

Annual Report and Financial Statements 2026

For the year ended 31 March 2026



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Board Members, Executive Officers, Auditors and Advisors

2025/26



Board Members, Executive Officers, Auditors and Advisors

Board Members

Catherine Dass Chair (retired 05 January 2026)	Deborah Griffiths Senior Independent Officer and Vice Chair (retired 06 July 2026)
Andrew Burns Chair (appointed 06 January 2026)	Sarah Watson
Graeme Betts	Alan Yates
Alan Hawkesworth Chair of Audit and Risk Committee	Louise Burns
Kevin Morgan (retired 31 July 2025)	Jason Burt
Simon Whitfield	Wayne Gethings

Independent Members

Paul Riley	Dinesh Murugesh-Warren
Rosalind Preen	Helen Hackney
Geraldine Emson (appointed 1 st July 2025)	Adrian Wood (appointed 1 st July 2025)
Enise Goring-Piskin	

Executive Directors

Wayne Gethings	Group Chief Executive
Jonathan Lamb	Executive Director of Finance (retired 20 June 2025)
Suzanne Forster	Chief Financial Officer (appointed 01 May 2025, resigned 06 May 2026) Company Secretary (appointed 11 December 2025, resigned 03 June 2026)
Richard Nowell	Interim Chief Financial Officer (appointed 01 June 2026)
David Wells	Executive Director of Customer Experience
Janet Lycett	Executive Director of Integration and Change Company Secretary (appointed 14 April 2025, resigned 10 December 2025)
Andrew Kenny	Executive Director of Property (resigned 11 April 2025)
David Hall	Executive Director of Investment and Growth (appointed 01 May 2025)
Les Clarke	Executive Director of Care
Irene Molyneux	Company Secretary (retired 13 April 2025)
Angelina Hicklin	Company Secretary (appointed 04 June 2026)

Registered Office

Acton Court, Acton Gate, Stafford ST18 9AP

Housing Plus Group Limited

Co-operative and Community Benefit Society (registration number 30224R)

Regulator of Social Housing (registration number L4491)

Auditors and Advisors

Bankers	Barclays PLC Corporate Banking, One Snowhill, Birmingham B3 2WN
External Auditors	KPMG LLP Chartered Accountants and Statutory Auditors One Snowhill, Birmingham B4 6GH
Internal Auditors	BDO LLP 2 Snowhill, Birmingham B4 6GA
Principal Solicitors	Devonshires LLP 30 Finsbury Circus, London EC2M 7DT
Treasury Advisors	Savills (UK) Ltd 55 Colmore Row, Birmingham B3 2AA
Property Valuers	Savills (UK) Ltd 55 Colmore Row, Birmingham B3 2AA
Tax Advisors	Grant Thornton UK LLP 4 Hardman Square, Spinningfields, Manchester, M3 3EB



Report of the Board

2025/26



Report of the Board

Registration

The Housing Plus Group Limited is incorporated as a Co-operative and Community Benefit Society under the Co-operative and Community Benefit Society Act 2014 (registration number 30224R) and is registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008 (registration number L4491). The Group's registered office is at Acton Court, Acton Gate Stafford, ST18 9AP.

Principal activity

The Group's principal activities remain the development and management of social housing and related services across Telford & Wrekin, Shropshire and Staffordshire. The Group provides more than 33,000 homes and employs more than 1,800 staff.

Business review

On 6 January 2025, The Wrekin Housing Group Limited merged with The Housing Plus Group Limited. The combination has been accounted for using merger accounting in accordance with FRS 102 Section 19. The year ended 31 March 2026 represents the first full year following the merger, during which the transition to a single unified group has begun to deliver tangible benefits. Progress has been made in the migration of systems, the streamlining of key processes, and the realignment of services to support the Group's strategic objectives.

Details of the Group's performance for the year are set out in the Strategic Report that follows this report of the Board.



Group structure and active companies at 31 March 2026

Following the merger with The Wrekin Housing Group Limited on 6 January 2025, the Group structure is as follows:



The Parent Company, The Housing Plus Group Limited (“the parent”) is a non-housing asset holding company which provides ‘back office’ services to its Group companies. The Parent is incorporated with the Financial Conduct Authority (30224R) and is registered with the Regulator of Social Housing (L4491).

The Parent has four direct subsidiaries:

- Homes Plus Limited (Asset owning registered provider)
- Care Plus (Staffordshire) Limited (Care provider registered with the Care Quality Commission)
- The Wrekin Housing Group Limited (Asset owning registered provider)
- The Housing Plus Group Finance Limited (Group finance vehicle)

Homes Plus Limited (“Homes Plus”)

Homes Plus is a property-owning Registered Society/Community Benefit Society (“CBS”) and a charitable Housing Association registered with the Regulator of Social Housing (RSH). Homes Plus is a debt issuer of one private placement and one local authority loan. All other funding for Homes Plus is provided by The Housing Plus Group Finance Limited.

Homes Plus has three wholly owned subsidiaries:

- **Severn Homes** whose principal activity is the buying and selling of real estate. Severn Homes is fully funded by Homes Plus via an Intra Group Loan Agreement to deliver works on behalf of the landlord.
- **Development Worx** provides design and build services to Homes Plus and is the contracting vehicle for external partners, suppliers and contractors who support the Homes Plus development programme.
- **County Town Homes** was incorporated in 2017 as a subsidiary of the legacy landlord, Stafford and Rural Homes, to deliver new build developments for outright sale. County Town Homes is currently dormant as its activities are a duplication of other subsidiaries within the Group. The branding of County Town Homes is currently being used for the Group’s outright sale properties.

Care Plus (Staffordshire) Limited (“Care Plus”)

Care Plus provides retirement living and floating support services, technology enabled care, domiciliary and nursing care; primarily to the residents of Homes Plus properties. Care Plus purchased a care home in October 2020 which is the only property asset Care Plus owns. Care Plus is an exempt charity and is registered with the Care Quality Commission (CQC).

Report of the Board

The Housing Plus Group Finance Limited (“HPGF”)

HPGF is a Group funding vehicle, mainly on-lending to Homes Plus Limited. The company was incorporated in 2019 and commenced operations on 22 September 2019. On the 2nd of September 2024, a new £50m revolving credit facility (RCF) loan agreement was signed with NatWest Bank as well as a standalone interest rate swap of £50m with NatWest Markets plc.

On 19th August 2026 the loan agreement between HPGF and the Group was updated to include Wrekin Housing Group as a borrower. In addition, HPGF agreed new funding agreements with NatWest, Nationwide, AIB, Barclays and Santander to increase and extend the funding facilities available to the Group.

The Wrekin Housing Group Limited (“WHG”)

WHG is incorporated as a Co-operative and Community Benefit Society under the Co-operative and Community Benefit Society Act 2014 (registration number 8067) and is registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008 (registration number LH4220). The organisation’s registered office is at Colliers Way, Old Park, Telford, Shropshire, TF3 4AW.

The Wrekin Housing Group Limited has three wholly owned subsidiaries:

- **Old Park Services Limited** is a private company limited by shares, whose principal activities are the provision, on a profit-making commercial basis, of housing and property related services and associated software to other social landlords, together with the operation of retail outlets for re-used and recycled household goods, actively promoting re-use as an alternative to disposal of household goods and waste.
- **Strata Housing Services Limited** is a private company limited by shares, whose principal activity is the provision of development services to its parent company.

- **Choices Housing Association Limited** is a registered provider of social housing registered under the Co-operative and Community Benefit Society Act 2014 (registration number 26995R) and with the Regulator of Social Housing under the Housing and Regeneration Act 2008 (registration number L4178). Choices is an exempt charity and is registered with the Care Quality Commission (CQC). Its principal activities are the provision of registered care and supported housing for adults with a learning disability and the provision of nursing beds and a domiciliary care service which delivers care to tenants of the Group’s ‘ShireLiving’ Extra Care schemes and to other tenants who live in both Choices and Wrekin Housing Group properties

Regulatory Judgements

The Group continues to hold a G1/V2 grading with the Regulator of Social Housing. Whilst the V2 grading indicates that the Group is still compliant with the Regulatory Viability Standard, it remains an aspiration for it to attain the V1 rating by its prudent approach to financial planning and the effective deployment of mitigating actions to rebuild capacity in its business plan. At the time of signing these financial statements the Group is going through the RSH’s inspection.

NHF Code of Governance

The Board confirms that, having adopted the NHF Code of Governance (2020) in April 2021, the Group complies with the requirements of that code. The Board recognises its responsibilities for ensuring that arrangements are made for keeping proper books of account with respect to the Group’s transactions and its assets and liabilities. Also, for maintaining a satisfactory system of internal controls over the Group’s books of account and transactions and for taking reasonable steps for the prevention and detection of fraud and other

Report of the Board

irregularities. The Board is satisfied that there are appropriate arrangements in place with respect to its transactions, assets and liabilities and that there is a satisfactory system of internal control in place to prevent and detect fraud and other irregularities.

Insurance of directors and officers

The Group has insurance policies in place, which indemnify its board members and executive directors against liability when acting for the Group.

Internal controls assurance

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable, and not absolute, assurance of compliance with all relevant legislation and against material misstatement or loss.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the Company is exposed and has been in place throughout the period commencing 1 April 2025 up to the date of approval of the report and financial statements. The risk assessments are updated quarterly and are reported to the Board.

The arrangements 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 include:

Identification and evaluation of key risks

The Board has established a risk management strategy, setting out its attitude to risk in the achievement of its objectives, which underpins the risk management, business planning and control arrangements. These arrangements clearly define management responsibility for the identification, evaluation and control of significant risks.

Control environment and internal controls

The processes to identify and manage the key risks to which the Group is exposed are an integral part of the internal control environment. These processes, which are reviewed annually and revised where necessary, include strategic planning, succession planning and recruitment of executive directors and senior staff, regular performance monitoring, control over developments and the setting of standards and targets for health and safety, data protection, fraud prevention and detection and environmental performance.

Financial and operational performance reporting

An important control in relation to the Company's management of risk is the reporting and monitoring of financial and operational performance. Examples of this include:

- Reporting of operational performance against a range of key performance indicators throughout the year. The indicators cover housing management, care services, repairs and maintenance, health and safety and customer satisfaction.
- Preparation of strategic plans, underpinned by detailed budgets for the year ahead and forecasts for subsequent years, all of which are reviewed and approved by the Board.
- Sensitivity analysis of key risks and uncertainties included in the financial

 Report of the Board

forecasts and stress testing of complex, multivariate scenarios.

- Monthly budget reviews with budget holders and detailed monthly reporting of expected outturns to ensure that agreed levels of surplus are achieved
- Reporting of treasury management activity and loan covenant compliance to ensure that the Company complies not only with its formal covenants, but also with its own internally approved golden rules (set at a more challenging level than the formal covenants)
- Setting, and regular review, of Company policies in compliance with legislation and regulatory requirements and in line with best practice in the sector
- Development of business continuity plans for all service areas and reporting of the outcomes of regular testing of those plans
- Scanning of the housing sector and reporting the impact of issues on the Company.

Internal Audit

Following the merger a review of internal audit arrangements was undertaken and RSM were appointed as the internal auditor for the newly formed Group. The internal audit programme for the year reflected the transition, with legacy audit plans completed where appropriate and new risk-based reviews aligned to the priorities of the merged Group being developed in collaboration with RSM.

Following a retender process for internal audit services during the year, BDO LLP were appointed as the Group's internal auditor. Accordingly, RSM continued in the role for a transitional period only, completing the agreed programme of work for the year before stepping down.

The internal audit plan for 2026/27 has been approved by the Audit and Risk Committee.

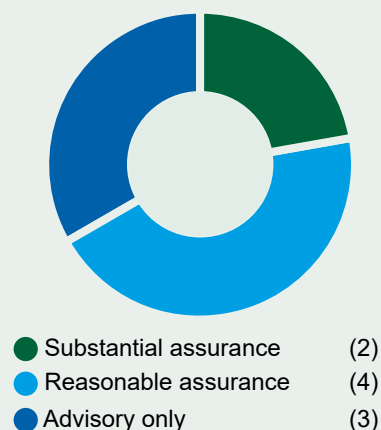
HPG has adopted the three lines of defence (assurance) model. Contributing towards providing third line of defence assurance, RSM were engaged as HPG's Internal Auditors for the 2025/26 Financial Year. The Internal Audit Plan was developed in conjunction with the Leadership Team and approved by the Audit & Risk Committee. As a result of the assignments completed, the internal auditors concluded that HPG has 'an adequate and effective framework for risk management, governance and internal control'.

The reviews carried out by RSM provide independent assurance to the Board, via the Audit & Risk Committee, about the effectiveness of internal controls across the organisation. A robust process is in place to ensure that recommendations arising from internal audits are carefully considered and implemented. If target completion dates need to be varied, this is always with the knowledge and agreement of the Audit & Risk Committee.

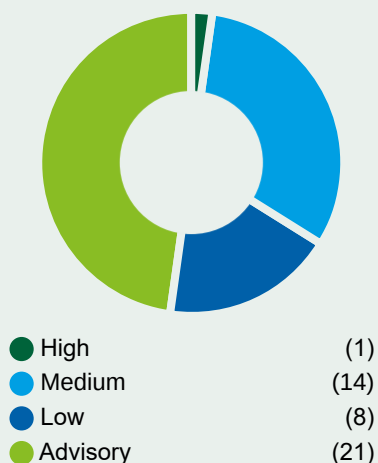
Internal audit report 2025/26 - opinions and management action priorities

Assignment	Executive lead	Status/opinion issued	Action agreed			
			A	L	M	H
Quarterly Financial and Risk Survey (QS) Reporting Framework (Group) (1.25/26)	Suzanne Forster	Reasonable assurance	0	0	0	1
Welfare Reform and Income Collection Processes (Group) (2.25/26)	David Wells, Les Clarke	Substantial assurance	0	0	1	0
Assets and Liabilities Register Controls (Group) (3.25/26)	David Hall	Advisory	5	0	0	0
Complaints Framework (Group) (4.25/26)	Jan Lycett	Reasonable Assurance	0	3	5	0
Key Finance Controls (Group) (5.25/26)	Suzanne Forster	Reasonable Assurance	0	0	4	0
Fraud Risk Assessment (FRA) Framework (Group)	Suzanne Forster, Jan Lycett	Advisory	9	0	0	0
Neighbourhood and Community Standard Compliance Processes (Group) (6.25/26)	David Hall, Jan Lycett	Substantial Assurance	0	1	1	0
IT Security Processes (LHPG) (7.25/26)	Jan Lycett	Draft: Reasonable Assurance	0	4	3	0
Pension salary sacrifice / tax treatment arrangements	Suzanne Forster	Draft: Advisory	7	0	0	0

Internal audit reports 2025/26
Assurance opinions



Internal audit reports 2025/26
Management action priority



Anti-fraud and corruption

The Group is committed to ensuring that all its officers, staff and contractors act at all times with honesty and integrity and adequately safeguard the assets for which the organisation is responsible. Fraud awareness training continues to be rolled out to all employees across the whole of the new Group. The Group presents a probity report to the Audit and Risk Committee at each meeting. The probity report details any incidents of fraud together with details of action taken and consequent improvements in controls.

During the year there were no incidences of fraud reported.

Statement of responsibilities of the Board

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 the Association for that period.

In preparing each of the Group and the Association 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;
- assess the Group's 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.

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 such internal control as it determines is necessary 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. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

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

- There is no relevant audit information of which the organisation's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

 Report of the Board

Auditors

A resolution to re-appoint KPMG LLP as external auditors was approved at the 23 September 2026 board meeting

The report of the Board was approved by the Board on 23 September 2026 and signed on its behalf by:



Angelina Hicklin
Company Secretary



Strategic Report

2025/26



Strategic Report

Executive Summary

This report covers our first full financial year as the new Housing Plus Group.

We are a strong, resilient and ambitious organisation, focused on our purpose: **We create places people are proud to call home**

This year's report shows we are building on solid foundations, with the scale and strength to invest in our homes, services and communities. This year, we delivered 719 new homes and invested £145.6 million in both new development and improving existing properties, ensuring our customers high-quality homes now and into the future.

Our financial position gives us confidence to keep moving forward. With a turnover of £261 million and housing assets valued at £1.7 billion, we are well placed to deliver sustainable growth.

But our role goes beyond bricks and mortar. We are committed to supporting our customers in the moments that matter. This year alone, our money advice service supported more than 4,000 people, putting over £11 million back into their pockets and helping them to stay secure in their homes.

Our core performance remains strong, with rent collection at 101.06%, reflecting both the effectiveness of our services and the trust our customers place in us.

Looking ahead, our focus is clear: to deliver more homes, strengthen our services and support thriving communities. With a clear purpose and a strong platform, we are well placed to make an even greater difference in the years to come.

Wayne Gethings
Group Chief Executive



Business overview

In 2024/25 The Housing Plus Group Limited completed a merger with The Wrekin Housing Group Limited. The transaction was accounted for as a merger in accordance with Section 19 of FRS 102. Initial merger discussions focused on evaluating the potential benefits and strategic alignment of combining the two entities. Both parties shared a desire to create a stronger regional organisation that would deliver significant benefits to both staff and customers. Culturally, the two organisations had much in common, with shared values and service offerings.

The merger was completed on 6 January 2025. The new organisation has since established its vision and values, which is now embedded in all entities within the Group.

The Housing Plus Group Limited, through its subsidiary entities—Homes Plus Limited and The Wrekin Housing Group Limited—provides affordable housing for those in housing need across Telford & Wrekin, Shropshire, and Staffordshire.

The Group also includes the following subsidiaries:

- **Care Plus (Staffordshire) Limited and Choices Housing Association Limited**, which focus on delivering registered care and supported housing for adults with learning disabilities, as well as domiciliary care services within the Group's Extra Care schemes.
- **Strata Housing Services Limited and Severn Homes Limited**, the Group's development companies, which support the delivery of the Group's development programme in the most cost-effective manner.
- **Old Park Services Limited**, the Group's commercial trading subsidiary, which enables the provision of ancillary services that fall outside the

Group's charitable objectives. These services complement the Group's overall offering and are delivered in a tax-efficient way, with all profits transferred to the intermediate parent through gift aid.

- **Housing Plus Group Finance Limited**, the Group's finance vehicle which on lends to the landlord subsidiary entities within the group.

This Strategic Report outlines the performance and position of the Group within that evolving context.

The results of the subsidiaries are included within these consolidated financial statements.

Our Vision

Following the merger, Housing Plus Group became one of the largest social housing providers in the West Midlands with 33,000 homes serving customers across Shropshire, Staffordshire and Telford & Wrekin.

As a new, bigger organisation, we will:

- Continue to work with and listen to customers, and in doing so be able to provide even better services for them
- Be more resilient. Increasing investment in existing homes, while also growing our capacity to build more social homes
- Remain connected to the communities we already serve while having a larger voice in the region, with 1,800 employees, 33,000 homes and a turnover of more than £260million, we will create additional regional economic impact
- Provide more opportunities for our employees and be a great place to work

Our 'Why and How'

As Housing Plus Group, we are proud to be one of the leading providers of housing, care, and support services in the West Midlands. We remain committed to delivering high-quality, affordable homes and essential support services to individuals and families across our region. Our purpose is clear: **we create places people are proud to call home.**

Housing Plus Group now operates at increased scale, with greater capacity to invest in existing homes, deliver new affordable housing, and make a wider economic and social impact.

We are ambitious about our future. Our commitment is to grow our development programmes building homes that our customers want including social rent, affordable rent, shared ownership and rent-to-buy. This is part of our long-term goal to become a 40,000-home organisation. But our growth is about more than numbers; it's about meaningful, lasting impact - for customers, communities, and the wider region.

A key part of our transformation has been shaped through listening to the people who matter most - our customers and our colleagues. Together, we have a new set of behaviours that reflect how we work, how we lead, and how we serve.

Our behaviours are now embedded across the Group. These behaviours aren't just aspirational statements - they are driving real change in how we work, both internally and in our communities.

1) Own it – Make it happen:

- ✓ We take responsibility, and get it done
- ✓ We solve problems, not pass them on

2) Improve it – Move things forward:

- ✓ We find ways to make things better
- ✓ We learn and adapt

3) Live it – Show understanding and compassion:

- ✓ We build strong relationships based on honesty and trust
- ✓ We listen and support



Value for money

At Housing Plus Group, we consider value for money to be the foundation of all services we provide for our customers. The drive for efficiency across the Group ensures we have a sound financial base to sustain quality of our services at minimum cost. The Regulator of Social Housing published its 'Value for money metrics and reporting 2024' report which highlights the importance of social housing providers delivering value for money, by demonstrating the best use of their resources to achieve their objectives. This underpins the provision of good quality homes and services as well as delivery of new homes.

Value for money report

Set out below is our value for money report for 2025/26 which also forms our annual self-assessment. Where data is available and can be sensibly combined this has been included. There are some areas however where the individual legacy data has been included to provide a clearer understanding of legacy factors.

It shows our performance against both the Regulator's and our own Value for Money Metrics.

Performance against Housing Plus Group internal metrics

Development - Delivery of new homes

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	811 homes	719 homes	600 homes

Across the Group a combined total of circa £35m Affordable Homes programme grant funding was secured from Homes England during the year. Of the total 719 homes delivered (527 of these homes were through the legacy Wrekin Housing Group) in 2025/26, 452 were Design and Build and 267 were Section 106 or 'Off the Shelf' homes. The 719 homes total includes 57 homes developed for outright sale at our Wrottesley Park development. These additions, along with our recent clean audit results and our relationship management have ensured The Housing Plus Group is regarded as a trusted partner of Homes England.

During the year, we completed a wide range of developments, including the exciting development at Granville, Donnington Wood Way. This development of 329 new homes is being bought forward by a partnership comprising of Telford & Wrekin Council, Nuplace Ltd - the Council's wholly owned housing company, Lovell Partnerships Ltd and The Wrekin Housing Group.

Serving the needs of the local community and in line with the Council's Housing Strategy, which seeks to ensure that all people have access to safe and appropriate housing, this site will see a mix of properties for open market sale, private and affordable rent and Rent to Buy, plus dementia care and supported living units.

186 of the new homes at Granville were built for The Wrekin Housing Group. This includes 76 Extra Care apartments, comprising a dementia wing, 20 apartments for retirement living, and 90 new homes for general needs Affordable Rent and Rent to Buy, comprising of 2 and 3 bedroom houses (a number of which will be specially adapted homes) and bungalows. The wider site also delivered 66 homes for Nuplace, which are available for private rent, as well as 77 for open market sale from Lovell.

Strategic Report

These homes will provide housing choice for people of all ages and stages, enabling people to remain within the community, as their needs change.

All new homes directly commissioned by Housing Plus Group have a building envelope that is compliant to the Futures Homes Standard.

Development - Total income from property disposals

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	£25.1m	£31.4m	£25.6m

Income from property disposals includes income from asset renewal sales, together with sales under the Right to Buy and Right to Acquire legislation. In 2024/25 and 2025/26 numbers of sales have been lower than expected, however sales values have been significantly higher than target. In addition, legacy Housing Plus Group generated £17.5m from outright sales on the Wrotesley Park, development.

Asset Management - Rent loss from voids

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	1.0%	1.49%	1.0%

Void control will be a key feature for the group moving through 2026/27 as we align services to a new delivery model. There is a clear drive to lower void rent loss across the wider group and there has been great progress made during 2025/26 to resolve some longer-term voids in the Homes Plus entity.

Asset Management - Average relet times

	2025/26 Target	2025/26 Actual
Legacy HPG	81 days	78 days
Legacy WHG	22 days	23 days

Following the merger, a number of factors have impacted void performance across the Group during the year, alongside ongoing work to improve consistency and outcomes.

- **Legacy properties held for disposal**

At the point of merger, approximately 190 properties within Housing Plus Group were being held vacant, largely due to anticipated high investment requirements or other asset considerations. These properties were subsequently assessed through Wrekin's Asset Renewal model, resulting in a significant proportion being retained rather than disposed of. This decision placed considerable additional demand on both in-house teams and external contractors, as resources were required to address this backlog alongside newly arising voids. As a result, repair times increased. In addition, many of these properties had already been vacant for extended periods prior to reletting, which had a consequential impact on overall relet times.

- **Void standards and processes**

Prior to the merger, Housing Plus Group operated to a high void standard, influenced in part by Ombudsman findings, whereby a broad scope of works was routinely undertaken before reletting. While this approach ensured a high specification, it often resulted in increased costs and longer turnaround times. Wrekin Housing Group adopts a more tenant-led approach, involving incoming customers in agreeing non-essential works, beyond core health and safety requirements. This

Strategic Report

enables a more proportionate balance between property standards, cost efficiency, and speed of reletting. As part of this approach, certain component replacements may be deferred and delivered through planned programmes after occupation.

- Stock profile and repairs demand**

Differences in the age and profile of housing stock across the legacy organisations have also influenced void performance. Wrekin's ongoing development and asset renewal programmes have, over time, resulted in a relatively newer asset base, with some older properties having been replaced. These newer homes typically require less investment at the point of void, supporting quicker turnaround times and lower costs.

- Improvement activity**

Work is underway to implement a consistent void process across the Group, delivered through regional teams. In parallel, further analysis is being undertaken to understand the remaining backlog of legacy Housing Plus Group voids and to establish a clear trajectory for its resolution.

Asset Management - Gas servicing

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	100%	99.99%	100%

The Group maintained its excellent level of compliance performance again in 2025/26, but dipped slightly below its 100% target. Four properties remained within formal no-access procedures at year end with no systemic issues identified.

Our full range of compliance performance metrics are shown on page 24.

Customers - Rent collection

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	100%	101.06%	100%

Income management continued to be a key strength of the organisation as a whole, with collection rates above 100% across the Group. This reflects a continued focus on arrears and performance but also the impact that our wider financial inclusion and support services play in supporting customers to pay their rent.

Customers - Arrears levels

	2025/26 Target	2025/26 Actual	2026/27 Target
Housing Plus Group	1.0%	1.32%	1.0%

Across the Group, a combined figure of 1.32%, whilst above the figure achieved last year, still represents really strong performance given the current operating climate. The business has implemented effective and supportive approaches for customers in arrears, and our eviction rate across the group at just 41 cases in a stock base of over 33,000, demonstrates that eviction remains a measure of absolute last resort. In Wrekin Housing Group there has been a continued migration from Housing Benefit to Universal Credit over the year. This has led to marginal increases in arrears while this form of claim and payment settles in for each customer. We will likely not see this rectify itself until towards the end of 2026/27.

Strategic Report

Customers - Repairs

The two legacy organisations have very different operating models when it comes to routine repairs. With the implementation of CADRE as the business management system for the new group, a full review of the repairs' operating model is being undertaken to ensure the service delivery model fits our customers' needs given the lifestyle changes and working patterns of many of them. Performance across 2024/25 and 2025/26 is shown below for each organisation.

Legacy HPG	2024/25		2025/26	
Total responsive repair demand	Repairs	54,713	Repairs	50,450
	Gas	11,666	Gas	10,395
	Combined	66,379	Combined	60,845
Total open repairs	4,760		4,581	
Open repairs by 'repair' type	Not recorded		Bwk/Plast	336
			Carpentry	1,316
			Damp	338
			Decorating	15
			Drainage	201
			Electrical	278
			Plumbing	658
			Roofing	882
			Block	61
			Misc	26
			Sub	293
			B/log	147
Number of repairs raised to a subcontractor	Not recorded		1,679	

Legacy HPG	2024/25		2025/26	
Complaints	Repairs	257	Repairs	191
	Gas	140	Gas	67
	Cumulative	1,000	Cumulative	833
Number of complaints raised as a % of repair demand	1.51%		1.37%	

Legacy WHG	2024/25		2025/26	
Total responsive repair demand	Repairs	33,461	Repairs	32,352
	Gas	-	Gas	9,025
	Combined	Not recorded	Combined	41,377
Same day repairs	Incl. gas	81.4%	Incl. gas	83.7%
	Excl. gas	80.6%	Excl. gas	82.6%
Total open repairs	1,289		697	
Open repairs by 'repair' type	Bwk/Plast.	146	Bwk/Plast.	109
	Carpentry	331	Carpentry	274
	Damp	267	Damp	6
	Decorating	14	Decorating	9
	Electrical	94	Electrical	67
	Gas	109	Gas	63
	Plumbing	97	Plumbing	72
	Roofing	112	Roofing	96
Number of repairs raised to a subcontractor	Not recorded		1,760	
Complaints	376		212	
Number of complaints raised as a % of repair demand	1.12%		0.65%	

Customer involvement

Across Housing Plus Group there are a number of ways for customers to influence and get involved with the business. This might be through focus groups, policy reviews or at community events. Engagement has influenced our services in a number of ways:

- Influencing the Development Strategy for new homes
- Influencing the Asset Management Strategy for programmed works and investment;
- Through Equality Impact Assessment feedback that shapes service improvements;
- Customer Engagement projects on Lettings and Domestic abuse; and
- The Repairs Review to shape our future repairs service

We also routinely undertake surveys to shape our service design and delivery such as on complaints handling, repairs and lettings. During this year we have also undertaken Impact Assessments to review the change that have been driven from customer engagement. During 2026/27 we will launch a new Customer Engagement Strategy which is designed to build upon our achievements and introduce new ways for customers to get involved, such as a Scrutiny Panel.

2023/24 saw the first publication of the Regulators Tenant Satisfaction Measures. In 2025/26, the legacy entities have conducted surveys across customer bases using various methods of communication. This approach was taken to enable consistency to track the progress being made against one of our four merger objectives; doing more for our customers and communities.

Legacy Wrekin Housing Group

The Tenant Satisfaction Measures have been collected through a 'census' approach from 1 April 2023. Telephone surveys were undertaken by a market research company, Pexel, who work with CX Feedback. From an Equality, Diversity and Inclusion perspective this also means that there are different ways to complete the survey. Wrekin's results have been 'weighted' by age. This was completed independently to bring additional assurance to the weighting process.

Legacy Housing Plus Group

A sample of customers are contacted to complete a telephone perception survey by Acuity, our contractor. Customers are also given the option to complete the survey in an alternative way, where needed. Acuity considers the type of home, such as retirement living or general needs, as well as the age of the customer and the area in which they live, to separate the tenants into groups. A random sample of tenants from each group is then selected, to make sure the feedback represents as many different customers as possible. The results are unweighted as this is achieved by taking a sample that is representative of the customer base.

Highlights

- Overall satisfaction with the Housing Plus Group is above the median benchmarking figure nationally.
- We were consistently above upper quartile benchmarking in all satisfaction measures for our Low Cost Rental Accommodation customers: Keeping properties in good repair, maintaining building safety, respectful and helpful engagement and responsible neighbourhood management. We know there is more work for us to do on the satisfaction of customers who live in our Low Cost Home Ownership homes

- We have made good progress on increasing satisfaction in key areas such as repairs and complaints handling from last year

Areas requiring improvement

- Customers who live in our Low Cost Homes are less satisfied when we compare with benchmarking and is an area of focus for us.
- Satisfaction with ASB handling is also lower than our targets, and action plans are in place to improve performance in the future.
- Dissatisfaction themes are predominantly around the repairs service (outstanding repairs and timescales to complete) and returning contact from customers, such as emails and calls.

The benchmarking in the tables below is the data that the RSH published for 2024/25 performance. Upper quartile is the top performance compared with other landlords, Median the middle and Lower the lower performing group.

The Group's performance against the new satisfaction measures for 2025/26 is as follows:

	HPG	Upper quartile	Median	Lower quartile
Overall satisfaction with services	83%	78.9%	71.8%	64.7%
Satisfaction with repairs	87%	79.6%	73.6%	66.8%
Satisfaction with time taken to complete most recent repair	86%	76.5%	69.5%	63.0%
Satisfaction that the home is well-maintained	80%	77.8%	71.9%	65.5%
Satisfaction that the home is safe	83%	82.9%	77.6%	71.8%
Satisfaction that the landlord listens to tenant views and acts upon them	75%	69.3%	61.6%	54.1%
Satisfaction that the landlord keeps tenants informed about things that matter to them	83%	77.3%	72.0%	65.9%
Agreement that the landlord treats tenants fairly and with respect	86%	83.9%	77.9%	72.6%
Satisfaction with the landlord's approach to handling complaints	47%	42.1%	35.5%	29.6%
Satisfaction that the landlord keeps communal areas clean and well-maintained	76%	72.8%	66.7%	60.7%
Satisfaction that the landlord makes a positive contribution to neighbourhoods	76%	71.7%	64.6%	57.7%
Satisfaction with the landlord's approach to handling anti-social behaviour	69%	66.4%	59.5%	54.7%

Performance against the RSH VfM metrics

The following tables provide details of our performance against the RSH's VfM metrics and future plans and targets over the next two years.

With the merger of Housing Plus Group and Wrekin Housing Group, a review of a suitable peer group has been conducted to ensure that the VfM metrics are compared against providers with similar stock and geographic characteristics. The new peer group consists of 16 housing associations with between 25,000 – 40,000 homes, in any region outside London, with a maximum of 20% of stock as supported housing and housing for older people, and a maximum of 5% stock with flats with at least seven storeys.

Reinvestment

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
7.3%	7.6%	8.8%	9.3%	10.8%

During 2025/26, the Group continued its significant investment in both the development of new homes and the maintenance of existing stock. Capital expenditure totalled £145.6m, comprising £106.3m invested in new homes and £39.3m in maintaining and improving existing properties. This level of investment remained above the average reported by the identified peer group in 2024/25, demonstrating the Group's ongoing commitment to enhancing the quality of its housing portfolio while increasing supply. Looking ahead, investment levels are forecast to increase further following the Board's approval of a new development strategy in December 2025, which targets the delivery of 3,500 additional homes over the next five years. This planned growth supports the Group's strategic objectives and is expected to deliver long-term value for customers and stakeholders.

New Supply (social housing)

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
1.6%	1.4%	2.0%	1.6%	2.1%

We built 662 new social homes in 2025/26 and plan to deliver 600 in 2026/27 as the first year of the new development strategy. The aim is that the Group will be delivering 3,500 new homes by 2031.

New Supply (non-social housing)

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
0.2%	0.2%	0.2%	0.0%	0.0%

Alongside our social housing development units, Housing Plus Group also builds units for market rent and outright sale. All units were for outright sale at the Wrottesley Park Development site which completed during the year. At present the Business Plan does not project the Group taking on any new outright sale development programmes.

Gearing

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
48.6%	62.0%	60.2%	61.1%	61.2%

The history of Housing Plus Group as a combination of LSVTs has meant that the Group's gearing ratio is higher than the sector average. However, the ratio

Strategic Report

is forecast to remain relatively stable as the new business continues to invest in its existing and new assets.

EBITDA MRI (interest cover)

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
86.6%	118.0%	88.9%	86.4%	107.2%

The business continues to outperform the sector and peer group average on the interest cover test even in the face of inflated costs and high interest rates. Following the merger, a strategic decision has been taken to increase investment in the stock base resulting in a two-year drop in interest cover in 2025/26 and 2026/27 returning to in excess of 100% in 2027/28. This is to ensure that our stock meets decent homes standards and we meet our commitment to fire safety standards.

Headline Social Housing Cost per Unit

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
£6,278	£5,166	£5,538	£5,990	£5,853

The Group's operational spend has continued to rise as inflation, particularly in terms of energy and salary costs, has taken effect. However, we have performed well when compared with the sector average, and we are confident that future levels will continue to fall at or below the sector average. In 2025/26 there were significant savings in back-office costs as the two legacy organisations came together streamlining processes and generating efficiencies. This was offset by a significant investment in

clearing the backlog of outstanding repairs at legacy Housing Plus Group which has had a positive impact on our customer base and reduced the number of complaints in this area.

Operating Margin Social Housing

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
21.8%	18.3%	18.8%	16.8%	22.1%

The impact of high inflation continued to erode the operating margin compared to peer performance from prior years. However, the efficiency savings targeted in the merger process should stabilise future margin performance.

Operating Margin Overall

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
17.2%	18.1%	18.2%	18.8%	23.5%

High interest rates on variable debt were balanced with sales income from asset sales above budget, to maintain an operating margin slightly above the peer group average from 2024.

Return on Capital Employed

2024/25 Peer group avg	2024/25 Actual	2025/26 Actual	2026/27 Budget	2027/28 Business plan
2.7%	3.8%	4.0%	3.9%	4.1%

Investment in the company's assets (new and existing homes) continued in 2025/26, and with a healthy operating surplus, this meant that ROCE exceeded budget and was also higher than the sector average. The plan projects that the ratio will continue to perform well when measured against the median.

Employer

During 2025/2026, Housing Plus Group employed around 2,000 colleagues across the Group. At year end, we employed 56 early careers apprentices, demonstrating our ongoing commitment to developing future talent and creating sustainable career opportunities within both our organisation and the communities we serve. This remains a key component of our ambition to be a great place to work.

Following the establishment of our purpose and behaviours in the previous year, our focus during 2025/2026 has been on embedding these across the organisation. We delivered our "It Starts with Me" workshops to colleagues across the Group, supporting the integration of our valued behaviours into day to day practice, strengthening collaboration and reinforcing a shared identity as one organisation. This underpins our strategic objective to deliver a unified customer focused culture and to be a vibrant and inclusive employer of choice.

During the year, we continued to progress the integration of the Group following the merger, including a review of service alignment to ensure our operating model supports the delivery of our 2025–2030 Corporate Strategy. This has included the development of a new benefits package and employment offer for the Group, designed to support attraction, retention and fairness across the organisation. We have engaged extensively with colleagues throughout this process through regular communications and pulse surveys, ensuring feedback has informed our approach and the support available.

Our Employee Voice Forum has remained an important mechanism for colleague engagement, providing a platform for feedback and contributing to the ongoing harmonisation of policies and practices. The Forum continues to support improvements that enhance the overall colleague experience and strengthen organisational cohesion.



Equality, Diversity and Inclusion remains central to our approach. During the year, we have continued to build our data and insight to better understand our workforce and the communities we serve. We are developing a new EDI strategy to support improved representation, inclusion and opportunity across the Group.

Social Value

Employment, financial resilience, skills, training, wellbeing and volunteer opportunities

Through our employability programmes we delivered group workshops and individual 1:1 support to 20 participants, achieving successful outcomes into work, training, work experience or volunteering. Customers engaging with our programmes are offered work experience with us or our partners to improve their CV and employment prospects. We have successfully supported 4 into work. In addition, we have worked in partnership with other local employment and training providers who have supported a further 7 of our tenants into work. Our employment & money advisors have also assisted 10 people into work, or a better more permanent job.

Our money advice teams have received 4,712 referrals and helped our customers to achieve £10.7m in positive financial outcomes, helping to sustain tenancies and improve their wellbeing.

In our role as a Cornerstone Employer we welcomed 150 work experience placements across the business, varying from occasional days, to a week, to a day per week for a full academic year. Staff supported 44 school careers events and workplace visits, with 25 staff volunteers dedicating 200 staff volunteer hours during the year and 158 students participated in school workplace visits and taster days.

Through our digital inclusion programmes we supported 117 tenants through 1:1 trouble shooting, skills and confidence building alongside fraud awareness sessions. We gifted 79 digital devices; 53 of these to tenants facing financial hardship, digital exclusion or those with accessibility needs; and 26 to local community partners such as a local special needs school, the Shropshire Good Food Partnership and East Shropshire Talking Newspaper. In addition to the devices we have gifted 43 free sim cards to tenants without access to the internet.



Over 9,700 customers every month have participated in activities in retirement living and extra care properties. 13,212 different activities have been held during the year, including fitness classes, gardening clubs, walking groups, reading clubs, singalong events, quizzes and craft and art groups to give just a few examples. These clubs and activities are run by staff and volunteers to contribute positively towards the health and well-being of our customers to ensure they stay fit, and socially active in their communities.

In addition to this, customers have access to a number of trips and events to keep retired customers socially active and create friendships. These included two holidays, numerous day trips to places of interest, musicals and pantos, as well as annual Christmas, Chinese new year and Halloween parties. Other events organised, include Boccia competitions, Men in Kitchens, annual Bake Off event, gardening competition to name but a few. In total there have been 107 organised trips and events with over 2,788 customers who have attended.

Through our development schemes we have supported 75 construction-based apprenticeships and 286 work experience weeks across our development sites.

73 HPG staff have participated in volunteering, logging 840 volunteer hours across the year. Our suppliers have also donated their staff time and £61,730 in social value funds to support various community initiatives including aspiration raising in primary schools, children and young people activities, foodbanks, charities and voluntary organisations and helping with labour and materials for community based projects.

Welfare, debt and energy advice

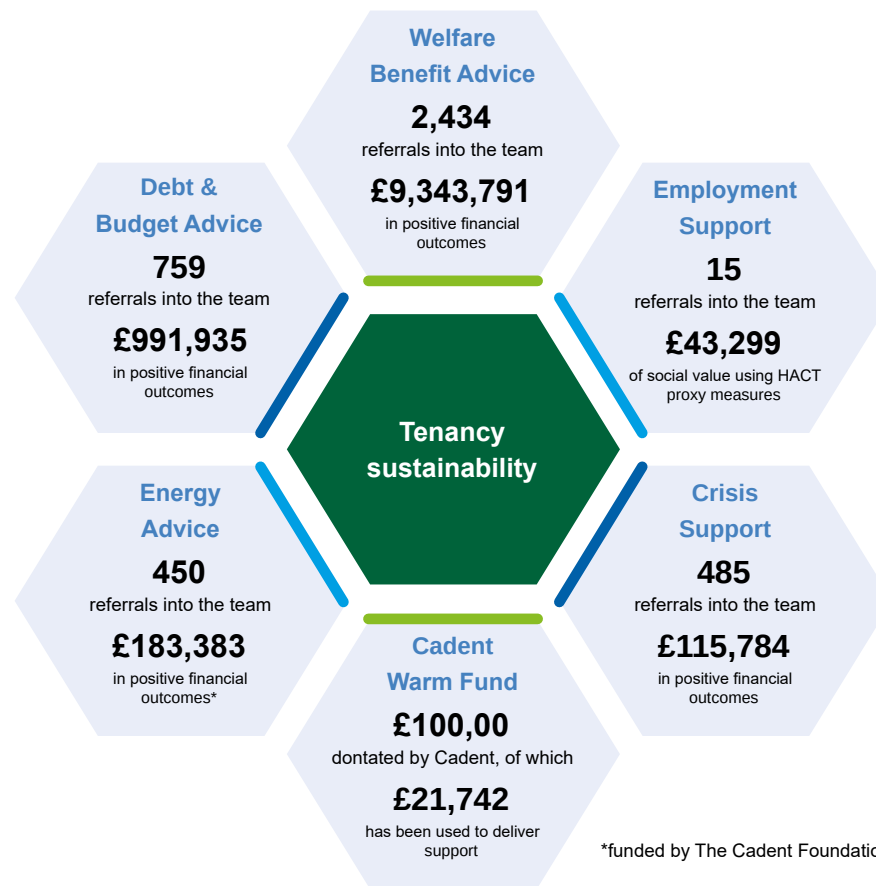
The Group remains committed to supporting its customers through a range of specialist services, including Employment, Money and Welfare Benefits Advice, Debt and Budgeting Support, and Energy Advice. The integration of services from the two legacy organisations has enabled the Group to extend its reach and deliver more consistent support across the wider customer base, one example being a second externally funded Energy Advice role.

These services play a critical role in promoting tenancy sustainability by helping to reduce tenancy failures, prevent evictions, lower arrears, and encourage more informed and efficient energy use — also contributing to a reduction in incidences of damp and mould.



In addition, donations from partner organisations, particularly the Cadent Foundation, have enhanced the Group's ability to provide targeted support through its Crisis Fund. This has been especially valuable during the winter months, when financial pressures on customers are often more acute.

Welfare, debt and energy advice achievements



Asset Management

At Housing Plus Group we are committed to providing homes that excel in safety, energy efficiency, and sustainability. During 2025/26, we invested £39.3 million in our existing stock. A comprehensive programme of stock condition surveys has been completed with 99.1% of the Wrekin stock and 88.2% of Housing Plus stock having had a stock condition survey within the last 5 years.

As of 31 March 2026, 87 % of legacy WHG stock and 80.4% of legacy HPG stock had an EPC rating of band C or above based on its last EPC, with the goal for all stock to meet this standard by 2028, two years in advance of the Government's statutory timescale. Our focus on quality and safety is reflected in our strong performance in all building compliance areas. Partnering with expert organisations, we continually review our building safety and damp and mould strategies to ensure they are effective and customer-focused.

During 2025/26 we have continued to develop our approach to managing damp and mould in homes. Whilst services are aligned post merger damp and mould data is still collated at the legacy entity level. As at 31 March 2025 our performance was as follows:

	Legacy HPG	Legacy WHG
Number of properties reporting damp and mould since 1st April 2025	2,907	1,610
Number of properties reporting damp as a % of stock	14.56%	12.6%
Number of properties that have reported damp more than once (year to date)	304	286
Number of properties that have had work completed	2,382	1,399
Number of vulnerabilities - high risk cases	772	826
Number of properties with an open repair commitment	349	286
Number of properties visited and have works in progress	168	257
Properties appointed but not yet visited	177	29

Compliance as at 31 March 2026

The Housing Plus Group maintained a strong and stable compliance position throughout 2025/26, achieving high levels of statutory compliance across all core building safety disciplines. Compliance performance remained consistently strong across the portfolio, with no evidence of systemic compliance failure identified during the year.

Areas of non-compliance remained low in volume, fully understood and subject to active operational management and mitigation. Performance challenges were concentrated within a small number of specific workstreams, predominantly driven by customer no-access issues, operational scheduling complexities and isolated repair dependencies.

Strategic Report

The Group continued to operate within, or above, its established risk appetite across the majority of compliance areas, supported by robust governance arrangements, effective contractor oversight and proactive escalation procedures.

Key Insights:

- Compliance performance remained high and stable across all core statutory safety regimes. No systemic compliance failures were identified during the reporting period.
- Non-compliance volumes remained low and were actively managed through established control frameworks.
- Performance pressures were concentrated within a limited number of operational areas rather than widespread across the portfolio.

Future Focus (2026/27):

- **Compliance Data and Systems:** Continued enhancement of CADRE as the Group's central compliance management platform, supporting improved reporting capability, data integrity and real-time compliance assurance.
- **Compliance Service Integration:** Completion of the integration of legacy compliance teams into a single Building Compliance function for the new Group structure. This will support improved consistency, clearer accountability, strengthened operational resilience and a unified approach to statutory compliance management across all business areas.
- **Procedure and Service Standardisation:** Continued alignment and standardisation of compliance policies, procedures, operational controls and service standards across the merged organisation to ensure consistency in compliance delivery, assurance and customer outcomes.

This table on the following page provides an overview of our compliance as at 31 March 2026.



Compliance Area	2025/26 Target	2025/26 Actual	2026/27 Target	Commentary
Gas Safety (Servicing)	100%	99.99%	100%	Four properties remained within formal no-access procedures at year end with no systemic issues identified.
Electrical Safety (Periodic Testing)	100%	99.71%	100%	Outstanding cases primarily related to operational scheduling, rewires, remedial works and tenancy support requirements.
Fire Safety (FRAs)	100%	99.68%	100%	Two cases remained with managing agents and one awaiting contractor documentation; all risks actively managed.
Non-Gas Heating Safety	100%	98.93%	100%	Performance impacted by a combination of access-related issues, QA revisits and a small number of specialist systems requiring follow-on actions.
Passenger Lifts (Thorough Examination)	100%	100%	100%	Full compliance maintained across communal lift inspection and servicing programmes.
Home Lifts (Thorough Examination)	100%	94.48%	100%	Majority of outstanding cases related to customer no-access, with a small number isolated pending repair completion.
Asbestos Management	100%	100%	100%	Full compliance maintained throughout the reporting period.
Water Hygiene (Risk Assessments)	100%	100%	100%	Full compliance achieved through ongoing monitoring and planned control measures.

Capital Structure

Housing Plus Group's activities are funded through a mix of bank loans, private placements, local authority loans and a corporate bond issued on debt capital markets.

As at 31 March 2026, we had drawn loans amounting to £1,056m with £67.5m available as agreed but undrawn funds.

Of those funds drawn, 68% were from fixed rate or hedged deals, and 32% were from variable rate revolver facilities. This ratio was in line with the Group's Treasury Management Policy guardrails.

On 19th August 2026 the Housing Plus Group completed on a refinancing project of the Group's bank loans. The financing covered a total of £961m in agreed facilities across five banking counterparties. As part of the exercise

£145m in existing facilities were refinanced through new deals. The result was that the Group's new facilities now stand at £1,303m, split by 68% through term funding (fixed and hedged), and 32% variable rate revolving facilities. This completion resulted in a net increase to facilities of £179m from the year end position. The weighted average maturity date of the new facilities is 13.2 years. The Group's counterparties (with which excess funds are deposited in mixed-term vehicles) are all traditional, high-street banks, with a triple-A credit ratings to ensure the safety of its assets.

The refinancing exercise was conducted with Housing Plus Group Finance Limited acting as the borrower on behalf named guarantors, Homes Plus Limited and Wrekin Housing Group Limited. As a result, the new Group funding structure allows the finance company to borrow money from the banks and capital markets on behalf of the Group, and can then on lend to Homes Plus and Wrekin as required on a back-to-back transaction basis, thus making no surplus on intragroup borrowing terms. Wrekin has retained the 2019 own name bond within the business, but now draws all other funding from Housing Plus Group Finance Limited. Similarly the M&G/Aviva private placement, and Shropshire Council loan still reside within Homes Plus as the borrower.

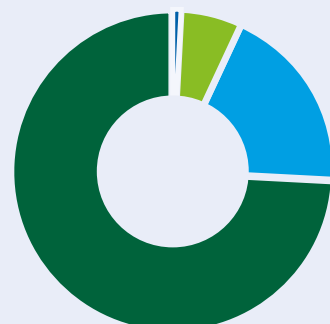
The total Housing Plus Group funding portfolio is now represented as follows:

Facility mix



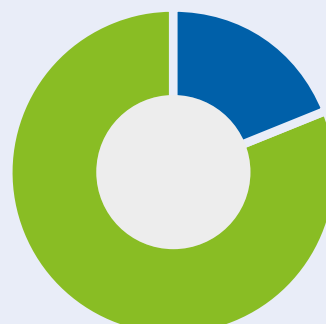
Variable rate	32%
Fixed and hedged rate	68%

Funding sources

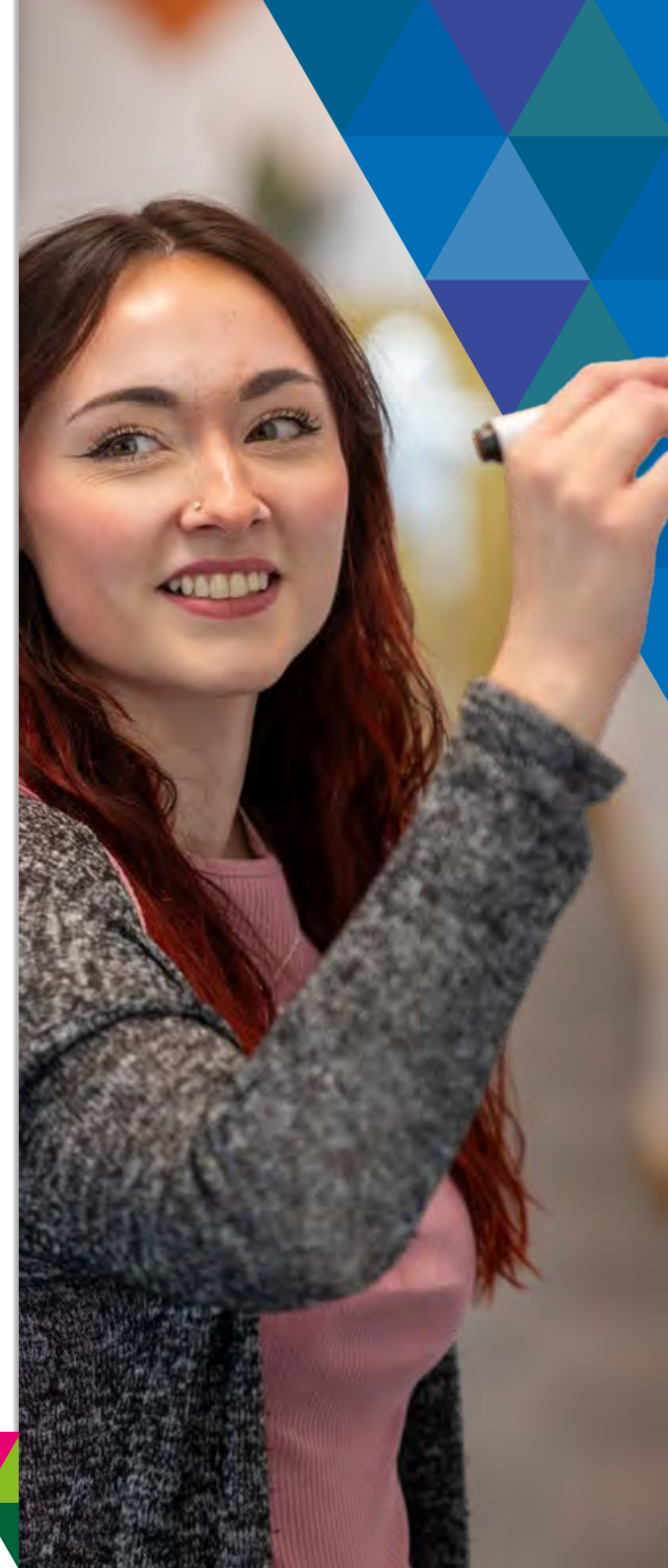


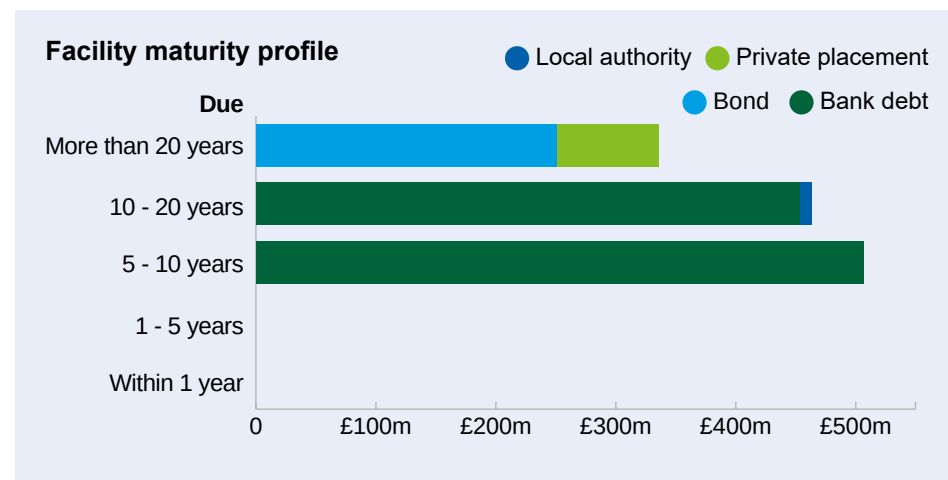
Local authority	1%
Private placement	6%
Capital markets	19%
Bank debt	74%

Debt capacity



Committed but undrawn	19%
Drawn	81%





Covenant compliance

The business complied with all of its loan covenants during the year and at the year end. It also complied with the internal golden rules, set up by the board in its approved treasury management policy, which are tighter than the actual loan covenant requirements. This is to ensure that the organisation always has a significant amount of headroom over and above the required compliance levels. This should enable the business to deal with negative economic impacts that might adversely affect its financial performance without triggering an actual covenant breach.

The tightest covenant performances for the year to 31 March 2026 across the Group (against the terms in place at that date) were as follows:

- Interest Cover (EBITDA only) – 195.8% against a target of 130% and a golden rule of 150%
- Gearing – 46% against a ceiling of 65% and a golden rule of 60%

- Net Debt per Home - £22,397 against a target of £30,000 and a golden rule of £25,000

The new covenant definitions are based on the combined performance for Wrekin Housing Group Limited and Homes Plus Limited. For the year to 31 March 2026 those results were as follows:

- Interest Cover (EBITDA only) – 261% against a target of 120% and a golden rule of 140%
- Gearing – 49% against a ceiling of 70% and a golden rule of 65%

Economic uncertainty

Housing Plus Group is currently operating in an economic environment that is volatile, uncertain and complex. Conflict around the world continues to affect the UK economy, and although bank rates had begun to fall during the year, the impact of those conflicts means that the markets expect it to rise again over coming months. Similarly, inflation remains above the Bank of England target, and growth remains elusive. That volatility in the world economy has translated into higher borrowing costs and uncertainty about future economic trends for the Group, presenting a certain level of financial risks in both our planning and performance.

There are limited ways in which the Group can remove the underlying causes of these risks, given that they are world-wide issues, but the business remains active in financial risk management where we can have an impact. In 2025 the Government announced a significant level of funding and support for the Social Housing sector, including £39bn in development grants, the prospect of low interest rate funding, rent convergence opportunities and a rent settlement for 10 years at CPI+1%, all of which are welcome and reflected in our financial projections.

Stress testing the financial plans has shown that there is a high degree of financial resilience in our activities particularly post-refinancing, and we are able to manage sustained, extreme and multi-faceted sequences of negative events. Around 68% of our loans are long-term fixed or hedged rate loans. The group is also actively managing procurement and contracts to ensure inflation is controlled as far as possible and costs are kept low. Asset Management and Development teams are proactive in identifying contractors that could be in financial jeopardy, moving quickly to secure our assets and support them where it is sensible to do so.

The impact on customers is also managed closely with the Money Matters Team working to identify and engage early with customers who are likely to be suffering financial difficulties. We signpost such customers to organisations that can help, or provide customers with training and support to get back into employment. Managing customers who are in arrears or likely to go into arrears is also a key part of our management of risk and has proven successful in the past.

Going concern

After making enquiries, the Group Board has a reasonable expectation that Homes Plus has adequate resources and no material uncertainties to continue in operational existence for the foreseeable future. In making this assessment, the Board have considered the period to 30 September 2027. For this reason, it continues to adopt the going concern basis in the financial statements. The principal factors that the Board have considered in determining that the going concern basis of preparation remains appropriate are as follows:

- Since 31 March 2026 the Group has completed a refinancing exercise, increasing the financial capacity of the business. HPG has loan and bond facilities totalling £1,303m. The year-end drawn balance was £1,056m, meaning the Group has headroom of £247m. We have a long-term

business plan which shows that the remaining undrawn amount will be used to repay maturing debt and fund the development programme during the period through to at least 30 September 2027. At all times during that forecast period, HPG has cash in hand of at least £15m.

- The business plan also shows that HPG is able to service these debt facilities whilst continuing to comply with lenders' covenants.
- As at 31 March 2026 HPG has a net current asset position of £21m.
- HPG's new covenant terms are tested on the combined financial results of Homes Plus and Wrekin, resulting in significant levels of financial capacity and resilience.
- A comprehensive set of stress tests have been run on the Business Plan that pushes the forecast to breaking point to ensure the Board better understands the key drivers. Building on the current tough economic environment, these stress tests explore the vulnerability of the business to a range of factors arising from different scenarios, including reduced income, increased costs, reduced availability of funding and a downturn in the property market. Mitigating actions have been identified for all of these scenarios, such that, post-mitigation, covenant requirements are met. A range of actions are available to HPG, including modifying the development programme to match with available funding should one of the scenarios materialise, and managing the level and timing of expenditure to offset adverse impacts on Wrekin's operating surplus.
- The business plan includes investment in our homes to bring the EPC standards up to level 'C' by 2030 and meet Net Zero Carbon by 2050, which will meet the government targets for the sector. In addition, the Plan includes a 5% increase on the planned programme to ensure the group is able to invest more in our homes than is required. This 5% buffer also provides headroom in the event of financial stress to reduce operating expenditure if required.

Development continues in the projection to 2031, delivering an estimated 3,500 new additional homes. The cost assumptions for this activity were stress tested and the business as the financial capacity to deliver this within current covenant terms.

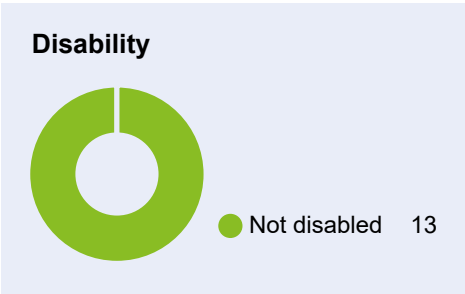
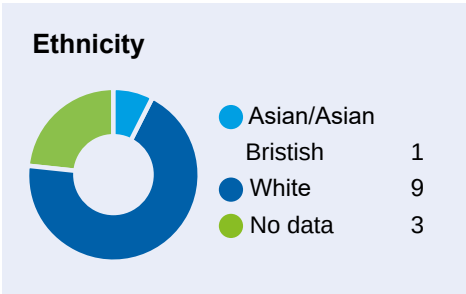
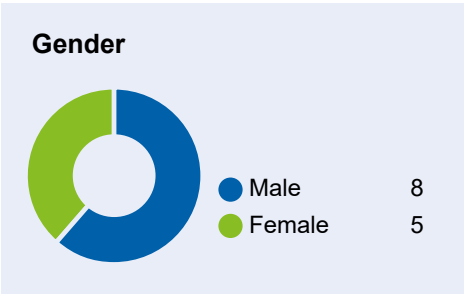
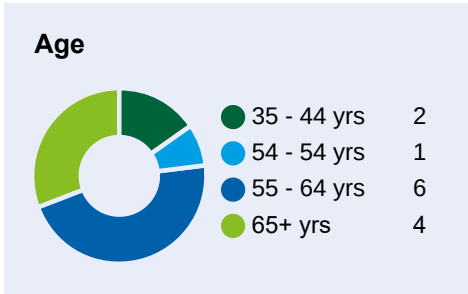
Governance

In accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 and the Housing SORP 2018, the remuneration of all board and committee members who served during the reporting period is disclosed below. Some individuals, listed in the table to the right, ceased to serve as board members during the year. The table also includes independent committee members.

Non-executive board member remuneration

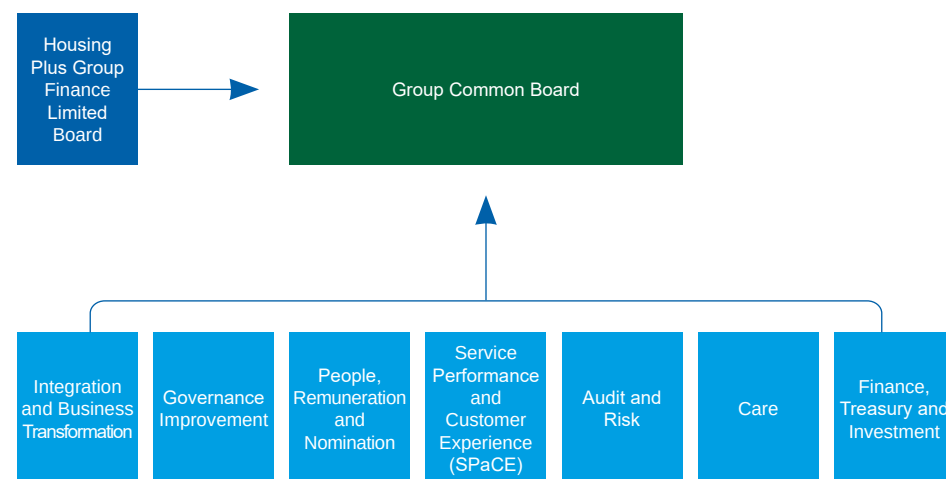
	£'000		£'000
Graeme Betts	16	Alan Hawkesworth	16
Andrew Burns	18	Kevin Morgan	5
Louise Burns	16	Dinesh Muruges-Warren	5
Jason Burt	10	Rosalind Preen	10
Catherine Dass	19	Paul Riley	10
Geraldine Emson	4	Sarah Watson	13
Enise Goring-Piskin	5	Simon Whitfield	16
Deborah Griffiths	19	Adrian Wood	4
Helen Hackney	10	Alan Yates	16
		Total	212

A summary of the diversity of the Board as at 31st March 2026 is shown below:



Board and Committee Structure

Following a governance review in November 2025, approved by the Group Board in December, the structure is now 9 Boards and Committees, as below:



- The Growth & Development Board's responsibilities were moved into the combined Finance, Treasury and Investment Committee thus streamlining arrangement and benefitting from synergies. The Group Care Board became a committee although the Members retain their legal directorship of the care companies, same as those Members who were on the Growth & Development Board for the commercial subsidiaries.
- In addition, the Governance Improvement Committee was created (to oversee ongoing governance changes to reflect the new Group) which is time-limited like Integration & Business Transformation.
- Each Board and Committee has its own Terms of Reference. Boards

comprise Group Board Members/Independent NEDs and some EMT Members, and Committees either Group Board Members only or Group Board Members and Independent Committee Members.

Boards

Group Board: The Group Board is the co-terminous Board acting as the Group Parent Board and the Board of each of HPG, WHG, and Homes Plus Limited. The Board shall be comprised of between 5 and 12 members (including co-optees). The Group Chief Executive is a Board member.

Housing Plus Group Finance Limited (HPGFL) Board: The Board shall be comprised of at least 2 and no more than 7 members (including co-optees) and shall be appointed by the Group Board. HPGFL is the Group's treasury vehicle.

Committees

Service Performance and Customer Experience Committee: To ensure customers are at the centre of the Group's work and provide robust oversight of Group strategy for service delivery, and performance. To provide assurance to the Group Board that the Group is complying with regulatory and legal requirements in relation to customer service, responsive repairs, and the appropriateness of decisions that affect the lived experience of customers and communities. To review and approve customer facing policies not reserved for the Group Board, facilitate appropriate customer insight, voice and influence in the strategic and operational running of the organisation. To have oversight of complaints.

Audit and Risk Committee: To ensure that systems of internal control, assurance and risk management are appropriate and effective. To provide the Group Board with assurance that legal, statutory and regulatory requirements of the Group are properly audited and reviewed. To ensure appropriate Board and Committee oversight of risks and issues relating to the Group's activity. On behalf of the Group Board, to hold the relationship with internal and external Auditors.

People, Remuneration and Nominations Committee: To oversee the Group's People strategy and related key policies, ensuring it supports the fulfilment of corporate organisational objectives. To oversee and support the Group Board in embedding an inclusive culture and maintaining excellent governance through skills, experience and behaviour-based recruitment and succession, determining remuneration of Board and Executive, regularly monitoring effectiveness and recommending enhancements to governance.

Finance, Treasury and Investment Committee: To oversee financial strategy and performance and support the Group Board in maintaining financial viability. To recommend, oversee and implement the Group's funding plan, including the mitigation and management of risk and oversight of investment. To oversee the pensions strategy implications from a financial strategy, liabilities and implications perspective aligned to the Group review of total reward.

Integration and Business Transformation Committee: To oversee the delivery of the partnership integration plan, the intended early value creation of merger, the early efficiency savings and the creation of a solid platform for future business transformation (in operation for up to 24 months following the creation of the new Group).

Governance Improvement Committee: To provide oversight of the continuous improvements to the corporate governance framework during integration,

making recommendations to the Group Board and providing additional assurance that governance arrangements are effective, compliant and fit for purpose

Board Effectiveness Review

In line with the requirement of the Group's adopted Code of Governance (NHF Code of Governance 2020), the Group Board commissioned and received the outcome of its triennial external independent board effectiveness review which concluded that governance is effective and improving with opportunities for further development. The review identified several actions to further strengthen governance at the Group mainly around membership & structure, leadership, meetings management and decision-making & process, the details of which were shared in an Action Plan presented to and approved by the Group Board.

Risk Management and Risk Assurance

Risk management plays an integral part in the governance and management of Housing Plus Group (HPG) at a strategic and operational level. It is a central part of the strategic planning and decision-making process. Risks that could affect HPG's medium to long term goals are considered as strategic risks. Risks that are encountered in the day-to-day delivery of services are considered as operational risks. The process of risk management applies to both strategic and operational risks and all operational risks are identified as sitting within a strategic risk. HPG's Risk Management Framework provides a comprehensive and structured approach to the management of risk across the organisation.

HPG operates a five-step risk management process which is aimed at identifying potential issues early, allowing for proactive mitigation to achieve our strategic objectives:



The Group Board has overall responsibility for risk management and is responsible for establishing and maintaining an effective system of internal control. The Board approves the Risk Management Framework, sets the risk appetite on an annual basis and approves the Strategic Risk Register. The Board also monitors and reviews the effectiveness of the corporate risks and controls to support the business strategy.

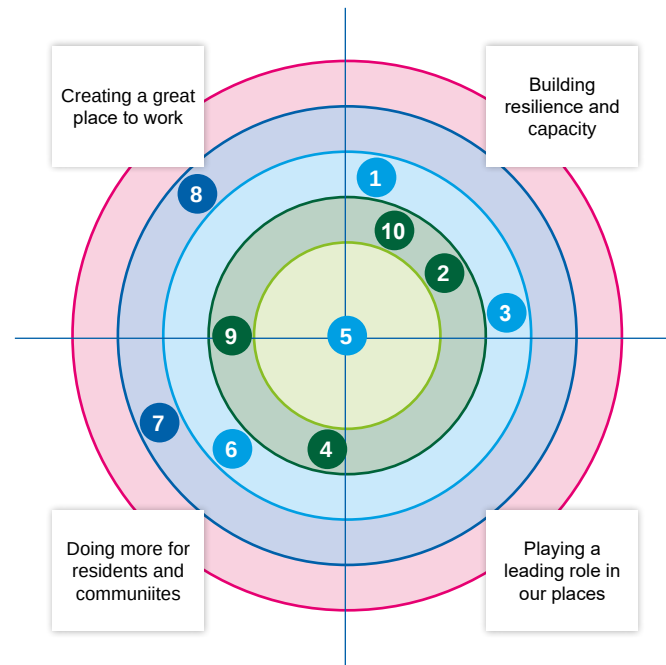
The Audit & Risk Committee assist the Group Board through reviewing the effectiveness of risk management arrangements and the system of internal control. This includes ensuring compliance with legal, statutory and regulatory

requirements, providing assurance to the Group Board that controls are operating effectively and that risks are being managed within the Board's risk appetite across all subsidiaries.

Risk Appetite

The Group Board reviewed its Risk Appetite Statement and Risk Appetite Levels in March 2026 and the Risk Appetite Statement is embedded within the Strategic Risk Register. In this way, the statement of risk appetite influences the decisions taken by the Group while setting out the level of risk that we are prepared to take, and accept, as we deliver our corporate strategy, plans and day to day operations. The Board has set a defined risk appetite level for each of the 10 strategic risks:

Adverse	We avoid any risk exposure in achieving our objectives.
Minimal	We take an ultra-safe approach to achieve our objectives, leading to only minimum risk exposure as far as practically possible.
Cautious	We accept that there will be some risk exposure in the activities that we undertake to achieve our objectives. These risks will be carefully managed.
Open	We are willing to consider all potential options and choose one that is most likely to result in the successful delivery of our objectives, recognising there could be a high risk exposure.
Hungry	We are eager to be innovative when achieving our objectives. We will seek options based on maximising opportunities and benefits, accepting a greater level of uncertainty.



Risk Theme	Risk Appetite Level	March 2026 Risk Score	Status
1 ICT / Cyber Security	Cautious	Open	Outside of Risk Appetite
2 Data	Minimal	Open	Outside of Risk Appetite
3 Finance and Treasury	Cautious	Cautious	
4 Customer Service Delivery and Engagement	Minimal	Cautious	Outside of Risk Appetite
5 Merger and Integration	Cautious	Cautious	
6 Asset Management	Cautious	Cautious	
7 Development, Growth and Sales	Open	Open	
8 Recruitment and Retention	Open	Minimal	Within Appetite
9 Health and Safety	Minimal	Minimal	
10 Regulatory Compliance	Minimal	Minimal	

As at March 2026, six risks were operating at the Board's agreed appetite level, one was below appetite level and three were outside of the Board's risk appetite level. The Audit & Risk Committee and Group Board closely monitor the risks that are operating outside of risk appetite level. Deep Dive Risk Reports are scheduled to take place to provide assurance about the management of these risks and how they will be brought back within the agreed appetite level.

ICT/Cyber Security: The IT Roadmap currently being delivered will consolidate the legacy systems and bring this risk back within appetite within the year.

Data: A Data Management Strategy has been created to deliver improvements in the group's collection, storage, handling and usage of data to help deliver the Group's ambitions. Achieving that aims of the strategy will also bring this risk back within appetite.

Customer Service Delivery and Engagement: The service realignment plans, including the move to a regional model of service delivery, will provide the improvements to the customer experience that will reduce the Group's exposure to risk in this area.

The Group Board continues to keep its risk appetite under review and, with input from the Audit & Risk Committee, does so on at least an annual basis. Despite the annual review, a dynamic approach to risk appetite is adopted and the Board can amend its appetite to respond to internal and external factors at any time.

Strategic Risks

The Board actively manages risks faced by the organisation and obtains robust assurance that controls are effective. This is obtained through our internal auditors and other third party and external sources of assurance. We are not complacent about how we manage risks and we closely monitor new and emerging risks through regular reviews of sector intelligence, including the RSH's Sector Risk Profile, and emerging risk reporting. Non-Executive Directors, the Executive Team, Directors and the Risk Moderation Group significantly contribute to this and in December 2025, data was identified as a new strategic risk. This reflects the importance of having robust, accurate and complete data to inform decision making across the organisation so that excellent services can be delivered to our customers and staff. HPG has developed a two-year Data Road Map to ensure that risks associated with data are managed and minimised. This is closely monitored by our Committees and Executive Team.

The ten strategic risks, detailed on the following pages, are reported at every Board and Audit & Risk Committee meeting.

Risk theme

1 ICT / Cyber-Security

Risk description

Failure to design, implement and operate robust and effective plans, systems and infrastructure damages the resilience of the business, planned enhancements to service delivery and protecting the company assets.

Controls

- Mandatory use of multi-factor authentication
- Device and Data Encryption
- Email threat, Analysis, Block and Quarantining
- Security Penetration Testing
- Mandatory Cyber-Security, GDPR, Fraud Awareness and Data Protection Training
- Suite of ICT, GDPR and Information Security Policies

2025/26 changes

- All legacy housing management systems migrated to one single system
- Interim IT Strategy 2025-2027
- Group wide Friendly Phish Exercises with targeted, refresher training identified

Risk theme

2 Data

Risk description

Failure to ensure and effectively use complete, accurate and transparent data leads to ineffective decision making, regulatory intervention, inadequate customer experience, decline in performance and reputational damage.

Controls

- Assets & Liabilities Registers
- In-house Stock Condition Surveys
- Customer Consultation and Feedback Mechanisms
- Complaints Monitoring and Reporting

2025/26 changes

- Implementation of the Data Road Map
- All legacy housing management systems migrated to one single system
- All Property data available in one housing management system
- Performance Reporting Framework
- Review of Group Board Metrics Pack

Risk theme

3 Finance and Treasury

Risk description

Substandard financial planning and/or management leads to a lack of resources to meet obligations and poor controls that lead to a failure to deliver core business services and strategic plans in the short, medium or long-term.

Controls

- Stress Testing
- Golden Rules and Triggers
- Income Management and Performance Management Framework
- Budget and Business Plan Monitoring
- Management Accounts
- Stock Condition Surveys
- Suite of Finance and Treasury Policies

2025/26 changes

- Approval and Delivery of the Treasury Strategy
- Consolidated Value for Money Strategy
- Group Financial Regulations
- Procurement Strategy
- Standard and Poor (S&P) and Fitch Credit Ratings

Risk theme

4 Customer Service Delivery and Engagement

Risk description

Inadequate customer engagement and service delivery negatively impacts on our customers experience and our ability to achieve the Group's Vision and Strategic Plan.

Controls

- Customer Satisfaction Surveys
- Complaints Monitoring and Reporting
- Staff training – Safeguarding and Complaints
- Quality Assurance Framework
- Customer Feedback Mechanisms
- Equality Impact Assessments / EDI Assurance Reviews

2025/26 changes

- Approval of key customer facing policies by the Group Board and Committees – Allocations and Lettings Policy / ASB Policy / Good Neighbourhood Management Policy / Complaints and Feedback Policy / Hate Related Behaviour Policy
- Full Repairs Service Review
- 'It Starts with Me' customer care training

Risk theme

5 Merger and Integration

Risk description

Failure to adequately plan for, and deliver against, the strategic objectives of the merger lead to impaired customer service and experience, insufficient financial benefits or a poor place to work for colleagues.

Controls - 2025/26

- Implementation of one Housing Management System
- Regular Staff and Customer Communications
- Pulse Surveys (staff) and Customer Engagement / Feedback opportunities
- Integration Plan (monitored by the Executive Team and Integration Committee)
- Board and Committee Terms of Reference
- Service Re-Alignment Programme
- Corporate Strategy 2025 – 2030
- Approval of key Strategies: Asset Management Strategy / Interim IT Strategy / Value for Money Strategy / Care Strategy / People Strategy / Development Strategy / Risk Management Framework.

Risk theme

6 Asset Management

Risk description

Failure to manage assets effectively and provide decent and sustainable homes for our customers leads to poor customer service, regulatory intervention, damage to reputation and an inability to deliver our strategic plan.

Controls

- Asset Renewal Working Group
- Monitoring against Budget and Business Plan
- Stress Testing
- In-House Stock Condition Surveys
- Customer Satisfaction Surveys
- Contractor Performance Monitoring and Contract Register

2025/26 changes

- Asset Management Strategy 2026-2031
- In-house Stock Condition Surveys
- Asset Renewal Policy
- Health and Safety Compliance Policies

Risk theme

7 Development, Growth and Outright Sales

Risk description

Internal and external factors create an inability to build new homes that are the right product type for our customers, to regenerate sites and to sell properties at the right values. This results in financial loss and makes it harder to deliver the business plan and our strategic objectives.

Controls

- Development Monitoring Reports
- Weekly Development Pipeline Meetings
- Credit Checking Report
- Budget and Business Plan Monitoring
- New Homes Operational Group
- Monitoring and Assessing Market Conditions
- Quarterly Review Meetings with Homes England
- Appraisal Assumptions
- Contractor Performance Monitoring

2025/26 changes

- Counterparty Risk Policy
- Development Strategy 2026 – 2031

Risk theme

8 Recruitment and Retention

Risk description

The Group fails to recruit, retain and develop good employees and Board members which affects our ability to deliver core services, maintain compliance and deliver business objectives.

Controls

- Periodic review of pay and conditions
- Mandatory and Compliance Training
- Employee Assistance Programme (EAP)
- New Starter / Leaver Surveys
- Employee Skills Competencies and Behaviour Framework
- Applicant Tracker System
- People Key Performance Indicators (KPI's)
- Membership of Professional Bodies

2025/26 changes

- Service Re-Alignment Programme
- HPG People Strategy 2026 – 2030
- HPG Corporate Induction
- HR, Payroll and Learning Management System Reviews
- Review and streamlining key People Services Policy
- 'It Starts with Me' Customer Care Training
- People Data Report to the People, Remuneration and Nominations Committee

Risk theme

9 Health and Safety

Risk description

Inadequate health and safety measures, processes and systems put customers, service users, staff and the general public at risk, leading to injury or death, prosecution, regulatory intervention, financial loss and damage to our reputation.

Controls

- Safeguarding Reporting
- Morgan Lambert, Corgi and Pennington Choices Third Party Auditing Programme
- Compliance Contracts
- RIDDOR, Near Miss and Accident Reporting
- Building Safety Cases – High Rise Buildings
- Health and Safety Training
- Competence Framework
- Site visits, inspections and file reviews

2025/26 changes

- Corporate Health and Safety Policy approved by the Group Board
- Health and Safety Compliance Policies
- HPG wide Consolidated Performance Reporting Scorecard
- Building Compliance and Safety Reporting
- Migration of Health & Safety Compliance Data to the Housing Management System

Risk theme

10 Regulatory

Risk description

Inability to operate within regulatory and legislative requirements or to engage with stakeholders results in harm to customers, financial damage, loss of reputation or prosecution.

Controls

- Adoption of, and full compliance with, the NHF Code of Governance
- Adoption of the NHF Code of Conduct
- Standing Orders
- Internal Control Framework
- Probity / Fraud Reporting to the Audit & Risk Committee
- Compliance Calendar
- Mandatory e-learning (GDPR / Whistleblowing / Safeguarding / Fraud Awareness)
- GDPR Working Group

2025/26 changes

- Review of Board and Committee Terms of Reference
- Governance Improvement Plan
- Suite of Governance Policies approved by the Audit & Risk Committee and Group Board – Whistleblowing Policy / Anti-Fraud, Bribery, Corruption and Money Laundering Policy / Board Member Policy / Declaration of Interests Policy
- External Board Effectiveness review completed

Health and Safety

The Board is acutely aware of its obligations in all aspects of health and safety. The Board prioritises the health and safety of residents, service users, personnel, and contractors and it takes a “zero tolerance” stance to non-compliance.

The Housing Plus Group has developed extensive health and safety policies and procedures, analyses risk assessments on a regular basis, and ensures that any required actions resulting from those risk assessments are carried out. We provide suitable health and safety training and instruction to our employees, and have received a number of accolades in recognition of our commitment to high standards in this area.

The Board receives performance information in respect of landlord health & safety compliance through the Tenant Satisfaction Measures, Metrics Pack and assurance from the Chair of Service Performance and Customer Experience Committee. In addition, the Audit & Risk Committee receive the findings of audits conducted by independent third-party specialists and provide assurance to the Board.

Business performance

Statement of Comprehensive Income

	2026	2025	2024
	£m	£m	£m
Turnover	261,061	246,254	229,870
Cost of Sales	(15,787)	(13,008)	(13,257)
Operating Costs	(197,753)	(188,707)	(168,477)
Gain on disposal of housing properties	24,991	15,900	14,982
Movement in fair value of investment properties	(802)	782	883
(Loss)/gain on revaluation of investment properties	-	(753)	-
Operating surplus	71,710	60,468	64,001
Profit from the disposal of operations	-	300	-
Net interest costs	(40,942)	(38,489)	(40,390)
Taxation	116	(130)	(447)
Surplus/(deficit) for the year	30,884	22,149	23,164
Actuarial gain/(loss) in respect of pension schemes	15,108	18,833	9,438
Effect of Asset Ceiling	(8,308)	(18,027)	(82)
Gain /(loss) recognised in fair value of hedged financial instruments	118	980	-
Total comprehensive income for the year	37,802	23,935	32,520

Statement of Financial Position

	2026	2025	2024
	£m	£m	£m
Housing properties	1,707,140	1,608,000	1,534,027
Investment properties	41,147	41,908	42,940
Other fixed assets	10,943	11,352	16,735
Long term debtors	965	694	27
Pension asset	7,630	-	-
Net current (liabilities)/assets	20,907	(74,585)	14,065
Long term creditors	(1,336,051)	(1,171,559)	(1,214,443)
Pension (liability)	(1,663)	(2,291)	(3,410)
Reserves	451,018	413,519	389,941

The Group reported an operating surplus of £71.7 million (2025: £60.5 million), with the majority of business areas contributing positively to the overall result. Following the successful completion of the merger on 6 January 2025, the Board approved a strategic significant investment in the routine repairs service to address a legacy backlog of outstanding repairs within the former Housing Plus Group. This investment has continued throughout 2025/26. While this investment had a material financial impact, it resulted in a significant reduction in complaints, improved tenant satisfaction, and enabled the resolution of a substantial volume of outstanding, repair-related complaints and reduction in the backlog of works.

Post-merger, the Group engaged independent consultants, Waterstons, to undertake a review of its business management systems. At the time of the merger, legacy Housing Plus Group had been engaged in a long-term project to consolidate its housing management systems into a single platform

(‘One HMS’). After four years, this project had not delivered the expected outcomes. Waterstons recommended adoption of the CADRE system — the housing management system in use by the former Wrekin Housing Group — as a fit-for-purpose solution for the newly merged organisation.

The Board endorsed this recommendation, and work commenced on the phased migration of legacy Housing Plus systems to CADRE. This programme was expected to conclude by September 2026, at which point data from all three legacy systems will be integrated into CADRE. With dedicated resource from the ICT team and as the CADRE system is an in-house system, the migration of the three legacy systems was completed some six months ahead of schedule in April 2026.

The increase in turnover is largely due to the application of the 2.7% rent increase combined with the additional units delivered through the development programme. 662 new units were delivered for rent in 2025/26.

Property disposals through the Group’s Asset Renewal Strategy remained buoyant throughout the year with average sales values being higher than anticipated in the business plan. The Group disposed of 181 (2025: 118) properties through the strategy generating receipts of £22.1m (2025: £12.3m). Following a slight dip in property disposals under the Right to Buy (RTB) and Right to Acquire (RTA) schemes in 2023/24 and 2024/25, there was an increase in the number of sales in 2025/26 with 57 sales completed under RTB (2025: 38) and a further 17 sales under RTA (2025:13).

The Bank of England base rate of interest fell during the financial year from 4.50% to 3.75% by March 2026, whilst inflation pressures also eased throughout the year. However, this was against a backdrop of conflict in the Middle East and rising inflationary pressures in the UK, meaning that the likelihood of future interest rate rises has been included in our planning. The

business completed a major refinancing deal in August 2026, with deals to increase the Group's facilities, extend the maturity of the revolving credit facilities and hedge some of that debt where required. These were all agreed with margins above the SONIA rate. SONIA is a rate of interest separate from the Bank of England's base rate of interest, and is calculated as the average interest rates that banks pay to borrow sterling overnight from other financial institutions and large institutional investors. During 2025/26 it fell from around 4.5% to 3.7% over the course of the financial year.

After net funding costs of £40.9m, the Group achieved a surplus on ordinary activities before taxation of £30.8m.

Total comprehensive income for 2025/26 of £37.8m includes actuarial gains on the pension scheme of £15.1m (2025: £18.8m) resulting from changes to assumptions based on economic market indicators as at 31 March 2026. The accounting valuation at 31 March 2026 resulted in a net asset position of £86.4m (2025: £47.8m), however management have affected an asset ceiling for those schemes in surplus in the value of £80.4m (2025: 50.1m) in accordance with the requirements of FRS102. The effect of the movement in Asset Ceiling was £8.3m (2025: 18.0m) A full triennial valuation of the scheme was completed in March 2025 and the next is due later in 2028. More details are disclosed in Note 27 of these accounts.

The principal movement in the Group's balance sheet relates to the net increase in housing properties of £99.1m. A total of 662 new rented homes were completed during the year securing £28.9m of Homes England grant funding. The Group capitalised £39.3m of investment in its existing stock. Work continues to ensure all stock is rated EPC band C or above by 2027.

Social Housing Lettings

Our operating margin on social housing lettings was 18.8% (2025: 18.3%). Although cost inflation was managed through efficiencies and the rent uplift, the Group took a strategic decision to invest heavily in its routine maintenance to clear the backlog of repairs within Homes Plus. An additional £9.7m was spent which resulted in:

- **A reduction in backlog and improved customer outcomes**
The increased level of repairs activity has materially reduced historic backlogs, improving responsiveness and overall customer satisfaction with the repairs service.
- **Significant strengthening of the building safety position**
By year end there was a substantial reduction in the number of homes without an indate electrical safety test (less than five years), alongside the completion of additional fire safety works. This represents a marked improvement in the Group's overall building safety compliance position.
- **Enhanced delivery of capital investment to homes**
Delivery exceeded original assumptions, helping reduce customer's fuel bills and increasing the delivery of Decent Homes. This included:
 - » An additional 51 full energy efficient retrofit works
 - » 275 homes fitted with new energyefficient windows
 - » 24 kitchens installed
- **Retention and reletting of longterm void properties**
Increased investment enabled a higher number of longterm void homes to be brought back into use rather than disposed of, supporting future rental income.

Strategic Report

Following the merger with Wrekin Housing Group, the business has embarked on an efficiency drive to create a recurring £6m annual operating cost saving by 2028. In addition, the business has a commitment to driving efficiency through its value for money strategy in all activities.

Non-social housing activity

The Group undertakes two areas of significant non-social Housing activity covering care services to residents of our residential care schemes, and the sale of homes. The Care services cover 13 residential schemes which are all regulated by the Care Quality Commission. Homes are sold through build-for-sale schemes and also our Asset Renewal Strategy where the aim is to sell our financially underperforming or older homes as they fall vacant, and then reinvesting the proceeds in new homes from the development programme. The build for sale activity is currently all associated with one scheme, Wrottesley Park in Wolverhampton, which is due to complete in 2027.

Other non-social housing income relates to lettings of market rent homes, garages and commercial spaces.

Environmental, Social and Governance Reporting

The group is committed to operating sustainably for our customers, communities and stakeholders. The 2026 ESG report demonstrates the success and impact the larger Group is now having in those areas, contributing over £93m in social impact value in our communities during the financial year. This includes our work on environmental sustainability through insulating homes, building new homes, improving communal garden areas, supporting those in financial hardship, training and educating customers to get them back into work, offering support services to the elderly, and many other ways.

The Group has a Net Zero Strategy as part of the Asset Management plans, and aims to deliver homes that meet the government's 2030 minimum energy efficiency target, 3 years earlier in 2027. To that end over £12m in grant funding has been secured in 2025 to support the investment needed. In addition, the Group is already planning how to deliver net zero carbon targets across its homes by 2050, including budgeting for the investment required.

Housing Properties

At 31 March 2026, the Group owned 33,170 housing properties (2025: 33,440), a net decrease of 270, taking account of acquisitions, demolitions, disposals and recategorisations in the year. The properties were carried in the Statement of Financial Position at cost (after depreciation) of £1.707bn (2025: £1.608bn).

Pension Costs

The Group participates in a number of career average salary defined benefit schemes and defined contribution schemes. Both legacy entities are members of Shropshire County Pension Fund (SCPF), which Wrekin took the decision to close the scheme to new entrants with effect from 1 September 2020. Housing Plus are also members of Staffordshire County Pension Fund. In addition, the Group participates in defined contribution schemes including the SMART pension fund (legacy Wrekin), NEST (legacy Wrekin and Housing Plus Group) and Scottish Widows (legacy Housing Plus Group).

Overall the defined benefit schemes were reporting a net asset at 31 March 2026. A net asset is recognised only to the extent that it is recoverable through reduced contributions or through refunds from the plan.

The net actuarial gain in the year was £15.1m (2025: £18.8m gain) and the net asset value of all schemes was £86.4m (2025: £47.8m). In accordance with

advice from our independent pension advisor, First Actuarial, management have determined that they should apply an asset ceiling for those schemes in surplus in the sum of £80.4m (2025: £50.1m). The net surplus recognised as a net asset in the statement of financial position was £6.0m (2025: £2.3m liability).

The movement year on year is due to the shifts in actuarial assumptions caused by general economic conditions, and in particular to a rise in the expectations related to future inflation, increasing future pension payments, and to an increase in the discount rate, further reducing the present value of future pension payments.

Full details of all pension schemes are disclosed in note 27 of these financial statements.

Development

The Group has operated an Asset Renewal Strategy for over 20 years. HPG sets out to subsidise the building of new properties through disposal of the lowest performing stock in the Group as they become void. These homes are older, less well-insulated, uneconomic properties that are examined and assessed for disposal decisions. During 2025/26 HPG sold 181 properties (2025: 118). A further 74 (2025: 51) properties were sold under the Right to Buy and Right to Acquire provisions across the Group.

First tranche shared ownership sales were completed on 58 units (2025:64) generating a surplus of £1.0m (2025: £1.1m). There were also six staircasing sales where the tenants became the owner occupier. During the year, Wrekin added 527 new homes to its stock and Housing Plus added 135 homes. The 662 new homes are a combination of traditional development and section 106

planning gains. Following the merger, a new development strategy was approved by the Group Board in December 2025 and will run through to 2031.

During the year, we completed a wide range of developments, including the exciting development at Granville, Donnington Wood Way. This development of 329 new homes is being bought forward by a partnership comprising of Telford & Wrekin Council, Nuplace Ltd - the Council's wholly owned housing company, Lovell Partnerships Ltd and The Wrekin Housing Group.

186 of the new homes at Granville were built for The Wrekin Housing Group. This includes 76 Extra Care apartments, comprising a dementia wing, 20 apartments for retirement living, and 90 new homes for general needs Affordable Rent and Rent to Buy, comprising of 2 and 3 bedroom houses (a number of which will be specially adapted homes) and bungalows. The wider site also delivered 66 homes for Nuplace, which are available for private rent, as well as 77 for open market sale from Lovell.

Across the Group a combined total of circa £35m Affordable Homes programme grant funding was secured from Homes England during the year. Of the total 719 homes delivered (527 of these homes were through the legacy Wrekin Housing Group) in 2025/26, 452 were Design and Build and 267 were Section 106 or 'Off the Shelf' homes. The 719 homes total includes 57 homes developed for outright sale at our Wrottesley Park development. These additions, along with our recent clean audit results and our relationship management have ensured The Housing Plus Group is regarded as a trusted partner of Homes England.

Payment of Creditors

The Group agrees terms and conditions for its business transactions with suppliers at the time of supply. Payment is then made on these terms, subject to the terms and conditions being met by the supplier.

Strategic Initiatives

The Group has a clear purpose - **We create places people are proud to call home**. Our strategic pillars within our Corporate Plan are very much aligned to our purpose and fall into four categories:

Doing more for residents and communities

- **Deliver great homes and services, driven by what matters to our customers, and be a top quartile consumer-focused landlord.**
- Provide services and drive service improvements that are co-created with our customers, informed by a robust data set covering both existing and future customers.
- Hold the highest levels of consumer standard gradings and top quartile Tenant Satisfaction Measures (TSM).
- Ensure 100% statutory compliance measures across all our homes and buildings.
- Make proactive decisions based on a robust stock condition data set.

Creating a great place to work

- **Be a vibrant, inclusive employer of choice that attracts, develops, values, and retains talent.**
- Deliver a unified Group culture of: Own it | Improve it | Live it.
- Implement a Leadership Development Framework.
- Have a clear Succession and Talent Management Framework.
- Prepare staff for housing professional standards.
- Achieve compliance with the Institute of Customer Service Standards for service excellence.
- Be recognised as a great place to work nationally.

Building resilience and capacity

- **Build a strong, flexible business with extra capacity that appeals to investors and can better handle financial pressures.**
- Maintain strong governance and financial resilience (G1/V2), with a clear ambition to enhance financial capacity and achieve excellent customer outcomes (G1/V1/C1).
- Balance growth with prudent gearing limits.
- Deliver merger efficiencies and value for money across the whole organisation.
- Create a clear business plan and strong financial strategy that help us achieve our goals.
- Develop an integrated operating model that ensures a single version of the truth across the entire organisation.
- Operate a simplified Group structure that supports future ambitions and maintains financial resilience.

Playing a leading role in our places

- **Be an innovative partner of choice for local authorities, funders, Homes England, developers and landowners; a top 40 housing association influencing policy locally, regionally and nationally.**
- Be a partner of choice for local authorities.
- Be a leader of regeneration initiatives.
- Expand our care and extra care footprint where viable.
- Be a housing policy influencer at local, regional and national levels.
- Operate at the top 20 national developer scale.
- Be a trusted regeneration and care partner across the geography we operate.
- Provide up to 40,000 homes to 80,000 customers and help shape what matters for better places in the future.

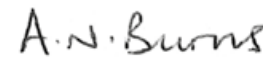
Progression toward meeting the elements within these pillars is monitored by the Integration and Business Transformation Committee. The plan comprises two phases; Phase One- Integration and Stabilisation – including systems, culture and service harmonisation and, Phase Two-Transformation- Including digital enablement, programme scaling and margin recovery. Quarterly updates detailing progress are presented to the Committee.

Statement of Compliance

In preparing this strategic report, the Board has followed the principles set out in Part 2 of the SORP 'Accounting by Registered Housing Providers' 2018. The financial statements comply with FRS 102, SORP 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Board further confirms that the Housing Plus Group Limited has complied with the requirements of the Social Housing Regulator Governance and Financial Viability Standard and currently holds a G1/V2 rating and has the required register of assets and liabilities in place.

The strategic report was approved by the Board on 23rd September 2026 and signed on its behalf by:



Chair

Andrew Burns

Independent Auditor's Report

2025/26



Independent Auditor's Report to the Members of The Housing Plus Group Limited

Opinion

We have audited the financial statements of The Housing Plus Group Limited ("the Group and Association") for the year ended 31 March 2026 which comprise the Consolidation and Parent Statement of Comprehensive Income, Consolidated Statement of Changes in Reserves, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of affairs of the Association as at 31 March 2026 and of the income and expenditure of the Group and Association;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.



Going concern

The Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Association or to cease their operations, and as they have concluded that the Group's and the Association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the Group and the Association's business model and analysed how those risks might affect the Group and the Association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Association will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, directors and internal audit as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, and audit and risk committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the limited opportunity for management to manipulate routine revenue transactions.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls.

Independent Auditors Report

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to revenue with the corresponding entry to an unusual account.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and others management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related co-operative and community benefit societies legislation), distributable profits legislation, taxation legislation, pension legislation and specific disclosure required by housing legislation and we assessed the extent of compliance with

these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety Legislation, and Employment and Social Security Legislation, recognising the nature of the Association's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for

Independent Auditors Report

preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Association's Board is responsible for the other information, which comprises the Chair's Report, Report of the Chief Executive, Strategic Report, the Chief Finance Officers' Report, the Corporate Governance Statement, and the Internal Control Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Board's responsibilities

As explained more fully in their statement set out on page 7, the Association's Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 it either intends to liquidate the Group or the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

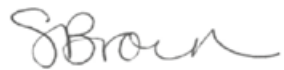
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

 Independent Auditors Report

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association those matters we are required to state to it 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, for our audit work, for this report, or for the opinions we have formed.



Sarah Brown
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
KPMG LLP
One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH

25 September 2026



Financial Statements

2025/26



Consolidated and Parent Statement of Comprehensive Income for the year ended 31 March 2026

	Note	Year ended 31 March 2026		Year ended 31 March 2025	
		Group	Parent	Group	Parent
		£'000	£'000	£'000	£'000
Turnover	3	261,061	18,002	246,254	15,103
Cost of Sales	3	(15,787)	-	(13,008)	-
Operating costs	3	(197,753)	(17,290)	(188,707)	(15,102)
Gain on disposal of property, plant and equipment	4	24,991	-	15,900	-
Movement in the fair value of investment properties	16	(802)	-	782	-
Loss on disposal of investment properties	16	-	-	(753)	-
Operating surplus		71,710	712	60,468	1
Profit from disposal of operations	5	-	-	300	-
Interest receivable and similar income	6	602	-	768	-
Interest payable, financing and similar costs	7	(41,544)	14	(39,257)	(6)
Surplus on ordinary activities before taxation	8	30,768	726	22,279	(5)
Tax on surplus	9	116	-	(130)	-
Surplus for the year		30,884	726	22,149	(5)
Actuarial gain in respect of pension schemes	27	6,800	2,628	806	231
Gain in fair value of hedged financial instruments	7	118	-	980	-
Total comprehensive income for the year		37,802	3,354	23,935	226

All the Group and Parent turnover and surplus disclosed are derived from continuing activities.

The accompanying notes on pages 68 to 104 form part of these financial statements.

Consolidated Statement of Changes in Reserves

for the year ended 31 March 2026

	Income & Expenditure Reserve	Restricted Reserve	Cashflow Hedge Reserve	Group Total	Income & Expenditure Reserve	Restricted Reserve	Cashflow Hedge Reserve	Parent Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2025	405,318	7,221	980	413,519	2,968	-	-	2,968
Total surplus from Statement of Comprehensive Income	30,246	638	-	30,884	726	-	-	726
Actuarial gains on deferred benefit pension schemes	6,800	-	-	6,800	2,628	-	-	2,628
Gain recognised in fair value of hedged financial instruments	-	-	118	118	-	-	-	-
Other Comprehensive Income for the year	6,800	-	118	6,918	2,628	-	-	2,628
Capital spend in the year	-	(303)	-	(303)	-	-	-	-
Balance at 31 March 2026	<u>442,364</u>	<u>7,556</u>	<u>1,098</u>	<u>451,018</u>	<u>6,322</u>	<u>-</u>	<u>-</u>	<u>6,322</u>

Consolidated Statement of Changes in Reserves

for the year ended 31 March 2026 (continued)

	Income & Expenditure Reserve	Restricted Reserve	Cashflow Hedge Reserve	Group Total	Income & Expenditure Reserve	Restricted Reserve	Cashflow Hedge Reserve	Parent Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	382,911	7,030	-	389,941	2,742	-	-	2,742
Total surplus from Statement of Comprehensive Income	21,601	548	-	22,149	(5)	-	-	(5)
Actuarial gains on deferred benefit pension schemes	806	-	-	806	231	-	-	231
Gain recognised in fair value of hedged financial instruments	-	-	980	980	-	-	-	-
Other Comprehensive Income for the year	806	-	980	1,786	231	-	-	231
Capital spend in the year	-	(357)	-	(357)	-	-	-	-
Balance at 31 March 2025	405,318	7,221	980	413,519	2,968	-	-	2,968

Comparative figures have been restated to reflect the accounting treatment of the merger in accordance with the applicable merger accounting principles.

The accompanying notes on pages 68 to 104 form part of these financial statements.

Consolidated Statement of Financial Position

for the year ended 31 March 2026

	Note	As at 31 March 2026		As at 31 March 2025	
		Group	Parent	Group	Parent
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets and goodwill	13	81	81	214	214
Tangible fixed assets					
Housing properties	14	1,707,140	-	1,608,000	-
Other tangible fixed assets	15	10,862	346	11,138	520
Investment properties	16	41,147	-	41,908	-
		1,759,230	427	1,661,260	734
Assets: Amounts receivable after more than one year					
Debtors	19	965	-	694	-
Pension asset		7,630	3,059	-	-
Current assets					
Stocks	18	14,262	-	19,720	-
Debtors	19	15,650	20,552	14,012	2,924
Investments		-	-	-	-
Cash and cash equivalents		46,792	1,353	18,113	1,219
Less: Creditors: Amounts falling due within one year	21	(55,797)	(19,069)	(126,430)	(1,909)
Net current assets/(liabilities)		20,907	2,836	(74,585)	2,234
Total assets less current liabilities		1,788,732	6,322	1,587,369	2,968
Creditors: Amounts falling due after more than one year	22	(1,336,051)	-	(1,171,559)	-
Pension provision	27	(1,663)	-	(2,291)	-
Total net assets		451,018	6,322	413,519	2,968
Reserves					
Income and expenditure reserve		442,364	6,322	405,318	2,968
Restricted reserve		7,556	-	7,221	-
Cashflow hedge reserve		1,098	-	980	-
Total reserves		451,018	6,322	413,519	2,968

The financial statements were approved by the Board and authorised for issue and are signed on its behalf by:

A.N. Burns
Andrew Burns
Chair

W. J. S.
Director

Angelina Hicklin
Angelina Hicklin
Company Secretary

23 September 2026

The accompanying notes on pages 68 to 104 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 March 2026

Group	Note	Year ended 31 March 2026		Year Ended 31 March 2025	
		£'000	£'000	£'000	£'000
Cash from operations	29		92,412		86,821
Taxation (payable) /receivable			116		(251)
Net cash generated from operating activities			92,528		86,570
Cash flows from investing activities					
Purchase of tangible fixed assets		(141,487)		(112,443)	
Purchase of intangible fixed assets		-		(1,821)	
Proceeds from sale of fixed assets		31,877		29,905	
Grants received		32,465		10,352	
Interest received		587		794	
Net cash from investing activities			(76,558)		(73,213)
Cash flows from financing activities					
Interest paid		(47,114)		(47,867)	
Loan drawdowns/new loans		154,000		72,000	
Repayment of borrowings		(94,177)		(48,353)	
Net cash used in financing activities			12,709		(24,220)
Net (decrease)/increase in cash and cash equivalents		28,679		(10,863)	
Cash and cash equivalents at beginning of the year		18,113		28,976	
Cash and cash equivalents at end of the year			46,792		18,113

The accompanying notes on pages 68 to 104 form part of these financial statements.

Notes to the Financial Statements

2025/26



1 Legal status

The Parent, the Housing Plus Group Limited, is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 and is a non-housing asset holding company registered with the Regulator of Social Housing. Housing Plus Group is a public benefit entity as described by Financial Reporting Standard 102.

2 Accounting policies

A summary of the key accounting policies, which have been applied consistently across all group entities, is set out below.

Basis of accounting

The financial statements of the Group and Association are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The Group is a public benefit entity in accordance with FRS 102.

The financial statements have been prepared under the historic cost convention, except for investment properties, which are stated at their fair value.

The financial statements are presented in sterling (£).

The individual accounts of the subsidiary entities have adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes; and
- Financial instrument disclosures including:
 - » Categories of financial instruments;
 - » Items of income, expenses, gains or losses relating to financial instruments; and
 - » Exposure to, and management of, financial risks.

Going Concern

Housing Plus Group

After making enquiries, the Group Board has a reasonable expectation that Homes Plus has adequate resources and no material uncertainties to continue in operational existence for the foreseeable future. In making this assessment, the Board have considered the period to 30 September 2027. For this reason, it continues to adopt the going concern basis in the financial statements. The principal factors that the Board have considered in determining that the going concern basis of preparation remains appropriate are as follows:

- Since 31 March 2026 the Group has completed a refinancing exercise, increasing the financial capacity of the business. HPG has loan and bond facilities totalling £1,303m. The year-end drawn balance was £1,056m, meaning the Group has headroom of £247m. We have a long-term business plan which shows that the remaining undrawn amount will be used to repay maturing debt and fund the development programme during the period through to at least 30 September 2027. At all times during that forecast period, HPG has cash in hand of at least £15m.
- The business plan also shows that HPG is able to service these debt facilities whilst continuing to comply with lenders' covenants.
- As at 31 March 2026 HPG has a net current liability position of £17m.
- HPG's new covenant terms are tested on the combined financial results of Homes Plus and Wrekin, resulting in significant levels of financial capacity and resilience.
- A comprehensive set of stress tests have been run on the Business Plan that pushes the forecast to breaking point to ensure the Board better understands the key drivers. Building on the current tough economic environment, these stress tests explore the vulnerability of the business to a range of factors arising from different scenarios, including reduced income, increased costs, reduced availability of funding and a downturn in the property market. Mitigating actions have been identified for all of these scenarios, such that, post-mitigation, covenant requirements are met. A range of actions are available to HPG, including modifying the development programme to match with available funding should one of the scenarios materialise, and managing the level and timing of expenditure to offset adverse impacts on Wrekin's operating surplus.
- The business plan includes investment in our homes to bring the EPC standards up to level 'C' by 2030 and meet Net Zero Carbon by 2050, which will meet the government targets for the sector. In addition, the Plan includes a 5% increase on the planned programme to ensure the group is able to invest more in our homes than is required. This 5% buffer also provides headroom in the event of financial stress to reduce operating expenditure if required.
- Development continues in the projection to 2031, delivering an estimated 3,500 new additional homes. The cost assumptions for this activity were stress tested and the business has the financial capacity to deliver this within current covenant terms.

Notes to the Financial Statements

Merger

On 6 January 2025, Housing Plus Group Limited and The Wrekin Housing Group Limited amalgamated to form Housing Plus Group Limited. In accordance with FRS 102, this transaction has been accounted for as a merger.

Accordingly, the comparative figures for the year ended 31 March 2025 have been presented as if Housing Plus Group Limited, in its current form, had existed throughout that period.

Basis of consolidation

The consolidated financial statements include the parent company and all its subsidiaries. Intra-group surpluses and deficits are eliminated on consolidation.

Investments in subsidiaries are accounted for using the equity method in the Group financial statements.

Exemption from Audit for Subsidiary Entity

In preparing these consolidated financial statements, Housing Plus Group Limited has taken advantage of the exemption allowed under the relevant legislation and regulations to not obtain audited accounts for Development Worx Limited. This exemption has been applied as the subsidiary's transactions and balances are considered immaterial to the overall consolidated financial statements. Consequently, the subsidiary's financial information has been prepared on a consistent basis and included in the consolidated accounts without separate audit.

Uniform accounting policies have been applied throughout the Group.

Judgements and key sources of estimation uncertainty

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

- **Classification of financial instruments as basic or non-basic:** Management have considered the terms of the Group's lending arrangements and concluded that there is a mix of both basic and non-basic financial instruments. Basic financial instruments are held at amortised cost. During the year the Group entered into a loan agreement containing derivative features which is classified as a non-basic financial instrument under FRS102 section 12. The derivative component is separated from the host loan where it is not 'closely related' and is measured at fair value through profit or loss at each reporting date.
- **Categorisation of housing properties:** Management have reviewed the intended use of all housing properties. In determining the intended use, management has considered if the asset is held for social benefit or to earn commercial rentals. Management have concluded that market rented properties are

investment properties. These properties have been valued by external valuers on the basis of open market value and could be sold with vacant possession within a short time period.

- **Development expenditure:** The Group capitalises development expenditure in respect of new developments of social and affordable housing. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
- **Impairment:** The Group has identified a cash generating unit (CGU) for impairment assessment purposes at a property scheme level. The carrying amounts of inventories, including stock and work in progress related to development schemes, are reviewed regularly to assess recoverability. Where the estimated net realisable value is lower than cost, an impairment charge is recognised to reflect the lower recoverable amount. Factors considered in the assessment include current market conditions, development status, expected sales values, and estimated costs to complete. There were no impairment charges in respect of recoverability made in the year.

Other key sources of estimation and assumptions:

- **Useful lives of depreciable assets:** Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to Decent Homes Standards which may require more frequent replacement of key components. Accumulated depreciation on housing properties at 31 March 2026 was £342.1m, (please see note 14). Accumulated depreciation on other fixed assets at 31 March 2026 was £29.4m, (please see note 15).
- **Impairment of non-financial assets:** At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the Statement of Comprehensive Income. During the year no triggers for impairment were identified.
- **Defined benefit obligation (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. At 31 March the actuary has estimated that some of the schemes were in a net asset position. The year-end estimated position of each scheme is as follows:

Notes to the Financial Statements

Pension Scheme	2026	2025
	£m	£m
Staffordshire LGPS	43.5	37.4
Shropshire LGPS – Homes Plus	14.3	10.3
Shropshire LGPS – Wrekin Housing Group	28.3	18.1
Housing Plus Pension Scheme	0.2	-

Asset ceilings applied to reduce the surplus values as management deem the surplus to be irrecoverable, are as follows:

Pension Asset Ceiling	2026	2025
	£m	£m
Staffordshire LGPS	41.1	39.5
Shropshire LGPS – Homes Plus	12.8	10.5
Shropshire LGPS – Wrekin Housing Group	26.3	18.1
Housing Plus Pension Scheme	0.2	-

Turnover and income recognition

Turnover comprises rental income receivable in the year net of any voids in respect of housing and garages, service charges to leaseholders in respect of services provided and communal repairs, and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year and income from government grants. Turnover also includes income from the delivery of care services to individuals, the proceeds of first tranche sales of shared ownership properties and proceeds of open market outright sales. Income from services provided to third parties through the trading subsidiary is also recognised as turnover. Revenue for the main income streams is recognised as follows:

- Rental income is recognised from the point properties or garages become available for letting. Service charge income is recognised when service charge expenditure is incurred as this is the point at which the services have been provided.
- Income from leaseholder service charges is recognised from the point the lease is assigned.
- Income from Low Cost Home Ownership sales and sales of properties built for sale (outright sales) 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.
- Charges for support services are recognised as they fall due under the contractual arrangements with

administering authorities. Income from care services is recognised at the point of delivery to the service user.

- Income from services provided to third parties through the trading subsidiary is recognised at the point of delivery of the service.

Housing property disposals

Gains or losses arising on the disposal of housing properties (including the sale of properties under the Right to Buy and Right to Acquire schemes) are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the operating surplus/deficit for the year. Any capital grant associated with properties sold is to be recycled through the Recycled Capital Grant Fund (RCGF).

Under shared ownership arrangements, the Group sells a long-term leasehold interest of Shared Ownership housing units to persons who occupy them at a lease premium equal to between 25% and 100% of open Market Value. The proceeds of first tranche sales are accounted for as turnover in the Statement of Comprehensive Income. The total property cost is apportioned between the shared ownership element and the element remaining in the Group's ownership based on the percentage sold or estimated to be sold. Properties developed for sale that are either unsold or work in progress at the yearend are included in current assets. Any subsequent tranches sold ('Stair-casing') are accounted for as disposals. The remaining unsold element remains on the Statement of Financial Position as a fixed asset and is subject to an annual impairment review.

Under Right to Buy and Right to Acquire arrangements Homes Plus may sell properties to qualifying tenants. For properties previously owned by South Staffordshire Housing Association (due to the nature of the transfer with South Staffordshire Council) it is not possible to separately identify the cost of each property sold. An average cost is eliminated from the property assets following each sale and charged to the Statement of Comprehensive Income.

Interest payable and other finance costs

Interest and finance costs are charged to the Statement of Comprehensive Income in the year in which they are incurred. Interest is capitalised on borrowings to finance the development of qualifying assets to the extent that it accrues in respect of the period of development if it represents:

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

Notes to the Financial Statements

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

Housing properties

Housing properties are held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent. Completed housing properties for lettings are stated at cost less accumulated depreciation and accumulated impairment losses. The cost includes costs of acquiring land and buildings, development costs incurred during the development period and other directly attributable costs including capitalised interest.

Housing properties under construction are stated at cost less accumulated impairment losses.

Completed housing properties are split between their land and other components. Freehold land is not depreciated. Housing properties are depreciated on a straight-line basis over the useful economic life of the assets. The depreciable amount is arrived at on the basis of original cost.

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

The Group's housing assets are depreciated as follows:

- Depreciation is charged from the date of acquisition or practical completion of works.
- Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.
- The estimated useful lives of components and classes of components are kept under review.
- Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter.

Capitalisation

Works to existing properties which replace a component that has been treated separately for depreciation purposes are capitalised as improvements. Major improvements and renovation of housing properties which extend the life of the asset, increase the rent or considerably reduce future routine maintenance are capitalised and depreciated over the useful economic life of the asset.

Staff and other costs that are directly attributable to bringing housing properties to practical completion are capitalised. Development costs not capitalised are shown as other activities in the Statement of Comprehensive Income.

Interest costs relating to new development are capitalised. The interest charged reflects the net interest paid over the period of the development.

Impairment

The Group carries out an annual impairment review of individual tangible fixed assets and cash generating units. The Group considers cash generating units to be schemes or geographical areas depending on size.

The review takes into account internal and external indicators of impairment; including obsolescence, physical damage, expected cash flows, replacement values market factors and government policy.

Where an indicator of impairment exists, an impairment assessment is performed. The assessment compares the carrying amount to the recoverable amount. If the carrying amount of an asset or cash generating unit exceeds the higher of the value in use or fair value less costs to sell then the loss is charged to the Statement of Comprehensive Income as expenditure and as a separate line within operating expenditure where it is considered to be material.

Investment properties

Investment properties consist of market rented residential properties, shops and sub-let offices. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in value recognised in the Statement of Comprehensive Income. These properties have been valued by external valuers on the basis of open market value as they are market-rented properties, rather than social housing properties, which could be sold with vacant possession within a short time period. The market value is based upon an analysis of comparable transactions which have taken place in the area, and the valuer's background knowledge of the local market.

Government Grants

Government grants include grants receivable from Homes England and its predecessor bodies, local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure under the accruals model.

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

Notes to the Financial Statements

Grants due from the funding bodies or received in advance is included as a current asset or liability.

Grants released on the sale of a property may be repayable but are normally available to be recycled and credited to a Recycled Capital Grant Fund and included in the Statement of Financial Position in creditors.

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

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the Association is recognised only when these conditions are met. A grant received before the recognition criteria are satisfied is recognised as a liability.

Donations of land or other tangible assets acquired below market value from a government source are treated as a non-monetary grant. The difference between the fair value of the tangible asset donated or acquired and the consideration paid is recognised as a liability in the Statement of Financial Position. Once the terms of the donation have been met it is released as income to the Statement of Comprehensive Income.

Depreciation of housing properties

The Group separately identifies the major components which comprise its housing properties and charges depreciation, so as to write down the cost of each component to nil, on a straight-line basis over its estimated useful economic life. Freehold land is not depreciated. The structural components of its housing properties are depreciated at the following annual rates.

Component Depreciable Life (Years)

Structure	100	Doors	25
Roof	60	Electrics	40
Boiler	15	Consumer units	30
Heating system	30	Solar panels	20
Kitchen	20	Air source heat pumps	30
Bathroom	30	Communal building	100
Windows	30	Vertical lifts	15

Intangible Fixed Assets

Intangible assets are identifiable non-monetary assets without physical substance. The Group's intangible assets include licences, warranties and software. These are stated at cost less accumulated amortisation and any accumulated impairment losses. The cost includes cost of asset purchase and other directly attributable costs.

Intangible assets are amortised on a straight-line basis over the useful economic life of the assets as follows:

- Software warranties & licences 5 years

Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

- Small freehold buildings 25 years
- Large office complex 60 years
- Sheltered scheme furniture, fixtures and fittings 5 years
- IT hardware and office equipment 1 to 5 years
- Plant, machinery and vehicles 4 to 5 years

Goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the net identifiable assets at the date of acquisition.

Housing Plus Group recognises intangible assets from goodwill if the intangible asset meets all of the following three criteria:

- meets the recognition criteria per FRS 102.18.4
- are separable
- arise from contractual or other legal rights.

Goodwill on acquisitions is included in 'intangible assets' and is carried at cost less accumulated amortisation and accumulated impairment losses.

Notes to the Financial Statements

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite useful life of goodwill is estimated to be in line with any financing made available to acquire the business or business combination. The estimated useful lives are as follows:

- The Sandford Care Home – 4.5 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with FRS 102 Section 27. Impairment of assets, when there is an indication that goodwill or an intangible asset may be impaired.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

Debtors

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

Cash and cash equivalents

Cash and cash equivalents in the Group's Statement of Financial Position consist of cash at bank, in hand, deposits and short-term investments which can be accessed instantly.

Creditors

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

Provision for liabilities and charges

The Group only makes a provision when:

- there is a present legal or constructive obligation, resulting from a past event, at the Statement of Financial Position date;

- it is probable that a transfer of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Leased assets

At inception, the Group assesses all agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement. Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classed as finance leases. The Group does not have any finance leases in operation. Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Payments received when the Group is acting as a lessor (Commercial Offices) are treated as rental revenue in the Statement of Comprehensive Income and the leased asset is a fixed asset in the Statement of Financial Position.

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 Parent, Homes Plus, Care Plus, The Wrekin Housing Group and Choices Housing Association have charitable status and are therefore not subject to corporation tax on the surplus arising from charitable activities.

Notes to the Financial Statements

Provision is made for the tax liabilities which arise on the surplus arising on the Group's non-charitable activities. Provision is also made for any tax liabilities that arise within Severn Homes, Old Park Services Limited and Strata Housing Services Limited.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date.

Value Added Tax (VAT)

The Group's main income stream, being rent, is exempt for value added tax (VAT) purposes. The financial statements include VAT to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs (HMRC). The Group and subsidiaries are able to reclaim VAT in line with a Partial Exemption Special Method agreed with HMRC.

VAT reclaimed under the partial exemption method is calculated using a sectorised approach, allowing the different activities of the Group to be assessed separately for recovery based on the VAT treatment of the supply.

The balance of VAT payable to or recoverable at the year-end is included in the financial statements as a current liability or asset.

Pensions

The Group participates in a number of defined benefit pension schemes. The assets of these schemes are held separately to those of the Group.

For defined benefit schemes accounted for as defined benefit schemes, the net liability (or asset, to the extent it is recoverable) is calculated by estimating the amount of future benefit that employees have earned to date, discounted to present value, and deducting the fair value of the scheme's assets. Changes in this net defined benefit liability arising from employee service, introductions, benefit changes, curtailments and settlements during the period are recognised in operating costs. The net interest expense (or income) on the net liability (or asset) for the period is recognised as other finance cost (or income).

Re-measurement of the net liability (or asset) is recognised as actuarial gains/losses in Other Comprehensive Income. Contributions to defined contribution pension schemes are charged to the Statement of Comprehensive Income in the year in which they become payable.

A net asset is recognised only to the extent that it is recoverable by the Group through reduced contributions or through refunds from the plan. At 31 March 2026 the actuary has estimated that some of the schemes were in a net asset position and calculated that in some cases the Employer has economic value that it has a right to

recover from the Fund, meaning that some of the surplus is recognisable as a net asset.

The year-end estimated position of each scheme is as follows:

Pension Scheme	2026	2025
	£m	£m
Staffordshire LGPS	43.5	37.4
Shropshire LGPS – Homes Plus	14.3	10.3
Shropshire LGPS – Wrekin Housing Group	28.3	18.1
Housing Plus Pension Scheme	0.2	-

Asset ceilings applied to reduce the surplus values as management deem the surplus to be irrecoverable, are as follows:

Pension Asset Ceiling	2026	2025
	£m	£m
Staffordshire LGPS	41.1	39.5
Shropshire LGPS – Homes Plus	12.8	10.5
Shropshire LGPS – Wrekin Housing Group	26.3	18.1
Housing Plus Pension Scheme	0.2	-

Re-measurement of the net liability (or asset) is recognised as actuarial gains/losses in Other Comprehensive Income.

Contributions to defined contribution pension schemes are charged to the Statement of Comprehensive Income in the year in which they become payable.

Financial Instruments

Basic Financial Instruments

Basic financial instruments, which include cash, short-term investments, receivables, payables, and loans with standard terms, are initially recognised at transaction price and subsequently measured at **amortised cost** using the **effective interest method**, less any impairment losses.

Non-Basic Financial Instruments (Derivatives)

The Housing Plus Group uses derivative financial instruments to reduce exposure to interest rate movements

Notes to the Financial Statements

and does not hold or issue derivative financial instruments for speculative purposes. The association has entered into a variable to fixed rate interest swap to manage its exposure to interest rate cash flow risk on its variable rate debt.

Under Section 12 of FRS 102, derivative contracts (such as interest rate swaps) will not qualify as basic financial instruments and so will be measured at fair value with changes reflected in the surplus for the year. To the extent the hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve.

This amount is reclassified from the cash flow hedge reserve to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. Any ineffective portions of those movements are recognised in profit or loss for the period. Hedge accounting is discontinued when a floating to fixed interest rate swap expires, is sold, terminated or exercised, or when the conditions for hedge accounting are no longer met or HPG documents its election to discontinue hedge accounting. Any fair value gains or losses accumulated in the cash flow hedge reserve are reclassified to Statement of Comprehensive Income either when the variable interest rate expense is recognised as a surplus or deficit, or immediately on discontinuation of hedge accounting if future variable interest rate cash flows are no longer expected to occur.

The Housing Plus Group uses derivative financial instruments to reduce exposure to interest rate movements and does not hold or issue derivative financial instruments for speculative purposes. The association has entered into a variable to fixed rate interest swap to manage its exposure to interest rate cash flow risk on its variable rate debt.

Loan Issue Costs

Loan issue costs are amortised over the life of the related loan. Loans are presented in the Statement of Financial Position within creditors falling due after more than one year net of any unamortised loan issue costs. Amortised loan issue costs are recognised in the Statement of Comprehensive Income in the year, and are included within interest payable and similar charges.

Segmental reporting

For the purpose of segmental reporting, the chief operating decision maker (CODM) is considered to be the executive management group. In line with the segments reported to the CODM, the presentation of these financial statements and accompanying notes are in accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 and is considered appropriate. Management considers the Regulator's Accounting Direction Note A and B to be the same information for the purposes of IFRS8 segmental reporting, as required by the SORP 3.8.

Information about income, expenditure and assets attributable to material operating segments are presented on the basis of the nature and function of housing assets held by the Group.

This is appropriate on the basis of the similarity of the services provided, the nature of the risks associated, the type and class of customer and the nature of the regulatory environment across all of the geographical locations in which the Group operates.

The CODM do not review disaggregated financial information of assets and liabilities at this level of operating segment. Segmental information is disclosed in note 3.

Reserves

The Group establishes restricted reserves for specific purposes where their use is subject to external restrictions.

Notes to the Financial Statements

3 Particulars of turnover, operating costs and operating surplus

Group		Year Ended 31 March 2026				Year Ended 31 March 2025			
		Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)	Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)
Social Housing Lettings	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and expenditure from social housing lettings	3a	217,851	-	(176,796)	41,055	208,232	-	(170,087)	38,145
Other social housing activities									
First tranche Low Cost Home Ownership		4,583	(3,346)	(234)	1,003	5,286	(4,008)	(229)	1,049
Leaseholders		786	-	(751)	35	911	-	(807)	104
Tenant garages		616	-	(31)	585	489	-	(75)	414
External activities		1,350	-	(1,346)	4	1,545	-	(1,550)	(5)
Development team		-	-	(219)	(219)	-	-	(173)	(173)
Office depreciation and impairment		-	-	(343)	(343)	-	-	(446)	(446)
Other activities		516	-	(1,053)	(537)	384	-	(667)	(283)
Gain on disposal of property assets		-	-	-	24,991	-	-	-	15,900
		7,851	(3,346)	(3,977)	25,519	8,615	(4,008)	(3,947)	16,560
Activities other than social housing activities									
Shops and private garages		1,394	-	(183)	1,211	1,803	-	(313)	1,490
Market and commercial rent		2,112	-	(190)	1,922	2,056	-	(163)	1,893
Other		4,285	-	(4,323)	(38)	3,733	-	(3,191)	542
Market sales		17,450	(12,441)	(1,366)	3,643	12,427	(9,000)	(1,087)	2,340
Care activities		10,118	-	(10,936)	(818)	9,388	-	(10,107)	(719)
Gain on disposal of other fixed assets		-	-	18	18	-	-	188	188
Movement in fair value of investment properties		-	-	-	(802)	-	-	-	782
(Loss) on disposal of investment properties		-	-	-	-	-	-	-	(753)
		35,359	(12,441)	(16,980)	5,136	29,407	(9,000)	(14,673)	5,763
Total		261,061	(15,787)	(197,753)	71,710	246,254	(13,008)	(188,707)	60,468

Notes to the Financial Statements

Parent		Year Ended 31 March 2026				Year Ended 31 March 2025			
Social Housing Lettings	Note	Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)	Turnover	Cost of Sales	Operating Expenditure	Operating Surplus/ (Deficit)
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and expenditure from social housing lettings	3a	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Other social housing activities									
Charges for support services		17,989	-	(16,929)	1,060	15,095	-	(14,930)	165
External activities		13	-	-	13	8	-	-	8
Development team		-	-	(219)	(219)	-	-	(173)	(173)
Intra group		-	-	(142)	(142)	-	-	1	1
		<u>18,002</u>	<u>-</u>	<u>(17,290)</u>	<u>712</u>	<u>15,103</u>	<u>-</u>	<u>(15,102)</u>	<u>1</u>
Total		<u>18,002</u>	<u>-</u>	<u>(17,290)</u>	<u>712</u>	<u>15,103</u>	<u>-</u>	<u>(15,102)</u>	<u>1</u>

Social housing activities are undertaken by Homes Plus, The Wrekin Housing Group and Choices Housing Association as the owners of the housing assets within the Group. Other housing activities are undertaken by the Parent and all subsidiaries.

3a Income and expenditure from social housing activities

Group					Year Ended 31 March 2026	Year Ended 31 March 2025
	General Housing	Supported Housing	Low Cost Home Ownership	Care Accommodation	Total	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover						
Rent receivable net of identifiable service charges	155,251	31,695	4,693	2,888	194,527	186,811
Service charge income	2,580	12,893	507	1,865	17,845	16,513
Amortised government grants	2,396	168	70	108	2,742	2,317
Other revenue grants	2,737	-	-	-	2,737	2,591
Turnover from social housing lettings	162,964	44,756	5,270	4,861	217,851	208,232
Operating Expenditure						
Management	(25,320)	(7,331)	(922)	(877)	(34,450)	(34,210)
Service charge costs	(7,722)	(18,905)	(63)	(2,781)	(29,471)	(25,336)
Routine maintenance	(40,100)	(3,335)	-	(196)	(43,631)	(42,050)
Planned maintenance	(27,559)	(2,049)	-	(6)	(29,614)	(24,808)
Bad debts	(2,196)	(221)	-	(16)	(2,433)	(2,252)
Depreciation of housing properties	(28,854)	(6,640)	(928)	(627)	(37,049)	(34,398)
Impairment of housing management systems	-	-	-	-	-	(6,998)
Write off of components following demolition	(148)	-	-	-	(148)	(35)
Operating costs on social housing lettings	(131,899)	(38,481)	(1,913)	(4,503)	(176,796)	(170,087)
Operating surplus on social housing lettings	31,065	6,275	3,357	358	41,055	38,145
Void losses	(1,584)	(524)	(22)	(120)	(2,250)	(1,906)
Included in planned maintenance are compliance costs as follows:						
Compliance costs	(13,676)	(479)	-	-	(14,155)	(13,039)

The parent does not hold any housing stock for letting.

The analysis of income disclosed in Note 3a is not directly comparable to the prior year following the merger of the constituent registered providers and the migration of data from four housing management systems into a single platform. During the data migration process, a number of historical income transactions were identified as being inconsistently categorised. The current year analysis reflects improved classification processes and data quality controls. These differences affect the presentation of income between categories within Note 3a but do not impact total income reported in the Consolidated Statement of Comprehensive Income. Accordingly, comparative information has not been restated. The Group continues to review historical data classifications as part of its ongoing integration activities, and further reclassifications may be identified in future periods.

Notes to the Financial Statements

3b Classes of accommodation in management and development

	31 March 2025	Additions 2026	Disposals 2026	Other 2026	31 March 2026
	No.				No.
General housing					
-Social rent	22,197	211	(245)	17	22,180
-Affordable rent	4,471	230	(4)	(14)	4,683
Supported housing and housing for older people					
-Social rent	3,256	-	(3)	(83)	3,170
-Affordable rent	1,065	172	(6)	56	1,287
Low cost home ownership	1,244	49	(11)	46	1,328
Care accommodation					
-Social rent	203	-	-	47	250
-Affordable rent	50	-	-	(50)	-
-Care home beds	37	-	-	-	37
Total social housing units	32,523	662	(269)	19	32,935
Leasehold	649	-	-	(649)	-
Leasehold for the elderly	30	-	-	(30)	-
Total social housing units owned and managed	33,202	662	(269)	(660)	32,935
Accommodation managed on behalf of others	30	-	-	2	32
Total social housing managed	33,232	662	(269)	(658)	32,967
Market rent	236	-	-	(1)	235
Other	2	-	-	(2)	-
Non-social leasehold	589	-	(29)	662	1,222
Total housing managed	34,059	662	(298)	1	34,424
Homes under construction at the year end	818	-	-	-	648

The parent does not hold any housing stock

Notes to the Financial Statements

4 Gains on disposal of property, plant and equipment (fixed assets)

	Right to buy sales	Right to acquire sales	Low cost home ownership staircasing sales	Other disposals	Total 2026	Total 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Proceeds of sales	4,381	1,830	789	24,385	31,385	23,395
Less: Cost of sales	(1,594)	(544)	(400)	(3,643)	(6,181)	(7,319)
Selling costs	(79)	-	-	(134)	(213)	(176)
	<u>2,708</u>	<u>1,286</u>	<u>389</u>	<u>20,608</u>	<u>24,991</u>	<u>15,900</u>

5 Profit from disposal of operations

Group	Year ended 31 March 2026	Year ended 31 March 2025
	£'000	£'000
Profit from the sale of Telecare	-	300
Profit from disposal of operations	<u>-</u>	<u>300</u>

On the 10th June 2024 the Telecare operations of Care Plus Staffordshire Limited were sold to Appello Careline Limited and all the team were transferred under a TUPE agreement. Appello will be providing Telecare services to Home Plus customers.

6 Interest receivable and similar income

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Interest received from current asset investments	602	-	768	-
Interest receivable and other income	<u>602</u>	<u>-</u>	<u>768</u>	<u>-</u>

7 Interest payable and financing costs

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Bank loans and overdraft	(46,757)	-	(47,409)	-
Loan amortisation	2,925	-	5,208	-
Renegotiation fees	(277)	-	(894)	-
Capitalised interest	3,973	-	5,199	-
Funders security / facility fee	(1,381)	-	(1,258)	-
Net interest on pension liability	(27)	14	(103)	(6)
Interest payable and financing costs	<u>(41,544)</u>	<u>14</u>	<u>(39,257)</u>	<u>(6)</u>

Interest incurred on development activity was capitalised at rates between 4.34% - 5.43%.

Notes to the Financial Statements

8 Surplus on ordinary activities before taxation

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Depreciation				
-Housing assets	35,825	-	34,397	-
-Other tangible fixed assets	1,337	186	1,265	190
Impairment				
-Intangible assets	-	-	6,999	347
Amortisation				
-Intangible assets	133	133	198	191
-Grants	(2,742)	-	(2,317)	-
Fair value gain on investment properties	(802)	-	(29)	-
Surplus on disposal of housing properties	(24,991)	-	(15,900)	-
Surplus on disposal of other fixed assets	(18)	-	(188)	-
Operating lease rentals	2,964	45	3,518	45
Auditor's remuneration (including expenses, excluding VAT)				
-Audit services	387	72	405	75
-Other services	-	-	-	-

9 Taxation

The difference between the total tax charge and the amount calculated by applying the standard rate of UK corporation tax to surplus before tax is as follows:

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Surplus/(deficit) on ordinary activities before tax	30,768	726	22,279	(5)
Tx on surplus on ordinary activities at standard UK corporation tax rate of 25% (2025:25%)	7,692	182	5,570	(1)
Less: tax on surplus attributable to charitable activities	(6,747)	(182)	(4,978)	1
Adjustments to tax in respect of prior periods	(1,061)	-	(462)	-
Tax Payable/ (Recoverable)	(116)	-	130	-

10 Movement in fair value of financial instruments

	Year ended 31 March 2026	Year ended 31 March 2025
	£'000	£'000
Derivatives treated as cash flow hedging instruments - effective	118	980
Movement in fair value of financial instruments	118	980

11 Employees

The average number of persons employed during the financial year expressed as full-time equivalents was:

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	No.	No.	No.	No.
Administration and management	716	220	827	225
Property services and retail	477	252	505	259
Housing support and care	513	37	493	38
Other	3	3	5	5
Total full-time equivalents	1,709	512	1,830	527

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Wages and salaries	65,695	20,793	64,891	21,351
Social security costs	8,047	2,568	6,139	2,059
Other pension costs	5,906	1,970	5,972	1,822
	79,648	25,331	77,002	25,232

12 Directors' emoluments

Directors (key management personnel) are defined as the members of the Board, the Chief Executive and other Executive Directors

Below are the emoluments paid to the Board Members.

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Pay	212	212	264	184
National Insurance	20	20	7	6
Total	232	232	271	190

The aggregate amount of emoluments (including benefits in kind and pension contributions) paid to or receivable by the seven (2025: ten) Executive Officers of the Group and of the seven (2025: ten) of the Parent during the year was made up as follows:

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Emoluments (including Benefits in Kind)	1,720	1,720	1,891	1,212
Compensation for loss of office	-	-	196	196
Pension contribution or pay in lieu thereof, in respect of services as directors	-	-	382	285
Total	1,720	1,720	2,469	1,693

Notes to the Financial Statements

The emoluments (including benefits in kind and pension contributions) paid to the Chief Executive, and Executive Officers and other higher earners were in the following range:

	Year ended 31 March 2026		Year ended 31 March 2025	
	Group	Parent	Group	Parent
	No.	No.	No.	No.
More than £60,000 but not more than £70,000	45	18	44	20
More than £70,000 but not more than £80,000	30	8	11	8
More than £80,000 but not more than £90,000	11	5	12	7
More than £90,000 but not more than £100,000	6	4	10	5
More than £100,000 but not more than £110,000	3	3	3	3
More than £110,000 but not more than £120,000	7	6	6	3
More than £120,000 but not more than £130,000	4	4	5	1
More than £130,000 but not more than £140,000	4	3	-	-
More than £140,000 but not more than £150,000	3	3	1	1
More than £150,000 but not more than £160,000	1	1	2	2
More than £160,000 but not more than £170,000	2	1	1	-
More than £170,000 but not more than £180,000	-	-	1	-
More than £180,000 but not more than £190,000	-	-	2	2
More than £190,000 but not more than £200,000	-	-	1	1
More than £200,000 but not more than £210,000	-	-	1	1
More than £210,000 but not more than £220,000	2	2	-	-
More than £220,000 but not more than £230,000	3	3	-	-
More than £230,000 but not more than £240,000	-	-	1	-
More than £240,000 but not more than £250,000	1	-	-	1
More than £250,000 but not more than £260,000	-	-	1	1
More than £260,000 but not more than £270,000	-	-	-	-
More than £270,000 but not more than £280,000	1	1	-	-
More than £280,000 but not more than £290,000	-	-	1	1
More than £290,000 but not more than £300,000	-	-	-	-
More than £300,000 but not more than £310,000	-	-	-	-
More than £310,000 but not more than £320,000	-	-	-	-
More than £320,000 but not more than £330,000	-	-	-	-
More than £330,000 but not more than £340,000	-	-	-	-
More than £340,000 but not more than £350,000	-	-	-	-
More than £350,000 but not more than £360,000	1	1	-	-
More than £360,000 but not more than £370,000	-	-	-	-
More than £370,000 but not more than £380,000	-	-	-	-
More than £380,000 but not more than £390,000	-	-	-	-
More than £390,000 but not more than £400,000	-	-	-	-
More than £400,000 but not more than £410,000	-	-	-	-
More than £410,000 but not more than £420,000	-	-	-	-
More than £420,000 but not more than £430,000	-	-	-	-
More than £430,000 but not more than £440,000	-	-	-	-
More than £440,000 but not more than £450,000	-	-	-	-
More than £450,000 but not more than £460,000	-	-	-	-
More than £460,000 but not more than £470,000	-	-	-	-
More than £470,000 but not more than £480,000	-	-	-	-
More than £480,000 but not more than £490,000	-	-	-	-
More than £490,000 but not more than £500,000	-	-	-	-
More than £500,000 but not more than £510,000	-	-	-	-
More than £510,000 but not more than £520,000	-	-	-	-
More than £520,000 but not more than £530,000	-	-	-	-
More than £530,000 but not more than £540,000	-	-	-	-
More than £540,000 but not more than £550,000	-	-	-	-
More than £550,000 but not more than £560,000	-	-	-	-
More than £560,000 but not more than £570,000	-	-	-	-
More than £570,000 but not more than £580,000	-	-	-	-

The total emoluments (excluding pension contributions and employer pension strain payments) of the highest paid director, who is the Chief Executive of Housing Plus Group, Mr Wayne Gethings, were £353k (2025: £220k-appointed 06 January 2025).

This total included salary £286k and benefits in kind £12k. The Chief Executive is a member of the LGPS on an ordinary 50:50 basis and employer pension contributions for the year were £55k (2025: £43k).

13 Intangible assets and goodwill

As at 31 st March 2026	Group		Parent
	Software	Goodwill	
	£'000	£'000	£'000
Cost			
At 1 April	10,459	1,550	12,009
Additions	-	-	-
Disposals	(349)	-	(349)
At 31 March	10,110	1,550	11,660
Accumulated amortisation			
At 1 April	(10,245)	(1,550)	(11,795)
Charge for the year	(133)	-	(133)
Disposals	349	-	349
Impairment	-	-	-
At 31 March	(10,029)	(1,550)	(11,579)
Net book value			
At 31 March	81	-	81
At 1 April	214	-	214

14 Housing properties at cost

As at 31 March 2026	Homes for letting		Low-Cost Home Ownership		Other	
Group	Completed Units	Under Construction	Completed Units	Under Construction		Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April	1,727,377	99,711	94,247	3,354	7	1,924,696
Improvements to existing properties.	39,329	-	-	-	-	39,329
Additions	1,099	96,186	34	8,984	-	106,303
Disposals	(16,845)	(3)	(993)	-	(1)	(17,842)
Transfer on completion	118,407	(118,407)	5,463	(6,050)	-	(587)
Transfer to current assets	-	-	(286)	(2,383)	-	(2,669)
Change of tenure	(1,998)	-	1,998	-	-	-
At 31 March	<u>1,867,369</u>	<u>77,487</u>	<u>100,463</u>	<u>3,905</u>	<u>6</u>	<u>2,049,230</u>
Depreciation						
At 1 April	(309,995)	-	(6,701)	-	-	(316,696)
Charge for the year	(35,000)	-	(825)	-	-	(35,825)
Eliminated in respect of disposals	10,409	-	11	-	-	10,420
Transfer to current asserts	-	-	11	-	-	11
Change of tenure	52	-	(52)	-	-	-
At 31 March	<u>(334,534)</u>	<u>-</u>	<u>(7,556)</u>	<u>-</u>	<u>-</u>	<u>(342,090)</u>
Net book value						
At 31 March	<u>1,532,835</u>	<u>77,487</u>	<u>92,907</u>	<u>3,905</u>	<u>6</u>	<u>1,707,140</u>
At 1 April	<u>1,417,382</u>	<u>99,711</u>	<u>87,546</u>	<u>3,354</u>	<u>7</u>	<u>1,608,000</u>

Note: Included within 'Eliminated in respect of disposals' is accelerated depreciation of £1,602k (2025: £1,503k). Of the total improvements, £3,967k relate to fire safety works (2025: £1,413k). Internal costs directly attributable to development or construction of housing properties were £1.993m (2025:1.939m).

The Housing assets are held by Homes Plus, The Wrekin Housing Group and Choices Housing Association. The ultimate controlling party, the group parent, The Housing Plus Group Limited is a non-housing asset holding company.

Notes to the Financial Statements

Charges against properties

Group	As at 31 March 2026	As at 31 March 2025
	No.	No.
Number of properties on which there is a fixed charge	27,106	27,395
Number of properties not charged	5,865	5,250
Total number of properties	<u>32,971</u>	<u>32,645</u>

Housing properties book value, net of depreciation and impairment

	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
Freehold land and buildings	1,706,678	1,607,544
Long leasehold land and buildings	<u>462</u>	<u>456</u>
	<u>1,707,140</u>	<u>1,608,000</u>

15 Other tangible fixed assets

Group	Plant, Machinery & vehicles	Furniture & Equipment	Computer Equipment & Telephony	Land & Buildings	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April	1,149	8,800	8,283	21,140	39,372
Additions	104	314	606	239	1,263
Disposals	<u>(103)</u>	<u>(25)</u>	<u>(2)</u>	<u>(259)</u>	<u>(389)</u>
At 31 March	<u>1,150</u>	<u>9,089</u>	<u>8,887</u>	<u>21,120</u>	<u>40,246</u>
Depreciation					
At 1 April	(1,043)	(7,630)	(7,479)	(12,082)	(28,234)
Charge for the year	(63)	(351)	(533)	(390)	(1,337)
Released on disposal	<u>105</u>	<u>24</u>	<u>1</u>	<u>57</u>	<u>187</u>
At 31 March	<u>(1,001)</u>	<u>(7,957)</u>	<u>(8,011)</u>	<u>(12,415)</u>	<u>(29,384)</u>
Net book value					
At 31 March	<u>149</u>	<u>1,132</u>	<u>876</u>	<u>8,705</u>	<u>10,862</u>
At 1 April	<u>106</u>	<u>1,170</u>	<u>804</u>	<u>9,058</u>	<u>11,138</u>

Land and buildings do not include any long leasehold (2025: £2,235k)

Notes to the Financial Statements

Parent	As at 31 March 2026			
	Plant, Machinery & vehicles	Furniture & Equipment	Computer Equipment & Telephony	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April	243	11	3,704	3,958
Additions	-	-	12	12
Disposals	-	-	-	-
At 31 March	243	11	3,716	3,970
Depreciation				
At 1 April	(243)	(10)	(3,185)	(3,438)
Charge for the year	-	-	(186)	(186)
Released on disposal	-	-	-	-
At 31 March	(243)	(10)	(3,371)	(3,624)
Net book value				
At 31 March	-	1	345	346
At 1 April	-	1	519	520

There are no charges on any of these assets.

16 Investment properties

Group	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
At 1 April	41,908	42,940
Additions	41	71
Disposals	-	(1,885)
Gain from fair value adjustments	(802)	782
At 31 March	41,147	41,908

All investment properties were valued as at 31st March 2026 using the valuation methodology – market value subject to tenancies (MV-STT). The valuations were performed by independent valuers with recognised and relevant qualifications (RICS). The valuation of the units within legacy Housing Plus Group were performed by Jones Lang LaSalle. The valuation of the units within legacy Wrekin Housing Group were performed by Hammond Chartered Surveyors. Both valuers have extensive background knowledge of the local market.

During 2024/25, the Wrekin Housing Group disposed of 10 investment properties for total proceeds of £1.132m. The carrying amount of these properties at the time of disposal was £1.885m, resulting in a loss on disposal of £0.753 million. The properties were previously measured at fair value.

There are no restrictions on the investment property and there are no contractual obligations to purchase, construct or develop investment property.

17 Investments in group undertakings

The Parent and Group have investments in the following subsidiary undertakings, which principally affected the surpluses or net assets of the Group.

	Principal activity	Holding	%
Homes Plus	Registered Provider of social housing	Non-equity shares	100%
The Wrekin Housing Group Ltd	Registered Provider of social housing	Non-equity shares	100%
Housing Plus Finance Ltd	Group funding vehicle	Equity shares	100%
Care Plus Staffordshire Ltd	Care and support services	Non-equity shares	100%
Choices Housing Association Ltd	Care and support services	Non-equity shares	100%
Severn Homes Ltd	Developing and selling properties for outright sale	Equity shares	100%
County Town Homes Ltd	Dormant	Equity shares	100%
Development Worx	Developing of properties	Equity shares	100%
Strata Housing Services Ltd	Developing of properties	Equity shares	100%
Old Park Services Ltd	Provision of housing and property related services and software to other social landlords	Equity shares	100%

18 Stocks

Group	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
Properties developed for outright sale		
Completed	10,820	7,533
Under construction	-	9,331
Total outright sales properties	10,820	16,864
Low-cost home ownership properties		
Completed	1,305	1,177
Under construction	1,407	890
Total low-cost home ownership properties	2,712	2,067
Other stocks	730	789
Total inventories	14,262	19,720

Stock is held at the lower of actual cost and estimated selling price less costs to complete and sell. There have been no impairments in the year (2025: none). The Parent does not hold any stock.

Notes to the Financial Statements

19 Trade and other debtors

	As at 31 March 2026		As at 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Due within one year				
Rents and service charges receivable	7,827	-	5,881	-
Less: Provision for bad and doubtful debts	(5,281)	-	(3,382)	-
	2,546	-	2,499	-
Care services receivable	266	-	504	-
Less: Provision for bad and doubtful debts	(84)	-	(85)	-
	182	-	419	-
Amounts due from group undertakings	-	19,791	-	1,900
Derivative financial assets (see note 20)	132	-	286	-
Other debtors	2,910	11	3,700	12
Less: Provision for bad and doubtful debts	(427)	-	(429)	-
	2,615	19,802	3,557	1,912
Prepayments and accrued income	10,307	750	7,335	1,012
Taxation and social security	-	-	202	-
Total Debtors due within one year	15,650	20,552	14,012	2,924
Due after more than one year				
Derivative financial assets (see note 20)	965	-	694	-
Total Debtors after more than one year	965	-	694	-
Total Debtors	16,615	20,552	14,706	2,924

20 Derivative financial assets

Group	As at 31 March 2026		As at 31 March 2025	
Interest rate swaps (cashflow)	Receivable	Payable	Receivable	Payable
	£'000	£'000	£'000	£'000
In one year or less	1,955	(1,823)	2,156	(1,867)
Between one and two years	1,986	(1,753)	1,928	(1,851)
Between two and five years	5,307	(4,854)	5,869	(5,570)
In five years or more	2,139	(1,859)	4,646	(4,186)
Total (nominal)	11,387	(10,289)	14,599	(13,474)

During 2024/25, Housing Plus Group entered into a £50m interest rate swap contract to fix the interest rate on a portion of its variable-rate borrowing portfolio until various dates up to 2032. The Group designated these derivatives as cash flow hedging instruments in respect of the forecast cash flows arising from the underlying loans.

The cumulative hedge reserve relating to the swap contract at 31 March 2026 was £1.098m (2025: £980k). The fair value was determined by calculating the net present value of the future cash flows of the swaps (as shown above), discounted using an appropriate mid-market swap curve as at 31 March 2026.

Notes to the Financial Statements

21 Creditors: Amounts falling due within one year

	As at 31 March 2026		As at 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Loans payable within one year	(377)	-	(74,606)	-
Trade creditors	(16,107)	(778)	(14,922)	(914)
Rents and service charges received in advance	(9,892)	-	(7,823)	-
Amounts owed to group undertakings	-	(17,640)	-	(61)
Taxation and social security	(1,281)	-	(1,451)	-
Other creditors	(1,235)	-	(1,094)	-
Social housing grant received in advance	(293)	-	(1,241)	-
Deferred grant income	(3,045)	-	(2,546)	-
Recycled capital grant	(127)	-	(32)	-
Accruals and deferred income	(16,919)	(651)	(17,111)	(934)
Accrued interest	(6,487)	-	(5,581)	-
Employees	(34)	-	(23)	-
Total Creditors: Amounts falling due within one year	<u>(55,797)</u>	<u>(19,069)</u>	<u>(126,430)</u>	<u>(1,909)</u>

22 Creditors: Amounts falling due after more than one year

	As at 31 March 2026		As at 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Loans and borrowings	(1,073,374)	-	(942,005)	-
Loan arrangement fees	1,326	-	1,478	-
Deferred grant income	(262,347)	-	(229,571)	-
Recycled capital grant	(443)	-	(298)	-
Other designated funds	(1,213)	-	(1,163)	-
Total Creditors: Amounts falling due after more than one year	<u>(1,336,051)</u>	<u>-</u>	<u>(1,171,559)</u>	<u>-</u>

Repayment of loans

	As at 31 March 2026			
	Bank Loans	Other Loans	Bond Financing	Total
	£'000	£'000	£'000	£'000
In one year or less, or on demand	-	377	-	377
In more than one year but not more than two years	34,500	-	-	34,500
In more than two years but not more than five years	296,048	789	-	296,837
In more than five years	428,511	63,343	250,183	742,037
	<u>759,059</u>	<u>64,509</u>	<u>250,183</u>	<u>1,073,751</u>

Notes to the Financial Statements

	As at 31 March 2025			
	Bank Loans	Other Loans	Bond Financing	Total
	£'000	£'000	£'000	£'000
In one year or less, or on demand	74,243	363	-	74,606
In more than one year but not more than two years	-	373	-	373
In more than two years but not more than five years	307,615	1,182	-	308,797
In more than five years	319,371	63,260	250,204	632,835
	701,229	65,178	250,204	1,016,611

As at 31 March 2026, the Group had a loan creditor balance of £1,074m (2025: £1,017m), comprising a combination of fixed and variable rate debt. The fixed rate debt carried a weighted average interest rate of 4.57%, while variable rate revolving credit facilities incurred interest at rates linked to SONIA plus margins. Some of the variable rate deals were hedged through embedded derivatives, including a £50m deal agreed in 2024/25 and hedged through a stand-alone interest rate swap derivative.

No new facilities were secured during the year. Two loan repayments were made, consisting of £50m of variable rate debt and £23.8m of fixed rate debt. At the year-end, 68% of the total drawn debt was either fixed rate or hedged, in compliance with the Group's treasury policy, which requires a minimum of 60%.

As at 31 March 2026, the Group had £67.5m of undrawn facilities available for immediate use.

Deferred Capital Grant

Group	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
At 1 April	232,117	220,064
Grants received in the year	37,833	12,557
Grants transferred from/(to) the recycled capital grant fund	(276)	(73)
Transfer from reserves	215	200
Transferred from the disposal proceeds fund (Historic – Pauls Moss)	(1,743)	1,743
Releases to income during the year	(2,754)	(2,374)
At 31 March	265,392	232,117
Amounts due within one year	3,045	2,546
Amounts due after more than one year	262,347	229,571
Total	265,392	232,117

Homes Plus have received government grants in order to acquire and develop housing properties. Grants are amortised through the Statement of Comprehensive Income over the useful economic life of the structure of the property. Any unamortised grant is held as deferred income. A breakdown of this grant is shown below:

Recycled Capital Grant Fund

Group	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
At 1 April	330	599
Grants recycled	280	267
Acquisition of dwellings for letting	(40)	(536)
At 31 March	570	330
Amounts due within one year	127	32
Amounts due after more than one year	443	298
Total	570	330

Notes to the Financial Statements

23 Financial instruments

	Note	As at 31 March 2026		As at 31 March 2025	
		Group	Parent	Group	Parent
		£'000	£'000	£'000	£'000
Financial assets measured at historic cost					
Rents and service charges receivable	19	7,827	-	5,881	-
Care services receivable	19	266	-	504	-
Amounts owed from group undertakings	19	-	19,791	-	1,900
Other debtors	19	2,910	11	3,700	12
Cash and cash equivalents		46,792	1,353	18,113	1,219
Total financial assets		57,795	21,155	28,198	3,131
Financial liabilities measured at amortised cost					
Loans	21/22	(1,073,751)	-	(1,016,611)	-
		(1,073,751)	-	(1,016,611)	-
Financial liabilities measured at historic cost					
Trade creditors	21	(16,107)	(778)	(14,922)	(914)
Accruals	21	(16,919)	(651)	(17,111)	(934)
Amounts owed to group undertakings	21	-	(17,640)	-	(61)
Other creditors	21	(1,235)	-	(1,094)	-
		(34,261)	(19,069)	(33,127)	(1,909)
Total financial liabilities		(1,108,012)	(19,069)	(1,049,738)	(1,909)

24 Called up non equity share capital

Each member of the Board of Management holds one non-equity share of £1 each. These shares carry the right to vote at General Meetings on the basis of one share one vote. The shares are not transferable, non-redeemable and carry no right to receive income or capital payments.

Parent	As at 31 March 2026	As at 31 March 2025
	£	£
At 1 April	11	6
Shares issued during the financial period	-	5
Shares withdrawn during the financial period	(1)	-
At 31 March	10	11

25 Capital commitments

The following describes the way the Group funds development:

	As at 31 March 2026		As at 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Expenditure contracted but not provided for in the financial statements	84,139	-	56,661	-
Expenditure authorised by the Board but not contracted	49,327	-	115,408	-
Total capital commitments	133,466	-	172,069	-

Notes to the Financial Statements

The expenditure will be funded as follows:

Group	As at 31 March 2026	As at 31 March 2025
	£'000	£'000
Loans and reserves	72,723	120,171
Social housing grant	33,029	33,911
Forecast sales	27,714	17,987
Total gross expenditure	133,466	172,069

26 Leases

Operating leases

At 31 March 2026 the total of future minimum lease payments under non-cancellable operating leases for each of the following periods was:

	As at 31 March 2026		As at 31 March 2025	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Leases for buildings:				
Within one year	34	-	-	-
Two to five years	-	-	169	-
Leases for vehicles:				
Within one year	2,788	-	2,497	-
Two to five years	7,623	-	2,258	-
Leases for equipment:				
Within one year	48	45	48	45
Two to five years	4	4	4	4
	10,497	49	4,976	49

The expenditure charged in the Statement of Comprehensive Income during the year in relation to minimum lease payments was £2,964k for the Group (2025: £1,374k) and £45k for the Parent (2025: £45k).

Finance leases and hire purchase

The group had no obligations under finance leases or hire purchase agreements as at 31 March 2026 (2025: None)

27 Pensions

The Group participates in two multi-employer pension schemes which arose as a result of the merger over time of 4 legacy landlords to form The Housing Plus Group. Legacy employees of the South Staffordshire Housing Association ("SSHA") and Stafford and Rural Housing Association ("SARH") participate in the Staffordshire County Council Scheme. Legacy employees of Severnside, and current/former employees of The Wrekin Housing Group participate in the Shropshire County Council Scheme. In addition, the Group participates in the Housing Plus Pensions Scheme, a single employer pension scheme, which is a separate trustee administered fund set up on 31 October 2018 following the transfer of obligations from the Social Housing Pension Scheme (SHPS).

The Housing Plus Group Limited, the parent organisation, participates in the Housing Plus Pension Scheme and the Staffordshire County Council Scheme. The Group will be preparing a new pensions strategy in 2026/27.

The CPI inflation assumption has been updated over the year to reflect revised expectations of the impact of aligning the RPI index with CPIH from February 2030. CPI is derived from RPI with a deduction of 1.0% p.a. before February 2030 and 0.2% p.a. thereafter. This compares to a deduction of 1.0% p.a. before February 2030 and no deduction thereafter adopted last year.

Notes to the Financial Statements

The Group had the following pension assets/(liabilities) at the end of the year:

	Staffs LGPS	Shropshire LGPS- Homes Plus	Shropshire LGPS- Wrekin Housing Group	Housing Plus Pension Scheme	Total
	£'000	£'000	£'000	£'000	£'000
At 1 April 2025	(2,087)	(204)	-	-	(2,291)
Additions/(reductions) dealt within surplus/(deficit)	476	141	890	(22)	1,485
Additions/(reductions) dealt within Other Comprehensive Income	4,205	1,557	1,018	20	6,800
Interest costs	(106)	(1)	78	2	(27)
At 31 March 2026	2,488	1,493	1,986	-	5,967
Asset	107,107	48,644	135,572	7,504	298,827
Liability	(63,516)	(34,138)	(107,271)	(7,282)	(212,207)
Asset Ceiling	(41,059)	(12,835)	(26,315)	(222)	(80,431)
At 31 March 2026	2,532	1,671	1,986	-	6,189
Present value of unfunded liabilities	(44)	(178)	-	-	(222)

The Parent had the following liabilities during the year:

	Staffs LGPS	Housing Plus Pension Scheme	Total
	£'000	£'000	£'000
At 1 April 2025	-	-	-
Additions/(reductions) dealt within surplus/(deficit)	426	(9)	417
Additions/(reductions) dealt within Other Comprehensive Income	2,621	7	2,628
Net Interest costs	12	2	14
At 31 March 2026	3,059	-	3,059
Asset	46,357	2,276	48,633
Liability	(25,690)	(2,209)	(27,899)
Asset Ceiling	(17,608)	(67)	(17,675)
At 31 March 2026	3,059	-	3,059

Virgin Media Ltd vs NTL Trustees-On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans and it is understood this would apply to the LGPS.

In June 2025 the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes meet the necessary standards. This legislation, The Pension Schemes Bill received royal assent on 29 April 2026. It is understood that LGPS funds are considering next steps. Consequently, no allowance has been made for the Virgin Media judgment.

Notes to the Financial Statements

a) Staffordshire County Council Scheme

The parent, and Homes Plus participate in the Staffordshire County Council Pension Scheme which is a multi-employer defined benefit Scheme, and is funded and contracted out of the state scheme.

The Housing Plus Group has 3 schemes within the Staffordshire LGPS of which two relate to Homes Plus and one relate to the Housing Plus Group Limited. Two of the schemes (one in Housing Plus Group Ltd and one in Homes Plus) are currently pooled together for the purpose of setting contribution rates but for the purposes of the accounting valuation for the financial statements they have been split out.

The latest triennial valuation of the scheme was carried out as at 31 March 2025. The triennial valuation is based on the pooling of all 3 schemes within the Housing Plus Group. The funding position at 31 March 2025 is a surplus of £41,394k. (Assets £100,041k, Liabilities £58,647k, funding level 171%).

The actuary has estimated that the net pension liability under FRS102 as at 31 March 2026 for the Housing Plus Group Limited (the parent) is an asset of £20,667k (2025: £18,061k asset). The other schemes within the Group have an estimated net pension asset/ liability as follows. Homes Plus (formerly SSHA) is a liability of £1,485k (2025: £2,087k). For Homes Plus there is an asset of £24,365k. (2025: £21,446k).

The extent to which the surplus can be recognised has been determined by assessing the economic value available from the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2026 the surplus recognised as an asset in the statement of financial position for HPG (the parent) is £3,059k (2025: £nil). The surplus recognised in the Group is £3,973k (2025: £nil).

The organisations' net liabilities can be summarised as:

	2026			2025		
	Parent	Homes Plus	Group	Parent	Homes Plus	Group
	£'000	£'000	£'000	£'000	£'000	£'000
Fair value of employer assets	46,357	60,750	107,107	42,078	57,523	99,601
Present value of defined benefit obligations	(25,690)	(37,826)	(63,516)	(24,017)	(38,117)	(62,134)
Surplus	20,667	22,924	43,591	18,061	19,406	37,467
Net asset ceiling	(17,608)	(23,451)	(41,059)	(18,061)	(21,446)	(39,507)
Pension Asset / (Liability) at the end of the period	3,059	(527)	2,532	-	(2,040)	(2,040)
Present value of defined benefit obligations (unfunded)	-	(44)	(44)	-	(47)	(47)

Assumptions	2026	2025
	%p.a	%p.a
Salary increases	3.40%	3.30%
Pension increases	2.90%	2.80%
Discount rate	6.20%	5.80%

Notes to the Financial Statements

The life expectancy is based on the Fund's VitaCurves and based on these assumptions, the future life expectancies at age 65 are summarised below:

	Males	Females
Housing Plus Group		
Current pensioners	21.3 years	25.4 years
Future pensioners*	22.9 years	26.1 years
Homes Plus- South Shropshire Housing Association		
Current pensioners	21.7 years	23.8 years
Future pensioners*	23.0 years	25.6 years
Home Plus (formerly SARH)		
Current pensioners	21.7 years	24.7 years
Future pensioners*	22.2 years	25.6 years

* Figures assume members aged 45 as at the last formal valuation date

Categories of plan assets as a % of total plan assets	2026	2025
	%	%
Equities	49	60
Bonds	31	30
Property	18	8
Cash	2	2

Reconciliation of the effect of the net asset ceiling	Parent	2026 Group	Parent	2025 Group
	£'000	£'000	£'000	£'000
Opening net asset ceiling	18,061	39,507	13,829	30,681
Interest on asset ceiling	1,047	2,290	678	1,504
Movement in asset ceiling recognised through OCI (as a remeasurement)	(1,500)	(738)	3,554	7,322
Closing net asset ceiling	17,608	41,059	18,061	39,507

Net pension asset / (liability)	Parent	2026 Group	Parent	2025 Group
	£'000	£'000	£'000	£'000
Fair value of employer assets	46,357	107,107	42,078	99,601
Present value of funded obligations	(25,690)	(63,516)	(24,017)	(62,134)
Surplus/(deficit)	20,667	43,591	18,061	37,467
Effect of net asset ceiling*	(17,608)	(41,059)	(18,061)	(39,507)
Net pension asset / (liability)	3,059	2,532	-	(2,040)
Present value of unfunded liabilities	-	(44)	-	(47)

* The surplus of £24,365k (2025: £39,507k) of the Staffordshire (Formerly SARH) fund has been capped to £914k (2025: £nil) for the Group. For Housing Plus Group, the parent, we have capped the surplus of £20,667k (2025: £18,061k) to £3,059k (2025: £nil).

Information about defined benefit obligation before surplus restrictions	Parent	2026 Group	Parent	2025 Group
	£'000	£'000	£'000	£'000
Active members	10,728	14,838	12,433	18,353
Deferred members	6,099	17,032	5,880	18,455
Pensioner members	8,863	31,646	5,704	25,326
Unfunded obligations	-	44	-	47
	25,690	63,560	24,017	62,181

The approximation involved in the roll forward model means that the split of scheme liabilities between the three classes of member may not be reliable for certain types of employers. However, the Actuary is satisfied that the approach used leads to reasonable estimates for the aggregate liability figure.

Notes to the Financial Statements

Amount charged to operating surplus	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Current service cost*	(436)	(596)	(787)	(1,023)
Past service cost	(153)	(153)	(239)	(239)
Administration expenses	-	-	-	-
Effects of curtailments	-	-	-	-
Total operating charge	(589)	(749)	(1,026)	(1,262)
Amount charged to financing costs				
Interest on plan assets	2,433	5,726	1,990	4,764
Interest cost on defined benefit obligation	(1,374)	(3,542)	(1,318)	(3,422)
Interest on asset ceiling	(1,047)	(2,290)	(678)	(1,504)
Total net interest	12	(106)	(6)	(162)
Total defined benefit cost recognised in income statement for the year	(577)	(855)	(1,032)	(1,424)

* The Service Cost figures include an allowance for administration expenses of 0.8% of payroll.

Re-measurements recognised in Other Comprehensive Income	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Change in financial assumptions	1,287	2,979	4,204	9,729
Change in demographic assumptions	499	1,046	-	-
Other experience	(1,966)	(3,642)	259	686
Effect of movement in net asset ceiling	1,500	738	(3,554)	(7,322)
Return on assets (excluding amounts included in net interest)	1,301	3,084	(688)	(1,647)
Total re-measurements recognised in Other Comprehensive Income	2,621	4,205	221	1,446

Reconciliation of defined benefit obligation	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Opening defined benefit obligation	24,017	62,181	26,681	70,564
Current service cost	436	596	787	1,023
Past service cost	153	153	239	239
Interest cost	1,374	3,542	1,318	3,422
Contributions from members	231	301	346	426
Actuarial losses / (gains)	978	96	(4,463)	(10,415)
Unfunded benefits paid	-	(4)	-	(4)
Funded benefits paid	(1,499)	(3,305)	(891)	(3,074)
Closing defined benefit obligation	25,690	63,560	24,017	62,181

Reconciliation of fair value of employer assets	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Opening fair value of employer assets	42,078	99,601	40,510	98,087
Remeasurements (assets)	1,301	3,084	(688)	(1,647)
Interest on plan assets	2,433	5,726	1,990	4,764
Contributions from members	231	301	346	426
Contributions from employer	1,015	1,221	811	1,045
Contributions in respect of unfunded benefits	-	4	-	4
Actuarial gains / (losses)	798	479	-	-
Unfunded benefits paid	-	(4)	-	(4)
Funded Benefits paid	(1,499)	(3,305)	(891)	(3,074)
Closing fair value of employer assets	46,357	107,107	42,078	99,601

Notes to the Financial Statements

b) Shropshire County Council Scheme – Homes Plus

Homes Plus Ltd participates in the Local Government Pension Scheme (LGPS), which is a multi-employer defined benefit Scheme, is funded and is contracted out of the state scheme. Each year the actuary values the assets and liabilities of the scheme using a set of assumptions. Changes in assumptions and performance of the assets/liabilities in the year means that the present value of the defined benefit obligation is subject to uncertainty.

The latest triennial valuation of the scheme was carried out as at 31 March 2025. The funding position at 31 March 2025 is a surplus of £12m (Assets £46.8m, Liabilities £34.8m, funding level 134%).

The disclosures necessary in respect of FRS102 are shown in various tables below. The actuary has estimated that the net pension asset/liability as at 31 March 2026 is an asset of £14,506k (2025: £10,487k). The extent to which the surplus can be recognised has been determined by assessing the economic value available from the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2026, the net balance sheet position recognised is an asset in the statement of financial position of £1,671k (2025: nil) and unfunded liabilities of 178k (2025: £204k).

Assumptions	2026	2025
	%p.a	%p.a
Salary increases	3.40%	3.30%
Pension increases	2.90%	2.80%
Discount rate	6.20%	5.80%

The life expectancy is based on the Fund's standard mortality tables using S4 tables and based on these assumptions, the future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	21.8 years	24.3 years
Future pensioners*	22.8 years	25.5 years

* Figures assume members aged 45 as at the last formal valuation date.

Categories of plan assets as a % of total plan assets	2026	2025
	%	%
Equities	56	59
Government Bonds	5	-
Bonds	13	13
Property	5	4
Alternatives	20	23
Cash	1	1

Reconciliation of the effect of the net asset ceiling	2026	2025
	£'000	£'000
Opening net asset ceiling	10,487	5,318
Interest on asset ceiling	608	261
Movement in asset ceiling recognised through OCI (as a remeasurement)	1,740	4,908
Closing net asset ceiling	<u>12,835</u>	<u>10,487</u>

Net pension asset / (liability)	2026	2025
	£'000	£'000
Fair value of employer assets	48,644	47,358
Present value of funded obligations	<u>(34,138)</u>	<u>(36,871)</u>
Surplus/(deficit)	14,506	10,487
Effect of net asset ceiling	<u>(12,835)</u>	<u>(10,487)</u>
Net pension asset/ (liability)	<u>1,671</u>	<u>-</u>
Present value of unfunded liabilities	<u>(178)</u>	<u>(204)</u>

Notes to the Financial Statements

Amount charged to operating surplus	2026	2025
	£'000	£'000
Current service cost	(212)	(284)
Past service cost	-	-
Administration expenses	(14)	(12)
Effects of curtailments	-	-
Total operating charge	(226)	(296)
Amount charged to financing costs		
Interest on plan assets	2,709	2,240
Interest cost on defined benefit obligation	(2,102)	(1,981)
Interest on asset ceiling	(608)	(261)
Total net interest	(1)	(2)
Total defined benefit cost recognised in income statement for the year	(227)	(298)

Re-measurements recognised in Other Comprehensive Income	2026	2025
	£'000	£'000
Change in financial assumptions	1,329	4,694
Change in demographic assumptions	215	(46)
Other experience	1,851	37
Effect of movement in net asset ceiling	(1,740)	(4,908)
Return on assets (excluding amounts included in net interest)	(98)	157
Total re-measurements recognised in Other Comprehensive Income	1,557	(66)

Reconciliation of defined benefit obligation	2026	2025
	£'000	£'000
Opening defined benefit obligation	37,075	41,350
Current service cost	212	284
Past service cost	-	-
Interest cost	2,102	1,981
Contributions from members	98	103
Actuarial losses / (gains)	(3,395)	(4,685)
Result on curtailments	-	-
Unfunded benefit paid	(15)	-
Funded Benefits paid	(1,761)	(1,958)
Closing defined benefit obligation	34,316	37,075

Reconciliation of fair value of employer assets	2026	2025
	£'000	£'000
Opening fair value of employer assets	47,358	46,443
Remeasurements (assets)	(98)	157
Interest on plan assets	2,709	2,240
Contributions from members	98	103
Contributions from employer	367	385
Administration expenses	(14)	(12)
Unfunded benefits paid	(15)	-
Funded Benefits paid	(1,761)	(1,958)
Closing fair value of employer assets	48,644	47,358

History of gains and losses	2026	2025
	£'000	£'000
Fair value of employer assets	48,644	47,358
Net asset ceiling	(12,835)	(10,487)
Present value of defined benefit obligations	(34,138)	(36,871)
Net Asset / (Liability)	1,671	-
Present value of unfunded liabilities	(178)	(204)

Notes to the Financial Statements

c) Shropshire County Council Scheme – Wrekin Housing Group

The Wrekin Housing Group Ltd participates in the Local Government Pension Scheme, which is a multi-employer defined benefit Scheme, is funded and is contracted out of the state scheme. Each year the scheme actuary values the assets and liabilities of the scheme using a set of assumptions. Changes in assumptions and performance of the assets/liabilities in the year means that the present value of the defined benefit obligation is subject to uncertainty. The disclosures necessary in respect of FRS102 are shown in various tables below. The actuary has estimated that the net pension asset/liability as at 31 March 2026 is an asset of £28,301k (2025: £18,113k). The extent to which the surplus can be recognised has been determined by assessing the economic value available from the surplus, by deducting the net present value of future service-related contributions from the net present value of future benefits accruing. For 2026, the surplus recognised is an asset in the statement of financial position of £1,986k (2025: nil).

Assumptions	2026	2025
	%p.a	%p.a
Salary increases	3.40%	3.30%
Pension increases	2.90%	2.80%
Discount rate	6.20%	5.90%

There is a change in methodology while setting all actuarial assumptions mainly driven by a change in actuarial advisor and a desire to align assumptions across Housing Plus Group and their various participations in the Fund.

The life expectancy is based on the Fund's standard mortality tables using S4 tables and based on these assumptions, the future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	21.8 years	24.3 years
Future pensioners*	22.8 years	25.5 years

* Figures assume members aged 45 as at the last formal valuation date.

Reconciliation of the effect of the net asset ceiling	2026	2025
	£'000	£'000
Opening net asset ceiling	18,113	82
Interest on asset ceiling	1,069	4
Movement in asset ceiling recognised through OCI (as a remeasurement)	7,133	18,027
Closing net asset ceiling	26,315	18,113

Net pension asset / (liability)	2026	2025
	£'000	£'000
Fair value of employer assets	135,572	126,441
Present value of funded obligations	(107,271)	(108,328)
Surplus	28,301	18,113
Effect of net asset ceiling	(26,315)	(18,113)
Net pension asset / (liability)	1,986	-

Amount charged to operating surplus	2026	2025
	£'000	£'000
Current service cost	(1,428)	(1,816)
Past service cost	-	(48)
Administration expenses	(112)	(91)
Effects of curtailments	(239)	-
Total operating charge	(1,779)	(1,955)

Amount charged to financing costs	2026	2025
Interest on plan assets	7,417	5,907
Interest cost on defined benefit obligation	(6,270)	(5,842)
Interest on asset ceiling	(1,069)	(4)
Total net interest	78	61
Total defined benefit cost recognised in income statement for the year	(1,701)	(1,894)

Notes to the Financial Statements

Re-measurements recognised in Other Comprehensive Income	2026	2025
	£'000	£'000
Re-measurements – net gain / (loss)	8,151	17,419
Effect of movement in net asset ceiling	(7,133)	(18,027)
Total re-measurements gain / (loss)	1,018	(608)

Reconciliation of defined benefit obligation	2025	2026
	£'000	£'000
Opening defined benefit obligation	108,328	120,812
Current service cost	1,428	1,816
Past service cost	-	48
Interest cost	6,270	5,842
Contributions from members	797	800
Actuarial (gains)	(4,882)	(17,001)
Result on curtailments	239	-
Estimated benefits paid	(4,909)	(3,989)
Closing defined benefit obligation	107,271	108,328

Reconciliation of fair value of employer assets	2026	2025
	£'000	£'000
Opening fair value of employer assets	126,441	120,894
Remeasurements (assets)	3,269	418
Interest on plan assets	7,417	5,907
Contributions from members	797	800
Contributions from employer	2,669	2,502
Administration expenses	(112)	(91)
Unfunded benefits paid	-	-
Benefits paid	(4,909)	(3,989)
Closing fair value of employer assets	135,572	126,441

History of gains and losses	2026	2025
	£'000	£'000
Fair value of employer assets	135,572	126,441
Present value of defined benefit obligations	(107,271)	(108,328)
Net asset ceiling	(26,315)	(18,113)
Surplus / (Deficit)	1,986	-

d) Housing Plus Pension Scheme

The Association participates in the Housing Plus Pension Scheme which is a defined benefit Scheme in the UK. This is a separate trustee administered fund set up on 31 October 2018 following the transfer of obligations from the Social Housing Pension Scheme (SHPS). The Scheme holds the pension scheme assets to meet long term pension liabilities. Scheme liabilities at 31 March 2026 were based on data used to calculate the amount of assets to be transferred on 31 October 2018, updated by a qualified actuary, independent of the Association. Each year the scheme actuary values the assets and liabilities of the scheme using a set of assumptions. Changes in assumptions and performance of the assets/liabilities in the year means that the present value of the defined benefit obligation is subject to uncertainty. The major assumptions used by the actuary are shown below.

For accounting purposes, the schemes assets and liabilities have been split between The Housing Plus Group Ltd (the parent) and Homes Plus Limited. The values are apportioned based on the original split of employees between the two entities in 2018.

The latest triennial valuation of the scheme was carried out as at 30 September 2025. The results showed a deficit of £246k. It is proposed to clear this deficit with a single lump sum payment in April 2027.

The actuary has estimated that the net pension asset/ liability as at 31 March 2026 is an asset of £222k (2025: asset £47k). The surplus cannot be recognised by the Group as under the rules of the Scheme the Employer does not have a right to a refund of surplus, and as the scheme is closed to future benefit accrual no economic value can be recovered through reduced future contributions. Therefore, the surplus recognised in the statement of financial position is £nil (2025: £nil).

Notes to the Financial Statements

Financial assumptions	2026	2025
	%p.a	%p.a
Discount rate	6.20%	5.80%
Inflation (RPI)	3.20%	3.10%
Inflation (CPI)	2.90%	2.80%
Deferred revaluation	3.20%	3.10%
Pension increases		
-CPI max 5% p.a.	2.80%	2.74%
-CPI max 3% p.a.	2.20%	2.22%

Demographic assumptions	As at 2026	As at 2025
Mortality		
Base tables	Pre-retirement: nil Post retirement: 105% of S4PXA	Pre-retirement: nil Post retirement: 109% of S3PXA
Improvement allowance	CMI_2025 (1.25%) for males CMI_2025 (1.25%) for females	CMI_2023 (1.25%) for males CMI_2023 (1.25%) for females
Smoothing parameter	7.0	7.0
Life expectancy from age 65		
Pensioners (currently aged 65)	Male: 21.7, Female: 23.9	Male: 21.1, Female: 23.6
Non-pensioners (currently aged 45)	Male: 22.9, Female: 25.3	Male: 22.3, Female: 25.0
Commutation	90% of maximum allowance	90% of maximum allowance
Other demographic assumptions	As per most recent technical provisions assumptions	As per most recent technical provisions assumptions

Categories of plan assets as a % of total assets	2026	2025
	Parent	Group
	£'000	£'000
Equities	5%	5%
Bonds	61%	61%
Property	3%	4%
Other	31%	32%

Reconciliation of the effect of the net asset ceiling	2026	2025
	Parent	Group
	£'000	£'000
Opening net asset ceiling	15	47
Interest on asset ceiling	1	2
Movement in asset ceiling recognised through OCI (as a remeasurement)	51	173
Closing net asset ceiling	67	222

Net pension asset / (liability)	2026	2025
	Parent	Group
	£'000	£'000
Fair value of employer assets	2,276	7,504
Present value of scheme liabilities	(2,209)	(7,282)
Surplus	67	222
Effect of asset ceiling	(67)	(222)
Net pension asset / (liability)	-	-

Notes to the Financial Statements

Amount charged to operating surplus	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Current service cost*	-	-	-	-
Past service cost	-	-	-	-
Administration expenses	(30)	(100)	(33)	(110)
Settlement losses/(gains)	-	-	-	-
Total operating charge	(30)	(100)	(33)	(110)
Amount charged to financing costs				
Interest on plan assets	129	425	125	412
Interest cost on defined benefit obligation	(128)	(423)	(121)	(398)
Interest on asset ceiling	(1)	(2)	(4)	(14)
Total net interest	-	-	-	-
Total defined benefit cost recognised in income statement for the year	(30)	(100)	(33)	(110)
Re-measurements recognised in Other Comprehensive Income	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Change in financial assumptions	125	411	397	1,309
Change in demographic assumptions	30	99	(35)	(114)
Other experience	(42)	(137)	(40)	(131)
Effect of movement in net asset ceiling	(52)	(173)	79	259
Return on assets (excluding amounts included in net interest)	(54)	(178)	(391)	(1,289)
Total re-measurements recognised in Other Comprehensive Income	7	22	10	34

Changes in assets/(liabilities) during the year	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Opening surplus/(deficit) at the start of the period	-	-	-	-
Current service cost	-	-	-	-
Past service cost	-	-	-	-
Net interest cost	-	-	-	-
Expenses	(31)	(100)	(33)	(110)
Re-measurements included in Other Comprehensive Income	7	22	10	34
Employer contributions	24	78	23	76
Estimated benefits paid	-	-	-	-
Surplus/(deficit) at the end of the period	-	-	-	-
Reconciliation of defined benefit obligation	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Opening defined benefit obligation	2,234	7,361	2,498	8,232
Interest cost on defined benefit obligations	127	423	121	398
Benefits paid	(39)	(129)	(62)	(205)
Actuarial (gain) on changes in assumptions	(155)	(510)	(363)	(1,195)
Experience loss on liabilities	42	137	40	131
Closing defined benefit obligation	2,209	7,282	2,234	7,361

Notes to the Financial Statements

Reconciliation of fair value of employer assets	2026		2025	
	Parent	Group	Parent	Group
	£'000	£'000	£'000	£'000
Opening fair value of employer assets	2,249	7,408	2,587	8,524
Remeasurements (assets)	(54)	(178)	(391)	(1,289)
Interest on plan assets	129	425	125	412
Contributions from members	-	-	-	-
Contributions from employer	24	78	23	76
Administration expenses	(33)	(100)	(33)	(110)
Unfunded benefits paid	-	-	-	-
Benefits paid	(39)	(129)	(62)	(205)
Closing fair value of employer assets	2,276	7,504	2,249	7,408

28 Restricted reserves

Restricted reserves constitute surpluses accruing from sales of LSVT units under the Right to Buy scheme in Homes Plus. The receipts are to be used solely for the provision of new housing or disabled facility grants, subject to approval by the relevant local authority. £846k in Wrekin Housing Group relates to the former regeneration of the Woodside flats in Telford which is to be used for future developments within the locality.

29 Reconciliation of surplus to net cash flow from operating

Group	Year ended 31 March 2026	Year ended 31 March 2025
	£'000	£'000
Surplus for the year	30,768	22,279
Adjustments for non cash items:		
Amortisation	133	198
Depreciation and impairment	37,162	41,876
Write off of components following demolition of properties	1,316	381
Decrease in stock	8,116	5,087
Decrease in trade and other debtors	1,478	454
Increase/(decrease) in trade and other creditors	875	(2,253)
Pension costs less contributions payable	(1,485)	(225)
Valuation movements	802	(100)
Movement in sinking fund	50	(927)
Non cash amount of tangible fixed asset disposals	-	-
	48,447	44,491
Adjustments for investing or financing activities:		
Surplus from the sale of tangible fixed assets	(24,991)	(15,900)
Government grants utilised in the year	(2,754)	(2,374)
Interest payable	41,544	39,093
Interest received	(602)	(768)
	13,197	20,051
Cash flow from operations	92,412	86,821

Notes to the Financial Statements

30 Analysis of changes in net debt during year

Group	Year ended 31 March	Other non cash movements	Year ended 31 March	
	2025		Cash flow	2026
	£'000	£'000	£'000	£'000
Cash at bank and in hand	11,083	-	28,656	39,739
Cash held as collateral	-	-	-	-
Short term deposits	7,030	-	23	7,053
	18,113	-	28,679	46,792
Housing loans due within one year	(74,606)	-	74,229	(377)
Housing loans due after one year	(691,801)	-	(131,390)	(823,191)
Bond finance due greater than one year	(250,204)	-	21	(250,183)
Loan arrangements fees	1,479	-	(153)	1,326
Total changes in net debt	(997,019)	-	(28,614)	(1,025,633)

31 Related party transactions

Transactions with non-regulated members of the Group

	Care Plus	Severn Homes	Development Worx	Old Park Services	Parent 2025 Strata Housing Association
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	582	500	-	-	-
Total	582	500	-	-	-
Outflow					
Services provided	-	-	-	-	-
Total	-	-	-	-	-

	Care Plus	Severn Homes	Development Worx	Old Park Services	Parent 2026 Strata Housing Association
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	797	500	-	-	-
Total	797	500	-	-	-
Outflow					
Services provided	-	-	-	-	-
Total	-	-	-	-	-

At the year end the following net trading and loan balances were due from/ (to) non regulated entities.

Parent	2026	2025
	£'000	£'000
Care Plus	139	72
Severn Homes	154	402
Development Worx	-	5
Total	293	479

**We create places
people are proud to call home**

