WECH
Walterton and Elgin
Community Homes

WECH Annual Report 2024/25

Chair's Foreword

In 1985, some 40 years ago, a close-knit, working class community came under the national spotlight. Their daily lives were documented, with all the highs and lows, successes and failures, good times and bad. 40 years later the soap opera, EastEnders is still on our television screen! In the same year, 1985, a close-knit, working class community launched a campaign against Westminster Council to protect their homes from property developers which ultimately led to the creation of WECH. Even though WECH has a West London postcode there are many parallels with the fictional EastEnders. We might not have the same level of drama as the soap opera (we do occasionally!), the message is still the same in that a strong community can triumph over adversity, the importance of family and never giving up even when the odds are stacked against you.

It is with great credit that WECH still exists 40 years on. The same cannot be said of other local Housing Associations that existed at the time. Paddington Churches, Network, St. Marylebone and Octavia have all been absorbed by larger Housing Associations. WECH has remained independent and neighbourhood based, which means we can focus on local needs.

Setting aside the increased cost of repaying the Elgin loan, which rose significantly in line with bank interest rates, we have the added pressure of the Cost of Living crisis. Everyone is aware that food prices and utility bills are rising far beyond the stated inflation rate. It is the same for building materials. These increases in cost are passed on to us by our contractors, so we have to make sure the money spent on repairs is spent wisely. We have cleared a tremendous backlog of repairs in the last 2 years, however, and have set aside money to restore the cyclical works on the Walterton Estate. Anyone living on Walterton will have noticed the scaffolding going up and properties getting a much needed facelift.

Having said all this it is not all doom and gloom. We submitted a grant application to Westminster Council to upgrade our Reception, Community Centre, meeting spaces and Watson Gardens. I'm pleased to say our bid was successful and works will commence shortly after the AGM. Many thanks to Suzanne Wolfe, our Chief Executive, and Jonathan Rosenberg for the work they put in to the application. This will enable us to upgrade our facilities at no expense to us. The Reception area in particular is not user-friendly and we trust the new design will significantly improve staff and resident interaction.

I do hope to see many of you at this year's AGM. It is the centrepiece of the WECH calendar and, as it marks our 40th anniversary, we hope to make it a special occasion.

Gordon Quinlan, Chairman

WECH
Walterton and Elgin
Community Homes

A message from our Chief Executive

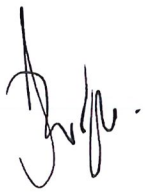
2024/25 was a fast moving, productive year for WECH, with much left to do. In common with other housing associations, we spent significantly more on essential Health & Safety works to keep our residents safe and secure in homes which are compliant with essential regulatory standards. The Walterton Estate Cyclical Works resumed; 26 houses will have been repaired and painted in the first year of the new contract and I have been pleased by residents' positive feedback on the outcome of the works.

During routine checks on the newbuild homes on the Elgin Estate it came to light that there are improvements needed to the internal wall system of the 43 flats. Whilst we have a strong legal case to recover the costs of these works, because the timing and amount of cost recovery is uncertain, we have included a provision of £3.5m in the accounts, pending further assessment and outcome of our claims.

Westminster Council's 'North Paddington Community Capital Fund' grant award, totalling £1,179,920, will pay for improvements in our Community Centre, kitchen and meeting rooms, build a revamped, accessible Reception, uplift Watson Gardens, update the under 5's playground and create a new Japanese garden (this includes an award for the Elgin Under 5's nursery and our match funding from previously secured grants). None of this could otherwise have been afforded in the current financial climate. The works begin shortly and will finish by next spring. We are grateful to Westminster City Council for enabling this.

The 2024 Acuity resident satisfaction survey results showed significant improvements in our approval ratings; WECH compares well against other smaller landlords surveyed and even better against those operating exclusively in London. We are making progress, but there is still a great deal to do - and we are set to get on with the job.

I would like to thank our Board, in particular our Chairman, Gordon Quinlan, for the support and encouragement given to me and our team throughout the year, keeping our organisation safe and independent and you, our residents, for your ongoing trust - and restate my ongoing commitment to WECH, the living embodiment of 'Residents in Control'.



Suzanne Wolfe, Chief Executive

Regulator of Social Housing number: L3939

Walterton and Elgin Community Homes Limited

Annual report and financial statements

Year ended 31 March 2025

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Legal and administrative information

Chair of the Board	Gordon Quinlan
Chief Executive	Suzanne Wolfe
Director of Corporate Services	Costas Constintanou (resigned 30 June 2024)
Director of Corporate Services	Kathryn Dowlath (started 20 June 2024)
Head of Operations	Carmen Clarke
Head of Maintenance	Scott Richardson (resigned 18 July 2025)
Secretary	Martin Lewis
Board members	Lorraine Etienne Angelique Csere Nadia Faucher Sean Griffin Vera Mrdak Luis-Jose Lopez-Johnstone (resigned 2 December 2024) Alicja Johnston (appointed 25 September 2024) Charmaine Stoukas (appointed 25 September 2024) Monica Feeney (appointed 25 September 2024) Paul Judge, co-optee (appointed 25 September 2024; resigned 2 December 2024) Sarah Seisay (appointed 25 September 2024) Dan Jones, co-optee (resigned 25 September 2024) John Andrew, co-optee Audrey Williamson, co-optee Keith Jenkins, co-optee Jan Taranczuk, co-optee Vonley Joseph (appointed 25 September 2024) David Little (appointed 25 September 2024)
Registered address	Selbourne House 36A Elgin Avenue London W9 3AZ Telephone: 020 7266 3347 Email: admin@wech.org.uk
Auditor	Beever and Struthers 150 Minories London EC3N 1LS
Principal solicitor	Devonshires Solicitors LLP 30 Finsbury Circus London EC2M 7DT
Principal bank	Virgin Money 154-158 Kensington High Street London W8 7RL
Regulator of Social Housing No.	L3939
Financial Conduct Authority No.	27378R

Legal and administrative information

Independent Housing Ombudsman	L3939
National Housing Federation No.	3638

Report of the Board

1. Principal activity

Walterton and Elgin Community Homes (WECH) is a Registered Provider of social housing.

We operate exclusively in the City of Westminster.

WECH is a community owned and democratically controlled organisation, with our residents in control. We own and manage 674 homes and a community centre, park and some commercial spaces.

Aims

WECH is a charitable Housing Association. Our aim is to provide homes at affordable rents for those in housing need. But WECH is not only a Housing Association, it is moreover a community organisation delivering activities and services which change lives, give tangible support and build community strength.

It is a primary ongoing objective of ours to maintain the connectivity with our residents that has exemplified WECH since our inception, and to understand and maintain our properties to meet our residents' needs. We cultivate strong partnerships between our residents, staff, contractors, funders, Westminster City Council and other statutory and voluntary organisations to better enable us to deliver these objectives and to contribute to the wellbeing and advancement of North Paddington.

Our Strategic Objectives

WECH's Strategic Objectives are:

- **Independence:** WECH will actively sustain its community owned, democratically accountable basis.
- **Community:** WECH recognises its community as its most valuable resource and will engage with it to involve people with our governance and to ascertain and provide for its needs.
- **Rents policy:** WECH adheres to Government rent policy and rules. We will limit rent increases to a level that makes renting our homes within reach of residents on limited incomes but provides sufficient resources for the proper repair and upkeep of our buildings and to maintain our independence. This means that we will manage costs carefully and ensure budgets set reflect this ethos.
- **High quality homes and services:** WECH will maintain its homes and provide its services to a high quality to ensure the safety and comfort of our residents and to respond effectively to future challenges that may arise.
- **North Paddington Anchor:** WECH is a North Paddington anchor organisation and will engage with people and organisations in its surrounding area.

2. Performance

Since 31st March 2025, it has come to light that there are defects which need to be rectified in the internal wall system of the 43 new build flats on the Elgin Estate. The estimated cost to rectify the defects is £3.5m and a provision has therefore been made in the 24/25 financial

Report of the Board

statements for this amount. In the absence of any detailed costings, it has been assumed that these costs cannot be capitalised. WECH has been advised that they have a strong legal case for requiring the company that constructed the flats to pay for the defects, and this will be pursued in the coming months. However, as the amount and timing of any cost recovery is uncertain, none has been assumed in assessing the amount of the provision.

Consequently, the Board reports a deficit for the year of £3,472,871 (2024: £401,681 deficit) after creating a provision of £3,500,000 for these remedial works.

During the year ended 31 March 2025, WECH spent £322,707 (2024: £255,835) on replacing components such as kitchens and boilers in our homes.

Resident Control In Action

2024/25 was the first full year of resetting priorities and services in the wake of the landmark 2023 WECH AGM, where 130 WECH residents attended and exercised their democratic rights to directly influence the future of the organisation, electing a new Board by an overwhelming majority.

Support for the new Board and the changes implemented was reaffirmed at the 2024 AGM, attended by 129 WECH residents from 17% of households. In total, 184 members voted in person or by proxy.

Honouring the commitment made at the 2023 AGM, investment in WECH homes continued at pace. £169k was spent on Cyclical Works for the Walterton Estate (up from £7k in 2023/4), £329k was spent on electrical testing and improvements in residents' homes (£316k more than 2023/24) and £325k on repairs to void properties (£140k more than in 2023/4) We spent £881k on reactive repairs, £303k more than in 2023/24, catching up on an inherited backlog of maintenance.

A new Corporate Services Director was appointed following the retirement of our Finance Director, and the use of agency staff ceased. Finance services were returned in house (with transitional support remaining until August and payroll continuing to be delivered externally).

We continued to work with key partners such as Maida Hill Projects, whose weekly Foodbank and Brunch Club are lifelines for many in the greatest need, and reinstated weekly Welfare Advice sessions by Robinson Wilson Solicitors from the WECH Centre.

Anticipating the 40th anniversary of the start of WECH's campaign in 2025, work began to raise funds to enhance our community facilities and gardens and to commemorate, celebrate our heritage and achievements and encourage more residents to get involved in our governance.

Looking ahead

Whilst interest costs for the Elgin Estate loan are expected to continue at a similar level in 2025/26, WECH's outgoings have significantly reduced. The staff team has been consolidated, payroll costs reduced, and temporary staff costs eliminated.

We are collaborating with Westminster City Council to repair and insulate one of our houses to exemplary standards and recently secured a grant of £1,133,195 from the Council to enhance our community facilities in 2025/26.

Report of the Board

Greater Financial Strength

Steps taken to increase our financial strength for 2025/26 include:

- Introducing revised policies for voids and repairs;
- Renegotiating the covenants of the Elgin Estate Loan;
- Continuing to secure external funding for our programme of community services, community facilities and communal gardens
- Reducing payroll costs.

A Community Resource

Through its revitalised Board and Executive Team, WECH's community has reset its organisation, driving it forward to embrace new challenges and opportunities. WECH's greatest resource is its people: WECH has reopened itself to its community, responding to their concerns and proactively managing their homes. The Chief Executive operates an open-door policy for all residents and staff, while the Chair engages constantly with neighbours to involve them in WECH's activities and affairs.

WECH looks forward to 2025/26 with confidence and vigour, powered by the wholehearted support and involvement of its 1,500 strong community.

The Board have considered WECH's operations and have concluded that there is a reasonable expectation that WECH has adequate resources to continue in operational existence for the foreseeable future. No significant concerns have been noted in the business plan updated for 2025/26. Therefore, the financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future.

3. Statement of Board responsibilities

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

The Cooperative & Community Benefits Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that year.

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

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of WECH and enable it to ensure that the financial statements comply with the Cooperative & Community Benefits Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

Report of the Board

4. Resident Involvement

The Board members and officers throughout the year and up to the date of approval of these financial statements are listed on page 1. The Board is composed of elected members and co-opted members (who are experts appointed by the Board).

All members of WECH are eligible to stand for election to the Board. Voting takes place at WECH's Annual General Meeting, and all the members are entitled to vote.

Tenants or leaseholders who are Board members hold their tenancies and leases on normal terms and are not permitted to use their position as Board members to their personal advantage.

5. Value for money

Value for money is central to WECH's ethos and enshrined in its Financial Standing Orders, the organisation's rules for the handling of finances.

WECH has a policy of installing components in homes which are designed to reduce ongoing maintenance costs. For example, good quality boilers are used in central heating systems and kitchen suppliers are chosen for the robustness of their kitchen units.

By achieving value for money through procurement, WECH can keep down the rent and service charges it passes to its tenants and leaseholders, while still being able to provide an excellent service. The rents charged by WECH are generally significantly lower than those of other local social housing providers.

The Regulator of Social Housing provided a benchmarking tool from which the benchmark figures quoted below for 2023/24 were drawn. This enables WECH's VFM metrics to be compared to those of a similar provider, in this case North London Muslim Homes, which was the only provider included in the benchmarking tool with close to 1,000 units.

The Acuity benchmark comparison group comprises six organisations in WECH's peer group of Social Housing Providers operating in London with fewer than 1,000 units.

Regulator of Social Housing (RSH) Value for Money metrics

	RSH Benchmark 2023/24	Achieved 2023/24	Acuity Benchmark 2024/25	Target 2024/25	Achieved 2024/25	Target 2025/26
Reinvestment	0.2%	0.51%	1.85%	1.02%	0.89%	1.04%
New supply	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gearing	42.3%	10.81%	24.22%	10.03%	10.04%	6.79%
Interest cover	148.00%	70.63%	124%	287.82%	-900.32%	7.75%
Cost per unit (social housing)	£4,092	£7,229	£6,666	£6,974	£9,297	£8,955
Operating margin (social)	39.4%	2.96%	20%	8.83%	-14%	-12%
Operating margin (overall)	38.6%	0.64%	23%	6.46%	-77%	-3%
Return on capital employed	3.4%	0.07%	3.27%	0.83%	-7.51%	0.4%

Investment in repairs, health & safety improvements and cyclical works increased significantly in 2024/25 with £583k more being spent compared to 2023/24. This essential expenditure, added

Report of the Board

to the £3.5m provision, resulted in the operating margins depicted and interest cover shown for 2024/25, and in the target for 2025/26.

6. Compliance with the Regulatory Framework and Code of Governance

The Board is compliant with the Regulator of Social Housing's Standards.

The Board has adopted the NHF Code of Governance 2020. In its previous annual statement, the Board reported a significant number of exceptions regarding compliance with the Code and committed itself to working through those exceptions. This time, the Board is pleased to report that it is in compliance with the Code of Governance and will continue to invest in its governance standards because this ultimately benefits the service provided to residents.

Statement of the qualities required by the Board of its members

The Board expects its elected members collectively to constitute a reasonable cross-section by location, tenure, gender and ethnicity of residents in WECH's properties. Board members are expected individually:

- to act as Board members in the interests of the whole WECH community;
- to participate positively in discussion of issues put to the Board for decision;
- to apply their experience (where appropriate) as WECH residents and their individual life and work-related skills and experience to their participation as Board members;
- to attend Board meetings regularly;
- to uphold the decisions of the Board.

To operate effectively, the Board requires specific skills in housing management, finance, building maintenance and housing policy. The Board expects its elected members to have regard to the need for these skills in co-opting experts to serve on the Board.

7. Identification and evaluation of key risks

The Board is responsible for defining, identifying, evaluating and controlling significant risks. The Board receives regular reports on significant risks facing WECH and details of significant changes to such risks. WECH's Risk Appetite and Key Risks are reviewed annually by the Board.

8. Covenant Compliance

During the year, the Board reviewed and enhanced covenant flexibility by negotiating a transition from an EBITDA MRI to an EBITDA-only covenant definition. This change provides increased headroom and is more closely aligned with the current business plan. All covenants were met throughout the financial year and remained comfortably within the organisation's defined risk appetite, including its internal metrics and trigger points. Based on current financial forecasts and scenario analysis, WECH expects to maintain ongoing compliance with all covenant requirements.

9. Provision of information to auditors

The Board members who held office at the date of approval of this Board report confirm that, so far as each of them is aware, there is no relevant audit information of which WECH's auditors are unaware; each Board member has taken all necessary steps, as a Board member, to make him/herself aware of any relevant audit information and to establish that WECH's auditors are aware of that information.

Report of the Board

Auditor

A resolution to re-appoint Beever and Struthers as external auditors will be proposed at the annual general meeting. They have indicated their willingness to be reappointed.

On behalf of the Board

Gordon Quinlan, Chair of the Board

12 September 2025

Report of the independent auditors to the members of Walterton and Elgin Community Homes Limited

Opinion

We have audited the financial statements of Walterton and Elgin Community Homes 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 Reserves, the Statement of Cashflows and 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 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 board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Report of the independent auditors to the members of Walterton and Elgin Community Homes Limited

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 require 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 require for our audit.

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 5, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board 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 intends 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. This description forms part of our auditor's report.

Report of the independent auditors to the members of Walterton and Elgin Community Homes Limited

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

Report of the independent auditors to the members of Walterton and Elgin Community Homes Limited

Use of our report

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

Beever and Struthers

Beever and Struthers
Chartered Accountants and Statutory Auditors
150 Minories, London, EC3N 1LS

Date:

Statement of comprehensive income

	Note	2025 £	2024 £
Turnover	2	5,219,326	4,688,019
Less: operating costs	2	(9,256,477)	(4,657,846)
Gain on disposal of property, plant and equipment	5	1,002,053	0
Operating surplus on ordinary activities	4	(3,035,098)	30,173
Bank interest receivable	16	1	0
Bank interest payable	17	(437,774)	(431,854)
(Deficit)/Surplus for the year		(3,472,871)	(401,681)
(Deficit)/Surplus for the year		(3,472,871)	(401,681)

The notes on pages 17 to 32 form an integral part of these financial statements

All amounts relate to continuing activities.

All recognised gains and losses are included in this statement.

The above surpluses are the historical cost surpluses.

The financial statements on pages 13 to 32 were approved and authorised for issue by the Board on 12 September 2025 and were signed on its behalf by:

Gordon Quinlan
Chair

Martin Lewis
Secretary

David Little
Trustee

Statement of financial position

	Note	As at 31 March 2025 £	£	As at 31 March 2024 £	£
Fixed assets					
Housing properties - depreciated cost			36,201,654		36,713,455
Other fixed assets			4,120,276		4,203,031
	10		40,321,930		40,916,486
Current assets					
Debtors	13	362,937		305,130	
Cash at bank and in hand		1,014,653		892,537	
		1,377,590		1,197,667	
Creditors falling due within one year	14	(1,281,400)		(1,348,708)	
Net current assets / (liabilities)			96,190		(151,041)
Total assets less current liabilities			40,418,121		40,765,445
Creditors: amounts falling due after more than one year	15		(17,594,196)		(17,968,665)
Provisions for liabilities					
Liability	18		(3,500,000)		
Net assets			19,323,924		22,796,780
Capital and reserves					
Share capital	19		688		673
Income & expenditure reserve			19,323,236		22,796,107
			19,323,924		22,796,780
					(0)

The notes on pages 17 to 32 form an integral part of these financial statements

The financial statements on pages 13 to 32 were approved and authorised for issue by the Board on 12 September 2025 and were signed on its behalf by:

Gordon Quinlan
Chair

Martin Lewis
Secretary

David Little
Trustee

Statement of changes in reserves

	Income and expenditure reserve £
Balance at 31 March 2023	23,197,788
Deficit from statement of comprehensive income	(401,681)
Balance at 31 March 2024	22,796,107
Surplus / (Deficit) from statement of comprehensive income	(3,472,871)
Balance at 31 March 2025	19,323,236

The notes on pages 17 to 32 form an integral part of these financial statements

Statement of cashflows

		2025	2024
		£	£
Net cash generated from operating activities	Note i	(19,701)	811,729
Cash flow from investing activities			
Purchase of tangible fixed assets		(379,222)	(575,022)
Proceeds of sale of tangible fixed assets		1,137,473	9,501
Interest received		1	0
Interest payable (incl commitment)		(437,774)	(431,854)
Cash flow from financing activities			
Bank loan		(178,675)	(169,671)
Bank loan drawn down		-	0
Issue of ordinary shares			7
Grant received in the year		-	0
Net change in cash and cash equivalents		122,102	(355,310)
Cash and cash equivalents at the beginning of the year		892,537	1,247,847
Cash and cash equivalents at the end of the year		1,014,639	892,537

Note i

Cash flow from operating activities		
Surplus / (Loss) for the year	- 3,472,871	(401,681)
Adjustments for non cash items:		
Depreciation of tangible fixed assets	832,020	813,924
(Increase) / Decrease in trade and other debtors	(57,807)	(147,354)
Increase / (Decrease) in trade and other creditors	5,299	389,951
Increase / (Decrease) in provisions	3,500,000	0
(Gain) / Loss on disposal of tangible fixed assets	(995,715)	9,480
Adjustments for investing or financing activities:		
Government grant amortised during the year	(268,402)	(284,445)
Interest received	1	0
Interest payable	437,774	431,854
Decrease in members	-	0
Net cash generated from operating activities	(19,701)	811,729

The notes on pages 17 to 32 form an integral part of these financial statements

Notes to the financial statements

1 Principal accounting policies

Legal Status

WECH is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 (registration number 27378R) and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing (registration number L3939). The registered office is Selbourne House, 36A Elgin Avenue, London, W9 3AZ.

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018. The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022. The financial statements are prepared on the historical cost basis of accounting and are presented in sterling pounds for the year ended 31 March 2025. The financial statements have been prepared in compliance with FRS 102. The company meets the definition of a public benefit entity (PBE).

Turnover

Turnover principally represents rental income receivable from general needs and temporary social housing (after deducting lost rent from void properties) on an accruals basis. Smaller amounts of income from other social housing, community development activities and non-social housing activities (principally leaseholder service charges) are also included in turnover. Turnover includes the amortisation of grant on housing properties. Void losses are rent lost on empty properties that had previously been occupied.

Freehold housing properties

Housing properties are stated at cost (in the case of properties transferred from Westminster City Council in 1992 under Part IV of the Housing Act 1988, this cost was nil), and the cost of refurbishment net of depreciation.

Most of WECH's properties were acquired from Westminster City Council in a state of disrepair. WECH has completed a programme of refurbishment of these properties in order to improve them and bring them up to Decent Homes Standard. The cost of these refurbishments was capitalised as part of "freehold housing properties".

Housing properties are split between land, structure and a set of major components which require periodic replacement. Replacement of such components is capitalised and depreciated over the estimated life of the component.

Improvements to properties are capitalised to the extent that they represent an enhancement of economic benefit for the assets, for example, an increase in the net rental stream, a reduction in future maintenance costs or a significant extension to the life of the property.

Any expenditure on maintenance of both improved and unimproved properties is charged to the income and expenditure account as incurred.

Notes to the financial statements

1 Principal accounting policies (continued)

Impairment
Reviews for impairment of housing properties are carried out annually, and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the net book value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified. Impairment reviews are carried out when there is a trigger event. No amount has been charged to the income and expenditure account in respect of impairment.

Depreciation
Depreciation is charged so as to write down the cost of fixed assets on a straight line basis over their expected useful economic lives as follows:

Freehold land is not depreciated
Structures of freehold housing properties: 100 years
Other freehold properties: 50 years
Roofs on properties: 50 years
Electrics: 25 years
Windows: 25 years
Kitchens: 20 years
Bathrooms suites: 20 years
Boilers: 10 years
Furniture in furnished tenancies: 3 years
Office improvements: 5 years
Office equipment: 4 years
Furniture, fixtures and fittings: 5 years
Motor Vehicle: 5 yrs

Government grants
Where Housing Association Grant (HAG) or Social Housing Grant (SHG) has been received towards the cost of acquiring or refurbishing properties, the grant is shown in creditors. The amount expected to be amortised in one year is shown under 'Creditors falling due within one year' and the rest is shown in 'Creditors: amounts falling due after more than one year'. The grant is amortised over the life of the asset to which it relates, as determined for the purposes of depreciation, except grant on land which is amortised over 100 years. This amortisation is credited to the income & expenditure account under turnover.

Where a property, the acquisition or refurbishment of which was funded either wholly or partly by HAG or SHG, is subsequently disposed of, the grant is credited to the "recycled capital grant fund". This is included in creditors until such time as it is either applied against other eligible costs or repaid. Repayment occurs compulsorily after 3 years from the date of disposal.

Grant received towards the cost of carrying out aids and adaptations to adapt homes and make them more suitable for the specific needs of the occupiers, is credited to the income and expenditure account as part of turnover in the same period in which the cost is incurred. The cost incurred is included under operating costs.

Notes to the financial statements

Provisions
Provision is made for contractual liabilities and any other probable liabilities which are considered to exist at the balance sheet date.

1 **Principal accounting policies (continued)**

Value added tax
WECH is not registered for VAT because almost all its outputs are rental income which is VAT exempt. As a result, input VAT suffered may not be reclaimed and expenditure is shown inclusive of any related input VAT.

Void losses
Void losses are rents lost due to a property being vacant between tenants. This does not apply to new properties waiting to be rented for the first time.

Retirement benefits
WECH contributes to two defined contribution schemes and the cost of pension contributions is charged to the income and expenditure account as incurred.

WECH also participates in a funded multi employer defined benefit scheme, The Pensions Trust Growth Plan. Due to the nature of the scheme as a non-segregated multi-employer scheme it is not possible, in the normal course of events, to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to each individual participating employer. Accordingly, advantage has been taken of the exemption available under Financial Reporting Standard 17 "Retirement Benefits" to account for the scheme as if it were a defined contribution scheme. The income and expenditure charge therefore represents the employer contribution payable to the scheme for the accounting period and the change in the net present value of future payments which WECH is expected to make towards the shortfall in the fund.

Going concern
The Board have concluded that there is a reasonable expectation that WECH has adequate resources to continue in operational existence for the foreseeable future. No significant concerns have been noted in the business plan updated for 2024/25. Therefore, the financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future.

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

Financial instruments held by WECH are classified as follows:

(a) Financial assets such as cash and cash equivalents are measured at cost

(b) Financial assets such as current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method,

Notes to the financial statements

(c) Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method.

1 **Principal accounting policies (continued)**

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

a. Categorisation of housing properties. WECH has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, WECH has considered if the asset is held for social benefit or to earn commercial rentals.

b. Impairment. WECH has identified a cash generating unit for impairment assessment purposes at a property scheme level.

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

Notes to the financial statements

2 Particulars of turnover, operating costs and operating surplus

	Year ended 31 March 2025		
	Turnover	Operating costs	Operating surplus / (deficit)
	£	£	£
Social housing lettings (note 3)			
General needs housing	4,293,248	(5,135,062)	(841,814)
Temporary social housing	268,401	(61,001)	207,400
Other social housing activities			
Community development	273,728	(283,477)	(9,749)
Community centre	53,818	(21,789)	32,029
Non social housing activities			
Leaseholders service charges	192,669	(192,669)	(1)
Commercial units	98,361	(26,646)	71,715
Garages and parking income	20,433	(35,833)	(15,400)
Other income	18,668	0	18,668
Provision for liability	0	(3,500,000)	(3,500,000)
	5,219,326	(9,256,477)	(4,037,151)
Gain on disposal of property, plant and equipment			1,002,053
Operating Surplus			(3,035,098)

	Year ended 31 March 2024		
	Turnover	Operating costs	Operating surplus / (deficit)
	£	£	£
Social housing lettings (note 3)			
General needs housing	3,702,973	(4,022,023)	(319,050)
Temporary social housing	544,816	(106,602)	438,214
Other social housing activities			
Community development	95,257	(276,777)	(181,520)
Community centre	32,286	(25,388)	6,898
Non social housing activities			
Leaseholders service charges	184,883	(184,883)	0
Commercial units	77,903	(17,986)	59,917
Garages and parking income	35,183	(24,187)	10,996
Other income	14,718	0	14,718
	4,688,019	(4,657,846)	30,173

Notes to the financial statements

3 Particulars of income and expenditure from social housing lettings

	General needs housing £	Temporary social housing £	Total Year ended 31 Mar 25 £	Total Year ended 31 Mar 24 £
Turnover				
Rent receivable (net of void losses)	3,704,443	588,805	4,293,248	3,963,345
Amortisation of housing grant	263,412	4,989	268,401	284,444
	3,967,855	593,794	4,561,649	4,247,789
Operating costs				
Management	(1,349,515)	(36,955)	(1,386,470)	(1,506,446)
Services	(722,250)	0	(722,250)	(556,845)
Routine maintenance	(1,617,234)	(19,057)	(1,636,291)	(1,053,074)
Planned maintenance	(610,455)	0	(610,455)	(136,063)
Major repairs expenditure	0	0	0	(64,405)
Bad debts gain	(7,930)	0	(7,930)	(2,004)
Depreciation of housing properties	(804,356)	(4,989)	(809,345)	(788,608)
Accelerated depreciation	(6,338)	0	(6,338)	(7,701)
Depreciation of furniture	(16,984)	0	(16,984)	(13,479)
	(5,135,062)	(61,001)	(5,196,063)	(4,128,625)
Operating (deficit) / surplus	(1,167,207)	532,793	(634,414)	119,164
Void losses	77,402	0	77,402	94,036

4 The operating surplus on ordinary activites is stated after charging:

	2025 £	2024 £
Depreciation	832,020	813,924
Fees paid to the auditors in their capacity as such excluding VAT at 20%	13,747	13,517

Notes to the financial statements

5 Gain on disposal of property, plant and equipment	Right to Buy Sale	2025	2024
	£	£	£
Proceeds of sale	1,138,600	1,138,600	0
Less: Cost of sale	- 136,547	- 136,547	0
Surplus	1,002,053	1,002,053	0

6 Provision for liability	2025	2024
	£	£
Provision for Elgin Estate defects	3,500,000	0

Since 31st March 2025, it has come to light that there are defects which need to be rectified in the internal wall system of the 43 new build flats on the Elgin Estate. The estimated cost to rectify the defects is £3.5m and a provision has therefore been made in the 24/25 financial statements for this amount. In the absence of any detailed costings, it has been assumed that these costs cannot be capitalised. WECH has been advised that they have a strong legal case for requiring the company that constructed the flats to pay for the defects, and this will be pursued in the coming months. However, as the amount and timing of any cost recovery is uncertain, none has been assumed in assessing the amount of the provision.

7 Taxation

With effect from 6 January 2003, HM Revenue & Customs accepted that WECH is a charity for tax purposes. This means that WECH's income and capital gains are exempt from tax as long as it continues to fullfil the criteria for exemption.

Notes to the financial statements

8 Directors' emoluments

For the purpose of this note, the directors are defined as the members of the Board and the executive directors. None of the members of the Board received any emoluments (2023: £0). Board members were reimbursed £630 in expenses (2024: NIL)

	2025	2024
	£	£
Total emoluments paid to the executive directors	294,903	262,109
Pension contributions included therein	26,812	10,653
Benefits in kind included therein	0	0
Emoluments of the highest paid director excluding pension contributions.	87,177	97,701
The aggregate amount of any consideration payable to directors for loss of office	0	30,000
Total expenses reimbursed to directors not chargeable to UK tax	0	0

The Chief Executive is an ordinary member of the pension scheme and no enhanced or special terms apply. There are no payments made to separately administered pension schemes. (see notes 10 and 19)

9 Employee information

	2025	2024
The average number of full time equivalent persons, calculated on the basis of a 35 hour week,		
Office staff	17	15
Maintenance staff	2	1
	19	16
Staff costs for the above persons were:	£	£
Wages and salaries	963,457	774,831
Social security costs	103,451	69,917
Pension contributions	95,803	65,645
Contribution towards the shortfall in the pension scheme	16,231	16,080
	1,178,942	926,473
Full time equivalent persons paid salaries & pension contributions within the following bands:		
Below £60,000	13	9
£60,000 to £69,999	1	1
£70,000 to £79,999	2	2
£80,000 to £89,999	0	0
Above £90,000	3	4

10 Fixed assets

	Freehold housing properties £	Work in progress £	Other freehold properties £	Furniture in furnished lettings £	Furniture, fixtures & office equipment £	Motor Vehicle £	Total £
Cost							
At 31 March 2024	50,746,410	56,037	4,526,467	87,182	59,832	24,394	55,500,322
Additions	322,707	21,901	0	32,099	2,515	11,730	390,952
Completed projects	0	0	0	0	0	0	0
Disposals	(352,429)	0	0	0	0	(15,300)	(367,729)
At 31 March 2025	50,716,688	77,938	4,526,467	119,281	62,347	20,824	55,523,545
Depreciation							
At 31 March 2024	(14,088,992)	0	(362,116)	(80,897)	(47,958)	(3,873)	(14,583,836)
Charge for the year	(714,651)	0	(90,529)	(16,984)	(5,692)	(4,164)	(832,020)
Disposals	210,671	0	0	0	0	3,570	214,241
At 31 March 2025	(14,592,972)	0	(452,645)	(97,881)	(53,650)	(4,467)	(15,201,615)
Net book value							
At 31 March 2025	36,123,716	77,938	4,073,822	21,400	8,697	16,357	40,321,930
At 31 March 2024	36,657,418	56,037	4,164,351	6,285	11,874	20,521	40,916,486

£2,571,739 (2024: £1,834,427) was spent on works to the properties in the year ended 31 March 2025, with £2,246,747 (2024: £1,279,513) being expensed as repairs and maintenance, £322,707 (2024: £255,835) being capitalised components and £2,285 relating to the Elgin Estate scheme was capitalised (2024: £299,079). The net book value of assets charged as security on loans was £34,203,002 at 31 March 2025 (2024: £34,681,221).

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Notes to the financial statements

11 Retirement benefits - defined contribution scheme

WECH operates two defined contribution schemes, administered by TPT Retirement Solutions (TPT).

The cost for the year is equal to the contributions payable to the scheme during the period as shown in note 7. At the balance sheet date, the amount outstanding was £0 (2024: £14,397).

12 Retirement benefits - defined benefit scheme

WECH participates in TPT's Growth Plan (the scheme), a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for WECH to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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, WECH 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 at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows: From 1 April 2025 to 31 March 2028, £2,100,000 per annum, payable monthly.

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of Series 1 and Series 2 scheme liabilities.

Notes to the financial statements

12 Retirement benefits - defined benefit scheme (continued)

Deficit contributions payable by WECH	£
Year ended 31 March 2022 payable in instalments of £1,614.09 per month.	19,369
Year ended 31 March 2023 payable in instalments of £1,662.50 per month.	19,950
Year ended 31 March 2024 payable in instalments of £622.92 per month.	7,475
Year ended 31 March 2025 payable in instalments of £519.08 per month.	6,229
Year ended 31 March 2026 payable in instalments of £475.50 per month.	5,706

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	£
Present value of provision as at 31 March 2021	76,540
Present value of provision as at 31 March 2022	20,516
Present value of provision as at 31 March 2023	13,079
Present value of provision as at 31 March 2024	6,110
Present value of provision as at 31 March 2025	15,999

FRS102 - Section 28 disclosure report	2025 £	2024 £
Provision at start of period	6,110	13,079
Unwinding of the discount factor (interest	161	501
Deficit contribution paid	(6,229)	(7,475)
Remeasurements-impact of change in assumptions	101	5
Remeasurements-amendements to the contribution schedule	15,856	0
Provision at end of period	15,999	6,110
Rate of discount	4.84%	5.31%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

WECH paid contributions at the rate of 10% of gross salary during the accounting period. Members paid contributions at the rate of at least 5% of gross salary during the accounting period.

As at the balance sheet date there were 18 active members of the scheme employed by WECH. WECH continues to offer membership of the scheme to all its employees.

Notes to the financial statements

13 Debtors

	2025	2024
	£	£
Rent arrears	209,856	217,973
Other arrears	89,452	70,593
Less provision for bad debts	(187,431)	(179,501)
Arrears net of bad debt provision	111,877	109,065
Leaseholders' service charges	44,456	66,171
Prepayments and accrued income	35,212	41,442
Other debtors	171,392	88,452
	362,937	305,130

14 Creditors
Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	190,801	153,307
Accrued expenses	352,405	374,136
Rents and service charges paid in advance	263,847	228,457
Deferred income	0	61,462
Grants relating to housing properties	264,036	284,445
Pension deficit payment liability	5,709	6,110
Bank loan	13,566	197,893
Other creditors	191,036	42,898
	1,281,400	1,348,708

15 Creditors
Amounts falling due after more than one year

	2025	2024
	£	£
Grants relating to housing properties	11,489,068	11,879,479
Bank loan	6,094,838	6,089,186
Pension deficit payment liability	10,290	0
	17,594,196	17,968,665
Bank loan repayment		
due less than 1 year	13,566	197,893
due between 1-2 years	0	209,674
due between 3-5 years	235,512	706,058
due more than 5 years	5,859,326	5,173,454
	6,108,404	6,287,079

The loan is due for repayment in 17 years at base rate plus 1.8%

Notes to the financial statements

16 Interest receivable and similar income

on financial assets measured at amortised cost:	2025 £	2024 £
Interest receivable from current accounts	1	0
Interest receivable from short term deposits	0	0
	1	0

17 Interest payable and financing costs

on financial liabilities measured at amortised cost:	2025 £	2024 £
On loans repayable within five years	0	0
On loans wholly or partly repayable in more than five years	421,656	431,353
Unwinding of the discount factor	161	501
Remeasurement of pension liability	15,957	0
	437,774	431,854

18 Provision for liability

	2025 £	2024 £
At the start of the year	0	0
Increase in the provision for the year	3,500,000	0
At the end of the year	3,500,000	0

The estimated cost to rectify defects in the internal wall system of the 43 new build flats on the Elgin Estate is £3.5m. In the absence of any detailed costings, it has been assumed that these costs cannot be capitalised.

Notes to the financial statements

19 Share capital

Shares of £1 each issued and fully paid	2025 £	2024 £
At 1 April 2024	673	666
Cancelled during the year	(21)	(5)
Issued during the year	36	12
At 31 March 2025	688	673

The share capital of WECH 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. On ceasing to be a member, that person's share is cancelled and the amount paid up thereon becomes the property of WECH. All shareholdings relate to non-equity interests; there are no equity interests in WECH. Each share carries the right to one vote. Resident members are deemed to have given up their membership when they cease to be residents in a dwelling owned or managed by WECH unless they indicate otherwise.

20 Cumulative capital and revenue grant received

	Capital grant £	Revenue grant £
At 31 March 2024	19,827,553	388,345
Received during the year	0	0
At 31 March 2025	19,827,553	388,345

21 Deferred capital grant

	2025 £	2024 £
At 1 April 2024	12,163,924	12,448,369
Transferred to creditors within one year following disposal	(142,418)	
Amortisation released to income in the year	(268,402)	(284,445)
At 31 March 2025	11,753,104	12,163,924
Amount due to be released in one year	264,036	284,445
Amount due to be released in more than one year	11,489,068	11,879,479
Unamortised grant received	11,753,104	12,163,924

Notes to the financial statements

22 Financial instruments

	2025	2024
	£	£
Financial assets held at cost		
Cash and cash equivalents	1,014,653	892,537
Financial assets held at amortised costs		
Rent and service charge debtors	343,764	354,737
Other debtors	171,392	88,452
Total financial assets	1,529,810	1,335,726
Financial liabilities measured at amortised costs		
Other creditors	191,036	42,898
Bank loan	6,108,404	6,287,079
Total financial liabilities	6,299,440	6,329,977

23 Operating leases

As of 31 March 2025 WECH had not entered into any operating lease contracts and it has no plans to do so in the the foreseeable future.

24 Capital commitments

	2025	2024
	£	£
Contracted for but not provided in these financial statements	0	0
Authorised by the Board but not contracted for	364,499	507,500
	364,499	507,500

This capital commitment will be funded by cash.

25 Contingent liability

WECH received a Housing grant for 33 Lydford which was sold during the year. The unamortised amount £81,235 is not expected to be repayable to the granter. The source and terms of the grant are being confirmed. The amount is disclosed as a contingent liability as there is a small posibility it may be repayable.

Notes to the financial statements

26 Number of homes

	2024	Sold or reallocated	2025
General needs tenanted (managed by WECH)	497	(4)	493
General needs tenanted (leased back to Westminster City Council)	5	0	5
Tenanted (leased to Westminster City Council's agent as temporary accommodation for homeless families)	31	4	35
Tenanted (Assured Shorthold Tenancy)	2	0	2
Flat occupied by placement student	1	(1)	
On long leases to residential occupiers	139	0	139
	675	(1)	674

27 Legislative provisions

WECH is incorporated under the Co-operative Community and Benefit Societies Act 2014.

28 Related parties

The Board has members who are tenants or leaseholders and hold tenancy agreements or leases on normal terms. They cannot use their position to their advantage.

Rents and service charges charged to those Board members during the year ended 31 March 2025, totalled £87,550 (2024: £69,567) and their total balance at 31 March 2025 were £4,676 in arrears (2024 £7,087), £3,763 in credit(2024:NIL).

Board members were reimbursed £630 in expenses (2024: NIL)

29 Controlling party

WECH is controlled by its members in a general meeting who elect the Board of management each year.

30 Analysis of changes in net debt

	At 1 April 2024	Cash Flows	Non-Cash Movements	At 31 March 2025
	£	£	£	£
Cash and Cash Equivalents	892,537	122,116	0	1,014,653
Housing Loans Due in One Year	(197,893)	178,675	5,652	(13,566)
Housing Loans Due After One Year	(6,089,186)	0	(5,652)	(6,094,838)
	(5,394,542)	300,791	0	(5,093,751)