions of Section 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Other financial instruments and investments in equity instruments are recognised at fair value with any gains or losses being reported in surplus or deficit.

Financial assets are derecognised when and only when:

- the contractual rights to the cash flows from the financial asset expire or are settled,
- all the risk and rewards of ownership of the financial asset are substantially transferred to another party; or the control has transferred to another party, despite having retained some, but not all, significant risks and rewards of ownership.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments represent a liquidity reserve fund which is equivalent to one year's interest on the AHF loan.

Trade (including rental) and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that all amounts due will not be able to be collected.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short term bank deposits and bank overdrafts which are an integral part of Mount Green's cash management. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)**

basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**2.14 Impairment of non-financial assets**

Non financial assets comprise housing properties, property, plant and equipment and stock.

Non financial assets, other than those measured at fair value, are assessed for indications of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of a non financial asset is the higher of its fair value less costs to sell and its value in use.

Value in use for housing properties which are able to be let in their current condition and which are fulfilling the social purpose for which they were acquired is based on the value in use for assets held for their service potential, being the depreciated replacement cost of the asset. For other schemes, value in use is defined as the net present value of the future cash flows before interest generated from the scheme.

The recoverable amount for an asset held for its service potential is assessed as the depreciated replacement cost which is the lower of (a) the cost of purchasing an equivalent property on the open market; and (b) the land cost plus the rebuilding cost of the structure and components. There is limited history of acquiring or selling properties from or to other registered providers and the Board considers that there is no active market. As a result, no impairment provision against social housing assets has been recognised. The carrying values of the relevant assets are shown in note 11.

The assessment of whether an asset is held for its service potential is a matter of judgement and in making that judgement the Board considers the current use of the asset and the expected future use of the asset. If the asset is unable to be let in its current condition or is not being used for a social purpose, either now or in the foreseeable future, it is assessed as not being held for its service potential.

**2.15 Impairment of financial assets**

Financial assets comprise investments, trade and other debtors and cash and cash equivalents.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)**

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**2.16 Loan issue costs**

Costs incurred in raising loan finance are recorded as a deduction from the gross proceeds of the loan and subsequently amortised in the income and expenditure account over the expected term of the loan.

**2.17 Government grants**

Government grants include grants receivable from Homes England, local authorities, and other government organisations.

Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accrual model.

The unamortised element of the government grant is recognised as deferred income in creditors due within one year or due after more than one year as appropriate in the Statement of Financial Position.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England.

Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If unused within a three year period, grants received from Homes England are repayable unless specifically agreed otherwise, including any accrued interest.

Mount Green has received a specific extension for £0.1m (2024: £1.3m) of recycled grant over three years old, this is reviewed annually. Any unused recycled capital grant held within the recycled capital grant fund is disclosed in the Statement of Financial Position and the notes, split between creditors falling due within one and after one year.

**2.18 Other grants**

Grants received from non government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable.

A grant that imposes specified future performance related conditions is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability in the Statement of Financial Position.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)****2.19 Pensions and short term employee benefits**

Mount Green participates in the Social Housing Pension Scheme (SHPS) in both the defined benefit and the defined contribution section of that scheme.

Defined benefit pension scheme (note 24)

The defined benefit section is now closed to new members and only a defined contribution pension is offered to new members of staff. The defined benefit section of SHPS is a multi employer defined benefit (final salary) contributory pension scheme administered independently.

The liability recognised in the statement of financial position in respect of the defined benefit scheme is the present value of the association's share of the defined benefit obligation at the reporting date less the fair value of the association's share of the scheme assets at the reporting date.

The association's share of the defined benefit obligation is calculated using the projected unit credit method, based on the association's current and past employees. Annually the association engages the scheme actuaries to calculate the obligation, using the association's assumptions. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of scheme assets (which are attributable to all participating employers in the scheme) is measured in accordance with the FRS 102 fair value hierarchy and where relevant includes the use of appropriate valuation techniques. Once the fair value of the scheme assets has been determined, the scheme administrators allocate the scheme assets to individual employers.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 're measurement of net defined benefit pension scheme liability'.

The cost of the defined benefit plan, recognised in the income statement as employee costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the income statement as 'Finance expense'.

**2.20 Cash and cash equivalents**

Cash and cash equivalents in the Association's statement of financial position consists of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

**2.21 Leases**

Leases are classified as finance leases where the terms of the leases transfer substantially all the risks and the rewards incidental to ownership of the leased asset. All other leases are classified as

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**2. Accounting policies (continued)**

operating leases.

Rentals paid or receivable under operating leases are recognised to the Statement of Comprehensive Income on a straight line basis over the term of the lease, including where payments or receipts are not required to be made on a straight-line basis. Lease incentives are similarly spread on a straight line basis over the relevant lease terms. Assets held under finance leases are measured initially at the fair value of the leased asset and the corresponding lease liability. Assets held under finance leases are included in tangible fixed assets and depreciated in the same way as owned assets.

**2.22 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Association a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Association becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.23 Value Added Tax**

A large proportion of Mount Green's income comprises rental income, which is exempt for VAT purposes and gives rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT. Recoverable VAT arising from partially exempt activities is credited to the statement of comprehensive income. A new partial exemption special method (PESM) has been granted and applied in the financial statements.

**2.24 Taxation**

Mount Green has charitable status and therefore is not subject to Corporation Tax on surpluses derived from charitable activities, provided that the surpluses are applied to charitable objects. In the 2024/25 financial year, there were no activities which would be liable to Corporation Tax. There was no corporation tax liability in 2023/24.

**2.25 Revenue reserves**

Revenue reserves relate to the cumulative surpluses.

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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## 3. Particulars of turnover, costs of sales, operating costs and operating surplus/(deficit) - Current Year

	Note	Turnover 2025 £000	Cost of Sales 2025 £000	Operating costs 2025 £000	Surplus on disposal of fixed assets 2025 £000	Operating surplus / (deficit) 2025 £000
Social housing lettings	4	13,415	-	(12,037)	-	1,378
<b>Other social housing activities</b>						
First tranche shared ownership sales		415	(248)	-	-	167
Intermediate rent		523	-	-	-	523
Other income		147	-	-	-	147
Surplus on disposal of fixed assets	10	-	-	-	1,149	1,149
<b>Total</b>		<u>14,500</u>	<u>(248)</u>	<u>(12,037)</u>	<u>1,149</u>	<u>3,364</u>

Turnover from Intermediate rent includes £4k of grant amortisation (2024: £4k).

From 2025, income from independent living, that was previously disclosed as Other Social Housing Activities in Note 3, has been disclosed in rent from supported housing. Intermediate rent has been disclosed in Other Social Housing Activities in Note 3.

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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## 3. Particulars of turnover, costs of sales, operating costs and operating surplus/(deficit) - Prior Year

	Note	Turnover 2024 £000	Cost of Sales 2024 £000	Operating costs 2024 £000	Surplus on disposal of fixed assets 2024 £000	Operating surplus / (deficit) 2024 £000
Social housing lettings	4	12,750	-	(9,660)	-	3,090
<b>Other social housing activities</b>						
First tranche shared ownership sales		1,518	(912)	-	-	606
Intermediate rent		462	-	-	-	462
Other income		154	-	-	-	154
Surplus on disposal of fixed assets	10	-	-	-	1,387	1,387
<b>Total</b>		<u>14,884</u>	<u>(912)</u>	<u>(9,660)</u>	<u>1,387</u>	<u>5,699</u>

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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**4. Particulars of the income from social housing lettings**

	General Needs 2025 £000	Supported / Housing for older people 2025 £000	Shared ownership 2025 £000	Affordable Rent 2025 £000	Total 2025 £000	Total 2024 £000
Rent receivable net of identifiable service charges	5,359	2,573	1,467	2,136	11,535	10,675
Service charge income	<u>1,200</u>	<u>350</u>	<u>122</u>	<u>-</u>	<u>1,672</u>	<u>1,872</u>
Net rent receivable	6,559	2,923	1,589	2,136	13,207	12,547
Amortised government grants (note 20)	118	53	16	21	208	203
<b>Income from social housing lettings</b>	<u><u>6,677</u></u>	<u><u>2,976</u></u>	<u><u>1,605</u></u>	<u><u>2,157</u></u>	<u><u>13,415</u></u>	<u><u>12,750</u></u>

From 2025, income from independent living, that was previously disclosed as Other Social Housing Activities in Note 3, has been disclosed in rent from supported housing. Intermediate rent has been disclosed in Other Social Housing Activities in Note 3.



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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**4. Particulars of the expenditure from social housing lettings**

	<b>General Needs 2025 £000</b>	<b>Supported / Housing for older people 2025 £000</b>	<b>Shared ownership 2025 £000</b>	<b>Affordable Rent 2025 £000</b>	<b>Total 2025 £000</b>	<i>Total 2024 £000</i>
Management	(3,195)	(931)	(500)	(499)	(5,125)	(3,096)
Service charge costs	(1,047)	(467)	(185)	(82)	(1,781)	(2,268)
Routine maintenance	(2,122)	(154)	(10)	(116)	(2,402)	(1,445)
Planned maintenance	(552)	(29)	(3)	(18)	(602)	(633)
Major repairs (note 14b)	(256)	(16)	-	(1)	(273)	(339)
Bad debts	191	(66)	(1)	(49)	75	(75)
Depreciation on housing properties – annual charge (note 7 and 14a)	(1,057)	(331)	(156)	(320)	(1,864)	(1,650)
Depreciation on housing properties – accelerated on disposal of components (note 7 and 14a)	(45)	(16)	-	(4)	(65)	(154)
<b>Expenditure on social housing lettings</b>	<u>(8,083)</u>	<u>(2,010)</u>	<u>(855)</u>	<u>(1,089)</u>	<u>(12,037)</u>	<u>(9,660)</u>
<b>Operating surplus/(deficit) on social housing lettings</b>	<u>(1,406)</u>	<u>966</u>	<u>750</u>	<u>1,068</u>	<u>1,378</u>	<u>3,090</u>
Void losses	(99)	(43)	(1)	(14)	(157)	(136)

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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**5. Units of housing stock**

	At the start of the year	Additions	Disposals	Reclassific ations	At the end of the year
	Number	Number	Number	Number	Number
General needs	775	-	-	78	853
Affordable	147	-	-	35	182
Shared ownership	192	2	-	(7)	187
Supported	47	-	-	16	63
Housing for older people	287	-	-	-	287
Other	177	-	-	(177)	-
<b>Total owned accommodation</b>	1,625	2	-	(55)	1,572
Accommodation managed for others	42	22	(1)	74	137
Other (incl Private Tenancy & Non Social Owned)	19	-	-	(19)	-
<b>Total owned and managed accommodation</b>	<u>1,686</u>	<u>24</u>	<u>(1)</u>	<u>-</u>	<u>1,709</u>

MOUNT GREEN HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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6. Operating surplus

	2025 £000	2024 £000
This is arrived at after charging/(crediting):		
Depreciation of housing properties		
- annual charge (note 4 and 14a)	1,864	1,650
- accelerated depreciation (note 4 and 14a)	65	153
Depreciation of other tangible fixed assets (note 15)	110	173
Impairment of other tangible fixed assets (note 15)	477	-
Rent payable under operating leases	2	4
Surplus on sale of other tangible fixed assets (note 10)	(1,149)	(1,387)
Auditor's remuneration (excluding VAT):		
Audit of the financial statements	31	35
In respect of other services	18	3

7. Employees, Directors' and senior executive remuneration

The average number of employees, including Directors, expressed as full time equivalents (FTE) (calculated based on 35 hours) during the year was:

	2025 No	2024 No
Administration	9	13
Development	2	2
Housing, support and care	35	25
	<u>46</u>	<u>40</u>

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
<b>Employee costs</b>		
Wages and salaries	1,696	1,981
Social security costs	322	214
Defined contribution pension contributions	250	173
Defined benefit current service cost	(1)	(1)
	<u>2,267</u>	<u>2,367</u>

Until 31 March 2010 Mount Green operated a single benefit structure: a defined benefit, final salary scheme with a 1/60th accrual rate. From 31 March 2010 this scheme was closed to new entrants and from 1 October 2010 a defined contribution structure was made available to new employees and to existing staff wishing to transfer from the defined benefit scheme. The employee contribution to the defined contribution scheme is 5% of gross income, employer contribution is 10%.

See note 23 for further details regarding the Pension liability in relation to the defined benefit scheme for existing and former employee members.

Salary bandings for all employees earning over £60,000 (including pension contributions)

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Band		
£60,000 - £69,999	4	4
£70,000 - £79,999	2	3
£80,000 - £89,999	-	2
£90,000 - £99,999	1	-
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-
£140,000 - £149,999	-	1
	<u>8</u>	<u>11</u>

**8. Directors' and senior executives' remuneration**

Key management personnel include the Board Members, Managing Director, and Executive Directors. Remuneration paid was as follows:

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Directors' remuneration	313	423
Amounts paid to non-executive directors	70	31
Pension contributions	21	23
Total	<u>404</u>	<u>477</u>

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**9. Board members' remuneration**

	<b>2025</b>	<i>2024</i>
	<b>£000</b>	<i>£000</i>
Martin Large (Chair)	17	-
Becky Slaymaker	6	2
David Hunter (Retired)	17	7
Greg Falvey	6	-
John Skivington	6	-
Juliana Crowe	-	-
Kelvan Swinnerton	6	2
Agnieszka Stobinska	6	2
Verena Buchanan	6	1
Alison Pooley-Wem (Retired)	-	1
Alison Whittington (Retired)	-	2
Michael May (Retired)	-	2
Lisa Morris (Retired)	-	2
Peter Gardiner (Retired)	-	4
Justin McCarthy (Retired)	-	2
David Carton (Retired)	-	2
Jill Maddison (Retired)	-	2
	<u>70</u>	<u>31</u>

The highest paid director was the Managing Director (resigned 31 December 2024), excluding pension contributions at £128,966 (2024: £121,045). The Managing Director was an ordinary member of the Social Housing Pension Scheme and no enhanced or special terms apply. Mount Green does not make any further contribution to an individual pension arrangement. Employer's pension contribution for the Managing Director for the year was £9k (2024: £12k). Juliana Crowe is a Board Member of the parent company, Stonewater Limited, and receives no additional remuneration for her role on the Board of Mount Green.

**10. Surplus on disposal of fixed assets**

	<b>Shared ownership properties</b>	<b>Other housing properties</b>	<b>Total</b>	<i>Total</i>
	<b>2025</b>	<b>2025</b>	<b>2025</b>	<i>2024</i>
	£'000	£'000	£'000	£'000
Disposal proceeds	641	1,200	1,841	3,151
Net book value of disposals (note 14a)	(401)	(289)	(690)	(1,402)
Other costs	(1)	(1)	(2)	(363)
<b>Surplus on disposal of fixed assets</b>	<u>239</u>	<u>910</u>	<u>1,149</u>	<u>1,386</u>

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**11. Interest receivable and similar income**

	<b>2025 £000</b>	<b>2024 £000</b>
Bank interest	12	5
Investment income	-	6
<b>Total</b>	<u>12</u>	<u>11</u>

**12. Interest payable and financing costs**

	<b>2025 £000</b>	<b>2024 £000</b>
Interest on loans and overdrafts	2,131	4,377
Interest payable to group undertakings	2,234	45
Amortisation of bond premium	(275)	(291)
Amortisation of bond discount	2	-
Amortisation of issue costs	3	410
Interest capitalised on construction on housing properties (note 14b)	(72)	(30)
Loan FRS102 adjustment and RCGF interest (note 21)	74	(515)
Break costs on prepayment of RBS Loan	-	808
Net interest on net defined benefit liability (note 24)	28	27
<b>Total</b>	<u><u>4,125</u></u>	<u><u>4,831</u></u>

**13. Taxation on surplus on ordinary activities**

Mount Green Housing Association Limited is registered with charitable rules under Co-operative and Community Benefit Societies Act and as such received charitable relief from Corporation tax.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**14. a) Tangible fixed assets housing properties**

<b>Restated</b>	<b>Housing properties held for lettings</b>	<b>Housing properties for letting under construction</b>	<b>Shared ownership properties held for lettings</b>	<b>Shared ownership under construction</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost:</b>					
At 1 April 2024	120,321	2,049	21,840	-	144,210
Reclassification to other fixed assets	-	(172)	-	-	(172)
Additions:					
- replace components	7,184	-	-	-	7,184
Purchase of completed properties	1,007	-	-	-	1,007
Transfer to completed	1,573	(1,573)	-	-	-
Transfer to properties held for sale			(197)		(197)
Transfer to Group companies		(304)			(304)
Disposals:					
- staircasing (note 10)	-	-	(415)	-	(415)
- replaced components	(155)	-	-	-	(155)
- other sales (note 10)	(358)	-	-	-	(358)
<b>At 31 March 2025</b>	<b>129,572</b>	<b>-</b>	<b>21,228</b>	<b>-</b>	<b>150,800</b>
<b>Depreciation:</b>					
1 April 2024	19,090	-	1,258	-	20,348
Charge for the year (note 4 and 6)	1,749	-	115	-	1,864
Disposals during the year:					
- staircasing (note 10)	-	-	(14)	-	(14)
- other sales (note 10)	(69)	-	-	-	(69)
- replaced components	(90)	-	-	-	(90)
<b>At 31 March 2025</b>	<b>20,680</b>	<b>-</b>	<b>1,359</b>	<b>-</b>	<b>22,039</b>
<b>Net book value:</b>					
<b>At 31 March 2025</b>	<b>108,892</b>	<b>-</b>	<b>19,869</b>	<b>-</b>	<b>128,761</b>
At 31 March 2024	101,231	2,049	20,582	-	123,862

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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## b) Tangible fixed assets housing properties - Net Book Value analysis

	2025 £000	2024 £000
<b>The net book value of housing and other properties comprises:</b>		
Freehold	122,923	117,992
Long leasehold	<u>5,838</u>	<u>5,870</u>
<b>Total</b>	<u>128,761</u>	<u>123,862</u>
<b>Interest capitalisation:</b>		
Interest capitalised in the year (note 12)	72	30
Rate used for capitalisation	3.0%	5.2%
<b>Works to properties:</b>		
Improvements to existing properties capitalised	7,184	2,702
Major repairs expenditure to statement of comprehensive income (note 4)	<u>273</u>	<u>339</u>
	<u>7,457</u>	<u>3,041</u>
<b>Total social housing grant received or receivable to date as follows:</b>		
Capital grant held in deferred income (note 20)	20,934	20,611
Recycled capital grant fund (note 21)	42	1,698
Amortised to statement of comprehensive income (note 3 and 4)	212	203
Write back amortisation on disposals (note 20)	(265)	(479)

**Impairment**

The Association assessed its portfolio for indicators of impairment at the Statement of Financial Position date 31 March 2025. At 31 March 2025 we considered whether any specific indications of impairment at scheme or property level exist and no schemes were identified which required impairment.

**Properties held for security**

The Association had 764 properties pledged as security at 31 March 2025 with a NBV of £47.7m (2024: 1,035 assets, NBV £55.8m). The Association had 920 completed assets that have not been charged, with a net book value of £60.9m (2024: 649 assets, NBV £52.2m). There are some assets that are not suitable for security charging.



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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**15. Other tangible fixed assets**

	<b>Freehold office</b>	<b>Furniture and office equipment</b>	<b>Computer equipment</b>	<b>Site assets</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2024	2,585	226	668	445	3,924
Additions	-	-	17	13	30
Reclassification from housing properties	-	-	172	-	172
At 31 March 2025	<u>2,585</u>	<u>226</u>	<u>857</u>	<u>458</u>	<u>4,126</u>

**Depreciation**

At 1 April 2024	644	194	386	307	1,531
Charge for the year	42	11	7	50	110
Impairment charge	477	-	-	-	477
At 31 March 2025	<u>1,163</u>	<u>205</u>	<u>393</u>	<u>357</u>	<u>2,118</u>

**Net book value**

<b>At 31 March 2025</b>	<u><b>1,422</b></u>	<u><b>21</b></u>	<u><b>464</b></u>	<u><b>101</b></u>	<u><b>2,008</b></u>
At 31 March 2024	<u>1,941</u>	<u>32</u>	<u>282</u>	<u>138</u>	<u>2,393</u>

The latest valuation of the freehold office in Leatherhead advised a value that is lower than the net book value by £0.5m, therefore an impairment has been booked in the year.

**16. Properties held for sale**

	<b>2025 £000</b>	<b>2024 £000</b>
First tranche shared ownership properties	-	42

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Debtors**

Due within one year

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Rent and service charge arrears	776	685
Less: Provision for doubtful debts	<u>(319)</u>	<u>(410)</u>
	457	275
Prepayments and accrued income	134	149
Other debtors	221	975
	<u>812</u>	<u>1,399</u>

**18. Creditors: Amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Housing loans internal (note 22)	155	-
Housing loans external (note 22)	330	70
Issue costs	(3)	-
Other creditors	383	-
Trade creditors	50	585
Prepaid rental income	617	415
Accruals and deferred income	914	1,732
Retentions	119	239
Other taxation and social security	18	81
Amounts owed to group undertakings	347	45
Deferred Capital Grant < 1 yr	202	202
Pension liability	15	15
Recycled Capital Grant Fund <1yr	-	1,557
Leaseholder sinking funds	561	505
	<u>3,708</u>	<u>5,446</u>

MOUNT GREEN HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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19. Creditors: Amounts falling due after more than one year

	2025 £000	Restated 2024 £000
Housing loans internal (note 22)	42,058	37,358
Housing loans external (note 22)	41,767	42,645
Issue costs (note 22)	(46)	(347)
Deferred capital grant (note 20)	20,732	20,409
Recycled capital grant fund (note 21)	42	141
	<u>104,553</u>	<u>100,206</u>

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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**20. Deferred capital grant**

	<b>2025</b>	<i>Restated</i>
	<b>£000</b>	<i>2024</i>
		<i>£000</i>
At 1 April	20,611	20,528
Grants received during the year	800	616
Released to income in the year (notes 3 and 4)	(212)	(203)
Write back amortisation on disposals (note 10)	(265)	(479)
Other movements	-	149
<b>At 31 March</b>	<u>20,934</u>	<u>20,611</u>
Amounts due for repayments:		
-within one year (note 18)	202	202
-greater than one year (note 19)	<u>20,732</u>	<u>20,409</u>
	<u>20,934</u>	<u>20,611</u>

**21. Recycled capital grant fund (RCGF)**

	<b>2025</b>	<i>2024</i>
	<b>£000</b>	<i>£000</i>
At 1 April	1,698	1,770
Inputs to fund:		
Interest accrued (note 12)	74	79
Recycling of grant:		
Recycled on disposals	40	(150)
Transfer to other group members	(1,770)	-
<b>At 31 March</b>	<u><b>42</b></u>	<u>1,699</u>
Amounts due for repayments:		
-within one year (note 18)	-	1,557
-within two to three years (note 19)	42	142
	<u><b>42</b></u>	<u>1,699</u>

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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

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**22. Loans and borrowings**

<b>Maturity of debt:</b>	<b>Housing loans internal 2025 £000</b>	<b>Housing loans external 2025 £000</b>	<b>Total 2025 £000</b>
In one year or less, or on demand	155	330	485
Issue costs <1 year	(3)	-	(3)
Within one year (note 18)	152	330	482
In more than one year but not more than two years	162	345	507
In more than two years but not more than five years	521	1,149	1,670
After five years	41,375	40,273	81,648
Issue costs	(2)	(44)	(46)
Greater than one year (note 19)	42,056	41,723	83,779
<b>Total loans</b>	<u>42,208</u>	<u>42,053</u>	<u>84,261</u>

Apart from the facility from Stonewater Limited, housing loans are secured by specific fixed charges on Mount Green's individual properties.

The total loan facility from Stonewater Limited is for £71.5m and consists of two tranches. The first is an interest free tranche of £11.5m which is undrawn and available for Mount Green to use for investment in existing properties. The second tranche, for £60.0m, is charged at an interest rate of SONIA plus a margin of 1.0%. The facility expires in March 2031. At 31 March 2025, £9.7m of this facility was drawn (2024: £37.4m).

In January 2025, Stonewater Funding reallocated part of the 2042 bonds which had been onlent to Stonewater Limited, to Mount Green Housing Association. The terms of the reallocated debt are the same as the terms of the original onlending to Stonewater Limited so that Stonewater Funding continues to receive sufficient interest to pay the investors who hold the bond. £30.0m of nominal debt (and the associated bond premiums) were onlent to Mount Green at a fixed interest rate of 5.034%.

There are four additional bond arrangements. One for £6.0m nominal (2024: £6.0m) with Affordable Housing Finance at an effective rate of 3.91% and repayable in full in May 2042. The remaining three bonds are with GB Social Housing for a total nominal value of £31.0m (2024: £31.0m) at an average effective rate of 3.787% and are repayable in full in February 2038.

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**MOUNT GREEN HOUSING ASSOCIATION LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2025**

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<i>Maturity of debt:</i>	<i>Housing loans internal 2024 £000</i>	<i>Housing loans external 2024 £000</i>	<i>Total 2024 £000</i>
In one year or less, or on demand	-	70	70
Issue costs <1 year	-	-	-
Within one year (note 18)	-	70	70
In more than one year but not more than two years	-	423	423
In more than two years but not more than five years	-	274	274
After five years	37,358	41,948	79,306
Issue costs	-	(347)	(347)
Greater than one year (note 19)	37,358	42,298	79,656
<b>Total loans</b>	<b>37,358</b>	<b>42,368</b>	<b>79,726</b>

**23. Provisions for liabilities and charges**

	<b>2025 £000</b>	<b>2024 £000</b>
At 1 April	-	-
Charged to profit or loss	700	-
<b>At 31 March</b>	<b>700</b>	<b>-</b>

We have included a provision in the financial statements for potential Health and Safety legal obligations, regarding past events. The amount included is an informed management estimate. The final outcome is expected to be known in the next 12 months which will crystallise the liability.

MOUNT GREEN HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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24. Pensions

Mount Green participates in the Social Housing Pension Scheme (the scheme). The tables below set out the impact of the pension scheme movements on the statement of other comprehensive income, and the statement of financial position.

Statement of comprehensive income

	2025 £000	2024 £000
Actuarial gains/(losses)		
SHPS	79	(155)
Total	79	(155)

Statement of financial position

	2025 £000	2024 £000
Pension Liability		
SHPS	449	656
	449	656

Mount Green Housing Association participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. 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 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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2023. This actuarial 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.

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.

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

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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

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**24. Pensions (continued)**

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 the end of 2024 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. 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.

	<b>SHPS 2025 £000</b>	<i>SHPS 2024 £000</i>
Fair value of plan assets	2,624	2,819
Present value of plan liabilities	<u>(3,073)</u>	<u>(3,475)</u>
<b>Net pension scheme liability</b>	<u><u>(449)</u></u>	<u><u>(656)</u></u>

**Reconciliation of fair value of plan assets:**

At the beginning of the year / initial recognition	2,819	2,815
Interest income on plan assets	135	139
Experience on plan assets	(215)	(213)
Administration expenses	(282)	(81)
Contributions by employer	160	152
Contributions by fund participants	7	7
<b>At the end of the year</b>	<u><u>2,624</u></u>	<u><u>2,819</u></u>

**Reconciliation of present value of plan liabilities**

Defined benefit obligation at start of period / initial recognition	(3,475)	(3,437)
Current service cost	1	1
Expenses	(5)	(5)
Interest expense	(163)	(166)
Contributions by plan participants	(7)	(7)
Actuarial gains (losses) due to scheme experience	(89)	15
Actuarial gains (losses) due to changes in demographic assumptions	-	38
Actuarial gains (losses) due to changes in financial assumptions	383	5
Benefit paid and expenses	<u>282</u>	<u>81</u>
<b>At the end of the year</b>	<u><u>(3,073)</u></u>	<u><u>(3,475)</u></u>

**Amounts recognised in other comprehensive income are as follows:**

Included in administrative expenses		
Service costs	(1)	(1)
Administration expenses	<u>5</u>	<u>5</u>
	<u><u>4</u></u>	<u><u>4</u></u>

**Amounts included in other finance costs**

Net interest costs (note 12)	<u><u>28</u></u>	<u><u>27</u></u>
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MOUNT GREEN HOUSING ASSOCIATION LIMITED

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

24. Pensions (continued)

	SHPS 2025 £000	SHPS 2024 £000
<b>Analysis of actuarial loss recognised in other comprehensive income</b>		
Return on fund assets in excess of interest	(89)	15
Change in financial assumptions	383	5
Change in demographic assumptions - gain (loss)	-	38
Experience loss on defined benefit obligation	(215)	(213)
<b>Total actuarial gains (losses)</b>	<b>79</b>	<b>(155)</b>
	SHPS 2025 £000	SHPS 2024 £000
<b>Composition of plan assets</b>		
Equities	294	281
Liability driven investment	795	1,148
Cash	42	61
Diversified growth fund	364	751
Property	132	131
Infrastructure	-	285
Debt	510	162
Alternatives	487	-
<b>Total</b>	<b>2,624</b>	<b>2,819</b>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£80,000) (2024: (£74,000)).

MOUNT GREEN HOUSING ASSOCIATION LIMITED

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FOR THE YEAR ENDED 31 MARCH 2025

24. Pensions (continued)

	SHPS 2025 %	SHPS 2024 %
Principal actuarial assumptions used at the statement of financial position date:		
Discount rates:	5.82	4.89
Future salary increases	3.79	3.77
Future pension increases	3.13	3.20
Inflation assumptions - RPI	3.10	3.17
Inflation assumptions - CPI	2.79	3.77
Mortality rates:		
For a male aged 65 now	20.5	20.5
For a female aged 65 now	23.0	23.0
At 65 for a male member aged 45 now	21.7	21.8
At 65 for a female member aged 45 now	24.5	24.4

MOUNT GREEN HOUSING ASSOCIATION LIMITED

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25. Cash and cash equivalents

	2025 £000	2024 £000
Cash at the end of the year	1,778	3,245
Investments	262	248
	<u>2,040</u>	<u>3,493</u>

Included in the cash balances was £466k (2024: £457k) being held on behalf of Leaseholders in the form of a sinking fund.

The investment amount relates to cash held in secured accounts in relation to the AHF bond.

26. Operating leases

The total payments that the Society is committed to make under operating leases total £2k (2024: £4k) and the future minimum lease payments are set out below:

	2025 £000	2024 £000
Office equipment and computers		
Within one year	2	2
One to five years	-	2
	<u>2</u>	<u>4</u>

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27. Share capital

	2025	2024
	£000	£000
At 1 April	10	10
Shares issued in the year	-	8
Shares cancelled in the year	(1)	(8)
At 31 March	9	10

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When a shareholder ceases to be a member, that share is cancelled and the amount paid thereon becomes the property of Mount Green. Therefore, all shareholdings relate to non-equity interests.

28. Related parties

Jill Maddison was an active Board member through 2023/24 until standing down in February 2024. Total rent and service charge during the period was £6,495 with a credit balance of £50 at year end 2023/24. Her tenancy was on normal commercial terms, and she would not have been able to use her position to her advantage.

Agnieszka Stobinska has been an active Board member through 2023/24 and 2024/25. Total rent and service charge during the period was £4,650 (2024: £4,385) with a credit balance of £205 at year end (2023/24: £306). Her lease was on normal commercial terms, and she would not have been able to use her position to her advantage.

The Association has taken advantage of the disclosure exemption available to subsidiary undertakings in FRS 102 in respect of related party transactions with intra group companies.

The Association transacted with a non-regulated entity (Stonewater Funding PLC) whose principle activity is to act as the capital markets issuance vehicle for the group. The total loan balance and interest charged by Stonewater Funding PLC in the year was:

	2025	2024
	£000	£000
Loan balance (after issue costs) (note 22)	32,487	-
Interest charged - including amortisation of bond premium and discount (note 12)	280	-

The parent company is Stonewater Limited, a registered social housing provider. There is no ultimate controlling party of Stonewater Limited. A copy of the consolidated financial statements can be obtained for the parent company's registered office, which is shown on the Company Information page.

MOUNT GREEN HOUSING ASSOCIATION LIMITED

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29. Capital commitments

There were no capital commitments at 31 March 2025 (2024: £nil).

30. Prior year restatement

The restatement applies to the Statement of Financial Position, only those lines shown in the disclosure have been restated, no other restatements were required.

The 2024 position and results have been restated for a prior period correction relating to fixed assets - housing properties and grants received. In 2024 £616k of grants received were offset against acquisition of housing properties note 14, which should have been shown as grant received in note 20. The 2024 restatement increases "Housing Properties" by £616k on the Statement of Financial Position, and increases "Creditors: amounts falling due after more than one year" by £616k.

Statement of Financial Position – Restatement

	2024 £000	2024 Restated £000	Prior year adjustment £000
<strong>Fixed Assets</strong>			
Housing Properties	123,246	123,862	616
<strong>Non current liabilities</strong>			
Creditors: amounts falling due after more than one year	(99,590)	(100,206)	(616)