Cornwall Rural Housing Association Limited

ANNUAL REPORT 2025/26

Making a difference to rural communities across Cornwall and the Isles of Scilly

- Customer First
- Inspire
- Commitment
- Integrity
- People Focus

#makingadifference
#peoplebusiness

Homes to make life better

MY CRHA

"Very happy with everyone I've ever dealt with... Fantastic team of people."

Our Vision

Homes to make life better

To support and sustain rural communities in Cornwall and the Isles of Scilly by providing quality affordable homes.

Our Values

- Customer First
- Inspire
- Commitment
- Integrity
- People Focus

Contents

CRHA

Cornwall Rural Housing Association Limited

Cornwall Rural Housing Association,
19 Callywith Gate,
Launceston Road,
Bodmin, Cornwall.
PL31 2RQ

Tel:
01208 892000

E-mail:
info@crha.org.uk

Website:
www.crha.org.uk

Twitter:
@CornwallRuralHA

Facebook:
@CornwallRuralHA

Cornwall Rural Housing Association Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014 (Registered Number: 24935R)

Chair's REPORT

This year we have continued to make a difference to the rural communities that we serve across Cornwall and on the Isles of Scilly guided by our **Vision**, **Homes to make life better** and in line with our strategic priorities, **Our Homes, Our Customers and Our Business.**

At a time when the need for more genuinely affordable housing in rural communities continues to grow, we have progressed our strategy to provide more new social rent homes and I am pleased to say that as I write this year's report we are excitedly anticipating the handover of 8 new family homes at Trethewey in South Cornwall. These new homes together with all CRHA's homes quite simply transform lives and help sustain rural communities many of them in remote locations offering security, stability, comfort and a place to call home for those households who need it most.

Alongside our new homes strategy, we have continued to place a strong emphasis on customer service. We always listen carefully to customer feedback and invest in improvements that make our services to customers even better: faster response times for repairs, clear communication channels, accessibility to our teams, and consistently reliable services. While there is always more to do, we are proud of this year's feedback from our customers as part of the Tenant Satisfaction Measures *(TSM's)* process which saw **77%** of our customers take part with **91%** of those saying that they were satisfied with CRHA as their landlord, in addition year end results showed our best performance ever in completing repairs on time reporting: Emergency repairs completed on time **99%**, Urgent repairs completed on time **97%** and Non urgent repairs completed on time **94%**.

We end the year with strong financial performance, giving us confidence and capacity to continue to invest in homes and services. From a treasury perspective, during the year we completed a deal for additional borrowing from Triodos Bank which included rationalising existing borrowing and paying down a loan with the Yorkshire Building Society. This strong performance ensures we can continue to invest in safe, warm, and affordable homes long into the future.

During the year we were also really pleased to welcome two new customer co-optees onto the Board; Ken Brown and Shelly Brown, we also said goodbye to Board co-optee Chris Read.

As ever I would like to thank our Customers, Board Members, Chief Executive, Leadership team, Partners and everyone at CRHA who has contributed to another successful year.

Adam

Adam Hackett
Chair of the Board

Chief Executive Strategic Report 2025/26

OUR HOMES
OUR CUSTOMERS
OUR BUSINESS

Welcome to our 2025/26 Annual Report which after another successful year I hope you find both interesting and informative.

Our rural communities remain at the heart of everything we do providing homes and services to over a thousand local people living in parishes, villages and hamlets across Cornwall and off-shore on the Isles of Scilly. We know that more new affordable rural homes are needed and we continue to work hard to provide new homes were we can. One of the highlights ahead is the completion of eight social rent family homes at Trethewey in South Cornwall designed and built to high standards and with some of the best energy efficiency levels achievable - these new homes will provide stability and security for local people, help sustain village life and further represent investment in rural Cornwall.

Over the past year we also continued to invest in customers homes, ensuring they remain warm, safe and comfortable places to live. In relation to our repairs service this year we achieved our best year end repairs performance so far – a reflection of the hard work of our teams, better repairs diagnosis, more effective processes and working collaboratively in partnership with CRHA's contractors.

The Association delivered a strong financial outturn, maintained healthy reserves and generated a surplus which was above budget projections. Key financial outcomes include:

- **Stable operating margins** despite inflationary pressures.
- **Continued investment** in new and existing homes.
- **Strong liquidity** and **covenant compliance.**
- **Prudent treasury management** to support future growth.

These results align with sector expectations for financial viability and reflect the Association's disciplined approach to cost control and value for money.

During the year CRHA signed a new loan facility agreement with Triodos for **£13.8m**. These funds have been used to consolidate existing lending with both Triodos and the Yorkshire Building Society, as well as financing the development of new homes and investment in existing homes in line with our Business Strategy.

This year's Tenant Satisfaction Measures (TSMs) show really encouraging results, with customers recognising improvements in complaints handling and repairs along with satisfaction with CRHA as their landlord. Customer feedback is both valuable and important and continues to guide our decisions and inform service delivery.

As a **#peoplebusiness**, supporting and developing our people continues to remain at the heart of the business along with having an inclusive and supportive culture. Our people are the backbone of our success, and we do what we can to provide an environment for individuals and teams to flourish as well as continuing to invest in learning and development.

Partnership working remains instrumental in achieving our outcomes and we recognise the importance of collaborative working with partners such as Cornwall Council, Council for the Isles of Scilly, Local Parish Councils and Homes England.

Effective Governance and oversight continues to play a key and crucial role in the running of CRHA and during the year a Strategy Day took place with all Board and Committee members which provided an opportunity for Board and Committee members alongside members of the Leadership Team to review progress against CRHA's Business Plan and Strategic Priorities, go on a visit to a new homes project and receive sector and policy updates from the National Housing Federation who also attended.

Thank you to everyone who has contributed to our achievements over the past year, not least to all of my colleagues at CRHA including our Board and Committee members who voluntarily give up their time so readily to steer us with our vision to provide homes to make life better for local rural communities.

David Bolton - Chief Executive

Read on for:

Our Business at a Glance

ABOUT US

Cornwall Rural Housing Association Limited (CRHA) is a not-for-profit organisation registered with the Financial Conduct Authority as a Registered Society and with the Regulator of Social Housing as a Registered Provider.

CRHA provides affordable homes across Cornwall and the Isles of Scilly to rent for single people, couples and families as well as homes for sale to shared owners.

We help to sustain rural communities throughout Cornwall and on the Isles of Scilly by providing good quality homes to meet local housing needs and to manage and maintain those homes to a high standard.

One of our ambitions is to work with partners, other registered providers, landowners, the Council and Government development and regeneration agency Homes England to provide more new affordable rural homes across Cornwall and the Isles of Scilly.

#makingadifference
#peoplebusiness

Homes to make life better

To support and sustain rural communities in Cornwall and the Isles of Scilly by providing quality affordable homes.

PERFORMANCE

CRHA aims to deliver the best quality homes and services we can through the resources available.

Financial Returns

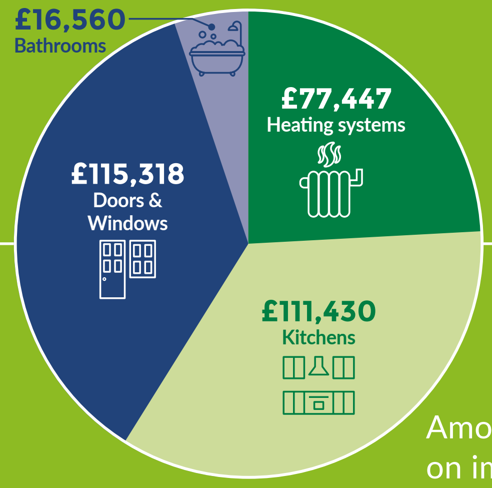
CRHA's assets are its stock of **361** homes for rent and the shares retained in the **19** shared ownership homes, All of our homes (with the exception of two homes bequeathed to us) have been constructed since 1988.

The financial return on these assets is generated primarily from rental income less the cost of managing and maintaining the property and the interest costs from the loans used to develop the homes.

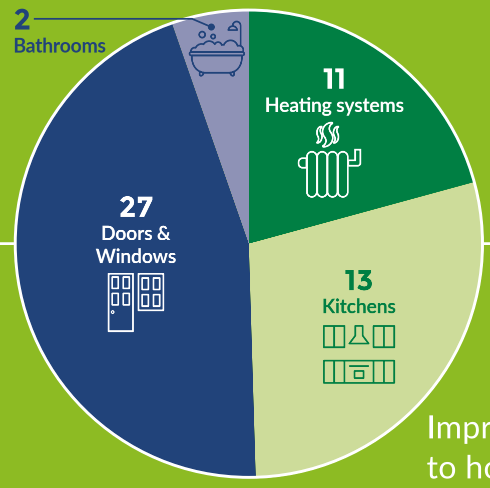
Any surplus generated by CRHA is re-invested to maintain existing stock and to generate new returns through providing new homes.

CRHA has been seeking to increase its financial returns in the following ways:

- **Increasing the number of homes in management** – The development or acquisition of new homes can make better use of existing fixed cost overheads.
- **Improving the quality of our homes** – CRHA aims to provide value for its customers by investing in our homes to make them more comfortable and affordable



Amount spent on improvements



Improvements to homes

Work carried out this year at a cost of £320,775 includes:

- Replacement heating systems
- Replacement kitchens
- Replacement doors & windows
- Replacement bathrooms

Social Returns

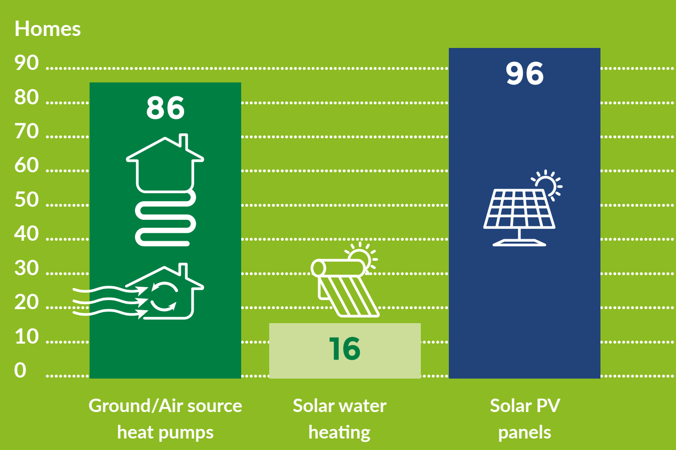
Our activities not only generate financial returns, but also generate social and environmental returns.

- **Social value from providing housing** – for the year ended 31 March 2026 we provided homes to over one thousand local people, made up of social rent, affordable and shared ownership.
  - These homes provide a stable, safe and affordable environment for individuals which contribute positively to education, employment, health outcomes and financial stability, particularly at the time of a housing crisis.
  - The provision of homes also provides work for those involved in the property maintenance and construction.
  - New homes can help sustain or revitalise an area, local businesses benefit from increased custom and local schools can benefit from an increase in pupil numbers.

CRHA is committed to utilising renewable energy within its homes, to bring down costs for its residents

- Environmental Returns – CRHA has installed renewable technologies in a number of homes in order to reduce its impact on the environment, tackle fuel poverty and reduce home running costs for its customers.
- During the year CRHA received income of **£44,146** from the photovoltaic panels installed. The export tariff of **£3,769** was passed onto the residents of those properties who also benefited from reduced energy costs.

No. of homes with environmental installations



Our Performance

CRHA collects performance data which is reported quarterly to the Board and on an annual basis to our customers.

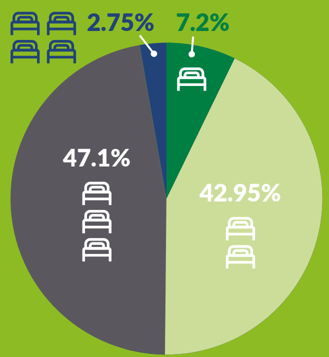
CRHA also benchmarks the cost of providing our services with 15 other housing associations in the South West of England – The South West Benchmarking Group (SWBM).

We also benchmark our performance with smaller associations across England (ABM) and House Mark, a national performance benchmarking service for larger housing providers across England.

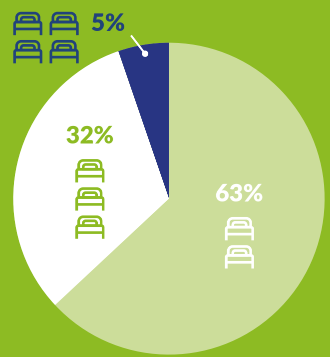
Our Homes

Number of homes in Cornwall & Isles of Scilly

Homes for rent	2025/26
1 bedroom	26
2 bedrooms	155
3 bedrooms	170
4 bedrooms	10
Total	**361**



Shared ownership homes	2026
2 bedrooms	12
3 bedrooms	6
4 bedrooms	1
Total	**19**



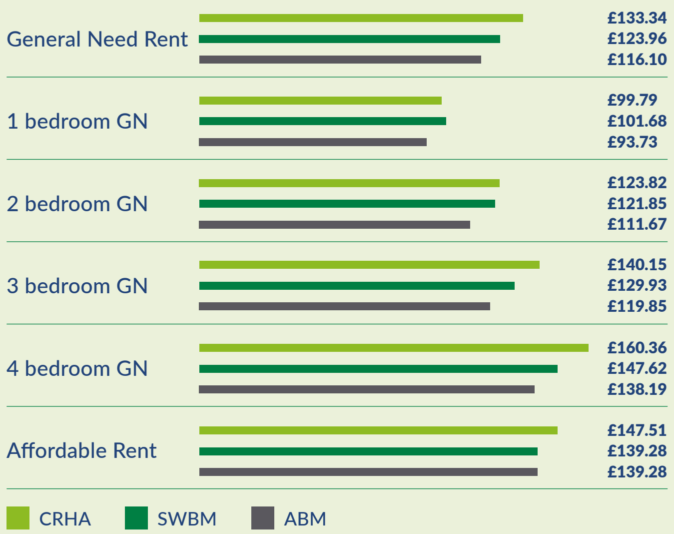
The rents we charge on these properties pays for all the services that CRHA provides and are set at a level to provide affordable local housing to our current and future customers.

Our average rents by property size are as follows:

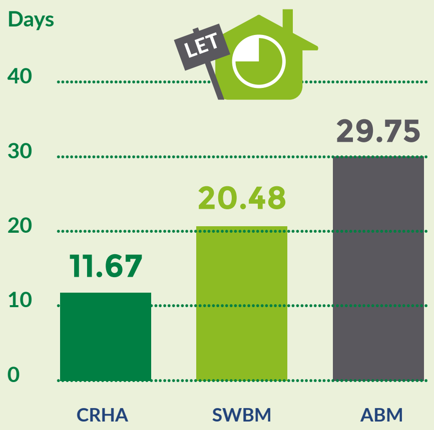
Rents (all properties):

Average weekly rents on assured tenancies	2025/2026 No.	2025/2026 Average Weekly Rent	2024/2025 No.	2024/2025 Average Weekly Rent
1 bedroom	26	£115.49	26	£99.06
2 bedroom	155	£122.07	155	£120.72
3 bedroom	170	£148.51	170	£136.57
4 bedroom	10	£160.36	10	£156.14
Average change in assured rents		2.57%		6.39%

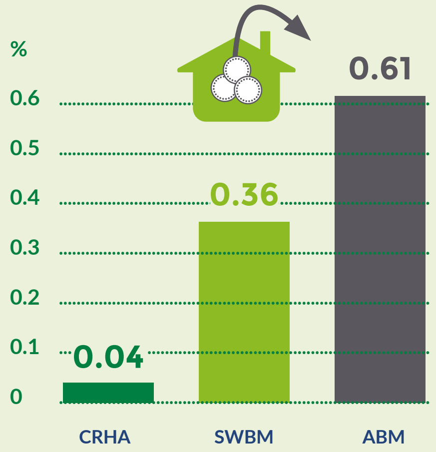
Comparison of average weekly rents



Average re-let time



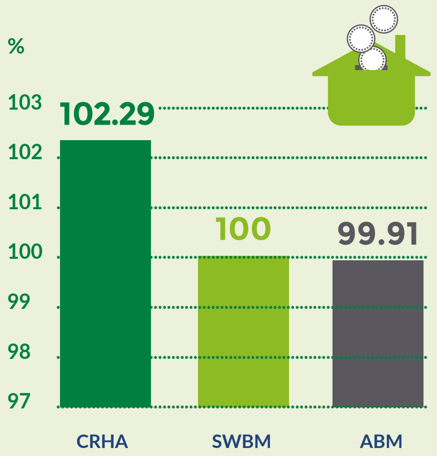
% of rent lost through dwellings being vacant



The percentage of rent lost through GN homes being vacant was **0.04% this equated to **£935.01** of rental income.

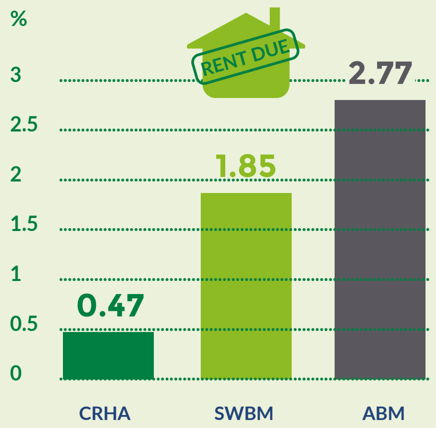
***The percentage of rent lost thorugh GN & HFOP homes being vacant was **0.08%** which equated to **£1,931.04** of rental income.

% of rent collected



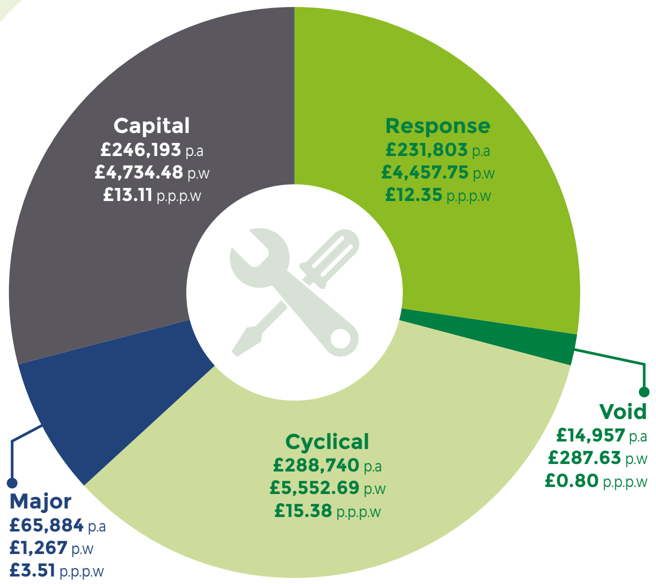
Rent collected as a percentage of rent owed GN & HFOP equated to **102.24%

Current tenant rent arrears as % of annual debit



Current tenant rent arrears as % of annual rent debit GN (Incl HB & UC)

**Current customers arrears as a percentage of annual rent debit has decreased on last year and we are below that of others in the SWBM group



Weekly repairs and maintenance spend per property 2025/26

Rental income finances loan repayment, general overheads, housing management, repairs and improvements to properties. Last year we spent the following on each of our properties per week.

Response repairs | Void repairs | Cyclical maintenance | Major works | Capital Works

p.a - per annum | p.w - per week | p.p.pw - per SH property per week

VERY SATISFIED | FAIRLY SATISFIED | NO FEELINGS EITHER WAY | FAIRLY DISSATISFIED | VERY DISSATISFIED

(TP) Tenant Perception measures have been introduced by the Regulator of Social Housing to let tenants judge their landlord's performance

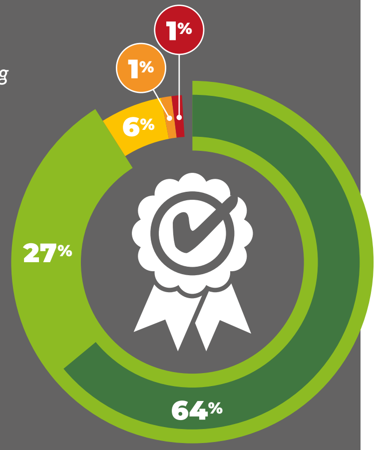
TP01

How satisfied or dissatisfied are you with the service provided by CRHA?

91% *Satisfaction*

89% *in 2024*

Source: Response rate was 27% (98 people) of those questioned - one refused to complete



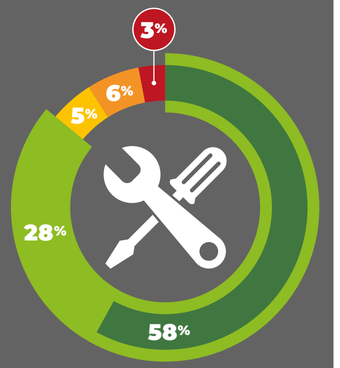
Repairs in the last 12 months

TP02

If CRHA has completed a repair to your home in the last 12 months how satisfied or dissatisfied are you with the overall repairs service?

86% *Satisfaction*

82% *in 2024*



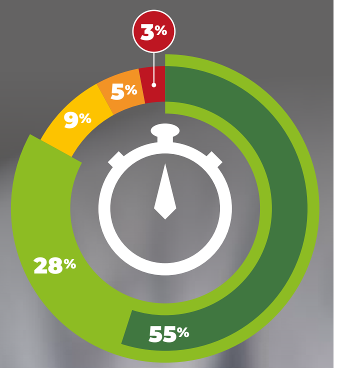
TP03

Satisfaction with the time taken to complete your most recent repair after you reported it?

83% *Satisfaction*

72% *in 2024*

Response rate was 71% (191 people) of those questioned



CUSTOMER Satisfaction

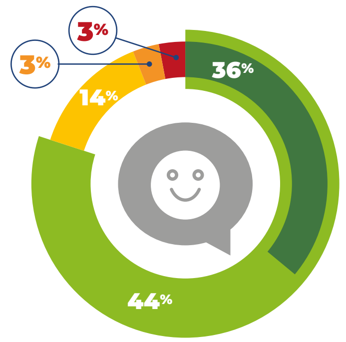
TP09

CRHA's approach to handling a complaint about their service? complaints

81% *Satisfaction*

71% *in 2024*

Source: Response rate was 16% (43 people) of those questioned



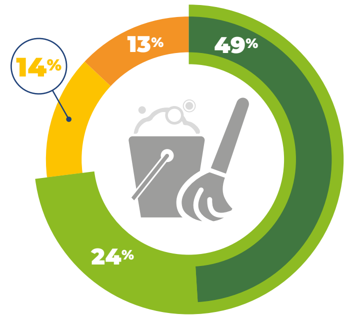
TP10

Do you live in a building with communal areas, either inside or outside, that CRHA is responsible for maintaining?

73% *Satisfaction*

61% *in 2024*

Source: Response rate was 16% (43 people) of those questioned



Landlord Satisfaction:

TP04

Satisfaction that the home is well maintained

89% *Satisfaction*

83% *in 2024*

TP05

Satisfaction that CRHA provides a home that is safe?

95% *Satisfaction*

92% *in 2024*

TP06

CRHA listens to your views and acts upon them?

81% *Satisfaction*

81% *in 2024*

TP07

CRHA keeps you informed and tells you information you need to know.

88% *Satisfaction*

87% *in 2024*

TP08

CRHA treats me fairly and with respect?

91% *Satisfaction*

93% *in 2024*

TP11

CRHA makes a positive contribution to your neighbourhood?

66% *Satisfaction*

67% *in 2024*

TP12

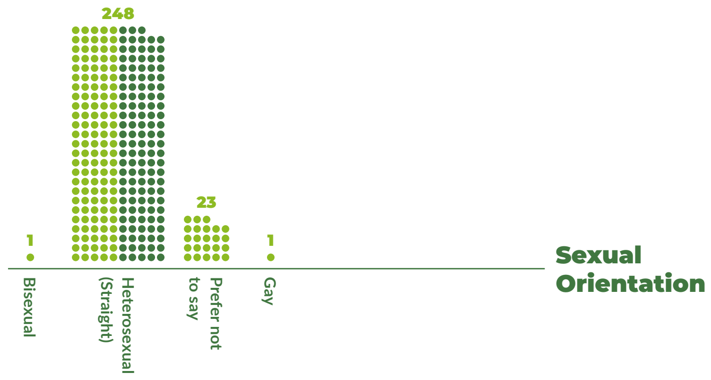
CRHA's approach to handling anti-social behaviour?

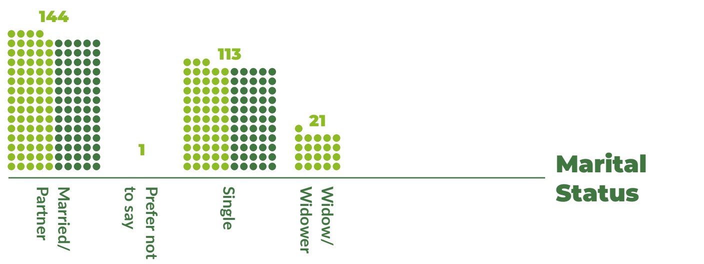
63% *Satisfaction*

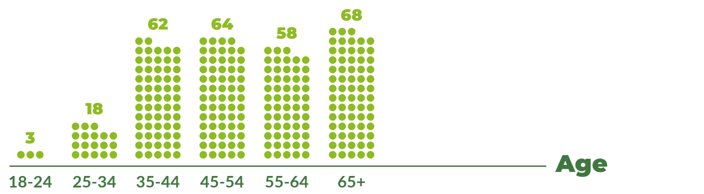
64% *in 2024*

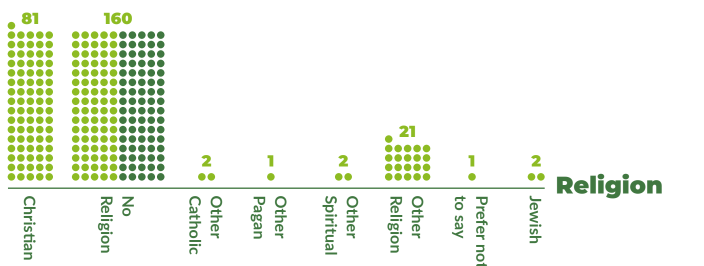
EQUALITY, Diversity & Inclusion

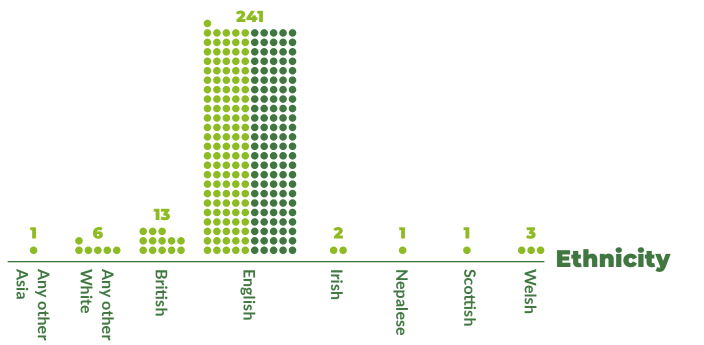
CRHA received an excellent customer response rate of **77%** from our **380 households**. **287** (**76%**) **customers** responded in full, **5** (**1%**) **customers** declined to take part, and **88** (**23%**) did not respond.











Age: The majority of customers are aged **35** and above, with majority groups in **55-64** and **65+** age ranges

Marital Status & Sexual Orientation: Customer base includes married, single, widowed, and divorced individuals, majority identifying as heterosexual

Ethnicity and Religion: Customers are predominantly White with limited ethnic diversity; most identify as Christian or have no religion

Value for Money Statement

Value for money is an essential element to Cornwall Rural Housing Association's operations helping ensure that we remain a strong, resilient, and effective business for the long term. This is especially pertinent given our size and scale and the need to make the CRHA pound go as far as possible. This can be difficult particularly when commissioning works and services across the county and offshore, however we work hard on this.

CRHA's Value for Money Strategy can be summarised as:

- Being clear about what we do – our vision, strategic priorities and the value we produce.
- Recognising how the needs and aspirations of our stakeholders influence what we do.
- Recognising how the local and national context influences what we do.
- Doing the right things, with a business plan which focuses resources on the right activities by making informed choices to achieve our strategic priorities.
- Doing things right, to ensure efficient and effective delivery.
- Ensuring that we have the right physical and human assets at the right cost.
- Checking that we have delivered the right outcomes.
- Making a surplus for reinvestment back into homes and services.

The need to maximise value for money has long been central to CRHA's operations and remains a key part of our organisational ethos. It was this ethos that led CRHA to help establish a benchmarking club of smaller housing associations operating across the southwest of England, which we use to compare our performance to other similar organisations and identify ways we can improve the way we deliver our services.

CRHA produces an Annual Report and a Customer and Service Improvement Report providing information on key performance indicators, our achievements, and plans. The report is circulated to customers and stakeholders and copies are available on request or can be downloaded from our website at **www.crha.org.uk**.

Value for Money Metrics

The value for money (VFM) metrics provide information to allow stakeholders to assess how CRHA is achieving value for money in delivering its purpose and objectives, in accordance with the Regulator of Social Housing's Value for Money Standard.

The timetable for producing these financial statements means that the benchmarking figures for 2026 were not available. What is shown below are CRHA's figures for 2026 and 2025 benchmarked with the median values of:

- the 2025 figures for the Southwest Benchmarking Group, which is a group of largely smaller housing associations working in the southwest and/or in rural areas (SWBM 2025).
- the 2025 figures for smaller housing associations operating throughout England (ABM 2025).
- the 2025 figures for Regulator of Social Housing Global Accounts (RSHG 2025).

Outcomes Delivered

Customer Satisfaction

Our main priority is the provision of good quality affordable homes and ensuring our customers receive a quality, responsive and effective service from CRHA. Customer feedback is really important in that it helps to inform and shape service delivery so that customers continue to receive a great service from us.

CRHA have increased their methods of customer engagement using traditional and digital approaches to reach our dispersed customers throughout Cornwall and the Isles of Scilly.

We have invested in colleague learning and development to ensure our employees perform better in their roles and we have also reviewed policies and procedures to further increase the efficiency of services to our customers.

We have introduced longer term procurement arrangements, enabling us to procure more for the same cost or less whilst maintaining high levels of service.

Business Health

Operating margin – social housing lettings

VFM Metric	*Description of Metric*	*CRHA 2026*	*CRHA 2025*	*SWBM 2025*	*ABM 2025*	*RSHG 2025*
Operating margin (%) - social housing lettings	The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account, split into operating margin for social housing lettings only and operating margin overall	**31.10%**	**31.14%**	**30.00%**	**18.17%**	**20.00%**
Operating margin (%) - overall		**27.21%**	**27.20%**	**24.76%**	**15.73%**	**17.40%**

The overall operating margin is significantly influenced by social housing lettings which is the largest part of CRHA's business, and the margins are key drivers of overall financial performance.

Earnings before interest, taxes, depreciation & amortisation – major repairs included (EBITDA MRI)

VFM Metric	*Description of Metric*	*CRHA 2026*	*CRHA 2025*	*SWBM 2025*	*ABM 2025*	*RSHG 2025*
EBITDA MRI (%) - Interest Cover	A key indicator for liquidity and investment capacity. Measures level of surplus generated against interest payments	**149%**	**182%**	**168%**	**185%**	**113%**

The EBITDA – MRI indicator is an approximation for cash generation. Covenants set by CRHA's lenders require this figure to be no less than **110%** and CRHA has set itself a "golden rule" of the ratio being maintained at no less than **125%**. The loan that this covenant was part of was repaid in November 2025.

Development

New homes developed

VFM Metric	*Description of Metric*	*CRHA 2026*	*CRHA 2025*	*SWBM 2025*	*ABM 2025*	*RSHG 2025*
New supply delivered (%) - social housing	Sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total social housing units owned at period end	**0.00%**	**3.42%**	**0.11%**	**0.00%**	**1.30%**

During the year work commenced on the construction of 8 new homes for social rent alongside the feasibility work on other potential future schemes. This scheme was handed over to customers on 1 May 2026.

Gearing

VFM Metric	*Description of Metric*	*CRHA 2025*	*CRHA 2024*	*SWBM 2024*	*ABM 2024*	*RSHG 2024*
Gearing (%) -	How much of the adjusted assets are made up of debt and the degree of dependence on debt finance	**33.02%**	**31.86%**	**31.75%**	**13.80%**	**46.00%**

Gearing which measures the ratio of debt to assets has increased during the year as loans have been drawn to finance the development of new homes. This is well within lenders covenants and illustrates that CRHA has the financial capacity to undertake future development.

Effective Asset Management

Reinvestment

VFM Metric	Description of Metric	CRHA 2026	CRHA 2025	SWBM 2025	ABM 2025	RSHG 2025
Reinvestment (%) -	Sets out the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.	5.65%	3.92%	3.92%	3.42%	7.50%

Reinvestment in the year includes the development of new homes in progress and improvements to existing homes.

Return on Capital Employed (ROCE)

VFM Metric	Description of Metric	CRHA 2026	CRHA 2025	SWBM 2025	ABM 2025	RSHG 2025
Return on Capital Employed (ROCE) (%) -	Compares operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources	2.21%	2.29%	2.60%	3.10%	3.00%

Return on Capital Employed (ROCE) measures the financial returns on our asset and has decreased due to an increase in the amounts spent on development of new homes.

Occupancy

Our occupancy performance showed that 100% of our homes were occupied at the year end. Four properties were re-let during the year and the total rent lost while properties were empty was **£1,691**.

Operating Efficiencies

VFM Metric	Description of Metric	CRHA 2026	CRHA 2025	SWBM 2025	ABM 2025	RSHG 2025
Headline social housing cost per unit (£) -	The unit cost metric assesses the headline social housing cost per unit as defined by the regulators	£4,471	£4,151	£4,151	£6,491	£5,690

The headline social housing cost per unit has increased as there has been an increase in general overheads as well as an increase in the investment work in properties.

Other performance indicators

Rent collection

	CRHA 2026	CRHA 2025	SWBM 2025	ABM 2025
Percentage of rent collected (%)	£102.14%	100.10%	99.90%	99.55%

The strong performance on rent collection has been maintained during the year, remains but in line with other benchmarks and prior year. Exceeds 100% due to encouraging tenants to build one weeks credit on their accounts. CRHA will aim to continue to reduce the overall level of rent arrears owed by current tenants.

Overhead costs as a percentage of turnover

	CRHA 2026	CRHA 2025	SWBM 2025	ABM 2025
Overhead costs as a percentage of turnover (%)	17.83%	20.54%	22.50%	20.00%

CRHA's overhead costs as a percentage of turnover remains in line with other organisations of a similar size.

Statement of Comprehensive Income

For the year ended 31 March 2026

	2026 £	2025 £
Turnover	**2,838,419**	**2,809,951**
Operating expenditure	(2,066,007)	(2,051,209)
Surplus on property sales	-	12,112
Operating surplus	**772,412**	**770,854**
Finance income	11,744	13,987
Interest and financing costs	(590,936)	(518,740)
Surplus for the year	**193,220**	**266,101**
Actuarial gain/(loss) in respect of pension schemes	-	8,000
Total comprehensive income for the year	**193,220**	**274,101**

Statement of Financial Position

For the year ended 31 March 2026

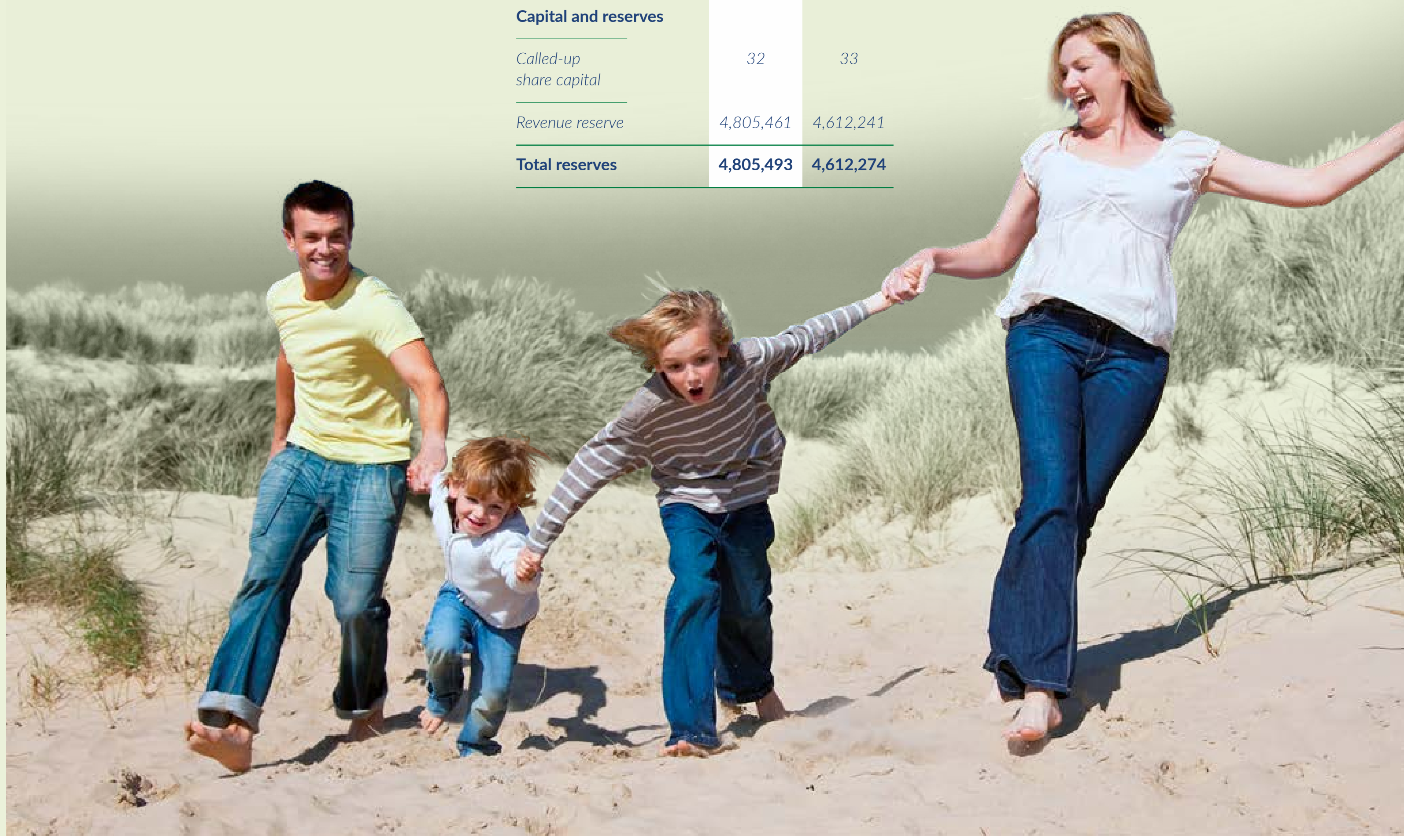
	2026 £	2025 £
Intangible assets	6,710	2,925
Housing properties	34,811,948	33,442,783
Other property, plant and equipment	211,455	221,794
Fixed assets	**35,030,113**	**33,667,502**
Debtors	82,418	223,159
Investments	51,919	49,634
Cash	374,324	617,799
Current assets	**508,661**	**890,592**
Creditors: Amounts falling due within one year	(666,380)	(1,156,098)
Total assets less current liabilities	**34,872,394**	**33,401,996**
Creditors: Amounts falling due after more than one year	(29,921,901)	(28,597,722)
Defined benefit pension liability	(145,000)	(192,000)
Net assets	**4,805,493**	**4,612,274**
Capital and reserves		
Called-up share capital	32	33
Revenue reserve	4,805,461	4,612,241
Total reserves	**4,805,493**	**4,612,274**

Statement of Changes in Reserves

For the year ended 31 March 2026

	Income & Expenditure Reserve (£)
At 1 April 2025	4,612,241
Surplus for the year	193,220
Actuarial gain in respect of pension schemes	-
As at 31 March 2026	**4,805,461**
At 1 April 2024	4,338,140
Surplus for the year	266,101
Actuarial gain in respect of pension schemes	8,000
As at 31 March 2025	**4,612,241**

Reserves may be spent on any activity aligned with the Associations purpose. Holding moderate reserves increases the Association's longer-term resilience.



Risk Management

The success of our business is dependent on effective risk management and as with any business risks and uncertainties are inherent in our activities.

These risks may have financial, legal, operational or reputational impact.

The Board is accountable for effective risk management, agreeing the principal risks facing our business and ensuring that these are managed effectively. The Board also has responsibility for defining our risk appetite (i.e. the amount of risk we are willing to take in pursuit of achieving our strategic priorities).

CRHA Board of Management - 2025/26 Risk Appetite

	Risk Appetite				
Value Drivers	*Minimal tolerance* 1	*Cautious tolerance* 2	*Balanced* 3	*Some appetite* 4	*Strong appetite* 5
Compliance and Health & Safety	■				
Customer Service	■				
Reputational Risks		■			
Value for Money			■		
Data & Safety Monitoring	■				
Governance	■				
People	■				
Existing Homes		■			
New Homes				■	
Financial & Treasury Management	■				

Internal controls assurance

The Board has agreed a system of internal controls appropriate to the size of CRHA and the scale of its operations. The system of internal control encompasses a number of elements that together facilitate an effective and efficient operation, enabling CRHA to respond to a variety of operational, financial, and commercial risks in an appropriate manner. These elements include:

Policies & procedures

A series of policies that underpin how we operate and enshrine the internal control process by recognising and managing related risks. The policies are set by the Board and implemented by the CE and Leadership Team.

The formal policies and procedures include the documentation of key system and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.

Experienced and suitably qualified colleagues take responsibility for important functions.

Financial risk management objectives & policies

CRHA's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. CRHA does not use derivative financial instruments for speculative purposes.

Reporting

Comprehensive reporting is designed to monitor key risks and a newly introduced reporting format includes a specific risk section. Decisions to rectify problems are made at regular meetings between relevant colleagues and the Board as appropriate.

Regular management accounts are prepared promptly, providing relevant and up to date financial and other information. Any significant variances from budgets are investigated as appropriate.

Risk Management Strategy

CRHA manages risk in a manner that is appropriate to its size, the scale of its operation and available resources. The risk management framework helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the Association. CRHA has broadly aligned its risk register with the Sector Risk Profile published annually by the Regulator of Social Housing. The risk strategy and risk register are reviewed annually by the Risk & Assurance Committee and the Board with any emerging risks being added as required, and any improvement actions monitored regularly by management and the Board.

Cash flow risk

CRHA's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing liabilities are a mix of variable and fixed rates to ensure some certainty of cash flows while minimising interest costs.

Credit risk

CRHA's principal financial assets are bank balances and cash, rent arrears and other receivables, and investments. CRHA's credit risk is primarily attributable to its rent arrears. The amounts presented in the Statement of Financial Position are net of allowances for bad debts.

Liquidity risk

CRHA uses a mixture of long-term and short-term debt finance in order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments. Further details regarding liquidity risk can be found in the statement of accounting policies in the financial statements.

Audit Committee

CRHA's size means that the Board has considered that a separately established Audit Committee is not appropriate. The requirement for a separate Audit Committee is reviewed each year. The Board takes full responsibility for internal controls and oversees internal audit, external audit and management. A Risk & Assurance Committee meets to review the risk strategy, risk register and any associated risks.

Internal audit

The Board views internal audit as an important element of the internal control process, our internal auditors tiaa examine and report on the effectiveness of the internal control systems operating within CRHA.

In addition, the Board has considered the following points in so far as they are appropriate for an organisation of the Association's size:

- Key internal controls have been identified
- Management reports providing information on the Association's performance of its key functions are considered at quarterly meetings of the Board.

External audit

External audit provides feedback to the Board on the operation of the internal financial controls reviewed as part of the annual audit. The Annual Management letter stated that there were no significant recommendations arising from the 2024/25 audit.

Regulation

The Regulator for Social Housing (RSH) is responsible for regulating the sector.

CRHA recognises the importance of complying with the formal requirements of the Regulator and always submits any documentation or information on time and as requested.

During the year we also reviewed CRHA's compliance with the Regulators Economic and Consumer Standards.

In line with Housing Ombudsman requirements, we submit our complaints handling self-assessment each year and publish this on our website.

CRHA is registered as an Investment Partner with Homes England.

Third party reports

From time to time, the use of external specialist consultants will be necessary in areas such as health and safety, asset management, governance, and finance. The use of other specialist third parties for consulting and reporting can also increase the reliability of the internal control system.

Fraud

CRHA complies with the regulatory requirements on fraud. In particular, we have a clear policy that has been approved by the Board and distributed to all colleagues. The policy requires a register to be maintained of all actual and attempted fraud. All such cases are reported to the Board. All cases in excess of £1,000 must be reported to the Regulator of Social Housing.

There have been no reported cases of fraud during the year.

The Board has used the management information at its disposal to review the effectiveness of the system of internal control, including the sources of assurance agreed by the Board as being appropriate for that purpose.

The Board takes the view that there is sufficient evidence to confirm that adequate systems of internal control existed and operated throughout the year ended 31 March 2026, and that those systems were aligned to an ongoing process for the management of the significant risks facing the Association. No weaknesses were identified which would have resulted in material misstatement or loss and which would have required disclosure in the financial statements.

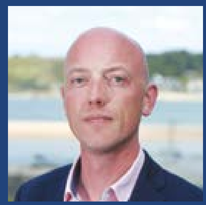
Governance

During the year, the Board received reports on CRHA's compliance with the National Housing Federations Code of Governance 2020 and the Regulator of Social Housings Economic and Consumer Standards.

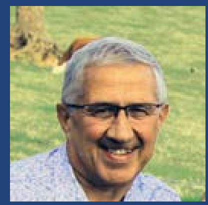
The present Board members and Chief Executive of the Association are set out below:

Board of Management

The Board members are drawn from a wide background bringing together professional, commercial, specialist and local lived experience. Three members of the Board are also customers.



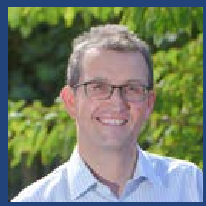
Adam Hackett
Chair



Gary Lucas
Vice Chair

- Ken Brown
- Alex Deller
- Paul Heminsley
- Sophie Hughes
- Keith Meredith
- Shelly Brown
- Trudy Polkinghorn

Chief Executive



David W Bolton
Chief Executive

The Chief Executive served throughout the year. The Chief Executive holds no interest in CRHA's shares, is not a member of the Board of Management and acts as an executive within the authority delegated by the Board.

Risk & Assurance Committee

- Keith Meredith ....Chair
- Gary Lucas
- Trudy Polkinghorn
- Paul Heminsley

Remuneration & People Committee

- Gary Lucas ....Chair
- Alex Deller
- Adam Hackett
- Sophie Hughes

Disclosure of information to the auditor

Each of the Board members at the date of approval of this report has confirmed that:

- As far as the Board members are aware, there is no relevant audit information of which CRHA's auditor is unaware; and
- The Board members have taken all the steps that they ought to have taken as Board members in order to make themselves aware of any relevant audit information and to establish that CRHA's auditor is aware of that information.

Annual General Meeting

The annual general meeting will be held on **22nd September 2026.**

Auditor

A resolution proposing the appointment of Bishop Fleming as auditor will be put to the members at the annual general meeting.

The Report of the Board under Auditor was approved on **21st July 2026** and signed on its behalf by:

David W Bolton - *Chief Executive & Company Secretary*

During the year the Board received reports on CRHA's compliance with the National Housing Federations Code of Governance 2020 as well as receiving specific reports on CRHA's compliance with the Regulator of Social Housings economic and consumer standards.

CRHA

Cornwall Rural Housing Association Limited

Cornwall Rural Housing Association,
19 Callywith Gate, Launceston Road,
Bodmin, Cornwall. PL31 2RQ

Tel: 01208 892000
E-mail: info@crha.org.uk
Website: www.crha.org.uk

X:
@CornwallRuralHA

Facebook:
@CornwallRuralHA

#makingadifference
#peoplebusiness

2025/26

Cornwall Rural Housing Association Limited is a registered society under the
Co-operative and Community Benefit Societies Act 2014 (Registered Number: 24935R)