Aspire Housing Limited

Annual Report & Financial Statements

Year Ended 31st March 2026

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Board Members, Executive Directors, Advisors and Bankers

Chair	Aman Dalvi OBE
Directors	Sinéad Butters MBE Aman Dalvi OBE Paul Northcott (retired 2 June 2026) Vanessa Renshaw (appointed 23 June 2026) Elizabeth Barnes Amanda Palmer Jane Atherton Pat Baker David Woodward Phil Elvy (appointed 10 April 2025) David Hunter (retired 27 September 2025)
Secretary	Paul Medford (resigned 29 May 2025) Andrew Palmer (appointed 29 May 2025)
Chief Executive	Sinéad Butters MBE
Executive Director of Finance	Andrew Palmer
Executive Director of People	Andrei Szatkowski
Executive Director of Place	Dan Gray
Registered Office	Kingsley The Brampton Newcastle-under-Lyme Staffordshire ST5 0QW

Board Members, Executive Directors, Advisors and Bankers (continued)

Auditor	BDO LLP Eden Building Irwell Street Manchester M3 5EN
Principal Solicitor	Anthony Collins LLP 134 Edmund Street Birmingham B3 2ES
Principal Banker	Barclays Bank Plc Birmingham High Street 79-84 High Street Birmingham B4 7TE
Financial Conduct Authority registration number	31218R
Regulator of Social Housing registration number	L4238

Chair and Chief Executive's Introduction

We are pleased to present our financial statements for the year ended 31 March 2026.

This was the second year of delivering our Corporate Plan 2030. During the year, we continued to embed our values, purpose and strategic objectives across the organisation, while preparing for the competency and conduct standard. With all supporting strategies now launched, we are seeing improved performance and early successes that provide a strong platform for the future.

Our sustained focus on Tenant Satisfaction Measures (TSMs) has strengthened our upper-quartile operational performance against benchmarks, while customer perception indicators have remained consistently above upper-quartile comparators. This reflects disciplined delivery, strong operational control, and a continued commitment to service quality and customer outcomes.

Customer voice and engagement remain central to our approach. We have strengthened the way customer insight informs our services, supported by our Chat2 Aspire programme, which continues to play an important role in engagement. We actively use feedback to improve services, and our data shows that customers continue to feel heard and involved.

Our Home Transformation programme has delivered clear improvements to the repairs service. Customers are benefiting from shorter waiting times, better communication and more flexible appointment times. Further progress is expected as the programme moves into its second phase.

We have been successful in being awarded £18million of new Social Housing Grant towards our Development programme and last year's ministerial visit by the Rt Hon Darren Jones MP, Chief Secretary to the Treasury, to our Cross Street development provided an important opportunity to demonstrate progress against key priorities, showcase the value of partnership working, and help influence positive change across the sector. The visit strengthened confidence in our delivery and reinforced relationships with key stakeholders.

Our talented Aspire team remains at the heart of our success. We have continued to focus on capability, capacity and culture, while strengthening ways of working, improving coordination across teams, and supporting colleague wellbeing by putting people first. This helps sustain strong performance and positions us well to manage future change successfully.

In May 2025, we were recognised as a Sunday Times Best Place to Work. This recognition, driven by colleague feedback, reflects our continued commitment to inclusion, wellbeing and a positive colleague experience.

Earlier this year, we announced our intention to explore a potential merger with Walsall Housing Group Limited (whg). This would bring together our strengths, resources and expertise to create a new housing association with 32,000 homes across our Midlands heartland. This involves strategic assessment, due diligence, and consideration of the long-term interests of our customers, colleagues and stakeholders.

The Board believes this opportunity is in the best interests of customers and the long-term success and sustainability of the organisation, and in July it decided to proceed with the merger. In the meantime, we remain committed to clear communication and a well-managed, transparent integration process.

Looking ahead, we remain confident in our ability to deliver for our customers and communities, supported by the strength of our talented team. We thank every colleague for their hard work, dedication and continued commitment to Aspire and our customers.

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Aman Dalvi OBE Chair of the Board, Aspire Housing 17 August 2026	Sinéad Butters MBE Chief Executive, Aspire Housing 17 August 2026

Strategic Report

Introduction

The Board presents its Strategic Report, containing the Operating and Financial Review and value for money statement, for the year ended 31 March 2026.

Overview and background

Aspire Housing is a leading housing provider, property developer and place shaper based in Newcastle-under-Lyme. Created in July 2000, Aspire Housing owns and manages more than 9,500 homes and supports around 19,000 customers across Staffordshire and Cheshire. Profits are reinvested in new homes, in revitalising communities and in a comprehensive range of innovative support services designed to transform lives.

As a business, we put People First by delivering safe, decent homes and excellent housing services through our talented Aspire team. We do this by living our values: we champion the customer, we build togetherness, and we are professional and always striving to work in a smarter, simpler, slicker way.

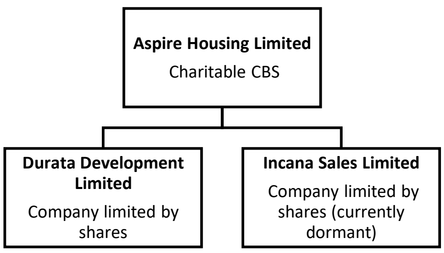
During the past year, Durata Development Limited, the Group's development company, completed two developments, with work in progress on eight and has a further pipeline for the following few years as part of the strategy to increase growth and investment opportunities.

While the future for inflation remains uncertain during 2025/26 rates have stabilised after several years of sharp increases driven by energy prices, food costs, and rising material expenses across the wider economy. While this easing is welcome, the cost-of-living crisis continues to place significant strain on many of our customers and communities. Aspire remains committed to doing everything we can to lessen this impact—both through the services we provide directly and through the work we do with our partners.

Demand for responsive repairs continues to grow, and the sector-wide focus on damp, mould, and condensation following the introduction of Awaab's Law remains a critical priority. However, we have continued to respond proactively, investing in our homes, strengthening our repairs service, and ensuring that our most vulnerable customers are prioritised for support and intervention.

Legal structure and objectives

Aspire Housing Limited is registered with the Financial Conduct Authority as a Registered Society under the Co-operative and Community Benefit Societies Act 2014, and with the Regulator of Social Housing (RSH) as a social landlord.



The Aspire Group structure is simple and is appropriate with the parent organisation focused on delivering the corporate objectives. The structure is low risk with a clear focus on the delivery of core social housing that meets charitable criteria. Durata is used as a vehicle to deliver the pipeline of new homes.

Achieve Training (Staffordshire) Limited was a subsidiary of Aspire Housing Limited but was dissolved on 1st July 2025 following the cessation of its activities in 2022/23.

Strategic Report (continued)

Merger with Walsall Housing Group Ltd (whg)

On the 28 July 2026 the Board agreed to formally merge with whg following several months of discussions, due diligence and consultation. The merger is expected to take place no later than the end of November 2026. Aspire Housing and its subsidiaries will continue to operate within the new Group post the planned merger.

Both Aspire and whg are organisations who deliver great services for customers, however there are challenges for all housing associations.

The merger will strengthen our organisations and protect our future, so we can continue providing great services and affordable, good-quality homes for our local communities, “delivering for people, dedicated to places”.

Financial review

Statement of Comprehensive Income (SOCI)

	2026	2025
Turnover	£56.4m	£54.8m
Operating Surplus	£16.3m	£11.0m
Margin before disposals	18.6%	14.8%
Margin after disposals	29.0%	20.0%
Surplus	£8.7m	£3.7m
Comprehensive Income	£8.7m	£3.9m

Turnover: £56.4m

Turnover for the year is £56.4m, an increase of 2.9% when compared to 2024/25 turnover of £54.8m. The movement was mainly due to an increase in rental income offset by a small reduction in first tranche low cost home ownership income (Shared Ownership). Social housing contributed £53.9m of the overall turnover which is 95.6% of our total income (2025: £52.0m, 94.8%).

Operating Surplus: £16.3m

Operating performance continues to be strong with an operating surplus of £16.3m (2025: £11.0m). This surplus has increased from the prior year by £5.3m primarily the result of an increase in property sales supporting our asset management strategy. The surplus supports the investment in existing and new homes.

Surplus for the year after tax £8.7m

The net surplus after tax of £8.7m (2025: £3.7m) includes net interest and financing costs of £7.9m (2025: £7.5m) and taxation of £34k (2025: £31k).

Total comprehensive income for the year £8.7m

Total comprehensive income for the year is £8.7m (2025: £3.9m) which includes a small actuarial adjustment of £21k increasing the surplus for the year (2025: £0.2m).

Strategic Report (continued)

Statement of Financial Position

The Statement of Financial Position demonstrates the strength and capacity of the Group to continue to deliver our strategic objectives.

	2026	2025
Fixed Assets	£349.0m	£322.7m
Net Current Assets	£13.7m	£24.9m
Long Term Creditors	£304.2m	£297.7m
Reserves	£58.2m	£49.5m

Fixed Assets £349.0m

Capital expenditure is set out in notes 18-20. During the year we have invested a gross £24.6m (2025: £15.2m) in developing and acquiring new homes and have received approximately £6.3m of grant towards the cost of our new build programme. We have also significantly increased investment in our existing housing stock to maintain homes above the Decent Homes Standard. The capital cost of this investment during the year was approximately £11.8m (2025: £6.4m). This combined investment can be seen in the movement in the net book value of housing assets to £342.8m from £316.7m in 2025.

Net Current Assets £13.7m

Net current assets of £13.7m have decreased by £11.2m from the prior year (2025: £24.9m). This is due to a decrease in Current Assets driven by less Cash and cash equivalents held of £12.3m with cash spent on development activity offset in part by an increase in debtors.

Long Term Creditors £304.2m

The net movement in long term creditors is an increase of £6.5m. The majority of the movement is due to an increase in deferred capital grant which has increased by £6.5m when compared to the prior year.

Reserves £58.2m

Reserves have increased by £8.7m to £58.2m (2025: £49.5m) reflecting the net comprehensive income for the year. Movement in the reserves balances is further shown in the Statement of Changes in Reserves on page 39.

Statement of Cash Flows

	2026	2025
Net cash generated from operating activities	£19.6m	£19.0m
Net cash used in investing activities	£23.0m	£7.6m
Net cash used in financing activities	£8.9m	£9.2m
Net (decrease)/increase in cash and cash equivalents	(£12.3m)	£2.2m

Strategic Report (continued)

Statement of Cash Flows (continued)

The Statement of Cash Flows shows that the cash inflow generated from operating activities was £19.6m (2025: £19.0m).

Cash used in investing activities is £23.0m (2025: £7.6m) which includes investment of £38.6m in existing and new assets (2025: £23.8m) and inflows for grant income of £6.2m (2025: £8.8m), sale of assets £8.3m (2025: £5.9m) and interest received £1.1m (2025: £1.5m).

Cashflow used in financing activities includes cash interest paid in the year of £8.9m (2025: £8.9m).

Overall, with the increased investment in our housing stock and interest this year, after cash generated from operating activities, there has been a net cash outflow of £12.3m (2025: inflow £2.2m).

Treasury Management

The Group has a formal Treasury Management Policy and Strategy which are reviewed annually by the Board. The Policy provides the framework within which the Group seeks to mitigate risk relating to the borrowings and cash holding it has at any one time. The Group maintains a risk-aware approach to its debt portfolio and seeks to ensure that sufficient liquidity is available to meet foreseeable needs.

Liquidity and Capital Structure

The Group finances its activities using facilities of £295.0m, comprised of £90.0m loan facilities with Lloyds Banking Group and Barclays, and capital markets of £205.0m. Current cash and facilities provide a high level of liquidity with £50.0m of available revolving credit facilities and £18.5m of cash and cash equivalents, including investments held as cash.

Loan Facilities	Facility £000's	Drawn £000's	Available £000's	Fixed £000's	Variable £000's
Bank Loans	90,000	40,000	50,000	40,000	50,000
Capital markets	205,000	205,000	-	205,000	-
Total facilities	295,000	245,000	50,000	245,000	50,000
Funding Mix	-	-	-	83.1%	16.9%

Interest rate management

The Group manages its interest rates through its facilities which comprise 83.1% of fixed rate funding and 16.9% of variable rate revolving credit facilities. Currently 100% of debt drawn is at a fixed rate. The fixed rate funding is comprised of drawn fixed rate loans from banks. All debt is classified as basic financial instruments.

Loan covenants

There are multiple covenants for the 4 lenders Barclays, Lloyds, Legal & General (L & G) and the Private Placement. As at 31st March 2026, throughout the year and as at 31st March 2025, the Group met its covenant targets.

Strategic Report (continued)

Loan covenants (continued)

All lenders have interest cover covenants of EBITDA. For L & G, in 2024/25 there were 2 covenants measured on an EBITDA MRI basis whereas for 2025/26, due to renegotiation in the year, the covenants are now EBITDA only. In addition, a minimum asset cover is required on each individual facility.

Lloyds and Barclays also require that net loans are not more than 70% of housing properties at cost. L & G looks to ensure that the properties secured on its facility generates a net income cover of more than 1.05.

The Group ensures that it operates with a prudent level of headroom and monitors covenants monthly. This is reported to the Board on a quarterly basis. The Business Plan is very resilient to these covenants with a degree of headroom.

Year-end covenant performance	2026	2025
Lloyds Interest Cover	2.62	2.25
Barclays Interest Cover	3.15	2.53
L & G Interest Cover (EBITDA)	2.62	Not Measured
L & G Interest Cover (EBITDA MRI)	Not Measured	1.31
L & G Interest Cover Rolling 5 Year Average (EBITDA MRI)	Not Measured	1.02
Private Placement Interest Cover	2.57	2.23
L & G Net Rental Income	1.97	1.78
Lloyds and Barclays Net Debt	0.54	0.54
Lloyds Asset Cover	3.16	2.16
Barclays Asset Cover	No Debt Drawn	No Debt Drawn
L & G Asset Cover	1.28	1.29
Private Placement Asset Cover	1.87	1.83

Strategic Report (continued)

Capacity

The maximum amount of debt that the Group can borrow is limited by the covenants shown above, however there is still a great deal of headroom available in the covenants for the foreseeable future. The other limiting factor on future borrowing is how much spare capacity the Group has to provide security against future borrowing.

The Group's assets are subject to regular revaluations to determine the portfolio value for the purpose of securing existing and new debt. Current valuations are estimated to be £541m against an asset cover requirement on existing facilities of circa £295m, leaving a healthy amount of headroom.

The Business Plan models the utilisation of this uncharged asset base going forwards, as more homes are charged to raise debt in support of further development and this new development adds to the asset base. The Business Plan also takes account of disposals which will reduce the asset base. The plan shows that the Group maintains sufficient uncharged assets to support its strategic development objectives, but also to provide further security to existing borrowing should there be any unforeseen deterioration in the asset values.

Regulatory grade

The Regulator of Social Housing (Regulator) implemented a number of new standards; the 'Consumer Standards' and these went live from 1 April 2024. These new standards are the Safety and Quality Standard, the Transparency, Influence and Accountability Standard, the Neighbourhood and Community Standard and the Tenancy Standard. These are in addition to the existing Governance, Financial Viability, Rent, and Value for Money standards and are used by the Regulator to assess all social landlords. The Board and Executive team have sufficient controls and mechanisms in place to ensure we comply with all standards.

In addition to the consumer standards, Tenant Satisfaction Measures (TSMs) assess how well social housing landlords are doing at providing good quality homes and services. We use the feedback that we receive from TSMs to improve our services to customers and share our performance and feedback regularly with our Board and set our TSM targets based on the best in the sector.

Within the year the Regulator undertook an annual stability check. Aspire retained the highest possible grading for the new Consumer Standard – C1 and Governance – G1, alongside maintaining our compliant V2 grading for Financial Viability.

Operating review

The Corporate Plan covering the period 2024 - 2030 was launched in April 2024. The plan was co-created with customers, partners, colleagues and our Board and sets an ambitious direction for six years.

Our Core Purpose outlines what we stand for "We put people first by delivering safe, decent homes and excellent housing services through our talented Aspire team", and three values of:

- we champion the customer;
- we build togetherness; and
- we are professional.

Strategic Report (continued)

Operating review (continued)

Our focus on what we need to do is captured in three strategic objectives:

- we will provide safe, decent and affordable homes;
- we will be customer service obsessed;
- we will nurture an environment where colleagues can be their best.

Our customers echoed the same view - invest in our homes, deliver a fantastic repairs service, tackle anti-social behaviour, listen to us and show respect.

During the year, we invested an additional £1.0m to improve repairs performance and reduce empty homes.

This investment has delivered a significant improvement in performance. Non-emergency repairs completed within timescale increased to 84.4% (2025: 59.4%), with emergency repairs also improving to 99.2% (2025: 97.0%). Customer satisfaction has strengthened, with satisfaction with repairs rising to 87.7% (2025: 80.3%) and satisfaction with timeliness increasing to 85.4% (2025: 72.4%). All repairs-related TSMs improved, contributing to an increase in overall satisfaction to 86.6% (2025: 78.0%) which is one of our Value for Money metrics. This demonstrates the clear link between targeted investment, service delivery and customer outcomes.

We continue to strengthen our inclusive approach to customer engagement, building trust and enabling meaningful dialogue. Our well-established framework provides multiple opportunities for customers to influence both service delivery and strategy.

The OASIS (Observing Aspire Services and Improving Standards) engaged customer group remains central to our assurance approach, scrutinising performance against Customer Promises through TSMs, reviewing delivery against Consumer Standards, and contributing to strategic development. It is embedded within our governance structure through its Chair who is our customer Board Member.

Our five service improvement groups (maintenance, neighbourhoods, complaints, older persons and customer services) ensure customer insight directly shapes service design. These are supported by wider feedback channels including surveys, complaints insight, TSMs, and real-time assessments undertaken by Customer Assessors.

Our annual Chat 2 Aspire engagement event saw over 2,600 customers participate. Feedback on communication was positive overall, while also identifying areas for improvement, particularly around consistency and follow-up.

We also delivered our first Championing You customer event, attended by over 50 customers, enabling deeper engagement on key strategic priorities, including neighbourhood management policy and Home Transformation.

Overall, participation across our engagement activities continues to grow, demonstrating a strengthening customer voice and clear evidence that customer insight is shaping both service improvement and strategic direction.

An externally validated colleague experience survey was undertaken in 2025. For each of the six key areas measured the overall score was either Good or Excellent. There was an overall "Engagement" score of 80% (Excellent) and a "Confidence in Management" score of 83% (Excellent). We will build on a culture whereby colleagues feel empowered to raise concerns and to do the right thing and the Equality, Diversity and Inclusion Forum will champion inclusivity continuing to make people who work for Aspire proud.

Strategic Report (continued)

Future developments, investment and repairs

During the year we have created 90 new homes with a further 155 new homes planned next year for people in our communities. This works towards achieving our corporate plan to build or acquire 488 new homes up to 2029/30 to help in tackling the housing crisis. In 2026/27 we are investing £48.2m in development supported by £18.8m of Grant funding and £2.3m of sales income from Shared Ownership sales.

We will continue to make significant investment in our existing homes to ensure that properties meet the Decent Homes Standard (DHS), and we respond to enhanced building safety requirements and future climate change targets. We invested £29.6m during 2025/26 and have a further £32.1m to invest in 2026/27 of which £12.7m will be upgrades to existing homes and to improve our communal areas.

Our focus is on improving our customer outcomes and performance including a continued focus on complaints and dealing with damp and mould while complying with Awaab's Law. We have continued a transformation programme in the year to improve our responsive repairs service to ensure consistently high levels of customer satisfaction in response to the feedback from our customers, right-first-time service and value for money.

We are working towards the Minimum Energy Efficiency Standards to ensure all of our properties are EPC C by 2030 with 78% currently EPC C or above. In 2025/26 we have spent £0.4m on measures to improve the EPC of our properties with plans to achieve the standard by 2030.

Risks and uncertainties

Risks that may prevent Aspire Housing and its subsidiaries achieving their objectives are considered and reviewed regularly by the Executive Team, Audit and Risk Committee (ARC) and the Board. The risks are recorded and assessed in terms of their impact and probability. Major risks, as well as management actions and controls, are reported to the ARC and Board quarterly. The top 5 major risks are shown below.

Major Risk	Management actions
Unable to deliver the business plan and corporate plan as a result of financial challenges	The budget and business plan have been reviewed and challenging choices made in relation to the optimum use of resources. The business plan is closely monitored with quarterly reports provided to Board and the future modelling indicates no current risk of breach. During 2025/26 our final EBITDA MRI interest cover covenants have been renegotiated with external funders to remove the MRI element. Whilst this has released additional capacity, this has been partly offset by the need to make further continued investment in stock improvements.
Inability to meet future stock quality needs	The business plan is approved taking account of stock condition data and updated annually. An Asset Management strategy is in place to deliver improvements, and the progress against this is monitored annually by the Board. Independent consultants reviewed the stock investment requirements during 2024/25. This confirmed that further investment was required to ensure that homes were maintained at an appropriate standard. The renegotiation of interest loan covenants, as noted above, has released capacity to deliver the additional required stock investment in our homes.

Strategic Report (continued)

Risks and uncertainties (continued)

Major Risk	Management actions
Delivering services in line with expectations (customers and other stakeholders)	Noting that the key service received by most customers is repairs, Aspire is investing heavily in improving its repairs service via the Home Transformation Programme. Additional investment has been made during the financial year to support this and the delivery of the programme during the next two years has been accelerated. Significant work has been undertaken to ensure that the Customer Voice is placed at the heart of the decision making process. Board Members take part in a "seeing is believing" programme to experience this first hand.
Data and Cyber Security	Robust data and cyber security controls are in place, including continuous system monitoring, secure network infrastructure, regular updates, and independent testing to mitigate risks and protect organisational data including, annual penetration test to check for vulnerabilities in infrastructure and systems.
Poor data integrity	A Data and Security Oversight Group is in place to identify and drive through improvements where needed. All data hosted by Aspire cloud infrastructure which is regularly backed up. Internal audits undertaken across key compliance workstreams which include data integrity checks.

Treasury objectives and strategy

The Group regards the successful identification, monitoring and management of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured.

It also acknowledges that effective treasury management supports the achievement of Aspire's objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

The Board has set annual targets and approval criteria within which the treasury management function operates, including:

- a limit on exposure to variable interest rates; Aspire's policy is to keep at least 65% of its borrowings at fixed rates of interest. At the year-end 100% of its borrowings were at fixed rates while the facilities available show 83.1% at fixed rates;
- use of derivative instruments only when approved by the Board; £Nil as at 31 March 2026 (2025 £Nil); and
- approved sources of borrowing and investment; all borrowing is from approved sources.

Strategic Report (continued)

Treasury objectives and strategy (continued)

The Group is financed by a combination of retained reserves, long-term loan facilities and project-specific grants to part-fund the acquisition and development of new homes. The Group has the financial capacity to repay its loans in accordance with the repayment profile of its loan facilities.

All financial covenant limits set by lenders during the year have been met.

Corporate governance

We have voluntarily adopted the NHF 2020 Code of Governance.

In line with the requirements set out in the code for an external board effectiveness review on a triennial basis, an external consultant was used in 2024/25 to facilitate the review. In 2025/26 the board undertook its own in house review. Two key actions from the 2025/26 review to strengthen governance arrangements were commissioned and they were:

- the production of a board diversity profile so the board can consider alternate ways to advertise future vacancies to encourage candidates from any underrepresented areas; and
- The addition of a horizon scan of the sector and inclusion of an external section on all governance reports moving forward.

The plan and its progress continue to be monitored through the relevant Committee.

Aspire Housing has also adopted the NHF merger code and continues to work to the principles explained in it. In March 2025, the Board approved a Merger Framework to document the approach Aspire would take towards merger opportunities.

The Board has delegated day to day management to a group of Executive Directors, led by the Chief Executive. They have responsibility for making decisions with Group-wide implications, overseeing operations, regulation and monitoring of financial viability. The Executive Team meets on a regular basis and recommends policy and strategy decisions to the Board.

Aspire Housing operates two formal sub-committees of the board: an Audit and Risk Committee and a People and Governance Committee previously known as the Nomination and Remunerations Committee. The purpose of the change was to better reflect the schedule of business and operating environment of the committee. Both committees' membership are made up of non-executive members with executive members in attendance. Sub-committees support the Board through clearly delegated duties and authorities, enabling oversight and assurance to be developed across specific themes. Committees report back to Board on their effectiveness and recommend necessary approvals.

Alongside the sub committees we have the OASIS group who support the Board, share feedback and provide information for the Board to take assurance from.

Strategic Report (continued)

Value for Money (VfM)

Our strategic approach to VfM

Aspire Housing is committed to the achievement of value for money in the delivery of all its services. VfM is embedded within our culture and within our corporate plan, our Governance structure and all of our key strategies, as set out in our VfM vision, to get the most out of our resources and ensure our money is well spent. We define value for money as the achievement of optimal value from the use of our resources as measured through the delivery of successful outcomes.

The 2024-2030 corporate plan set out our vision of optimising VfM and reducing waste. The VfM strategy was refreshed in 2024 and runs to 2030 aligning to our corporate plan. The strategy focuses on effectiveness, efficiency and economy by:

- reducing costs, delivering safe and decent homes and excellent housing services ensuring every £1 of rent received is well spent;
- ensuring people, processes and technology are smarter, simpler, slicker to achieve optimum return from resources; and
- making sure our investment in new homes, communities and people is well spent and we achieve our objectives.

The objectives of our VfM strategy are to ensure that:

- we provide an excellent customer experience;
- procurement is effective;
- good governance and a strategic approach from the Board, maintaining compliance with the Regulatory standards;
- we continue to embed a VfM Culture;
- we monitor performance with reporting and an improvement plan;
- we make efficient investment to ensure we get the most out of our assets;
- we deliver low cost new social and affordable homes; and
- we drive continuous improvement.

We set clear targets for financial efficiency and service quality, and progress against these targets is reported regularly to the Board. We continue to comply with the regulatory standard.

Asset Management Strategy

The core commitments made through our 2025-2030 Asset Management Strategy are to:

- reduce the environmental impact of our homes to meet the Band C EPC before 2030 and Net Zero targets by 2050 delivered through long term financial planning and investment;
- manage assets actively, and buy services efficiently, to achieve best value for customers and communities whilst meeting their needs;
- invest in regeneration, through the improvement and renewal of homes and neighbourhoods;
- ensure that our homes are safe and decent, meeting or exceeding all regulatory and legislative requirements;
- learn from customer feedback in order to improve satisfaction and exceed expectations and have customers at the heart of decisions; and
- plan ahead for the future, using data and technology to inform decision making and improve customer experience.

Strategic Report (continued)

Asset Management Strategy (continued)

Also of particular relevance to the VFM Strategy, our Asset Management Efficiency and Value objectives are to:

- Maximise opportunities to benefit from external funding alongside existing investment plans to increase capacity;
- Undertake option appraisals on poor or under-performing asset groups, reviewing opportunities for redevelopment, regeneration, demolition, or disposal in line with our ethical disposal policy;
- Maintain an up-to-date 30-year business plan and externally validate stock investment provision every 5 years (next in 2028/9);
- Continue to develop our approach to stock condition data collection and reporting, integrated with repairs data and systems;
- Measure asset performance using a combined Net Present Value/Quality model, incorporating future energy performance to 2050 (ASAP model update in 2026);
- Drive further efficiency and value in repairs and maintenance from Home Transformation Programme – Aspiring to Excellence;
- Continue to transform material supply approaches to increase control and standardisation;
- Embed Sustainability and VfM principles within procurement, ensuring good sourcing, life-cycle costing, and emissions reporting;
- Review and update our strategic approach to land, garages, and commercial property portfolios by 2027;
- Use our strategic asset management appraisal tool to drive decisions on high risk assets, including EPC C compliance and option appraisals of underperforming groups; and
- Control spend strategically by prioritising investment based on risk, compliance, and long-term value.

Land management and strategic disposals

We have continued our strategy of assessing properties for disposal on becoming void in line with criteria approved by Board, with up to 50 disposals per annum. In 2025-26 we sold 42 properties (plus a property previously used as an older persons scheme comprising of 29 units) either at auction or by private treaty, generating gross sales proceeds of £5.3m (2025: £4.2m). The resources generated from these sales will be re-invested in the delivery of new affordable homes.

Stock investment

We continue to maintain a 30-year stock investment plan and rolling stock condition survey aligned with the business plan, with regular reviews of priorities and re-alignment of funding to meet the needs of the asset base and of our customers. Every 5 years we will commission an independent validation of the accuracy of our stock condition data (most recently in 2024/25) which provides assurance that our investment plans have a firm evidential base and that our resources can be targeted effectively.

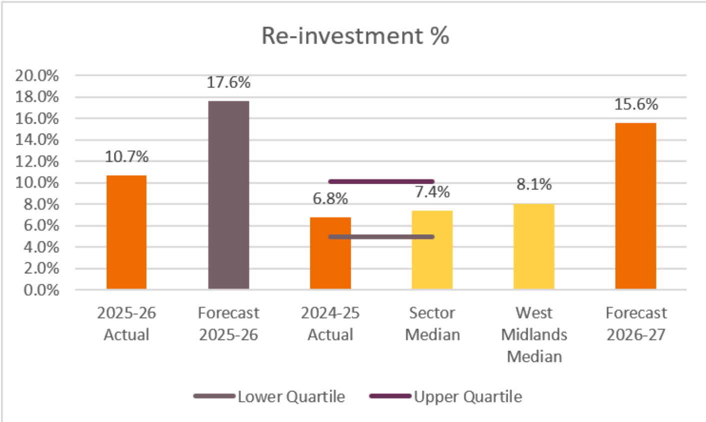
Growth strategy and new homes provision

The Corporate Plan approved by the Board in 2024 set out an ambition to deliver 488 new homes by 2030. Completions over the past year and schemes under construction, committed and planned demonstrate that the Group is on track to achieve its plans.

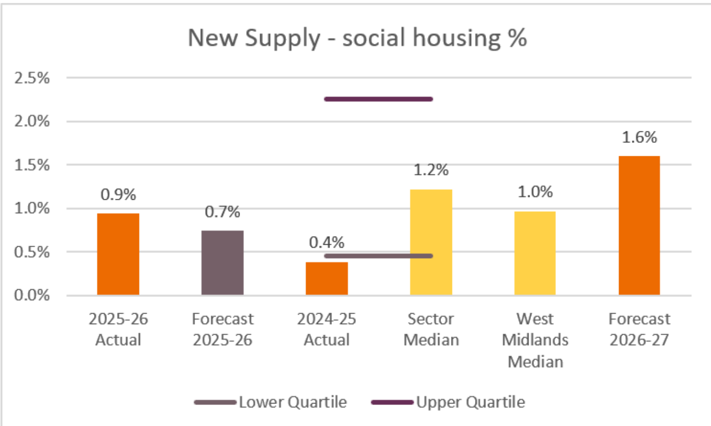
Strategic Report (continued)

Value for Money (VfM) metrics and targets

We report and compare our performance against the value for money metrics using the latest Global Accounts published by the Regulator, which has reported sector performance outturns for 2024/25. This is a comprehensive data set for comparison purposes, and we have compared ourselves against other Registered Providers using median and quartiles. The graphs below shows our performance and our quartile position in relation to the median results of register providers nationally and regionally.



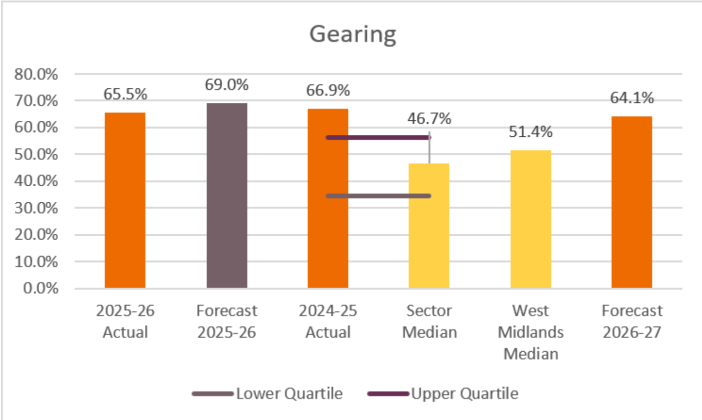
- Re-Investment % - This metric measures the scale of investment in our existing and new homes as a percentage of their value. Aspire continues to invest a significant proportion of its capacity in the building of new homes and investing in its existing stock. Performance for 2025/26 against the 2024/25 benchmarks is above the median with 10.3% re-investment for the year. Re Investment was lower than anticipated with some of our major developments starting later than planned. Next year re-investment is expected to be significantly improved with an increase in both development and investment in existing homes. This is a key metric for our strategy to show efficient investment to ensure we get the most out of our assets while improving our homes.



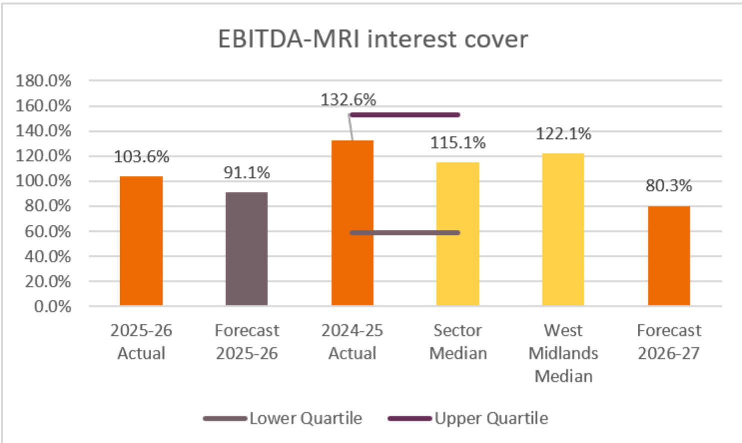
- New Supply % – This represents the number of new social homes delivered in 2025/26 as a proportion of all homes owned at 31 March 2026. Our development programme is included in our Corporate Strategy. We delivered lower quartile performance compared to the sector. This was expected and due to phasing of the development activity. However, we achieved more than the planned development in the year. Over the next 2 years we expect performance to be more in line with the current sector median. We build 100% social housing units including affordable, and shared ownership.

Strategic Report (continued)

Value for Money (VfM) metrics and targets (continued)



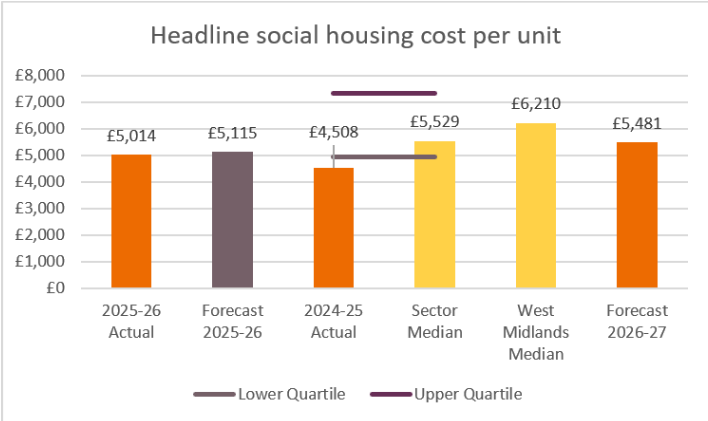
- Gearing – This shows the proportion of net borrowing in relation to the historic cost of the asset base and indicates the degree of dependence on debt finance. Aspire was created following the large-scale transfer of stock from Newcastle-under-Lyme Borough Council. As a Large Scale Voluntary Transfer (LSVT) the gearing levels required to finance the transfer means that our comparative performance to many traditional associations is unfavourable. Our plans seek to utilise our gearing capacity to deliver as much social, affordable and shared ownership housing as we can. We are 9.4% above the upper quartile. We continue to have higher gearing than our peers albeit with a downward trajectory forecast and lower than we had planned due to less development spend.



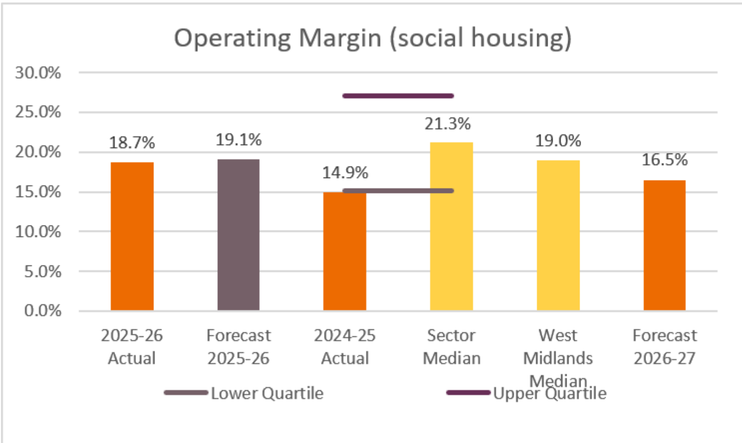
- EBITDA-MRI Interest Cover – 'Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %' measures our level of cash surplus generated as a percentage of interest paid. The sector has seen this measure reduce significantly over recent years. We are performing above the sector median in the current and prior year but having released more capacity from negotiations with our funders our performance will slip below 100% for the next 2 years. This decision was based on the Board's strategy to maximise capacity released from covenant negotiations and invest in our Asset Management activity to deliver VfM from our assets.

Strategic Report (continued)

Value for Money (VfM) metrics and targets (continued)



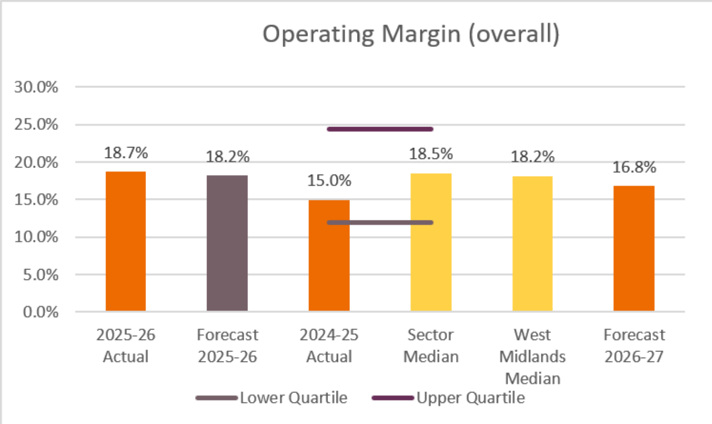
- **Headline social housing cost per unit** - This metric combines several cost elements to provide our overall social housing cost per unit. Our overall headline social housing cost per unit increased from £4,508 in 2024-25 to £5,014 in 2025-26. The median based on 2024-25 data is £5,529 for the sector or £6,210 for the region. The increase over the year represents 11.2% in line with the median for the sector which also increased by 11%. We are continuing to invest in our homes to ensure that we meet our repairs targets around time taken to undertake a repair and customer satisfaction and that we are compliant with the decent homes standard and moving towards net zero.



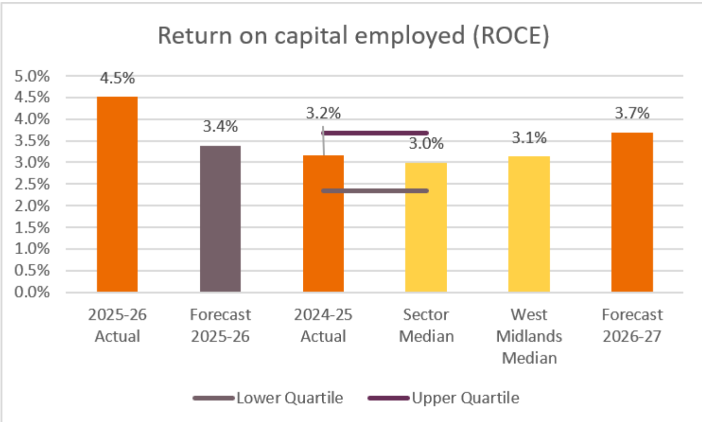
- **Operating Margin (social housing units)** – This shows the profitability of our social assets and is an indicator of our operating efficiency of our social housing units. The increased costs for repairs resulted in an operating margin of 18.7% which was lower than the sector median of 21.3% and the region. Results are expected to increase to 19.1% next year. Aspire is unlikely to achieve upper quartile in this area due to the lower rents compared to some other social housing providers as a result of the area in which we operate and LSVTs tend to have lower rents and therefore lower margins. As demonstrated in other metrics we continue to invest in our homes which will affect this measure. Rent convergence, announced by the Government in 2026, will begin to bridge the gap in future years

Strategic Report (continued)

Value for Money (VfM) metrics and targets (continued)



- Operating Margin – This margin shows the profitability of our assets and is an indicator of our operating efficiency. The continued day to day investment in our homes has contributed to an operating margin of 18.7%, which was higher than last year the sector median of 18.5% and the target. Results are expected to decrease to 16.8% next year as investment in our properties continue and we continue to transform the repairs service.



- Return on Capital Employed – This shows how well we are using our capital and debt to generate a financial return by comparing operating surplus to our total assets less current liabilities. Performance in 2025-26 is 4.2% which is above the prior year, forecast and compared to the benchmarks. This is driven by increased sales which has increased operating performance.

We also participate in other benchmarking within the sector and these additional metrics are set out below. Targets for 2026-27 are based on the business plan unless stated otherwise.

Other Benchmarked Metrics	2025-26 Actual	2025-26 Target	2024-25 Actual	2024-25 Benchmark	2026-27 Target
Overall satisfaction with service provided	**86.6%**	78.4%	**78.0%**	75.5%	78.9%
Rent collected as % of rent due	**100.8%**	100.0%	**100.8%**	97.8%	100.0%
Management Cost per unit	**£1,301**	£1,376	**£1,225**	£1,406	£1,468
Number of Responsive Repairs per property	**4.3**	3.2	**3.9**	3.7	3.9
Void loss per unit	**£51**	£41	**£55**	£84	£43
Average Re-let time (days)	**40.2**	45.0	**45.5**	37.0	40.0

Strategic Report (continued)

Value for Money (VfM) metrics and targets (continued)

- Overall satisfaction – This metric is one of our Tenancy Satisfaction Measures. Our overall satisfaction rates are just above the upper quartile and above the target for the year. Our Corporate Plan seeks to continue to perform at this level with our target for the year ahead to achieve the upper quartile.

- Rent Collected as a % of rent due – Our performance in this area at 100.8% is consistent with the prior year and is above the target and the median for the sector. The rent collected is more than the rent due as a result of collection of arrears from previous years.

- Management cost per unit - Much of our Overhead costs are contained in Management Costs. This metric shows that we are better than our target in 2025/26 and the actual performance for the prior year was lower than the median benchmark.

- Number of Responsive Repairs per property – A metric introduced in 2025/26 as we strive to make efficient investment to ensure we get the most out of our assets improving our homes and reduce the requirement for Responsive Repairs. Year on year we have remained at a similar level of Responsive Repairs carried out per property. In the year we saw a significant increase compared to what we expected due to increased demand including demand relating to Awaab's Law. As a consequence of transforming the service and becoming more efficient the number of repairs per property in 2026/27 is expected to reduce. This will also improve the customer experience and we anticipate an improvement in some of our TSMs as a result.

- Void loss per unit – Our void rent loss per property of £51.49 is showing more than the target of £41.47 for the year. This was driven by more complex and more expensive voids than expected causing a higher demand on the repairs service. A plan has been developed to turn voids around quicker to meet the demand on our homes and improve the customer experience. We continue to perform well within the median for the sector and performed better than the prior year.

- Average Relet time (days) – During the year we improved our void performance following improvements to our processes last year. This has led to an improvement in the relet days. Although currently performing below the median for the sector we anticipate we will continue to improve our processes through 2026/27.

Aspire Housing has also established a set of VfM targets, linked to broader strategic objectives, which have been agreed with the Board, and performance against these targets is monitored and reported to the Board on a regular basis. The chosen metrics are drawn from the Regulator and Sector metrics, as indicated in the tables below, with the addition of several additional Aspire Housing specific metrics set out below.

Additional Aspire Housing metrics	**2025-26 Actual**	**2025-26 Target**	**2024-25 Actual**	**2026-27 Target**
EBITDA operating margin	**46.6%**	40.2%	**36.5%**	41.1%
Void rent loss	**0.9%**	0.8%	**1.0%**	0.8%
Current arrears	**2.0%**	2.0%	**2.3%**	2.0%
Satisfaction with VfM of services provided	**85.8%**	80.0%	**77.5%**	80.0%
Subsidy generated from asset sales	**£4.5m**	£2.6m	**£3.4m**	£4.2m
Procurement and Efficiency Savings	**£746k**	£600k	**£954k**	£600k
Ratio of responsive to planned repairs	**74.9%**	68.9%	**105.5%**	63.3%

Strategic Report (continued)

Value for Money (VfM) metrics and targets (continued)

Overall performance has been strong across many of our additional metrics with most of our metrics have out performed the target. Although we have seen worse void rent loss, as a result of pressures on the service and the ratio of responsive repairs is below our target. Our VfM strategy included a continued drive towards procurement and efficiency savings. Within the year we have seen savings of £746k and a further target of £600k planned for as we work towards delivering our strategy.

Key Value for Money Achievements in the year

The Procurement Team have worked with the business to deliver cashable and cost avoidance savings. Cashable savings represent saving against budgets totalling £177k in the year. Cash benefits reinvested total £297k. Cost avoidance savings of £46k in 2025/26 have controlled future costs and prevented any potential overspends against budgets. Key cashable savings have come from the procurement of a new materials supplier as well as a new lease contract for vehicles.

Operating more efficiently and effectively has led to a reduction in no access repairs visits over the year and resulted in 1,000 hours invested back into delivering repairs services, while automating verification of Universal Credit claims has resulted in more time available to work with customers to collect rent.

Neighbourhood teams have delivered more with the existing establishment. Increased capacity through efficient ways of working has meant more can be done and increased demand as customers have more visibility of what Aspire Housing delivers. Across 2025/26, compared with 2024/25, we have delivered a 10% increase in ASB cases handled, 70% increase in tenancy management cases handled, 350% increase in Staying Connected visits that target vulnerable households and 240% increase in support referrals to help sustain tenancies. This has resulted in an increase in tenancies sustained by around 175% saving on the cost of reletting a property and void costs.

Meanwhile our voids disposal policy within our Asset Management Strategy has led to savings of £1.1m in repairs and investment spend.

Strategic report

The Strategic report demonstrates that we finished the year in a strong financial position, with exciting plans to continue shaping our services and investing in our customers' homes and our communities delivering value for money.

The Strategic report including the Operating and Financial Review was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

DocuSigned by:
Aman Dalvi
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Aman Dalvi OBE
Chair of the Board, Aspire Housing
Kingsley, The Brampton, Newcastle-under-Lyme, Staffordshire, ST5 0QW

Report of the Board

The Board presents the Aspire Housing Limited Annual Report (the 'Annual Report') and the audited financial statements for the year ended 31 March 2026.

Principal activities

The principal activities of Aspire Housing and its subsidiaries are:

- Providing housing for rent primarily for families who are unable to rent or buy at open market values and sheltered schemes for the older persons; as well as managing over 9,500 properties.
- The development of properties for affordable rented housing and low-cost home ownership.

Board Members and executive directors

Board members and executive directors of Aspire Housing who served during the year and up to the date of approval of these financial statements are set out on page 3.

The Chief Executive, Sinéad Butters, is an executive director of Aspire Housing. Sinéad Butters holds no interest in the association and acts as Chief Executive within the authority delegated by the Board.

Insurance policies indemnify board members and officers against liability when acting for Aspire Housing and its subsidiaries.

The directors are remunerated for their service, with triennial reviews made of the remuneration levels to ensure that they remain appropriate.

The Board normally meets four or five times per annum and would usually have one or two away days each year.

Non-executive directors are appointed for three-year terms, although retiring directors are permitted to serve one further term on the Board. The standard period of service is six years, with annual extensions permissible to a maximum of nine years subject to People and Governance Committee approval. The performance of non-executive directors is appraised by the Chair (and in the case of the Chair, by the Vice-Chair) on an annual basis.

Executive directors' remuneration

The remuneration of the executive directors is reviewed by the People and Governance Committee, who make recommendations to be considered and determined by the Board. In line with the requirements of the NHF Code of Governance 2020, both the remuneration and the formal contract of employment are reviewed by the Board on a minimum of a triennial basis.

Full details of executive remuneration are set out in note 11 to the financial statements.

Pensions

The executive directors are able to participate in the Social Housing Pension Schemes on the same terms as all other eligible colleagues and Aspire Housing contributes to the schemes on behalf of its employees. Non-executive directors are not eligible to participate in any pension scheme.

Report of the Board (continued)

Statement of compliance

The Board report and financial statements have been prepared in accordance with applicable reporting standards and legislation.

A programme of internal checks has been undertaken during the year to ensure that Aspire Housing complies with the requirements of the Regulator of Social Housing's Governance and Financial Viability Standard. The Standard was updated in 2020 and, in relation to governance, providers are expected to:

- adhere to all relevant law;
- comply with their governing documents and all regulatory requirements;
- be accountable to tenants, the regulator and relevant stakeholders;
- safeguard taxpayers' interests and the reputation of the sector;
- have an effective risk management and internal controls assurance framework; and
- protect social housing assets.

Based on the checks undertaken the Board are confident that the above statements are met.

The standard also sets out the requirement to develop and maintain an effective assets and liabilities register. A steering Group consisting of senior managers within the business meets on a six-monthly basis to review the on-going maintenance and development of the register. A high level view of the current position with regards to key assets and liabilities across the organisation is presented to the Aspire Housing Board on a quarterly basis by way of further assurance.

In relation to financial viability, providers are expected to manage their resources effectively to ensure their viability is maintained whilst also ensuring that social housing assets are not put at undue risk. Appropriate steps are taken to ensure that they are not placed at risk via non-social housing activities.

Senior Managers within the organisation are asked to make a declaration at the end of each financial year to confirm that their operational areas have been managed with regards to the relevant standards and legislation. These statements then cascade upwards to underpin the Board statement on internal control. No significant areas of concern were raised through this process during the year.

Employees

Aspire Housing is committed to ensuring that an effective framework for colleague consultation is in place, and that information on matters that concern them is effectively communicated to all colleagues and regular colleague briefings are held. The organisation recognises trade unions and meetings are held to discuss relevant matters.

Aspire is committed to Equality, Diversity and Inclusion and full and fair consideration is given to applications for employment made by all people, having regard to their aptitudes and abilities.

An Equality, Diversity and Inclusion Forum has been established with colleagues from across the business and meets quarterly.

Report of the Board (continued)

Health and Safety

The Board is aware of its responsibilities on all matters relating to health and safety. Aspire has prepared detailed health and safety policies and provides training both to colleagues and to the Board on health and safety matters. A Safety Strategy Group, chaired by the Head of Safety and Compliance, meets regularly. Aspire achieved a globally recognised standard ISO 45001 certification in 2024.

Donations

Aspire Housing has not made any charitable donations in the year (2025: Nil).

Disclosure of information to auditor

So far as each of the directors of the Group is aware, at the time this report is approved:

- there is no relevant information which the Group auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

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

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

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

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

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

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

Report of the Board (continued)

Statement of Board's responsibilities in respect of the report of the Board and the financial statements (continued)

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It is responsible for implementing internal control measures to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website.

Board statement on internal control

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of Aspire Housing's assets and interests.

In meeting its responsibilities, the Board has adopted a risk based approach to internal controls which is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed.

The Board confirms that there is an on-going process for identifying, evaluating and managing significant risks faced by Aspire Housing, which has been in place throughout the financial year and to the date of the approval of the report and financial statements. The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- Identification and evaluation of key risks
  Responsibility has been clearly defined for the identification, evaluation and management of significant risks. There is a formal and on-going process of review in each area of Aspire Housing's activities. The Executive Team is responsible for monitoring corporate risk management, other corporate maps, project risk maps and operational maps. The Audit and Risk Committee (ARC) regularly reviews the application of the controls on the strategic risk register taking assurance from the integrated assurance map that is presented to each meeting. The Board reviews the strategic risk register in its entirety, with a focus on ensuring that the risks listed are appropriate and the key ones which could prevent the successful delivery of the corporate plans. The Board also defines the risk appetite for the organisation.

Report of the Board (continued)

Board statement on internal control (continued)

- Monitoring and corrective action
  A process of control self-assessment and regular management reporting on control issues provides hierarchical assurance to successive levels of management and to the Board. The management and board are able to see emerging risks and how these may impact the organisation. As risk materialise, their impact and consequence is considered. Corrective action is taken when this is possible, or actions to limit the exposure that Aspire may face are put in place.
- Control environment and control procedures
  The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues. Policies and procedures cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection. These are regularly reviewed and revised as appropriate. The internal audit strategy each year is developed in partnership with the Internal Auditor. These audits provide outcomes used to help inform the Internal Audit opinion. Internal audits provide an independent review of the arrangements in place, often highlighting the controls in place and the effectiveness of those controls. This enables the board to add an independent view to the assurance that they take. Over the past year our Internal audits have led to a substantial assurance and this has resulted in Aspire Housing's Annual Opinion being in the upper quartile of the clients audited by our Internal auditor..
- Strategy and policy in respect of fraud
  The arrangements for the prevention of fraud is outlined in the Anti-Fraud, Bribery and Corruption Policy. Proactive campaigns are key to ensure colleagues know what to look for Annual declaration of interest checks are performed and registers of interest are reported at all board and committee meetings. There is an agreed fraud prevention plan. Colleagues receive periodic training and specific alerts where a risk becomes heightened in any given moment. Following an advisory audit undertaken in 2022 the Governance Team monitored to completion (with updates provided to ARC) the delivery of a programme of actions. Work has commenced during the year to ensure effective fraud prevention methodology is aligned to the best practice processes as set out in the Economic Crime and Corporate Transparency Act (ECCTA) 2023.
- Information and financial reporting systems
  The Board regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes. Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years, these are also reviewed and approved by the Board. These are regularly reviewed by the internal audits as part of the internal audit programme.
- Independent review
  The internal control framework and the risk management process are subject to regular review by the independent internal auditor. This provides independent assurance to the Board via the ARC. The ARC considers internal control at each of its meetings during the year.

Following an Inspection undertaken by the Regulator during 2024/25 Aspire was awarded a G1/V2/C1 rating in January 2025.

The Board cannot delegate ultimate responsibility for the system of internal control but has delegated authority to the ARC to regularly review the effectiveness of the system of internal control. The ARC has received the Chief Executive’s annual review of the effectiveness of the system of internal control for Aspire Housing, and the annual report of the internal auditor, and has reported its findings to the Board.

Report of the Board (continued)

Board statement on internal control (continued)

The Board are satisfied that there is sufficient evidence to confirm that adequate systems of internal controls existed and operated throughout the year and that those systems were aligned to an ongoing process for the management of the significant risks facing the organisation.

Going concern

When approving the financial statements, the Board is required to make an assessment of the Group's ability to continue as a going concern. In doing this the Board needs to consider all available information about the future, which is at least, but not limited to, twelve months from the date when the financial statements are approved and signed.

The Group's business activities, together with the factors that are likely to affect its future position, performance and development, are set out within the Strategic Report.

The Board has assessed and approved the Group's long-term financial business plan which shows that it is able to service its debt facilities whilst continuing to comply with lenders' covenants. The Business Plan is regularly tested against shocks and stresses that may negatively affect operating performance which includes scenarios such as higher than forecast inflation, higher than forecast interest base rates, changes to the Government's rent settlement agreement, downturn of the UK housing market or other adverse operational issues. A mitigation strategy exists to deal with such stresses should they materialise.

The Group has in place long-term debt facilities with £50.0 million of undrawn facilities and a cash balance of £18.4m on 31st March 2026. Which provide adequate resources to finance committed reinvestment and development programmes, along with the association's day to day operations. The Group has maintained liquidity in line with its Treasury Policy throughout 2025/26. Longer-term liquidity is reviewed monthly and reported to the Group Board on a quarterly basis, covering an 18 month planning horizon.

The budget for 2026/27 was approved by the Group's Board in March 2026. The challenges for the year ahead will remain significant following the recent period of high inflation, ongoing record demand for repairs and the need to invest an additional £2.8m for Repairs and Investment to reflect the outcome of the Stock Condition Survey and Business Plan capacity review in 2024.

Actual results for the year support the delivery of the approved budget and business plan giving comfort that there are no going concern issues within the business. Forecasts are updated monthly across all income, expenditure and capital areas provide further reassurance to the liquidity of the Group. These are reviewed at Leadership and Board level.

The merger, approved by the Board on 28 July 2026, is planned to merge the Group with whg no later than the end of November 2026 and will not impact going concern. Aspire and its subsidiaries will continue to operate within the new Group. The current facilities will remain available for Aspire Housing and covenants will continue to apply on an entity basis. The Board has assessed the combined long term financial business plan and proposed savings from the merger for Aspire and have concluded that there will be additional capacity created by the merger within the Aspire business plan with all covenants compliant and no additional funding required.

On this basis, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the annual report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Report of the Board (continued)

Independent external auditors

A resolution to reappoint the Group's external auditor will be proposed at July 2026 meeting of the Aspire Housing Board. BDO LLP have indicated their willingness to continue in office should a resolution concerning their reappointment be agreed at the Board.

The report of the Board, including the financial statements was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

DocuSigned by:
Aman Dalvi
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Aman Dalvi OBE
Chair of the Board, Aspire Housing
Kingsley, The Brampton, Newcastle-under-Lyme, Staffordshire, ST5 0QW

Independent Auditor's Report to the Members of Aspire Housing Limited

Report on the audit of the financial statements

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and of the Association's affairs as at 31 March 2026 and of the Group and the 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.

We have audited the financial statements of Aspire Housing Limited ("the Association") and its subsidiary ("the Group") for the year ended 31 March 2026 which comprise of the following:

- Consolidated statement of comprehensive income;
- Association statement of comprehensive income;
- Consolidated statement of financial position;
- Association statement of financial position;
- Consolidated Statement of Cashflows;
- Consolidated statement of changes in equity;
- Association statement of changes in equity; and
- Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Association's ability to continue as a going concern.

Independent Auditor's Report to the Members Of Aspire Housing Limited (continued)

Conclusions relating to going concern (continued)

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 are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the board

As explained more fully in the board members responsibilities statement, 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 members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board are responsible for assessing the Group and Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the Group and 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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Association and management.

Independent Auditor's Report to the Members Of Aspire Housing Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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

Non-compliance with laws and regulations
Based on:

- Our understanding of the Group and industry in which it operates;
- Discussion with management and the Group's Audit & Risk Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be related such as compliance with employment law and the health & safety legislation.

Our procedures in respect of the above included:

- Enquires of management whether there were any litigations and claims;
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and the Group's Audit & Risk Committee regarding any known or suspected instances of fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, including the posting of inappropriate journals to manipulate financial results, and management bias in accounting estimates.

Independent Auditor's Report to the Members Of Aspire Housing Limited (continued)

Auditor’s responsibilities for the audit of the financial statements (continued)

Fraud (continued)
Our procedures in respect of the above included:

- Testing journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit is available on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

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

Signed by:
BDO LLP
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BDO LLP
Statutory Auditor
Manchester, UK
Date 18 August 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Comprehensive Income

For the year ended 31st March 2026

	Note	**2026**	2025
		£'000	£'000
Turnover	4	**56,437**	54,829
Cost of sales	4	**(1,009)**	(1,239)
Operating expenditure	4	**(44,927)**	(45,455)
Surplus on disposal of housing properties	7	**5,847**	2,817
Operating surplus	8	**16,348**	10,952
Surplus on disposal of other fixed assets	9	**221**	312
Interest receivable and similar income	13	**1,247**	1,631
Interest payable and similar charges	14	**(9,107)**	(9,126)
Surplus before taxation		**8,709**	3,769
Taxation on surplus	16	**(34)**	(31)
Surplus for the financial year		**8,675**	3,738
Actuarial gains on defined benefit pension scheme	30	**21**	177
Total comprehensive income for year		**8,696**	3,915

Historical cost surpluses and deficits are the same as those shown in the statement of comprehensive income.

The financial statements were approved and authorised for issue by the Board was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

DocuSigned by: Aman Dalvi E5A4DD7F69AE479...	Signed by: Sinéad Butters D0C76DA43BEE45D...	Signed by: 7691ACCB0C6D4D0...
Aman Dalvi OBE	Sinéad Butters MBE	Andrew Palmer
Chair	**Chief Executive**	**Secretary**

The notes on page 41 to 76 form part of these financial statements.

Association Statement of Comprehensive Income

For the year ended 31st March 2026

	Note	2026 £'000	2025 £'000
Turnover	4	**56,452**	54,841
Cost of sales	4	**(1,009)**	(1,239)
Operating expenditure	4	**(44,909)**	(45,433)
Surplus on disposal of housing properties	7	**5,847**	2,817
Operating surplus	8	**16,381**	10,986
Surplus on disposal of other fixed assets	9	**221**	312
Interest receivable and similar Income	13	**1,247**	1,630
Interest payable and similar charges	14	**(9,107)**	(9,126)
Gift aid	15	**294**	77
Surplus before taxation		**9,036**	3,879
Taxation on surplus	16	**(34)**	(37)
Surplus for the financial year		**9,002**	3,842
Actuarial gains on defined benefit pension scheme	30	**21**	177
Total comprehensive income for year		**9,023**	4,019

Historical cost surpluses and deficits are the same as those shown in the statement of comprehensive income. All the results are from continuing activities.

The financial statements were approved and authorised for issue by the Board was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

DocuSigned by:
Aman Dalvi
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Aman Dalvi OBE
Chair

Signed by:
Sinéad Butters
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Sinéad Butters MBE
Chief Executive

Signed by:
7691ACCB0C6D4D0...

Andrew Palmer
Secretary

The notes on page 41 to 76 form part of these financial statements.

Consolidated Statement of Financial Position

For the year ended 31st March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Intangible fixed assets	17	**-**	-
Tangible fixed assets – housing properties	18	**342,760**	316,726
Tangible fixed assets - other	19	**6,194**	5,944
		348,954	322,670
Current assets			
Properties for sale	21	**2,572**	2,617
Stock	22	**355**	436
Debtors	23	**5,684**	4,317
Cash and cash equivalents		**18,449**	30,713
		27,060	38,083
Creditors: amounts falling due within one year	24	**(13,385)**	(13,146)
Net current assets		**13,675**	24,937
Total assets less current liabilities		**362,629**	347,607
Creditors: amounts falling due after one year	25	**(304,202)**	(297,709)
Pension provision	30	**(255)**	(422)
Total net assets		**58,172**	49,476
Capital and reserves			
Called up share capital	31	**-**	-
Income and expenditure reserve		**58,172**	49,476
		58,172	49,476

The financial statements were approved and authorised for issue by the Board was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

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Aman Dalvi OBE	Sinéad Butters MBE	Andrew Palmer
Chair	**Chief Executive**	**Secretary**

The notes on page 41 to 76 form part of these financial statements.

Association Statement of Financial Position

For the year ended 31st March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible fixed assets – housing properties	18	**343,801**	317,440
Tangible fixed assets - other	19	**6,194**	5,944
Fixed asset investments	20	**250**	250
		350,245	323,634
Current assets			
Properties for sale	21	**2,572**	2,617
Stock	22	**355**	436
Debtors	23	**5,349**	3,945
Cash and cash equivalents		**17,663**	30,298
		25,939	37,296
Creditors: amounts falling due within one year	24	**(13,014)**	(13,109)
Net current assets		**12,925**	24,187
Total assets less current liabilities		**363,170**	347,821
Creditors: amounts falling due after one year	25	**(304,202)**	(297,709)
Pension provision	30	**(255)**	(422)
Total net assets		**58,713**	49,690
Capital and reserves			
Called up share capital	31	**-**	-
Income and expenditure reserve		**58,713**	49,690
		58,713	49,690

The financial statements were approved and authorised for issue by the Board was approved and authorised for issue by the Board and signed on its behalf on 17 August 2026:

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Aman Dalvi OBE	Sinéad Butters MBE	Andrew Palmer
Chair	**Chief Executive**	**Secretary**

The notes on page 41 to 76 form part of these financial statements.

Statement of Changes in Reserves

For the year ended 31st March 2026

	Note	Group £'000	Association £'000
Balance at 31st March 2024		45,561	45,671
Surplus for the year		3,738	3,842
Actuarial gain on defined benefit pension scheme	30	177	177
Total comprehensive income for the year		3,915	4,019
Balance at 31st March 2025		49,476	49,690
Surplus for the year		**8,675**	**9,002**
Actuarial gain on defined benefit pension scheme	30	**21**	**21**
Total comprehensive income for the year		**8,696**	**9,023**
Balance at 31st March 2026		**58,172**	**58,713**

The notes on page 41 to 76 form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31st March 2026

	2026	2025
Cash flows from operating activities	**£'000**	£'000
Surplus for the financial year	**8,675**	3,738
Adjustments for:		
Depreciation of fixed assets – housing properties	**9,381**	8,972
Depreciation of fixed assets – other	**1,063**	674
Other finance costs	**20**	33
Amortised grant	**(916)**	(921)
Interest payable and financing costs	**8,900**	8,936
Interest receivable	**(1,060)**	(1,475)
Taxation expense	**34**	32
Pension costs less contributions payable	**(166)**	(188)
Surplus on sale of fixed assets – housing properties	**(5,848)**	(2,817)
Surplus on sale of fixed assets – other	**(221)**	(312)
Increase/(Decrease) in properties for outright sale	**45**	(991)
(Increase) in stock	**(91)**	(194)
(Increase)/decrease in debtors	**(371)**	624
Increase in creditors	**225**	2,898
Taxation	**(29)**	(21)
Net cash generated from operating activities	**19,641**	18,988
Cash flows from investing activities		
Proceeds from sale of fixed assets – housing properties	**8,026**	5,283
Proceeds from sale of fixed assets – other	**251**	633
Purchase of fixed assets – housing properties	**(25,523)**	(14,687)
Improvements to housing properties	**(11,689)**	(6,506)
Purchase of fixed assets - other	**(1,343)**	(2,589)
Receipt of grant	**6,242**	8,798
Interest received	**1,060**	1,475
Net cash used in investing activities	**(22,976)**	(7,593)
Cash flows from financing activities		
Interest paid	**(8,887)**	(8,895)
Loans repaid	**-**	-
Other financing costs	**(42)**	(300)
Net cash used in financing activities	**(8,929)**	(9,195)
Net change in cash and cash equivalents	**(12,264)**	2,200
Cash and cash equivalents at beginning of year	**30,713**	28,513
Cash and cash equivalents at end of year	**18,449**	30,713

The notes on page 41 to 76 form part of these financial statements.

Notes forming part of the financial statements

1. Legal Status

The association is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 (registration number 31218R) and is registered with the Regulator of Social Housing as a social housing provider (registration number L4238). The association is a public benefit entity.

2. Accounting Policies

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Aspire Housing Limited includes the Cooperative and Community Benefit Societies Act 2014 (and related Group accounts regulations), 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" and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared under the historical cost basis. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Disclosure exemptions

In preparing the separate financial statements of the parent association, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the parent association would be identical;
- no cash flow statement has been presented for the parent association;
- disclosures in respect of the parent association's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent association as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of Aspire Housing Limited and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

2. Accounting Policies (continued)

Going concern

When approving the financial statements, the Board is required to make an assessment of the Group's ability to continue as a going concern. In doing this the Board needs to consider all available information about the future, which is at least, but not limited to, twelve months from the date when the financial statements are approved and signed.

The Group's business activities, together with the factors that are likely to affect its future position, performance and development, are set out within the Strategic Report.

The Board has assessed and approved the Group's long-term financial business plan which shows that it is able to service its debt facilities whilst continuing to comply with lenders' covenants. The Business Plan is regularly tested against shocks and stresses that may negatively affect operating performance which includes scenarios such as higher than forecast inflation, higher than forecast interest base rates, changes to the Government's rent settlement agreement, downturn of the UK housing market or other adverse operational issues. A mitigation strategy exists to deal with such stresses should they materialise.

The Group has in place long-term debt facilities with £50.0 million of undrawn facilities and a cash balance of £18.4m on 31st March 2026. Which provide adequate resources to finance committed reinvestment and development programmes, along with the association's day to day operations. The Group has maintained liquidity in line with its Treasury Policy throughout 2025/26. Longer-term liquidity is reviewed monthly and reported to the Group Board on a quarterly basis, covering an 18 month planning horizon.

The budget for 2026/27 was approved by the Group's Board in March 2026. The challenges for the year ahead will remain significant following the recent period of high inflation, ongoing record demand for repairs and the need to invest an additional £2.8m for Repairs and Investment to reflect the outcome of the Stock Condition Survey and Business Plan capacity review in 2024.

Actual results for the year support the delivery of the approved budget and business plan giving comfort that there are no going concern issues within the business. Forecasts are updated monthly across all income, expenditure and capital areas provide further reassurance to the liquidity of the Group. These are reviewed at Leadership and Board level.

The merger, approved by the Board on 28 July 2026, is planned to merge the Group with whg no later than the end of November 2026 and will not impact going concern. Aspire and its subsidiaries will continue to operate within the new Group. The current facilities will remain available for Aspire Housing and covenants will continue to apply on an entity basis. The Board has assessed the combined long term financial business plan and proposed savings from the merger for Aspire and have concluded that there will be additional capacity created by the merger within the Aspire business plan with all covenants compliant and no additional funding required.

On this basis, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the annual report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Turnover and revenue recognition

Turnover comprises rent and service charge income receivable in the year, income from shared ownership first tranche sales, sales of properties built for sale, other services included at the invoiced value (excluding VAT) of goods and services supplied in the year, revenue grants receivable in the year, donations and fund-raising activities.

2. Accounting Policies (continued)

Turnover and revenue recognition (continued)

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Service charge income is recognised when expenditure is incurred. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale. Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met.

Revenue is recognised at the point the Group has fulfilled its obligations in accordance with contractual terms. Any clawback of contract income in respect of the period is deducted from income and is recognised as a liability. Donations and fund-raising income are recognised at the point that invoices are raised whilst other income is recognised at the point of receipt.

The total turnover of the Group for the year has been derived from its principal activities wholly undertaken in the UK.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. The charge for taxation is based on surpluses arising on certain activities which are liable to tax.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at that date resulting in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date.

Value Added Tax

The Group 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 Group and not recoverable from HM Revenue and Customs. Recoverable VAT arises from partially exempt activities and is credited to the Statement of Comprehensive Income. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Loan finance issue costs

Loan finance costs are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

2. Accounting Policies (continued)

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

Pensions

The Group participates in a defined benefit pension scheme, the Social Housing Pension Scheme (SHPS). which provide benefits based on career average pensionable pay. The assets of both schemes are invested and managed independently of the Group. The difference between the fair value of the assets held in the Group's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Group's Statement of Financial Position sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Group is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

A decision was made to close SHPS to future accrual effective from 30 April 2021. This decision was made by the Board following consultation with members. See note 30 for further details.

The Group also operates a defined contribution plan for all new employees under which the Group pays fixed contributions into the SHPS auto enrolment scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution pension plan are shown as an operating expense in the surplus for the year during which the services are rendered by employees.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal to a formal detailed plan to terminate employment.

Housing properties

Housing properties, principally properties held for rent and held for social benefit, constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable). The cost of housing land and property includes the cost of acquiring land and buildings, development costs, directly attributable administration costs and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income. Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in Property, Plant and Equipment and held at cost less any impairment and are transferred to completed properties when ready for letting. Completed housing properties acquired from subsidiaries are valued at cost plus any uplift at the date of acquisition.

Gains and losses on disposals of housing properties are determined by comparing the proceeds with the carrying amount and incidental costs of sales and recognised within gain/loss on disposal of fixed assets in the Statement of Comprehensive Income.

2. Accounting Policies (continued)

Shared ownership properties and staircasing

Under low cost home ownership arrangements, the Group disposes of a long lease on low cost home ownership housing units for a share ranging between 10% and 75% of value. The buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are 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 related sales proceeds included in turnover. The remaining element, "staircasing element", is classed as Property Plant and Equipment and included in completed housing property at cost less any provision for impairment. Sales of subsequent tranches are treated as a part disposal of Property Plant and Equipment. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

For shared ownership accommodation that the Group is responsible for, the policy is to maintain them in a continuous state of sound repair. Maintenance of other shared ownership properties ism mainly, the responsibility of the shared owner. The first £500 per annum for any properties developed under the current Homes England Programme is the exception where the responsibility is Aspire Housing. Any impairment in the value of such properties is charged to the Statement of Comprehensive Income.

The Group has an asset management strategy which includes disposal of housing properties, land and other housing related assets where it is economically or strategically advantageous to do so. The net proceeds of sale are used for the re-provision of social housing properties or reinvestment in making existing stock fit for long term future use.

Other properties

Commercial premises, shops and garages are classified as held for social benefit and are accounted for on this basis for reporting purposes.

Other tangible fixed assets

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

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation of housing properties

Housing land and property is split between land, structure and other major components that are expected to require replacement over time with substantially different economic lives. Land is not depreciated on account of its indefinite useful economic life. Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

2. Accounting Policies (continued)

Depreciation of housing properties (continued)

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life on a straight-line basis as in the table below.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last reporting date in the pattern by which the Group expects to consume an asset's future economic benefit.

Description	Economic useful life (years)
Structure	60
Aerials	20
Bathrooms including Adapted Bathrooms	30
Boilers and Renewable Energy	12 to 20
Central heating	30
Consumer Unit	15 to 30
Doors	30 to 40
Electric Storage Heating	25
Electrical Rewires	30
Electric Vehicle Charging Points	15
Energy efficiency	30
Fire Safety Flats	10
Ground Source Heat Pump	15 to 25
Kitchens	20
Lifts	30
Over cladding	40
Roofs	30 to 60
Positive Pressure Unit (PPU)	15
Septic Tank	30
Showers	30
Smoke Detectors	10 to 15
Solar Panels	15 to 25
Sound insulation	30
Windows	40

2. Accounting Policies (continued)

Depreciation of other tangible fixed assets

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Description	Economic useful life (years)
Freehold buildings	30
Shops	40
Garages	30
Furniture, fixtures and fittings	7
Plant and equipment	7
Computers and office equipment	3
Homeworking equipment	5
Second Hand Plant and equipment	1-6
Second Hand Computers and office equipment	1
Second Hand Vehicles	2

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

Government grants

Social housing grant, from Homes England, received in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the Statement of Financial Position and released to the Statement of Comprehensive Income on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected (see table of useful economic lives above).

Where social housing grant funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the Statement of Comprehensive Income.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

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

2. Accounting Policies (continued)

Other grants

Grants received in respect of revenue expenditure are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate. Capital grants are held as a deferred asset (income) on the Statement of Financial Position and amortised to the Statement of Comprehensive Income over the life of the property to which it relates.

Recycled Capital Grant Fund

On the occurrence of certain relevant events, primarily the sale of dwellings, Homes England can direct the Group to recycle capital grants or to make repayments of the recoverable amount. The Group adopts a policy of recycling, for which a separate fund is maintained. If unused within a three-year period, it will be repayable to Homes England with interest. Any unused recycled capital grant held within the recycled capital grant fund, which it is anticipated will not be used within one year is disclosed in the Statement of Financial Position under "creditors due after more than one year". The remainder is disclosed under "creditors due within one year".

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Impairment of fixed assets and goodwill

The housing property portfolio for the Group is assessed for indicators of impairment at each Statement of Financial Position date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts. An option appraisal is carried out to determine the option which produces the highest net realisable value. Valuations on rental return or potential sale proceeds are obtained and used to inform the options. The Group looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use.

The Group defines cash generating units as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger cash generating units. Where the recoverable amount of an asset or cash generating unit is lower than its carrying value, an impairment is recognised in the Statement of Comprehensive Income immediately.

Stock

Stock represents work in progress and completed properties, properties developed/held for outright sale and shared ownership properties. For shared ownership properties the value held as stock is the estimated cost to be sold as a first tranche.

Stock is stated 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 proceeds after allowing for all further costs to completion and selling costs. On disposal, sales proceeds are included in turnover and the costs of sales, including costs incurred in the development of the properties, marketing and other incidental costs are included in operating expenses. An assessment of whether there is any impairment is made at each reporting date. Where an impairment loss is identified, it is immediately recognised in the Statement of Comprehensive Income.

2. Accounting Policies (continued)

Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses. Any losses arising from impairment are recognised in the income statement in other operating expenses.

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. The Group has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

All loans, investments and short-term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. Loans and investments that are payable or receivable within one year are not discounted.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Cash and cash equivalents in the Group’s Statement of Financial Position consists of cash at bank, in hand, deposits and short-term investments with an original maturity of three months or less. The Group has also identified some investments, which meet the definition of cash and cash equivalents but are restricted in their use; these investments have been classified as restricted cash equivalents.

Leased assets

All leases are treated as operating leases. Rentals receivable or payable under the agreements are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Ring-fenced funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and from other housing schemes under agreements where the income and expenditure is ring-fenced to the scheme itself and may be repayable are included in creditors. Interest is applied to balances as required by any agreement.

Reserves

Where income received, and expenditure incurred, is for restricted purposes, these will be separately accounted for within restricted funds. Realised and unrealised gains and losses on assets held by these funds will also be allocated to the fund.

3. Significant Judgements and Estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Housing properties

In determining the intended use, the Group has considered if assets are held for social benefit or to earn commercial rentals. The Group has determined that all housing properties are held for social benefit. The useful depreciable lives of each component of social benefit housing properties are reviewed at each reporting date and compared to actual performance to ensure the assumed lives remain appropriate. A review each year seeks to ensure that the useful economic lives, remaining term and component splits are applied consistently.

The Association undertakes developments comprising multiple properties, where certain development costs are incurred at a scheme level and are not directly attributable to individual dwellings. The allocation of shared development costs within housing properties in the course of construction, judgement has been exercised in determining an appropriate basis for allocating costs. The Association allocates such costs across properties within a scheme based on the number of units developed. This provides a consistent measure of the relative benefit received by each property and supports the accurate valuation of housing properties under construction and completed housing properties. This also applies to the estimated cost of the element of shared ownership properties expected to be sold in first tranche.

Other tangible fixed assets

Other tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The estimates of useful life for the different component types and assets are detailed above. They are estimated on sector averages and the opinion of experienced asset practitioners. A review each year seeks to ensure that the useful economic lives and remaining terms are applied consistently.

Impairment

Reviews for impairment of housing properties are carried out where an indication of impairment exists. Indicators considered include changes in the market, economic, legal or regulatory environment in which the Group operates, changes in the level of demand for properties, evidence of obsolescence or physical damage, material changes in expected future cash flows, and changes in property values where assets are intended to be sold.

Any impairment review is undertaken at scheme level, being the cash generating unit. In assessing whether indicators of impairment exist, management has considered the external environment, demand for housing properties, stock condition, development activity and sales performance.

The judgement for the current year is that there have been no indicators of material impairment. This judgement is supported by the continued headroom between carrying values and relevant valuations, stable underlying demand for the Group's housing stock, no evidence of significant deterioration in stock condition requiring exceptional investment, and no material adverse changes identified in the development or sales portfolio. Current economic conditions and wider sector risks have been considered as part of this review; however, while these may affect some financial metrics in the short term, they are not considered to give rise to impairment triggers at the year end.

3. Significant Judgements and Estimates (continued)

Basic financial instruments

The assessment of certain loans and interest rate fixes as basic financial instruments requires judgement. Such instruments have been reviewed in detail and have been assessed as basic because key clauses indicate that funders will not suffer a loss on breakage. In addition, such instruments are only entered into by the Group in order to give budgetary and cash flow certainty; they are not entered into for trading purposes.

Bad debt

A bad debt provision is held in the accounts to counter the risk of failure to recover current and former tenants rent and service charge arrears and trade debtors. A judgement is made whether it is likely that a debt will be recovered, despite actions by the income management and finance teams. Therefore, based on previous practice and knowledge of debt recovery a provision is estimated based on set criteria.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and long-term nature of these plans, such estimates are subject to considerable uncertainty and the Group relies on the expert input of actuaries and accepts the estimations they use are reasonable. The key assumptions as at 31 March 2026 are as follows:

Assumptions	SHPS
Inflation (CPI)	6.2%
Rate of discount on the scheme	4.0%
Rate of salary increase	3.0%
Rate of increase in pensions	3.3%
Life expectancy male non-pensioner	20.9 years
Life expectancy female non-pensioner	23.2 years
Life expectancy male pensioner	22.2 years
Life expectancy female pensioner	24.6 years

Full details are disclosed in the pension costs note 30.

4. Turnover, Cost of Sales, Operating Expenditure and Operating Surplus – Group

	2026			
	Turnover	**Cost of sales**	**Operating expenditure**	**Operating surplus**
	£'000	**£'000**	**£'000**	**£'000**
Social housing lettings	**53,931**	**-**	**(43,836)**	**10,095**
Other social housing activities				
First tranche low-cost home ownership sales	**1,204**	**(1,009)**	**-**	**195**
Other	**326**	**-**	**(585)**	**(259)**
Total social housing activities	**55,461**	**(1,009)**	**(44,421)**	**10,031**
Non-social housing activities				
Lettings	**976**	**-**	**(506)**	**470**
Total non-social housing	**976**	**-**	**(506)**	**470**
Surplus on disposal of housing properties	**-**	**-**	**-**	**5,847**
	56,437	**(1,009)**	**(44,927)**	**16,348**

	2025			
	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings	51,967	-	(44,181)	7,786
Other social housing activities				
First tranche low-cost home ownership sales	1,410	(1,239)	-	171
Other	451	-	(649)	(198)
Total social housing activities	53,828	(1,239)	(44,830)	7,759
Non-social housing activities				
Lettings	1,001	-	(625)	376
Total non-social housing	1,001	-	(625)	376
Surplus on disposal of housing properties	-	-	-	2,817
	54,829	(1,239)	(45,455)	10,952

4. Turnover, Cost of Sales, Operating Expenditure and Operating Surplus – Association

	2026			
	Turnover	**Cost of sales**	**Operating expenditure**	**Operating surplus**
	£'000	**£'000**	**£'000**	**£'000**
Social housing lettings	**53,931**	**-**	**(43,836)**	**10,095**
Other social housing activities				
First tranche low-cost home ownership sales	**1,204**	**(1,009)**	**-**	**195**
Other	**341**	**-**	**(567)**	**(226)**
Total social housing activities	**55,476**	**(1,009)**	**(44,403)**	**10,064**
Non-social housing activities				
Lettings	**976**	**-**	**(506)**	**470**
Total non-social housing	**976**	**-**	**(506)**	**470**
Surplus on disposal of housing properties	**-**	**-**	**-**	**5,847**
	56,452	**(1,009)**	**(44,909)**	**16,381**

	2025			
	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings	51,967	-	(44,181)	7,786
Other social housing activities				
First tranche low-cost home ownership sales	1,410	(1,239)	-	171
Other	463	-	(627)	(164)
Total social housing activities	53,840	(1,239)	(44,808)	7,793
Non-social housing activities				
Lettings	1,001	-	(625)	376
Total non-social housing	1,001	-	(625)	376
Surplus on disposal of housing properties	-	-	-	2,817
	54,841	(1,239)	(45,433)	10,986

5. Income and Expenditure from Social Housing Lettings

	Group and Association				
	General needs £'000	**Housing for older people £'000**	**Low-cost home ownership £'000**	**2026 £'000**	2025 £'000
Income					
Rent receivable net of identifiable service charges and voids	**43,931**	**2,631**	**1,989**	**48,551**	47,073
Service charge income	**2,814**	**1,403**	**198**	**4,415**	3,928
Amortised government grants	**699**	**164**	**102**	**965**	966
Turnover from social housing lettings	**47,444**	**4,198**	**2,289**	**53,931**	51,967
Expenditure					
Management	**(10,953)**	**(656)**	**(497)**	**(12,106)**	(11,413)
Service charge costs	**(2,780)**	**(1,386)**	**(196)**	**(4,362)**	(4,267)
Routine maintenance	**(11,472)**	**(687)**	**(519)**	**(12,678)**	(13,194)
Planned maintenance	**(4,623)**	**(277)**	**(209)**	**(5,109)**	(6,128)
Bad debts	**(256)**	**-**	**-**	**(256)**	(263)
Depreciation of housing properties	**(8,253)**	**(678)**	**(394)**	**(9,325)**	(8,916)
Operating expenditure on social housing lettings	**(38,337)**	**(3,684)**	**(1,815)**	**(43,836)**	(44,181)
Operating surplus on social housing lettings	**9,107**	**514**	**474**	**10,095**	7,786
Void losses	**410**	**69**	**-**	**479**	511

6. Accommodation in Management

	Group and Association			
	As at 1 April 2025 No.	Additions and transfers in No.	Disposals and transfers out No.	**As at 31 March 2026 No.**
Social housing				
General housing – social rent	7,302	23	(109)	**7,216**
General housing – affordable rent	961	70	(2)	**1,029**
General housing – housing for older people	525	-	(29)	**496**
General housing – temporary accommodation	6	-	-	**6**
Supported Housing – affordable rent	12	27	-	**39**
Low-cost home ownership	512	12	(7)	**517**
Total owned	9,318	132	(147)	**9,303**
Accommodation managed by others	(2)	-	-	**(2)**
Accommodation managed for others	-	-	-	**-**
Total managed	9,316	132	(147)	**9,301**
Leaseholders	270	1	-	**271**

Properties managed on behalf of others relate to management contracts only and the third-party organisations own the properties and the associated risks and rewards.

7. Surplus on Disposal of Housing Properties

	Shared ownership staircasing £'000	**Right-to-Buy and Right-to-Acquire £'000**	**Asset management disposals £'000**	**2026 £'000**	2025 £'000
Housing properties					
Disposal proceeds	729	2,348	5,253	**8,330**	6,067
Cost of disposals	(325)	(430)	(778)	**(1,533)**	(1,908)
Selling costs	(5)	(24)	(743)	**(772)**	(898)
Grant disposed	(5)	46	529	**570**	(19)
Grant repaid	-	(748)	-	**(748)**	(425)
	394	1,192	4,261	**5,847**	2,817

8. Operating Surplus

This is arrived at after charging

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Depreciation of housing properties	**9,381**	8,972	**9,381**	8,972
Depreciation of other tangible fixed assets	**1,063**	674	**1,063**	674
Operating lease charges:				
land and building	**68**	128	**68**	128
vehicles	**606**	626	**606**	626
plant and equipment	**15**	15	**15**	15
Auditors' remuneration (excluding VAT):				
audit of financial statements	**60**	68	**60**	68
audit of financial statements of Group subsidiaries	**5**	7	**-**	-
fees for non-audit services	**56**	66	**53**	51

9. Surplus on Disposal of Other Fixed Assets

	Group and Association	
	2026	2025
	£'000	£'000
Disposal proceeds	**248**	393
Cost of disposals	**(27)**	(81)
	221	312

10. Employees

	Group and Association	
	2026	2025
	£'000	£'000
Wages and salaries	**17,097**	15,392
Social security costs	**2,176**	1,579
Pension costs	**1,425**	1,306
	20,698	18,277

10. Employees (continued)

The average number of employees (including Executive Management Team) expressed as full-time equivalents (calculated based on a standard working week of 37 hours) during the year was as follows:

	Group and Association	
	2026	2025
	No.	No.
Operations - Housing	**184**	168
Operations - Maintenance	**186**	161
Resources – Central Administration	**93**	96
	463	425

The full-time equivalent number of colleagues who received remuneration from £60,000 upwards (including those who received settlement payments for loss of office) were as follows:

	Group and Association	
	2026	2025
	No.	No.
£60,001 to £70,000	**13**	11
£70,001 to £80,000	**3**	4
£80,001 to £90,000	**6**	8
£90,001 to £100,000	**5**	2
£100,001 to £110,000	**2**	3
£110,001 to £120,000	**1**	-
£120,001 to £130,000	**-**	-
£130,001 to £140,000	**-**	-
£140,001 to £150,000	**-**	3
£150,001 to £160,000	**3**	-
£200,001 to £210,000	**1**	1

11. Directors' and Senior Executive Remuneration

The directors are defined as the members of the Board of Management, the Chief Executive and the Executive Management Team disclosed on page 3.

	Group and Association	
	2026	2025
	£'000	£'000
Executive directors' emoluments	**635**	597
Pension contributions	**40**	38
Amounts paid to non-executive directors	**74**	84
	749	719

Pension contributions are made into the defined contribution scheme for all executive directors with the exception of the Chief Executive.

The total amount payable to the Chief Executive in respect of emoluments was £206,000 (2025: £195,000). Pension contributions of £nil (2025: £nil) were made to a defined contribution pension scheme on her behalf. With effect from 1st January 2022 a pension contribution cash alternative of 10% of basic salary, less the Employer NI contribution has been applied in line with the Pension Contributions Cash Alternative Policy. Any pension entitlement of the Chief Executive is identical to those of other members and no enhanced or special terms apply.

In 2026 the highest paid director was the Chief Executive.

12. Board and Committee Members

	Remuneration		Member of Group Board	Member of Audit & Risk Committee	Member of People & Governance Committee
	2026 £'000	2025 £'000			
Aman Dalvi OBE (Chair)	**16**	17	✓		✓
David Hunter	**5**	10	✓		✓
Paul Northcott	**7**	6	✓		
David Woodward	**9**	9	✓	✓	
Amanda Palmer	**7**	6	✓		
Elizabeth Barnes	**10**	10	✓		✓
Phil Elvy	**6**	-	✓	✓	
Pat Baker	**6**	7	✓	✓	
Jane Atherton	**8**	6	✓		✓
Marina Barrett	**-**	1			
John Capper	**-**	3			
Neale Clifton	**-**	6			
Joanne Kennedy-Reardon	**-**	3			
	74	84			

Expenses paid to non-executive directors during the year were £1,792 (2025: £2,486).

13. Interest Receivable and Similar Income

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Interest receivable and similar income	**1,057**	1,461	**1,057**	1,460
Interest income on net defined benefit plan assets	**187**	156	**187**	156
Interest income sinking fund	**3**	14	**3**	14
	1,247	1,631	**1,247**	1,630

14. Interest Payable and Similar Charges

	Group and Association	
	2026	2025
	£'000	£'000
Bank loans and overdrafts	**3,075**	3,060
Other loans	**5,567**	5,593
Loan fees amortised	**174**	195
Recycled capital grant fund	**21**	47
Interest expense on net defined benefit liability	**207**	189
Other finance costs	**63**	42
	9,107	9,126

15. Gift Aid

	Association	
	2026	2025
	£'000	£'000
Gift Aid from Durata Development Ltd	**294**	77
	294	77

16. Taxation

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
UK corporation tax				
Current tax on surplus for the year	**34**	38	**34**	38
Adjustment in respect of prior periods	**-**	(7)	**-**	(1)
Total current tax charge	**34**	31	**34**	37
Deferred tax				
Origination and reversal of timing differences	**-**	-	**-**	-
	-	-	**-**	-
Taxation on surplus on ordinary activities	**34**	31	**34**	37

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to surplus before tax. The differences are explained below:

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Surplus on ordinary activities before tax	**8,709**	3,769	**9,036**	3,879
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 25%	**2,177**	942	**2,259**	970
Effects of				
Charitable exemptions	**(2,143)**	(904)	**(2,225)**	(932)
Adjustments for prior periods	**-**	(7)	**-**	(1)
Total tax charge for period	**34**	31	**34**	37

17. Intangible Fixed Assets - Group

	Goodwill on consolidation £'000
Cost	
At 1 April 2025	2,291
At 31 March 2026	2,291
Amortisation	
At 1 April 2025	(2,291)
Charge for the year	-
At 31 March 2026	(2,291)
Net book value	
At 31 March 2026	**-**
At 31 March 2025	-

Goodwill arising on consolidation is being amortised over the directors' estimate of its useful life of 10 years. This estimate is based on a variety of factors such as the long-term strategic benefit of the entities acquired, the cash earning potential of the businesses and the expected useful life of the cash generating units to which the goodwill is attributed.

18. Tangible Fixed Assets – Housing Properties

	Group				
	General needs completed	General needs under construction	Low-cost home ownership completed	Low-cost home ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2025	362,395	16,586	33,456	1,957	414,394
Additions – construction costs	112	22,046	-	2,454	24,612
Additions – improvement works	11,825	-	-	-	11,825
Reclassification	-	838	-	(838)	-
Completed schemes	16,380	(16,380)	1,290	(1,290)	-
Transfer from properties held for sale	-	-	668	-	668
Disposals	(5,337)	(7)	(357)	-	(5,701)
At 31 March 2026	385,375	23,083	35,057	2,283	445,798
Depreciation					
At 1 April 2025	(95,391)	-	(2,277)	-	(97,668)
Charge for year	(8,986)	-	(395)	-	(9,381)
Eliminated on disposals	3,986	-	25	-	4,011
At 31 March 2026	(100,391)	-	(2,647)	-	(103,038)
Net Book Value					
At 31 March 2026	**284,984**	**23,083**	**32,410**	**2,283**	**342,760**
At 31 March 2025	267,004	16,586	31,179	1,957	316,726

18. Tangible Fixed Assets – Housing Properties (continued)

	Association				
	General needs completed £'000	General needs under construction £'000	Low-cost home ownership completed £'000	Low-cost home ownership under construction £'000	Total £'000
Cost					
At 1 April 2025	362,974	16,721	33,456	1,957	415,108
Additions – construction costs	112	22,372	-	2,455	24,939
Additions -improvement works	11,825	-	-	-	11,825
Reclassification	-	838	-	(838)	-
Completed schemes	16,707	(16,707)	1,291	(1,291)	-
Transfer from properties held for sale	-	-	668	-	668
Disposals	(5,337)	(7)	(357)	-	(5,701)
At 31 March 2026	386,281	23,217	35,058	2,283	446,839
Depreciation					
At 1 April 2025	(95,391)	-	(2,277)	-	(97,668)
Charge for year	(8,986)	-	(395)	-	(9,381)
Eliminated on disposals	3,986	-	25	-	4,011
At 31 March 2026	(100,391)	-	(2,647)	-	(103,038)
Net Book Value					
At 31 March 2026	**285,890**	**23,217**	**32,411**	**2,283**	**343,801**
At 31 March 2025	267,583	16,721	31,179	1,957	317,440

	Group and Association	
	2026 £'000	2025 £'000
The net book value of housing properties may be further analysed as:		
Freehold	**328,803**	306,164
Long leasehold	**14,998**	11,276
	343,801	317,440

	Group and Association	
	2026 £'000	2025 £'000
Works to properties:		
Improvements to existing properties capitalised	**11,825**	6,378
Major repairs expenditure to Statement of Comprehensive Income	**5,109**	6,128
	16,934	12,506

18. Tangible Fixed Assets – Housing Properties (continued)

	Group and Association	
	2026	2025
	£'000	£'000
Total Social Housing Grant received or receivable to date is as follows:		
Capital grant – housing properties	**61,512**	55,188
Recognised in the Statement of Comprehensive Income	**10,275**	9,359
	71,787	64,547

19. Tangible Fixed Assets – Other

	Group and Association						
	Freehold property	**Leasehold property**	**Shops and garages**	**Computers and office equipment**	**Plant and equipment and motor vehicles**	**Assets under construction**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost							
At 1 April 2025	3,575	257	4,178	4,535	1,072	10	13,627
Additions	73	60	-	1,074	136	-	1,343
Reclassification of assets	10	-	-	-	-	(10)	-
Disposals	-	-	(58)	(444)	(41)	-	(543)
At 31 March 2026	3,658	317	4,120	5,165	1,167	-	14,427
Depreciation							
At 1 April 2025	(1,583)	(35)	(2,431)	(3,089)	(545)	-	(7,683)
Charge for year	(156)	(63)	(103)	(635)	(106)	-	(1,063)
Eliminated on disposals	1	-	39	436	37	-	513
At 31 March 2026	(1,738)	(98)	(2,495)	(3,288)	(614)	-	(8,233)
Net Book Value							
At 31 March 2026	**1,920**	**219**	**1,625**	**1,877**	**553**	**-**	**6,194**
At 31 March 2025	1,992	222	1,747	1,446	527	10	5,944

20. Fixed Asset Investments - Association

	Subsidiaries
	£'000
Cost	
At 1 April 2025	6,734
At 31 March 2026	**6,734**
Impairment	
At 1 April 2025	(6,484)
At 31 March 2026	**(6,484)**
Net Book Value	
At 31 March 2026	**250**
At 31 March 2025	250

The subsidiaries in which the association has an interest in are as follows:

Name	Country of incorporation	Proportion of voting rights / ordinary share capital held	Nature of business	Nature of entity	Status of the Company
Durata Development Limited	England	100%	Professional and construction services	Incorporated company	Active
Incana Sales Limited	England	100%	Outright sales	Incorporated company	Dormant

The registered address of each company is the same as Aspire Housing.

21. Properties for Sale

	Group and Association	
	2026	2025
	£'000	£'000
Renew property	**-**	103
Low-cost homes ownership – completed	**296**	564
Low-cost home ownership – work in progress	**2,276**	1,950
	2,572	2,617

The above assets are held on the Statement of Financial Position at the lower of cost or net realisable value.

22. Stock

	Group and Association	
	2026	2025
	£'000	£'000
Work in progress	**264**	436
Raw materials and consumables	**91**	-
	355	436

23. Debtors

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Due within one year				
Rent and service charge arrears	**2,540**	2,186	**2,540**	2,186
Less: provision for doubtful debts	**(1,403)**	(1,431)	**(1,403)**	(1,431)
	1,137	755	**1,137**	755
Trade debtors	**89**	76	**89**	76
Amounts owed by Group undertakings	**-**	-	**-**	-
Other debtors	**1,569**	1,115	**1,234**	743
Prepayments and accrued income	**2,889**	2,371	**2,889**	2,371
	5,684	4,317	**5,349**	3,945

Amounts owed by Group undertakings are repayable on demand and do not attract interest.

24. Creditors: Amounts Falling Due Within One Year

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Trade creditors	**1,363**	2,712	**1,336**	2,706
Rent and service charges received in advance	**2,560**	2,428	**2,560**	2,428
Amounts owed to Group undertakings	**-**	-	**1,956**	1,035
Taxation and social security	**638**	597	**638**	570
Other creditors	**1,157**	1,354	**650**	1,133
Deferred capital grant (note 27)	**1,004**	984	**1,004**	984
Right-to-buy creditor	**748**	425	**748**	425
Corporation Tax	**34**	38	**34**	38
Renew recycled grant	**190**	343	**190**	343
Accruals and deferred income	**4,741**	3,307	**2,948**	2,489
Accrued loan interest	**950**	958	**950**	958
	13,385	13,146	**13,014**	13,109

Amounts owed to Group undertakings are repayable on demand and do not attract interest.

25. Creditors: Amounts Falling Due After One Year

	Group and Association	
	2026	2025
	£'000	£'000
Loans and borrowings (note 26)	**245,000**	245,000
Loan issue costs	**(2,195)**	(2,327)
	242,805	242,673
Deferred capital grant (note 27)	**60,706**	54,204
Recycled capital grant fund (note 28)	**215**	330
Sinking fund balances	**476**	502
	304,202	297,709

26. Loans and Borrowings

	Group and Association		
	Bank loans £'000	**Other loans £'000**	**2026 £'000**
Loans maturity of debt:			
In one year or less, or on demand	**-**	**-**	**-**
In more than one year but not more than two years	**10,064**	**-**	**10,064**
In more than two years but not more than five years	**29,936**	**-**	**29,936**
In more than five years	**-**	**205,000**	**205,000**
	40,000	**205,000**	**245,000**

	Group and Association		
	Bank loans	Other loans	2025
Loans maturity of debt:			
In one year or less, or on demand	-	-	-
In more than one year but not more than two years	-	-	-
In more than two years but not more than five years	40,000	-	40,000
In more than five years	-	205,000	205,000
	40,000	205,000	245,000

Loans are secured by specific charges on the housing properties of the Group. The loans bear interest at fixed rates of 3.45% on a weighted average or at variable rates calculated at a margin above the sterling overnight index average (SONIA).

At 31 March 2026 the Group had undrawn loan facilities of £50m (2025: £50m).

27. Deferred Capital Grant

	Group and Association	
	2026 £'000	2025 £'000
At 1 April	**55,188**	47,513
Grants received during the year	**7,252**	8,798
Grants recycled from the recycled capital grants fund	**276**	(158)
Disposals	**(90)**	(44)
Released to income during the year	**(916)**	(921)
At 31 March	**61,710**	55,188

To be released within one year (note 24)	**1,004**	984
To be used after more than one year (note 25)	**60,706**	54,204
At 31 March	**61,710**	55,188

28. Recycled Capital Grant Fund

	Group and Association	
Funds pertaining to activities within areas covered by	**Homes England 2026 £'000**	Homes England 2025 £'000
At 1 April	**673**	468
Inputs to fund:		
grants recycled from deferred capital grants	**54**	170
interest accrued	**21**	47
grant reclassified	**-**	(12)
Recycling of grant:		
new build	**(343)**	-
At 31 March	**405**	673
Amounts falling due within one year (note 24)	**190**	343
Amounts falling due after more than one year (note 25)	**215**	330
	405	673
Amount three years old or older where repayment may be required	**-**	125

Withdrawals from the recycled capital grant fund were used for the purchase and development of new housing schemes for letting.

29. Financial Instruments

The Group's and association's financial instruments may be analysed as follows:

	Group		Association	
	2026 £'000	2025 £'000	**2026 £'000**	2025 £'000
Financial assets				
Financial assets measured at amortised cost				
Trade debtors	**89**	76	**89**	76
Other receivables	**5,595**	4,241	**5,260**	3,869
Cash and cash equivalents	**18,449**	30,713	**17,663**	30,298
Total financial assets	**24,133**	35,030	**23,012**	34,243
Financial liabilities				
Financial liabilities measured at amortised cost				
Loans payable	**(245,000)**	(245,000)	**(245,000)**	(245,000)
Financial liabilities measured at amortised cost				
Trade creditors	**(1,363)**	(2,712)	**(1,336)**	(2,706)
Other creditors	**(10,080)**	(8,683)	**(9,736)**	(8,652)
Total financial liabilities	**(256,443)**	(256,395)	**(256,072)**	(256,358)

30. Pensions

All association employees are auto enrolled into a defined contribution scheme with the Pensions Trust.

Prior to 2022 employees who did not choose the defined contribution scheme enrolled in either the Staffordshire County Council Pension Fund (SCCPF) (administered in accordance with the Local Government Pension Fund regulations) or the Social Housing Pension Scheme (SHPS). Both are multi-employer schemes providing defined benefits based on members earnings and the length of participation in the pension scheme.

A decision was made to close both SCCPF fund and SHPS to future accrual effective from 30th April 2021. This decision was made by the Board following consultation with eligible members at that time. Following this decision negotiations with SCCPF concluded a cessation valuation which was paid in 2021/22.

Social Housing Pension Scheme

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

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

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

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

The latest accounting valuation was carried out with an effective date of 30th September 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31st March 2026 to 28th February 2027 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus. The estimated position at 31st March 2026 shows a deficit of £255k (2025: £422k)

30. Pensions (continued)

Social Housing Pension Scheme (continued)

The Trustee of the Social Housing Pension Scheme (SHPS), Verity Trustees Limited, has brought a significant legal case (Verity Trustees v Wood) to the High Court to clarify the validity of historic amendments made within several defined benefit schemes operated under The Pension Trust (TPT) Retirement Solutions master trust. The case was heard in early 2025, with judgment expected in 2026.

The proceedings focus on whether certain past scheme rule changes were implemented correctly, particularly in relation to statutory requirements under section 37 of the Pension Schemes Act 1993, which governs amendments to contracted out schemes. The case examines whether amendments lacking the required actuarial confirmation may be void, following the legal principles established in Virgin Media Ltd v NTL Pension Trustees II Ltd.

If the Court determines that some historic amendments were invalid, this could require the reinstatement of earlier benefit provisions. Such an outcome may increase member benefits and consequently increase employer liabilities across affected schemes, including SHPS. TPT previously issued indicative estimates of potential additional liabilities to participating employers, noting that the impact could be material depending on the final judgment.

No provision has been made at this stage due to the uncertainty over both the decision and any resulting financial impact. The Trustee and its advisers are monitoring developments closely and will communicate any implications following the Court's decision.

	Group and Association	
	2026	2025
	£'000	£'000
Reconciliation of present value of plan liabilities		
At 1 April	**3,510**	3,889
Expenses	**6**	5
Interest cost	**207**	189
Actuarial gains	**(127)**	(463)
Benefits paid	**(50)**	(110)
At 31 March	**3,546**	3,510
Reconciliation of fair value of plan assets		
At 1 April	**3,088**	3,135
Interest income on plan assets	**187**	156
Contributions by employer	**172**	193
Actuarial gains	**(106)**	(286)
Benefits paid	**(50)**	(110)
	3,291	3,088
Fair value of plan assets	**3,291**	3,088
Present value of plan liabilities	**(3,546)**	(3,510)
Net pension scheme liability	**(255)**	(422)

30. Pensions (continued)

Amounts recognised in comprehensive income are as follows:

	Group and Association	
	2026	2025
	£'000	£'000
Included in management costs:		
Expenses	**6**	5
	6	5

Social Housing Pension Scheme (continued)

	Group and Association	
	2026	2025
	£'000	£'000
Included in other finance costs:		
Interest income	**187**	156
Interest expense	**(207)**	(189)
Net interest cost	**(20)**	(33)

The analysis of the actuarial gain recognised in comprehensive income was as follows:

	Group and Association	
	2026	2025
	£'000	£'000
Experience gains arising on the scheme assets	**(106)**	(286)
Experience gains/(losses) arising on the scheme liabilities	**53**	(187)
Changes in assumptions underlying the present value of scheme liabilities	**74**	650
	21	177

The principal actuarial assumptions used at the balance sheet date were as follows:

	Group and Association	
	2026	2025
Discount rate	**6.2%**	5.9%
Future salary increases	**4.0%**	3.8%
Future pension increases	**3.0%**	2.8%
Inflation assumption	**3.3%**	3.0%
Mortality assumptions:		
current pensioners – male	**20.9 years**	20.5 years
current pensioners – female	**23.2 years**	23.0 years
future pensioners – male	**22.2 years**	21.7 years
future pensioners – female	**24.6 years**	24.5 years

30. Pensions (continued)

Social Housing Pension Scheme (continued)

	Group and Association	
	2026	2025
	£'000	£'000
Composition of plan assets:		
Global Equity	**365**	346
Absolute Return	**-**	-
Distressed Opportunities	**-**	-
Credit Relative Value	**-**	-
Alternative Risk Premia	**-**	-
Liquid Alternatives	**586**	572
Emerging Markets Debt	**-**	-
Risk Sharing	**-**	-
Insurance-Linked Securities	**5**	10
Property	**161**	155
Infrastructure	**-**	1
Private Equity	**7**	3
Real Assets	**310**	369
Private Debt	**-**	-
Private Credit	**397**	378
Credit	**131**	118
Investment Grade Credit	**193**	95
Opportunistic Illiquid Credit	**-**	-
High Yield	**-**	-
Cash	**1**	42
Long Lease Property	**-**	1
Secured Income	**100**	51
Liability Driven Investment	**1,003**	935
Currency Hedging	**-**	5
Net Current Assets	**32**	7
	3,291	3,088

The employer's contributions to the SHPS by the association for the year were £2,000 (2025: £2,000) and the employers contribution rate was 13.3%. At the year-end £Nil (2025: £nil) was owed to the scheme and is included in creditors falling due within one year.

Defined Contribution Scheme

A defined contribution pension scheme is also operated by the Group. 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 £1,378,000 (2025: £1,100,000). Contributions totalling £100,000 (2025: £92,000) were payable to the fund at the year end and are included in creditors falling due within one year.

31. Share capital

	Group and Association	
	2026	2025
	£	£
At 1 April	**8**	8
Shares issued in the year	**1**	2
Shares cancelled in the year	**(1)**	(2)
At 31 March	**8**	8

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

32. Contingent Liabilities

There are no contingent liabilities for the Group and association in the year.

33. Operating Leases

The Group and association had minimum lease payments under non-cancellable operating leases as set out below:

	Group and Association	
	2026	2025
	£'000	£'000
Amounts payable as lessee		
Not later than one year	**1,072**	279
Later than one year and not later than five years	**3,923**	164
Later than five years	**-**	-
Total	**4,995**	443

34. Capital Commitments

	Group and Association	
Capital commitments are as follows:	**2026**	2025
	£'000	£'000
Capital expenditure		
Commitments contracted but not provided for	**26,016**	39,308
Commitments approved by the Board but not contracted for	**36,963**	47,561
	62,979	86,869

34. Capital Commitments (continued)

The Group is committed to a programme of property acquisition and units for refurbishment. Likewise, the Group will continue to seek further development opportunities and will look to obtain potential development sites throughout the year. The above commitments represent schemes approved by Board and will be financed by property sales (£2.1m), capital grant (£27.9m) and funding from the existing loan facility and the Group's own resources (£33.0m).

35. Related Party Transactions

The association provides management services and other services to its subsidiaries. The association also receives charges from its subsidiaries. During the year Aspire Housing Limited, a registered provider, had the following intra-Group transactions, at arms length in the normal course of business with Durata Development Limited, a non-regulated entity. The quantum and basis of those charges is set out below:

		Amounts charged to / (from) non-regulated entities	
Entity	**Allocation basis**	**2026 £'000**	2025 £'000
Durata Development	Development services	**(18,888)**	(5,613)
	Donation/Gift aid	**294**	77
	Apportionment of management costs	**15**	12
		(18,579)	(5,524)

During the year 1 board member was also a tenant. Amanda Palmer with annual rent and service charge payable of £7,185 (2025: £7,162) arrears at 31st March were £Nil (2025: £Nil).

36. Net Debt Reconciliation

	At 1 April 2025	**Cash flows**	**Other non-cash changes**	**At 31 March 2026**
	£'000	**£'000**	**£'000**	**£'000**
Cash at bank and in hand	30,713	(12,264)	-	**18,449**
Bank and other loans	(242,673)	-	(132)	**(242,805)**
Net debt	(211,960)	(12,264)	(132)	**(224,356)**

37. Post Balance Sheet Events

On the 28 July 2026 the Board agreed to formally merge with whg following several months of discussions, due diligence and consultation. The merger is expected to take place no later than the end of November 2026. Aspire Housing and its subsidiaries will continue to operate within the new Group post the planned merger.

Talk to us

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