

Redwing Living Limited

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

Co-operative and Community Benefit Society (FCA) No. 16213R

Regulator of Social Housing Number: L0877



Redwing

WE ARE REDWING

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www.redwing.co.uk

Redwing Living Limited

Report And Financial Statements For the year ended 31 March 2025

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Members

Neil Hibbert (Chair)
Michael Birkett
Tom Jones
Stewart Bonnette
Alex Andani
Sarah Parr
Julie Vincent (Secretary)

Registered Office

The Foundry
42 Henry Street
Liverpool
L1 5AY

Auditor

Mitchell Charlesworth (Audit) Limited
Suites C, D, E & F
14th Floor, The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

Redwing Living Limited

Strategic Report

For the year ended 31 March 2025

The Board present their Strategic report for the year ended 31 March 2025.

Introduction

Redwing is Registered Provider specialising in Shared Ownership and Leasehold property management. As well as managing its own stock, it also provides Commercial Estate Agency and Property Management services to the Company as well as external clients. In addition to its contribution towards the overarching Group Corporate Plan Objectives, Redwing has its own Business Plan with specific targets set for the business which was approved by the Redwing Management Team Committee in February 2023 with a yearly refresh approved each February.

Redwing has a business plan in place for the period April 2023 – March 2026. This sets out the three strategic objectives which are Growth, Customer Satisfaction & Profit for Purpose.

Growth

- **Move from an inward facing RP to a commercially focused company**

To create and develop a culture that balances the needs of our internal clients with a renewed appetite for developing external business.

- **Enhancing future growth and identify new products and services**

By diversifying our sources of income, particularly in relation to our estate agency and business to business Growth, whilst challenging our costs to ensure financial sustainability. Ensuring these align with our values as an ethical landlord and property agency.

Improving customer satisfaction

- **Provide a quality multi tenure housing offer**

To enhance our reputation as a trusted landlord and developer and, above all, to provide a diverse, high quality, housing offer to our customers.

- **Creating strategic alliances and partnerships**

With Key Business, Corporate and private Landlords, Developers, local and regional stakeholder, and influences who share our values and support out purpose.

Profit for purpose

- **Maximise profit**

To fund further growth and diversification and support other Group subsidiaries through Gift Aid.

Business review

During the financial period Redwing Living Limited (the company) has achieved a post-tax deficit of £94k (2024: £4.2m) and an operating margin (excluding fixed asset property disposals) of -14.6% (2024: 86.0%).

Redwing has a total of 1,375 properties owned and managed. A total of 813 social units, 265 leasehold units and 297 non-social units.

Redwing Living Limited

Strategic Report [Continued]

For the year ended 31 March 2025

Principal risks and uncertainties

Strategic risks are those that present the greatest threats to the company. Directly linked to the company's corporate objectives and performance management framework, the company's strategic risks are considered and reviewed at least annually by the Risk and Audit Committee as part of the corporate planning process. The risks are recorded and assessed in terms of their likelihood and impact.

Risk reports are provided to the Board and the company's Risk and Audit Committee on a quarterly basis and include assessments of changes in key risk areas and action taken to manage them. The company's strategic risks are considered below.

Financial

The company has a commercial approach to business and this needs to be retained. Currently, its main client remains Regenda Homes however the cost of services are provided at a market competitive rate. The company has further increased its external clients in 2024/2025 and this is expected to continue in 2025/2026. It's essential that the company retains its competitive approach to pricing and service delivery to maintain a successful business.

Redwing's operating context will always be directly impacted by shifts in market conditions and the wider economic climate as well as any change to the legislative environment. This year continued high levels of inflation have had a significant consequence on the confidence of the sales market, the availability of mortgage products and affordability for purchasers, although this has steadily improved throughout the year, as interest rates have fallen.

In contrast the rental market has benefited from increased rental values driven by market demand and the slowdown in the sales market, as well as the emergence of a strong corporately backed BTR market as the sector looks to professionalise because of legislation.

Governance

There is a continuous review of the company's governance arrangements in order to respond to diversification and ensure compliance with regulatory and statutory requirements. Our selective use of expert third party advisors and commitment to training staff ensures that the company is further supported when regulatory and legislative changes occur. The company continues its membership with PropertyMark which provides another layer of regulatory assurance.

Legislative

Alongside market volatility, the sector has also had to grapple with a number of radical changes to the legislative environment with far reaching implications for developers, landlords and managing agents. These include:

- Minimum energy efficiency standards (2018)
- Fitness for Human Habitation Act (2019)
- Smoke Alarm and Carbon Monoxide Regulations (2022)
- Tenants Fees Act (2019)
- Compulsory 5 yearly testing of electrical installations in all residential dwellings (2020)
- Fire Safety Bill (2020)
- Homes England's New Shared Ownership Model (2021)
- Leasehold and Freehold Reform Act (2024)
- Renter Rights Bill (2024)

Redwing Living Limited

Strategic Report [Continued]

For the year ended 31 March 2025

Redwing's operating context is directly impacted by such shifts in market conditions and the changing legislative environment and must continue to adapt to keep up with this rapidly moving operating context. Such changes do also however bring opportunities.

- The changing legislative landscape is creating challenges for small amateur landlords and leading to the professionalisation of the PRS, managing agent, and leasehold sectors. This creates a role for professional agents, who can also serve the growing investor backed Build to Rent sector which Redwing already have experience in.
- The Government's announcement of the new shared Ownership Model, right to Shared Ownership, first homes and that 50% of Home England's Affordable Home Programme funding is earmarked for Affordable Home Ownership tenures are all indicators that the focus of housing policy is on the expansion of home ownership. This means there is a significant opportunity to capitalise on the shared ownership market. Redwing have a wealth of demonstrable experience in this area and are well placed to provide this as a commercial service to both RP's and Local authority housing companies, particularly those with limited experience in this area with no in house sales or home ownership teams.

Supply chain

In these challenging economic times Redwing continues to focus on the importance of close working relationships with its supply chain to ensure that the risk of disruption is minimised. The company has a Business Continuity Plan that supports a response to a range of potential external issues that may affect the business. Furthermore, the prominence of cyber-attacks has resulted in a review of the Company's IT arrangements which has increased security to ensure compliance with General Data Protection Regulations.

Approval

This Strategic Report was approved by order of the Board on 5 September 2025.



N Hibbert
Chair

Redwing Living Limited

Report of the Board

For the year ended 31 March 2025

The Board presents its report, together with Redwing Living Limited's (the "Company" or "RWL") audited financial statements, for the year ended 31 March 2025.

Company structure and principal activities

The Company is a public benefit entity administered by a voluntary board which was formed on 29 October 1962. The Company is part of the Regenda Group (the "Group"). The Group's principal activities are the development, ownership, and management of affordable housing.

Business review

The results for the year are shown in the Company Statement of Comprehensive Income on page 13.

Housing property assets

Details of changes to the Company's housing property assets are shown in note 13 of the financial statements.

Reserves

After the transfer of the deficit for the year of £94k (2024: £4.2m) at the end of the year the Company's reserves amounted to £48,949k (2024 - £49,043k).

Donations

The Company made no charitable donations (2024: £Nil) and made no political donations (2024: £Nil) during the year.

Payment of creditors

The Company's policy is to pay purchase invoices within 30 days of receipt, or earlier if agreed with the supplier.

Employees

The Company is committed to developing a culture in which equality and diversity is integral to all activities, including the recruitment and development of staff. The aim is to achieve an inclusive culture that respects and values differences and eliminates discrimination in all areas.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect the interests of employees.

The Company shares information on its objectives, progress and activities through team meetings and 1-2-1 meetings.

Health and safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Company has prepared detailed health and safety policies applicable to all Group organisations including the Company and provides staff with training and education on health and safety matters.

Redwing Living Limited

Report of the Board [Continued] For the year ended 31 March 2025

Board members and executive directors

Board members are drawn from a wide background bringing together professional and local experience. The Board members who served during the year ended 31 March 2025 and subsequently are as follows:

Dr M Birkett
Mr S Bonnette
Mr N Hibbert (Chair)
Ms A Andani
Mr T Jones

The Group's executive team provide Group wide executive level management support to all Group members, including the Company. The Group's executive directors who served throughout the year were as follows:

M Birkett Group Chief Executive
S Harrison Executive Director Operations - Customer Services
T Russell Executive Director Resources
G Kelly MD of M&Y
A Andani Executive Director Property
L Burrows MD of Positive Footprints

Executive directors hold no interest in the Company's shares or in the shares of any Group members. Executive Directors act as executives within the authority delegated by the Board.

Group insurance policies indemnify Board members and officers against liability when acting for the Company.

Further details concerning the executive directors' service contracts and pensions are disclosed in the accounts of Regenda Limited

Code of Governance

Redwing complies with the principal recommendations of the National Housing Federation's Code of Governance 2020 and the supporting Code of Conduct 2022 both of which have been adopted by the Parent Board.

Value for Money

Value for Money reporting is conducted at a group level and is included in the accounts of Regenda Limited.

Regulatory Framework

In line with Regulator of Social Housing's requirements under the Regulatory Framework, the Regenda Group confirms full compliance with the Governance & Financial Viability Standard for 2024/2025.

General Data Protection Regulation (GDPR)

GDPR came into force on 25 May 2018 and the Regenda Group complies with the legal requirements set out in this new legislation.

Resident involvement

The Company actively encourages residents' involvement in decision-making by promoting mechanisms of resident involvement and encouraging engagement with the resident voice panel, all relevant Redwing policies go through a customer involvement process with feedback contributing to changes prior to approval.

Redwing Living Limited

Report of the Board [Continued]

For the year ended 31 March 2025

Internal controls assurance

The Board acknowledges its overall responsibility, applicable to all organisations within the Group, 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 assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group and the Company is ongoing and has been in place throughout the period commencing 1 April 2024 up to the date of approval of the annual report and financial statements.

Key elements of the internal control framework include:

- regular reporting to the Group's Boards on strategic objectives, financial and operating targets and outcomes including loan covenant compliance and liquidity requirements; health & safety compliance; complaints monitoring;
- a comprehensive approach to treasury management including an approved annual treasury strategy, policy and practices which are subject to specialist independent review at a Group level on an annual basis;
- robust strategic and business planning processes, with a group corporate plan, detailed financial plan, budgets and forecasts that are stress tested against a range of possible scenarios with recovery plans to mitigate the impact should these crystallise;
- an assets & liabilities register that is regularly reviewed to ensure that we understand our housing assets and security position and boards and management have swift access to this information in decision making and risk management;
- a series of self-assessments to give assurance that the relevant members of the Group are meeting the requirements set out in our adopted Code of Governance (National Housing Federation 2020), the Regulator of Social Housing's Regulatory Framework and the Housing Ombudsman Complaint Code, to ensure any areas of non-compliance are reported;
- a risk management framework that clearly defines management responsibilities for the identification, evaluation and control of significant risks. There is a continual review of risks across the Group that are then reported to the Risk & Audit Committee; the Senior Management Team have provided assurance that they understand and have reviewed the key risks that impact their areas of the business and that they are satisfied the right levels of internal controls are in place;
- established financial regulations including authorisation and appraisal procedures for all significant new initiatives and investment commitments;
- governance related policies including whistle-blowing and anti-fraud policies;
- an annual programme of internal audit reviews that are set and delivered under a riskbased methodology;
- audit recommendations are tracked by the Risk & Audit Committee to ensure they are implemented within the agreed timescales;
- a series of property compliance audits have been scheduled to be undertaken by the Group's internal Audit regime and independent third parties in order to provide an assessment of the extent to which the group can demonstrate that the current management and monitoring arrangements for the identified compliance areas are fit for purpose, comply with current legislative requirements and housing best practice and that delivery of the service is in accordance with the written policies and procedures currently in place;
- recruitment, management and retention of board members, management and staff with the skills and competencies to ensure effective governance and management; and
- a governance framework that includes Board approved terms of reference and delegated authorities for Group Committees.

Redwing Living Limited

Report of the Board [Continued]

For the year ended 31 March 2025

Internal controls assurance [Continued]

The Board delegates authority to review the effectiveness of the systems of internal control to the Group's Risk and Audit Committee. The Board receives minutes of the Group's Risk and Audit Committee meetings.

The Group's Risk and Audit Committee has received the Director of Governance's annual review of the effectiveness of the system of internal control for the Group, which includes the Company, and the annual report of the internal auditor and has reported its findings to the Company's Board.

Going concern

The Group's activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The Board originally approved the Group's 2025/26 budget in March 2025 with the aim of adopting the approved budget as the base for the thirty-year business plan which was presented to the Board in May 2024.

The Board were presented with a range of scenarios and stress tests to fully understand the potential impact on the business plan, including significant reductions in rental income collected and changes to key assumptions, such as interest and inflation. Periodic reviews of the business plan are scheduled for the coming year to allow the Board and Executive Team to make any necessary changes and continue to deliver outstanding services in the safest way possible whilst following Government guidelines.

Sustainability

The Regenda Group are committed to the long-term sustainability of our homes and neighbourhoods through intelligent investment. We aim to regenerate places by providing quality homes in sustainable neighbourhoods, while also meeting government targets to reach both net zero by 2050 and EPC C for poor fuel homes by 2030. The Environmental Group will oversee the delivery of our Environmental Strategy, ensuring that environmental, social and governance (ESG) reporting is embedded throughout our Group. The guiding principles for the Group are to improve lives and business outcomes through:

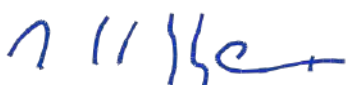
- *Carbon neutrality*: we commit to a no further harm approach and balancing emissions throughout all activities.
- *Social Sustainability*: to inform and educate, implementing positive change for the Group and communities.
- *Environmental sustainability*: exploring and developing opportunities for the business and communities and adapting to new technologies Annual general meeting.

Information provided to Auditor

The annual general meeting will be held on 5th September 2025. Each of the persons who are Board members at the time when this Report is approved has confirmed that:

- so far as the Member is aware, there is no relevant audit information of which the auditor is unaware, and
- the Member has taken all the steps that ought to have been taken as a Board Member in order to be aware of any relevant audit information and to establish that the auditor is aware of that information.

The Report of the Board was approved by the Board on 5 September 2025 and signed on its behalf by:



Neil Hibbert
Chair

Statement of Responsibilities of the Board for the Report and Financial Statements For the year ended 31 March 2025

Statement of the responsibilities of the Board for the report and financial statements

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 Company will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 2016 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Company 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 Company'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 Company'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. The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Mitchell Charlesworth (Audit) Limited

Accountants

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Independent Auditor's Report to the Members of

Redwing Living Limited

Opinion

We have audited the financial statements of Redwing Living Limited (the 'parent association') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Group and the parent association's Statements of Comprehensive Income, the Group and the parent association's Statements of Changes in Reserves, the Group and the parent association's Statements of Financial Position, the Group Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent association's affairs as at 31 March 2025 and of the group's and the parent association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting 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 Board is responsible for the other information. The other information comprises the information included in the Board 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Mitchell Charlesworth (Audit) Limited

Accountants

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Independent Auditor's Report to the Members of

Redwing Living Limited

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of the Board's responsibilities set out on page 8, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the group's and the parent association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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.

Mitchell Charlesworth (Audit) Limited

Accountants

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Independent Auditor's Report to the Members of

Redwing Living Limited

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the association's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the association's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the association's Statement of Financial Activities, (ii) the association's accounting policy for revenue recognition (iii) the overstatement of salary and other costs (III) the pension valuation, (iv) impairment of fixed assets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the association operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice for registered social housing providers issued by the joint SORP making body .

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the association's ability to operate or to avoid a material penalty.

Mitchell Charlesworth (Audit) Limited

Accountants

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Independent Auditor's Report to the Members of

Redwing Living Limited

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of the audit report

This report is made solely to the association's members as a body in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited

Mitchell Charlesworth (Audit) Limited
Statutory Auditors

Suites C, D, E & F
14th Floor, The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

Date: 5 September 2025


Redwing Living Limited

Company Statement of Comprehensive Income For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Turnover	4	5,711	5,048
Operating costs	4	(6,547)	(9,388)
Surplus/(Deficit) on sale of fixed assets	10	298	(667)
Operating deficit	4, 7	(538)	(5,007)
Interest receivable and other income	11	755	696
Gain on revalued properties	16	70	123
Provision for development defects (Caton)	25	-	(615)
Impairment of investment in subsidiaries	17	-	(185)
Provision for Bluebrook Road maintenance	25	(25)	-
Provision for fireworks	25	(254)	
Surplus/(Deficit) before taxation		8	(4,988)
Taxation on surplus/(deficit) on ordinary activities	12	(102)	809
Surplus/(Deficit) for the financial year		(94)	(4,179)
Total comprehensive income/(expense) for the year		(94)	(4,179)

The Company's results relate wholly to continuing activities.


The financial statements were approved by the Board of Directors on 5 September 2025 and authorised for issue.



N Hibbert
Chair



M Birkett
Board Member



J Vincent
Secretary

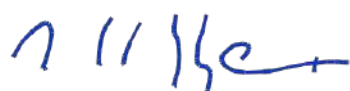
The notes on pages 16 to 36 form part of these financial statements

Redwing Living Limited

Company Statement of Financial Position For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Fixed assets			
Tangible assets - housing properties	13	28,113	27,921
Tangible assets - other	14	2,686	2,927
Intangible fixed assets	15	-	-
Investment properties	16	8,928	8,858
Investment in subsidiaries	17	-	-
		39,727	39,706
Current assets			
Trade and other debtors	18	19,788	21,426
Cash and cash equivalents	19	3,737	4,680
		23,525	26,106
Creditors: amounts falling due within one year	20	(3,504)	(2,605)
Net current assets		20,021	23,501
Total assets less current liabilities		59,748	63,207
Creditors: amounts falling due after more than one year	21	(8,681)	(9,961)
Provision for liabilities			
Deferred taxation	24	-	-
Provisions	25	(2,118)	(4,203)
Net assets		48,949	49,043
Reserves			
Share capital	27	-	-
Income and expenditure reserve	28	48,949	49,043
Total reserves		48,949	49,043

The financial statements were approved by the Board of Directors on 5 September 2025 and authorised for issue.



N Hibbert
Chair



M Birkett
Board Member



J Vincent
Secretary

The notes on pages 16 to 36 form part of these financial statements

Redwing Living Limited

Company Statement of Changes in Reserves For the year ended 31 March 2025

	Income and Expenditure Reserve £'000
Balance as at 1 April 2023	53,222
Deficit for the year	(4,179)
	<hr/>
Balance as at 31 March 2024	49,043
Deficit for the year	(94)
	<hr/>
Balance as at 31 March 2025	48,949
	<hr/>

The notes on pages 16 to 36 form part of these financial statements

Redwing Living Limited

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

1. Legal status

The Company is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider. The Company is a public benefit entity.

2. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Redwing Living Limited includes the Cooperative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, FRS 102 “the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland”, the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, “Accounting by registered social housing providers” 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared under the historic cost basis except for the modification to a fair value basis for certain financial instruments and investment properties as specified in the accounting policies below.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies (see note 3).

The financial statements are presented in Sterling (£) and are rounded to the nearest thousand pounds.

The accounts of Redwing Living Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cashflows and related notes;
- financial instrument disclosures, including:
- categories of financial instruments
- items of income, expenses, gains or losses relating to financial instruments; and
- exposure to and management of risks.

As these are included in the financial statements of Regenda Limited, which are available from The Foundry, 42 Henry Street, Liverpool, L1 5AY.

Exemption from preparing consolidated accounts

The Company is a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

Going concern

The Group’s activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The Board originally approved the Group’s 2025/26 budget in March 2025 with the aim of adopting the approved budget as the base for the thirty-year business plan which was presented to the Board in May 2024.

2. Accounting policies [Continued]

The Board were presented with a range of scenarios and stress tests to fully understand the potential impact on the business plan, including significant reductions in rental income collected and changes to key assumptions, such as interest and inflation. Periodic reviews of the business plan are scheduled for the coming year to allow the Board and Executive Team to make any necessary changes and continue to deliver outstanding services in the safest way possible whilst following Government guidelines.

Turnover

Income is measured at the fair value of the consideration received or receivable. The association generates the following material income streams:

- Rental income receivable (after deducting lost rent from void properties available for letting);
- First tranche sales of Low Cost Home Ownership housing properties developed for sale;
- Service charges receivable;
- Revenue grants; and
- Proceeds from the sale of land and property.

Rental income is recognised from the point when properties under development reach practical completion and are formally let, income from first tranche sales and sales of properties are recognised at the point of legal completion of the sale.

Interest receivable is recognised over the period that it falls due.

Pension costs

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are shown as an operating expense in the surplus for the year during which the services are rendered by employees.

Value added tax

The Company charges value added tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Company and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Interest payable

Interest is capitalised on borrowings to finance developments of qualifying assets to the extent that it accrues in respect of the period of development if it represents:

- a) interest on borrowings specifically financing the development programme after deduction related grants received in advance; or
- b) a fair amount of interest on borrowings of the Company as a whole after deduction of SHG received in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to income and expenditure in the year.

2. Accounting policies [Continued]

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the Company statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring the surplus or deficit. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rental payments under operating leases are charged to income and expenditure on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the Company recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future

Deferred tax relating to investment property that is measured at fair value using the tax rates and allowances that apply to the sale of the asset, except for investment property that has a limited useful life and is held in a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2. Accounting policies [Continued]

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available to rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Expenditure on shared ownership properties is split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and relates sales proceeds included in turnover, and the remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Supported housing managed by agencies

Social housing capital grants are claimed by the Company as developer and owner of the property and included in the Company statement of financial position. The treatment of other income and expenditure in respect of supported housing projects depends on the nature of the partnership arrangements between the Company and its managing agents and on whether the Company carries the financial risk.

Where the Company holds the support contract with the Supporting People Administering Authority and carries the financial risk, all of the project's income and expenditure is included in the Company statement of changes in reserves.

Where the agency holds the support contract with the Supporting People Administering Authority and carries the financial risk, the income and expenditure account includes only that income and expenditure which relates solely to the Company.

Government grants

Government grants include grants receivable from the 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 accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

2. Accounting policies [Continued]

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

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 financial position in creditors.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to income and expenditure. Upon disposal of the associated property, the Company is required to recycle these proceeds and recognise them as a liability.

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 on the Company is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Depreciation of housing properties

The Company separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life. The Company depreciates the major components of its housing properties at the following annual rates:

Structure	1.0%
Roofs	2.0%
Kitchens	5.0%
Bathrooms	3.3%
Boilers	6.6%
Central heating	3.3%
Windows	3.3%

Freehold land is not depreciated.

Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.

Housing properties in the course of construction are stated at cost and not depreciated.

Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives.

Redwing Living Limited

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

2. Accounting policies [Continued]

The principal terms used for other assets are:

Freehold/leasehold office	100 years
Furniture, fixtures and fittings	10 years
Computers and office equipment	2 - 8 years
Scheme assets	4 - 25 years

Gains or losses arising on the disposal of other tangible fixed assets 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.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is charged on software over 3 years on a straight line basis.

Investment Properties

Investment properties consist of commercial properties and other properties not held for the social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year-end, with changes in fair value recognised in income and expenditure.

Fixed asset investments

Fixed asset investments (including investment in subsidiaries) are initially recognised at cost. The carrying values of fixed asset investments are reviewed for impairment in the period if events or changes in circumstances indicate the carrying values may not be recoverable.

Properties for sale

Shared ownership first tranche sales, completed properties for outright sale and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model. Basic financial instruments are recognised at amortised historic cost.

Debtors

Short term debtors are measured at transaction price, less any impairment.

2. Accounting policies [Continued]

Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that the Company will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in income or expenditure in the period it arises.

The Company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Fire safety remediation works include fire risk assessment of external walls (FRAEW), cladding remediation and a range of fire safety mitigation measures which include waking watch and installation of fire safety equipment. Works to Redwing/Regenda owned properties are recognised as capital expenditure where permitted by accounting policy. For leaseholder properties Redwing/Regenda recognise the expenditure in income and expenditure. Regenda/Redwing complies with all legislation for fire safety including but not limited to The Building Safety Act 2022, The Regulatory Reform (Fire Safety) Order 2005, The Fire Safety Act 2021. The Fire Safety (England) Regulations 2022.

Leaseholder funds

Sinking funds are held on the Company statement of financial position in respect of sinking funds and repairs reserves for schemes. These are retained in interest-bearing accounts.

Reserves

The Company has an income and expenditure reserve. This contains all current and prior period retained surpluses and deficits.

Taxable profits transferred to the parent entity, a registered Co-operative and Community Benefit Society, are recognised as distributions from equity when the company has made a payment of tradeable profits to the parent and are stated as gift aid distributions.

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

2. Accounting policies [Continued]

Gift aid

The whole of the ordinary share capital of the Company is owned by Regenda Limited, a company limited by shares and a registered provider. The Company, from time to time, pays to its parent company under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy, and the approval of the parent Company.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

- *Accruals* - these are based on either a copy of invoice if one is available, or a best estimate of the expenditure/income based on the most up to date information available.
- *Bad debt provision* - Bad debts are provided for in line with the Company's policy.
- *Property valuations* - social housing properties are held at cost and are subject to an impairment review each year. Commercial properties are valued by appointed valuers each year and their market value reflected in the financial statements.
- *Impairment reviews* - reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Company statement of comprehensive income. Impairment is recognised where the carrying value of a cash generating unit exceeds the estimated recoverable amount. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

There was no trigger for impairment during the year and as a result, no charge was considered necessary.

- Management are required to decide if a constructive or legal obligation exists at the reporting date that requires a provision. The impact of the 2024/2025 assessment is disclosed in note 25 and concludes that a constructive obligation exists at the reporting date where work has started on site but is incomplete at the year end.

Redwing Living Limited

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

4. Particulars of turnover, operating costs, cost of sales and operating surplus/(deficit)

	2025		
	Turnover £'000	Operating costs £'000	Operating surplus/(deficit) £'000
Income and expenditure from social housing activities (note 5)			
General needs	592	(467)	125
Supported housing	265	(285)	(20)
Low cost home ownership	2,867	(1,963)	904
	3,724	(2,715)	1,009
Other social housing activities			
Management services	458	(467)	(9)
	458	(467)	(9)
Non-social housing activities			
Sales - other	488	(490)	(2)
Lettings	1,041	(2,875)	(1,834)
	1,529	(3,365)	(1,836)
	5,711	(6,547)	(836)
Surplus on disposal of fixed assets			298
Operating deficit			(538)

Redwing Living Limited

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

4. Particulars of turnover, operating costs, cost of sales and operating surplus/(deficit) [Continued]

	2024		
	Turnover £'000	Operating costs £'000	Operating surplus/(deficit) £'000
Income and expenditure from social housing activities (note 5)			
General needs	582	(3,309)	(2,727)
Supported housing	261	(290)	(29)
Low cost home ownership	2,560	(2,060)	500
	3,403	(5,659)	(2,256)
Other social housing activities			
Management services	507	(157)	350
	507	(157)	350
Non-social housing activities			
Sales - other	250	(825)	(575)
Lettings	888	(2,747)	(1,859)
	1,138	(3,572)	(2,434)
	5,048	(9,388)	(4,340)
Deficit on disposal of fixed assets			(667)
Operating deficit			(5,007)

Redwing Living Limited

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

5. Income and expenditure from social housing lettings

	2025			
	General needs £'000	Supported housing £'000	Low cost home ownership £'000	Total £'000
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	297	210	1,461	1,968
Service income	80	55	812	947
Net rental income	377	265	2,273	2,915
Other income	-	-	594	594
Amortised government grants	215	-	-	215
Turnover from social housing lettings	592	265	2,867	3,724
Expenditure				
Management	(10)	(11)	(132)	(153)
Services	(69)	(81)	(948)	(1,098)
Routine maintenance	(85)	(59)	(129)	(273)
Planned maintenance	(60)	(88)	(336)	(484)
Bad debts	(1)	1	(1)	(1)
Depreciation of housing properties	(240)	(45)	(160)	(445)
Other costs	(2)	(2)	(257)	(261)
Operating costs on social housing lettings	(467)	(285)	(1,963)	(2,715)
Operating surplus/(deficit) on social housing lettings	125	(20)	904	1,009
Void losses	(13)	(30)	(2)	(45)

Redwing Living Limited

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

5. Income and expenditure from social housing lettings [Continued]

	2024			Total £'000
	General needs £'000	Supported housing £'000	Low cost home ownership £'000	
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	293	198	1,335	1,826
Service income	59	63	658	780
Net rental income	352	261	1,993	2,606
Other income	9	-	567	576
Amortised government grants	221	-	-	221
Turnover from social housing lettings	582	261	2,560	3,403
Expenditure				
Management	(10)	(11)	(154)	(175)
Services	(71)	(50)	(754)	(875)
Routine maintenance	(28)	(61)	(52)	(141)
Planned maintenance	(2,910)	(114)	(809)	(3,833)
Bad debts	(1)	(6)	(1)	(8)
Depreciation of housing properties	(286)	(53)	(192)	(531)
Other costs	(3)	5	(98)	(96)
Operating costs on social housing lettings	(3,309)	(290)	(2,060)	(5,659)
Operating (deficit)/surplus on social housing lettings	(2,727)	(29)	500	(2,256)
Void losses	(6)	(23)	(6)	(35)
Particulars of turnover from non-social housing lettings			2025 £'000	2024 £'000
Market rented			590	473
Office and retail units			451	415
Administration fees for outright sale management			253	250
			1,294	1,138

Redwing Living Limited

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

6. Units of housing stock

At the end of the year accommodation in management for each class of accommodation was as follows:

	2024 Units	Additions	Disposals	Other	2025 Units
Social housing					
General housing	134	-	(1)	(55)	78
Affordable housing	2	-	-	-	2
Supported housing and housing for older people	64	-	-	-	64
Low-cost home ownership	628	-	(10)	51	669
Total owned	828	-	(11)	(4)	813
Accommodation managed for others	-	-	-	-	-
Total managed	828	-	(11)	(4)	813
Leasehold units					
Social leasehold units owned	222	-	-	(2)	220
Non-social leasehold units owned	42	-	-	3	45
Non-social housing					
Market rented	217	-	-	43	260
Office and retail units owned by the Company	37	-	-	-	37
Total owned and managed	1,346	-	(11)	40	1,375

7. Operating deficit

2025 2024
£'000 £'000

This is arrived at after charging:

Depreciation of housing properties	445	531
Depreciation of other tangible fixed assets	79	65
Amortisation of intangibles	-	1
Auditors' remuneration (excluding VAT):		
- For audit services	43	31
- Tax compliance	-	2
- For non-audit services	3	-

Redwing Living Limited

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

8. Employees	2025 No.	2024 No.
Average number of employees expressed in full-time equivalents:		
Management	1	1
Property management	8	9
Sales and lettings	10	11
Administration	1	-
	<u>20</u>	<u>21</u>
	<u>2025</u> <u>£'000</u>	<u>2024</u> <u>£'000</u>
Staff costs consist of:		
Wages and salaries	768	715
Social security costs	81	73
Other pension costs	40	32
Redundancy costs	8	-
	<u>897</u>	<u>820</u>

Most staff functions have been centralised across the Group. Regenda Limited charges the Company for a range of services including staffing as part of the intra-group charge. This charge is included within operating costs.

A defined contribution pension scheme is operated by the parent company on behalf of the employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable by the Group to the fund and amounted to £40k (2024: £32k).

9. Board members and executive directors

During the year, the Company paid Regenda Limited, the Group parent, for a range of central services including the provision of support from the Regenda Group executive team.

The payments form part of an intra group charge from Regenda Limited to the Regenda Group subsidiaries and are included within operating costs. Remuneration paid to and receivable by the Regenda Group executive team is disclosed in the financial statements of the Group parent, Regenda Limited. Copies of the financial statements of the Group parent, Regenda Limited can be obtained from the Company's registered office.

Total salary costs of key management personnel in the period were £Nil (2024: £Nil).

10. Surplus on sale of fixed assets - housing properties	2025 £'000	2024 £'000
Proceeds of sale	639	685
Carrying values of fixed assets	<u>(84)</u>	<u>(1,104)</u>
	555	(419)
Capital grant recycled (Note 23)	<u>(257)</u>	<u>(248)</u>
Surplus/(Deficit) for the year	<u>298</u>	<u>(667)</u>

Redwing Living Limited

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

11.	Interest receivable and other income	2025	2024
		£'000	£'000
	Interest receivable and similar income	755	696
12.	Tax on surplus/(deficit) on ordinary activities	2025	2024
		£'000	£'000
	Current tax		
	UK corporation tax on surplus for the year 25% (2024: 25%)	-	-
	Adjustments in respect of prior periods	5	4
	Total current tax	5	4
	Deferred taxation		
	Origination and reversal of timing differences	98	(819)
	Effect of tax rate change on opening balance	(1)	6
	Total deferred tax	97	(813)
	Tax credit on deficit	102	(809)
	Current tax reconciliation		
	Surplus/(deficit) for the period before taxation	8	(4,988)
	Deficit at the standard rate of corporation tax in the UK of 25% (2024: 25%)	2	(1,247)
	Effects of:		
	Expenses not deductible for tax purposes	-	47
	Fixed asset differences	45	313
	Income not taxable for tax purposes	(18)	(31)
	Remeasurement of deferred tax for changes in tax rates	(2)	-
	Adjustment to tax charge in respect of prior periods	5	4
	Adjustment to tax charge in respect of prior periods deferred tax	-	6
	Chargeable gains	70	99
	Total tax credit for the period	102	(809)

Redwing Living Limited

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

13. Tangible fixed assets - housing properties	Held for Letting		Low Cost Home Ownership		Total
	Completed	Under Construction	Completed	Under Construction	Housing Properties
Property cost	£'000	£'000	£'000	£'000	£'000
As at 1 April 2024	7,657	-	27,743	-	35,400
Properties acquired	-	-	-	-	-
Additions	-	762	-	-	762
Works to existing properties	169	-	-	-	169
Disposals	-	-	(380)	-	(380)
Transfer	-	-	-	-	-
As at 31 March 2025	7,826	762	27,363	-	35,951
Depreciation and impairment					
As at 1 April 2024	3,016	-	4,463	-	7,479
Charge for the year	285	-	160	-	445
Elimination on disposals	-	-	(86)	-	(86)
Transfer	-	-	-	-	-
As at 31 March 2025	3,301	-	4,537	-	7,838
Net book value					
At 31 March 2025	4,525	762	22,826	-	28,113
At 31 March 2024	4,641	-	23,280	-	27,921
				2025	2024
				£'000	£'000
Expenditure on works to existing properties					
Components capitalised				169	57
Amounts charged to Income and Expenditure Account				828	1,417
				997	1,474
Social housing assistance					
Total accumulated Social Housing Grant received and receivable at 31 March was:					
Capital grants				7,364	8,486
Revenue grants				215	221
				7,579	8,707

Redwing Living Limited

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

14.	Tangible fixed assets - other	Freehold/ Leasehold Premises £'000	Furniture, Fixtures and Fittings £'000	Computers and Office Equipment £'000	Scheme Assets £'000	Total £'000
	Cost					
	At 1 April 2024	4,815	295	29	67	5,206
	Additions	-	-	37	13	50
	Disposals	(217)	-	(2)	-	(219)
	At 31 March 2025	4,598	295	64	80	5,037
	Depreciation and amortisation					
	At 1 April 2024	2,040	166	20	53	2,279
	Charge for the year	32	24	19	4	79
	Estimated on disposal	(5)	-	(2)	-	(7)
	At 31 March 2025	2,067	190	37	57	2,351
	Net book value					
	At 31 March 2025	2,531	105	27	23	2,686
	At 31 March 2024	2,775	129	9	14	2,927
15.	Intangible fixed assets				Website Development £'000	
	Cost					
	At 1 April 2024					34
	At 31 March 2025					34
	Amortisation					
	At 1 April 2024					34
	Charge for the year					-
	At 31 March 2025					34
	Net book value					
	At 31 March 2025					-
	At 31 March 2024					-

Redwing Living Limited

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

16.	Investment properties non-social housing properties held for lettings	2025	2024
		£'000	£'000
	At 1 April 2024	8,858	7,413
	Additions	-	71
	Decrease/(increase) in market value	70	104
	Transfer	-	270
	Disposals	-	(100)
	Transfer from parent company	-	1,100
	Other	-	-
	At 31 March 2025	8,928	8,858

Valuations are carried out on an annual basis by a suitably qualified valuer and any gains/losses taken to the Company statement of comprehensive income.

17.	Investment in subsidiaries	2025	2024
		£'000	£'000
	Investment in McDonald Property Rentals Limited		
	Cost as at 1 April 2024	-	185
	Impairment of investment	-	(185)
	Cost as at 31 March 2025	-	-

The business sale of McDonald Property Rental Limited's goodwill and assets to Tiger Property Estate Management Ltd took place in May 2023. Income recognised being £185k with the cost of disposal from above of £185k.

	M&Y Maintenance and Construction Ltd	2025	2024
		£'000	£'000
	Provision of repairs and maintenance services	-	(2,111)

18.	Trade and other debtors	2025	2024
		£'000	£'000
	Amounts falling due within one year		
	Rent and service charges receivable	73	78
	Less: Provision for bad and doubtful debts	(45)	(51)
	Net rent arrears	28	27
	Other debtors	64	187
	Amounts owed by group undertakings	18,809	20,254
	Corporation tax	5	5
	Deferred tax (see note 24)	783	880
	Prepayments and accrued income	99	73
		19,788	21,426

With the exception of the Redwing loan to Regenda of £12.5m which bore an effective interest rate of SONIA+0.6%, all other amounts owed by group undertakings are unsecured, interest free, and repayable on demand.

Redwing Living Limited

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

19.	Cash and cash equivalents	2025	2024
		£'000	£'000
	Cash at bank	3,737	4,680
	Included within cash balances is £2m (2024: £1.7m) relating to client funds that are not available for use by the company.		
20.	Creditors: amounts falling due within one year	2025	2024
		£'000	£'000
	Trade creditors	105	76
	Rent and service charges received in advance	300	295
	Amounts owed to group undertakings	917	377
	Other creditors	556	371
	Accruals and deferred income	413	398
	Recycled capital grant fund (note 23)	366	346
	Deferred grant (note 22)	215	221
	Leaseholder funds	632	521
		3,504	2,605
	Amounts owed to group undertakings are unsecured, interest free, and repayable on demand.		
21.	Creditors: amounts falling due after more than one year	2025	2024
		£'000	£'000
	Recycled capital grant fund (note 23)	504	614
	Sinking funds	1,028	1,083
	Deferred grant (note 22)	7,149	8,264
		8,681	9,961
22.	Deferred grant income	2025	2024
		£'000	£'000
	At 1 April 2024	8,485	7,545
	Released to income in the year	(215)	(221)
	Grant received in the year	46	1,307
	Grant disposed in the year	(224)	(146)
	Grant transferred to group member	(728)	-
	At 31 March 2025	7,364	8,485
	Amounts to be released within one year	215	221
	Amounts to be released in more than one year	7,149	8,264
	At 31 March 2025	7,364	8,485

Redwing Living Limited

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

23.	Recycled capital grant fund	2025 £'000	2024 £'000						
	At 1 April 2024	960	1,147						
	Grants recycled	256	248						
	Transfer to/from other group members	(346)	(435)						
	Transferred to income and expenditure	-	-						
	At 31 March 2025	870	960						
	Amounts to be released within one year	366	346						
	Amounts to be released in more than one year	504	614						
	At 31 March 2025	870	960						
	Amounts 3 years or older where repayment may be required.								
24.	Deferred tax	2025 £'000	2024 £'000						
	At 1 April 2024	880	67						
	Transfer from income and expenditure	(97)	813						
	At 31 March 2025	783	880						
	Comprising:								
	Fixed asset timing differences	(182)	(177)						
	Losses and other deductions	(545)	(503)						
	Capital gains	1,510	1,560						
		783	880						
25.	Provisions for liabilities								
		2025				2024			
	Fire Safety Remediation	Work £'000	Caton £'000	Bluebrook	Total £'000	Fire Safety Remediation	Work £'000	Caton £'000	Total £'000
	At 1 April 2024	3,583	620	-	4,203	-	1,300		1,300
	Provision charged to income and expenditure	253	-	25	278	3,583	615		4,198
	Expenditure during the year	(2,075)	(288)	-	(2,363)	-	(1,295)		(1,295)
	At 31 March 2025	1,761	332	25	2,118	3,583	620		4,203

The Caton provision relates to defect works on 30 properties following the collapse of the house builder Mulbury Homes Ltd.

Fire Safety Remediation Work provision of £1.76m relates to remedial fire prevention works at Preston Point, 9a and 17 Lydia Ann Street.

Redwing Living Limited

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

26. Operating leases

At the year end the company had the following future minimum amounts receivable under operating leases:

	2025 £'000	2024 £'000
Due within one year	-	-
Due between one and five years	-	-
Due in more than five years	-	-
	<hr/>	<hr/>
At 31 March 2025	-	-
	<hr/>	<hr/>

27. Share capital

	2025 £'000	2024 £'000
Allotted, issued and fully paid:		
At 1 April 2024 and 31 March 2025	5	5
	<hr/>	<hr/>

The shares provide members with the right to vote at general meetings, but do not provide any right to dividends or distribution on winding up. Each non-executive member of the board and the parent Regenda Limited holds one voting share of £1 in the Company. Each share has a nominal value of £1.

28. Income and expenditure reserves

The reserves relate to retained profits within the company.

29. Related parties

Under Financial Reporting Standard 102 disclosure is not required of transactions within the group as the results of the subsidiaries are included within these financial statements. However, in accordance with Accounting Direction for Private Registered Providers of Social Housing 2019 the Company is obliged to disclose transactions with non-regulated subsidiaries (note 17).

Residents sit on internal committees within the Group but are not members of the Board.

30. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2025 (2024: £Nil).

31. Ultimate parent undertaking

The Company's ultimate parent undertaking is Regenda Limited. Regenda Limited's consolidated financial statements can be obtained from the Group's registered office, The Foundry, 42 Henry Street, Liverpool, L1 5AY.