Annual Report and Financial Statements

2025

For the year ended 31 March 2025

Contents

Board Members, Executive Officers, Auditors and Advisors

For the year ended 31 March 2025

Housing Plus Group

Board Members, Executive Officers, Auditors and Advisors

Board Members

Catherine Dass **Chair**	Deborah Griffiths **Senior Independent Officer and Vice Chair**
Graeme Betts	Andrew Burns
Alan Hawkesworth	Alan Yates
Kevin Morgan (resigned 31 July 2025)	Louise Burns
Simon Whitfield	Jason Burt
Sarah Watson	Wayne Gethings

Independent Members

Paul Riley	Dinesh Murugesh-Warren
Rosalind Preen	Helen Hackney
Geraldine Emson (appointed 01 July 2025)	Adrian Wood (appointed 01 July 2025)

The Board members detailed above were all appointed on 6th January 2025 following the merger of The Wrekin Housing Group Limited and Housing Plus Group Limited on that date to form a Co-Terminous Board. The Board members detailed below represented the legacy Housing Plus Group Limited Board and all resigned or retired on 5th January 2025. Four of those Board members were reappointed to the new Board as shown above.

Board members before 5th January 2025

Steve Jennings	Ian Fleming
Graeme Betts	Sarah Boden
Andrew Burns	Jason Burt
Catherine Dass	

Executive Directors

Sarah Boden	Group Chief Executive (resigned 05 January 2025)
Wayne Gethings	Group Chief Executive (appointed 06 January 2025)
Jonathan Lamb	Executive Director of Finance (retired 20 June 2025)
Victoria Whibley	Executive Director Finance and Transformation (resigned 05 January 2025)

Board Members, Executive Officers, Auditors and Advisors

Suzanne Forster	Chief Financial Officer (appointed 01 May 2025)
David Wells	Executive Director of Customer Experience (appointed 06 January 2025)
Janet Lycett	Executive Director of Integration and Change (appointed 06 January 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 11 April 2025)
Janet Lycett	Company Secretary (appointed 12 April 2025)

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
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

For the year ended 31 March 2025

Housing Plus Group

Report of the Board

Registration

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 Housing Plus Group Limited. The transaction occurred during the year and has been accounted for using merger accounting compliant with FRS102 Section 19.

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 2025

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

The parent company, 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).

Report of the Board

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)
- Housing Plus Group Finance Limited (Group finance vehicle)
- The Wrekin Housing Group Limited (Asset owning registered provider)

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 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** used to provide design and build services to Homes Plus and was 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).

Housing Plus Group Finance Limited ("HPGF")

Housing Plus Group Finance 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.

The Wrekin Housing Group Limited ("WHG")

The Wrekin Housing Group 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. Its principal activities are the provision, on a profit-making commercial basis, of housing and property related services and associated software to other social landlords. It also operates 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. Choices also provides 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.

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 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 2024 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 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

Pre-merger Housing Plus Group engaged RSM as its internal auditors, while The Wrekin Housing Group engaged Beever and Struthers. 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.

The internal audit plan for 2025/26 has been approved by the Audit and Risk Committee.

As a result of the specific internal audit work completed in the year, the internal auditors concluded that in both legacy entities there was an adequate and effective system of internal control in place during 2024/25.

The reviews carried out by internal audit provide independent assurance to the Board via the Audit and Risk Committee. There is a rigorous procedure in place to ensure that recommendations arising from internal audit reviews are carefully considered and implemented or, occasionally, varied with the agreement of the Audit and Risk Committee.

Internal audit reports 2024/25
Assurance opinions

Substantial assurance	(9)
Reasonable assurance	(4)
Partial assurance	(4)
Advisory only	(4)

Internal audit reports 2024/25
Management action priority

High	(4)
Medium	(45)
Low	(25)
Advisory	(36)

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 which commenced in 2020, continues to be rolled out to all employees across the whole of the new Group. The Group maintains a fraud register, which is reviewed by the Audit and Risk Committee at each meeting. Incidents of fraud are discussed at committee meetings, together with details of action taken and consequent improvements in controls.

During the year, The Wrekin Housing Group identified one minor incidence of fraud amounting to a loss of £500 relating to theft and re-sale of van stock materials. As a result, one employee tendered their resignation and a second was dismissed following an investigation. No incidents were identified on the historical Housing Plus Group side of the business.

The Group takes all instances of alleged fraud very seriously and makes use of its own internal disciplinary procedures or involves the police as appropriate. Material cases of fraud to the Group's funds are reported to the Regulator of Social Housing.

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.

Auditors

A resolution to re-appoint KPMG LLP as external auditors will be proposed at the annual general meeting.

Annual general meeting

The annual general meeting will be held on 24 September 2025 at The Wrekin Housing Group, Colliers Way, Old Park, Telford, TF3 4AW.

The Report of the Board was approved by the Board on 3 September 2025 and signed on its behalf by:

Janet Lycett
Company Secretary

Strategic Report

For the year ended 31 March 2025

Housing Plus Group

Strategic Report

Executive summary

This is our first set of financial statements since the merger between Housing Plus Group and The Wrekin Housing Group in January 2025. This landmark moment has brought together the strengths, expertise and shared values of two leading housing providers, creating one of the largest housing associations in the West Midlands.

As a newly combined organisation, we now own and manage over 33,000 homes, employ more than 1,800 people, and deliver services with a combined turnover exceeding £250m. This scale enables us to be more resilient, more ambitious, and more impactful in the way we serve our customers and communities.

As a newly merged organisation, we are in a period of change and integration. We are working hard to bring together the best of both organisations to create a stronger, more efficient housing association – one that creates places people are proud to call home.

To reflect our commitment to openness and transparency, we’ve chosen to present a joint report for the new Housing Plus Group. This means you can see our financial performance as a whole.

Our enhanced capacity allows us to significantly increase investment in our existing homes, ensuring they remain safe, energy efficient and well maintained. At the same time, we are growing our ability to address the region’s desperate need for affordable, high-quality homes.

While our organisation has grown, our focus remains firmly on the communities we serve. We are committed to staying deeply connected to customers, while using our larger voice to influence regional housing policy and create wider economic and social value.

This report sets out our financial performance, highlights our key achievements over the period, and outlines how we are building strong foundations for a sustainable future. I would like to thank our colleagues, partners and Board members for their continued support and shared commitment to our mission.

Wayne Gethings
Group Chief Executive

Business overview

During the year, 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 newly merged organisation will be:

- more resilient and better able to invest in existing homes while also building more new homes;
- larger, yet remain fully connected to and invested in the communities we serve across Telford & Wrekin, Shropshire, and Staffordshire;
- positioned to deliver improved services and create more opportunities for staff.

The merger was completed on 6 January 2025. The new organisation has since established its vision and values, which will be embraced by all entities within the Group.

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.

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

In January 2025, The Wrekin Housing Group and Housing Plus Group merged becoming 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 £250m, we will create additional regional economic impact;
- provide more opportunities for our employees and be a great place to work.

Our new 'Why and How'

As part of 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.**

Following the successful merger of Housing Plus Group and The Wrekin Housing Group we now operate 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 created a new set of behaviours that reflect how we work, how we lead, and how we serve.

These three new behaviours are now embedded across the Group:

OWN IT

Make it happen

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

IMPROVE IT

Move things forward

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

LIVE IT

Show understanding and compassion

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

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

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 2023' 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 2024/25 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

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**561 homes**	**769 homes**

Both legacy entities secured a combined total of £14m Wave 3 Warm Homes grant funding from Homes England during the year. Of the total 561 homes delivered in 2024/25, 382 were design and build, and 179 were Section 106 or 'off the shelf' homes. These additions, along with our recent clean audit results and our relationship management have ensured Housing Plus Group is regarded as a trusted partner of Homes England.

The year continued to be very challenging, dealing with the insolvency of two contractors from the previous financial year and the continued impacts on contracting partners supply chains due to global economic challenges.

During the year, we completed a wide range of developments, including the new 71 apartment extra care development at Paul's Moss in Whitchurch. This challenging development, which incorporated a locally treasured heritage building and a new BREEAM medical centre facility, has made a huge impact on the town that was in need of additional older person's accommodation and expanded health facilities.

All new homes will have a building envelope that is compliant to the Futures Homes Standard.

Development - total income from property disposals

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**£19.6m**	**£25.1m**

Income from property disposals includes income from asset renewal sales, together with sales under the Right to Buy and Right to Acquire legislation. In 2023/24 and 2024/25 numbers of sales have been lower than expected, however sales values have been significantly higher than target. In addition, legacy Housing Plus Group generated £11.9m from outright sales on the Wrottesley Park, development.

Asset management - rent loss from voids

	2024/25 Actual	2025/26 Target*
Legacy WHG	**0.68%**	**1.0%**
Legacy HPG	**1.77%**	**1.0%**

*Target is set for the combined performance across the group.

Within legacy Wrekin, 2024/25 saw the impact of the Positive Change review undertaken (keys in to keys out) with average relet times reducing back to pre-pandemic levels which had a positive impact on financial void loss.

Delays in completing repairs to void units in legacy Housing Plus Group resulted in an increase in void loss during 2024/25.

The group has a proactive approach to minimising the ‘keys in to keys out’ turnaround time and has set an ambitious target to meet overall. Applying the positive change principles across the group does mean that this target, whilst ambitious should be achievable.

Asset management - average relet times

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**76 days**	**50 days**

Legacy Wrekin stabilised around the 22 day level and recorded the lowest void rent loss in terms of monetary value for many years. There were differences in performance between general needs and some of our retirement living schemes which remain a focus moving forward. We have improved processes over the year and as such the time taken is now more about the product type, age and desirability, than the process. We also do not dispose of assets in retirement living meaning we are carrying out more works at relet extending the relet time.

Combining the wider HPG performance data takes the group to 76 days. There have been very different operating models in the former component parts of the organisation traditionally. In 2025/26 there will be a focus on creating some synergy across the group and empowering teams to drive performance in this area.

Asset management - gas servicing

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**99.93%**	**100%**

The Group maintained its excellent level of compliance performance again in 2024/25, with 99.93% of properties having a valid gas certificate. 19 properties were deemed out of compliance and were in legal access procedures. Our full range of compliance performance metrics is shown on page 26.

Customers - rent collection

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**101.6%**	**100%**

Both legacy organisations performed above target, despite challenging economic conditions, delivering a strong return on rent collection. A proportion of our customers continue to migrate to Universal Credit, with just under half of our tenant base now receiving this benefit. Our respective financial support services are designed to assist them through this transition and help manage delays in receiving UC payments. Our approach to financial resilience is outlined in more detail below. Fundamentally, we believe that our focus on employment, welfare benefit advice, debt support, and energy guidance are key factors contributing to our high collection rates.

Customers - arrears levels

	2024/25 Actual	2025/26 Target
Combined WHG and HPG	**1.01%**	**1.0%**

Across the Group, a combined figure of 1.01% represents 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 24 cases (less than 0.1% of all tenancies), demonstrates that eviction remains a measure of absolute last resort.

Customers - repairs completed same day

The two legacy organisations have very different operating models when it comes to routine repairs. Legacy WHG operate a same day service, whilst legacy HPG operate an appointment-based service. 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.

Legacy WHG - same day service

33,461	responsive repairs including gas related repairs completed (2023/24: 31,192 repairs)
81.4%	of repairs were completed on the same day they were reported (2023/24: 78%)

Legacy HPG - appointment based service

54,713	responsive repairs demand (2023/24: 51,261)
4,814	open responsive repairs orders at 31 March 2025 (2023/24: 4,525)

Customer involvement

2023/24 saw the first publication of the Regulators Tenant Satisfaction Measures. In 2024/25, the legacy entities have conducted surveys across customer bases using various methods of communication.

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 area. 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.

Highlights

- Overall satisfaction with Housing Plus Group is above the median benchmarking figure nationally.
- We were consistently above median benchmarking in all satisfaction measures: Keeping properties in good repair, maintaining building safety, respectful and helpful engagement and responsible neighbourhood management.

Areas requiring improvement

- Handling of complaints is our comparatively lowest area of satisfaction, but this is in line with experience across the sector and we are working hard to improve our processes around complaints handling.
- 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 2023/24 performance. Upper quartile is the top performance compared with other landlords, median the middle, and lower quartile the lower performing group.

The Group's performance against the new satisfaction measures for 2024/25 is as follows:

	HPG	Upper quartile	Median	Lower quartile
Overall satisfaction with services	**80%**	78.4%	71.3%	63.7%
Satisfaction with repairs	**82%**	78.7%	72.3%	65.7%
Satisfaction with time taken to complete most recent repair	**81%**	75.1%	67.4%	61.1%
Satisfaction that the home is well-maintained	**80%**	77.6%	70.8%	64.4%
Satisfaction that the home is safe	**85%**	82.5%	76.7%	70.5%
Satisfaction that the landlord listens to tenant views and acts upon them	**70%**	67.9%	60.4%	52.3%
Satisfaction that the landlord keeps tenants informed about things that matter to them	**81%**	75.9%	70.3%	63.8%
Agreement that the landlord treats tenants fairly and with respect	**82%**	82.8%	76.8%	70.8%
Satisfaction with the landlord's approach to handling complaints	**40%**	41.1%	34.5%	27.5%
Satisfaction that the landlord keeps communal areas clean and well-maintained	**71%**	71.7%	65.1%	58.2%
Satisfaction that the landlord makes a positive contribution to neighbourhoods	**72%**	70.4%	63.1%	55.1%
Satisfaction with the landlord's approach to handling anti-social behaviour	**66%**	64.8%	57.8%	51.3%

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

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
10.0%	**7.2%**	**7.6%**	**10.0%**	**7.4%**

2024/25 was a year of strong capital investment in our portfolio. £92.2m was invested in new homes, and £29.3m in maintaining and improving our existing homes. This level of investment was in line with the sector average for 2023/24 but slightly below the average for the identified peer group. Future projections suggest a decline in the amounts being invested in the future, but this is due to the current development programme ending in 2027 and the scale of the new programme is yet to be determined in the plan. It is likely that the future investment level will increase from current projections.

New supply (social housing)

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
2.2%	**1.4%**	**1.4%**	**2.2%**	**1.6%**

We built 561 new homes in 2024/25 and plan to deliver 769 in 2025/26 as the 2020-26 development programme completes. Following the merger, the aim is that the new Group will be delivering 1,000 new homes a year by 2030.

New supply (non-social housing)

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
0.12%	**0.1%**	**0.21%**	**0.17%**	**0.15%**

Alongside our social housing development units, Housing Plus Group also builds units for market rent and outright sale. A total of 72 units is included in 2025/26 with all units related to the Wrottesley Park development. At present, the business plan does not project the Group taking on any new outright sale development programmes.

Gearing

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
44%	**63%**	**62%**	**62%**	**61%**

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

EBITDA MRI (interest cover)

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
122%	**119%**	**118%**	**95%**	**103%**

The business continues to outperform the sector 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 one-year drop in interest cover in 2025/26. 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

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
£4,800	**£4,427**	**£5,166**	**£5,081**	**£5,108**

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.

Operating margin - social housing

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
22.5%	**24.4%**	**18.3%**	**18.9%**	**20.9%**

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

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
19.0%	**20.9%**	**18.1%**	**19.0%**	**19.8%**

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

Return on capital employed

2023/24 Peer group avg	2023/24 Actual	2024/25 Actual	2025/26 Budget	2026/27 Business plan
2.8%	**4.0%**	**3.8%**	**3.9%**	**4.3%**

Investment in the company's assets (new and existing homes) continued in 2024/25, 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 2024/2025, Housing Plus Group employed 1,997 employees across the newly formed Group, including 291 new joiners during the financial year. At year-end, we proudly employed 29 apprentices and remain committed to expanding these opportunities in the coming year, supporting the development of future talent in our company and communities.

Beyond our own employees, we continued to invest in early talent through our Customer Value team, who provided 90 students with meaningful work experience opportunities. These placements helped young people to gain valuable skills and insights into the working environment. We intend to identify more opportunities to support the careers of students and our tenants in the future.

In a year of significant change, the feedback from our employees has never been more important. Our focus has been to build a unified values-driven culture, making our newly formed company truly a great place to work. Over 600 employees participated in our vision and values workshops to shape our newly defined valued behaviours. These will guide how we work together and serve the communities we work in. Inclusivity, diversity, wellbeing, and innovation will be at the core of our future people strategy and will be delivered by investing in career pathways, ongoing learning opportunities, and growing our own talent.

Further to this, the legacy employee forum groups have collaborated to establish a new unified Employee Voice Forum. This group plays an important part in providing colleagues with an active voice in the decisions that impact them. The forum will continue to support the harmonisation of policies and drive improvements that enhance the employee experience across our Group.

Over the year, we further modernised our People Services offering by rolling out our new applicant tracking system across the legacy Wrekin Housing Group. This will be extended across the entire Group in the year to come, improving the candidate experience and creating a consistent recruitment journey across the merged organisation.

Equality, Diversity and Inclusion (EDI) continues to be an integral part of our way of working and in the year ahead, we will launch a new EDI strategy. This will be guided by data insights to ensure we better understand our people and communities and are able to take action to enhance representation, inclusion, and diversity across our workforce in the years to come.

Social value

Employment, skills, training and volunteer opportunities

Through our employability programmes we delivered group workshops and individual 1:1 support to 25 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.

Our Money Advice and Employment team have assisted 23 people into work, or a better more permanent job. 2,841 customers have had contact with the team, helping them to save £3,810,515, exceeding the £2.8m target by 25% which helps to sustain our customers' tenancies and improve their wellbeing.

In our role as a Cornerstone Employer we welcomed 90 work experience placements across the business, varying from occasional days, to a week, to a day per week for a full academic year. Staff attended 30 school careers events, dedicating 152 staff volunteer hours during the year and 112 students participated in school workplace visits and taster days.

Through our digital inclusion programmes we supported 468 tenants through 1:1 trouble shooting, skills and confidence building alongside fraud awareness sessions. We gifted 42 digital devices to tenants facing financial hardship or digital exclusion.

Over 4,000 customers every month have participated in activities in our retirement living and extra care properties. 8,600 different activities have been held during the year, including pet therapy, gardening, book clubs and walking groups to name a few. These clubs and activities are run by staff and volunteers to ensure our customers stay fit, and socially active in their communities.

Through our development schemes we have supported 71 construction-based apprenticeships and 273 work experience weeks across our development sites.

312 HPG staff have participated in volunteering, logging 1,355 volunteer hours across the year. Our suppliers have also donated their staff time and £117,000 in funds to support various community initiatives including food banks, youth groups, sports clubs and helping to decorate and assist with labour and materials for garden 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.

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 – 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.

Employment, money and welfare benefit advice	Debt and budgeting advice	Energy advisors	Crisis team (new in 2024)	Cadent winter support
3,722	**625**	**403**	**200**	**688**
referrals to the team	referrals to the team	referrals to the team	referrals to the team	referrals to the team
£11.148m	**£1.283m**	**£177k**	**£35k**	**£116k**
achieved financial outcomes	achieved financial outcomes	achieved financial outcomes	achieved financial outcomes	distributed to those suffering fuel poverty

Asset management

At Housing Plus Group we are committed to providing homes that excel in safety, energy efficiency, and sustainability. During 2024/25, we invested £29.3m in our existing stock. A comprehensive programme of stock condition surveys has been completed with 99.1% of Wrekin stock and 81.9% of Housing Plus stock having had a stock condition survey within the last 5 years.

As at 31 March, 84.8 % of Legacy WHG stock and 86.2% 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 2027. 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 2024/25 we have continued to develop our approach to managing damp and mould in homes. As at 31 March 2025 our performance was as follows:

	Legacy HPG	Legacy WHG
Properties reporting damp and mould from 1st April 2024	2,133	1,771
Number of properties reporting damp as a % of stock	11.6%	13.8%
Number of properties that have had work completed and issue resolved	1,886	1,557
Number of properties with an open repair commitment at 31 March 2025	89	271
Number of properties visited where works are in progress	41	251
Number of properties appointed to be visited	48	20

Compliance as at 31 March 2025

Housing Plus Group has delivered a strong compliance performance throughout 2024/25, maintaining high standards of property safety and regulatory compliance across all asset categories.

Key achievements

- Achieved near full compliance across all statutory and regulatory obligations.
- Robust performance across the legacy organisation's operational delivery models.
- Active management and control measures are in place for all non-compliance areas.

Future focus (2025/26)

- **Data integration and single source of truth:** Continued consolidation of compliance data from legacy organisations into a single unified management system, CADRE (our business management system), to support clearer reporting and risk management.
- **Enhancing performance:** Action plans to close minor gaps in compliance, with a focus on early intervention to prevent access-related issues.
- **Merger-related work:** Alignment of policies, procedures, and compliance standards for the newly merged organisation. Development of a single compliance matrix to support the Executive Management team reporting and strategic planning.

Housing Plus Group has demonstrated strong resilience and commitment to compliance throughout 2024/25. The foundations laid this year, coupled with strategic merger work, will further strengthen the Group's compliance posture and ability to deliver safe, high-quality homes and services.

This table below provides an overview of our compliance as at 31 March 2025.

Compliance Area	2024/25 Target	**2024/25 Actual**	2025/26 Target	Commentary
Gas safety (servicing)	100%	**99.93%**	100%	19 properties out of compliance were within legal access procedures.
Electrical safety (periodic testing)	100%	**98.22%**	100%	All domestic locations are within the stages of the electrical safety access procedures.
Fire safety (FRAs)	100%	**100%**	100%	Full compliance achieved.
Non-gas heating safety	100%	**99.53%**	100%	Minor shortfall due to access issues; within the access procedure.
Passenger lifts (thorough examination)	100%	**100%**	100%	Full compliance achieved.
Home lifts (thorough examination)	100%	**95.18%**	100%	Minor shortfall due to access issues; within the access procedure.
Asbestos management	100%	**100%**	100%	Full compliance maintained.
Water hygiene (risk assessments)	100%	**98.84%**	100%	Minor gaps are being addressed through capital investment.

Capital structure

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

As at 31 March 2025, we have drawn loans amounting to £997m (£250m from the 2019 bond, £130m from other institutional investors, and £617m from bank and other loans). We also have the ability to draw down another £201.5m from committed but undrawn variable rate bank loans. At 31 March 2025, the Group's borrowings were split 75% fixed rate, and 25% from variable rate loans. The weighted average maturity date of the drawn funds is 11.3 years (September 2037). The weighted average cost of capital for the year was 4.71%.

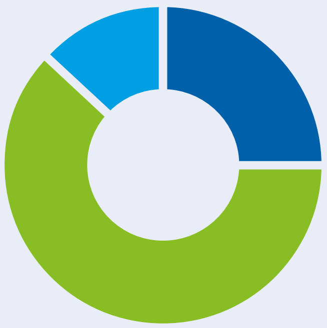
During 2024 the Group negotiated some extensions in the maturity of our revolving variable rate deals helping reduce refinancing risk, and added an extra £165m of new variable rate facilities to improve our medium-term liquidity. £50m of this was hedged with a standalone interest rate swap, with a maturity date of 2032. Our treasury activities are intended to manage risk (rather than generate profit) and so our treasury management operates within a framework of policies, procedures and delegated authorities.

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 rating to ensure the safety of its assets.

Debt mix

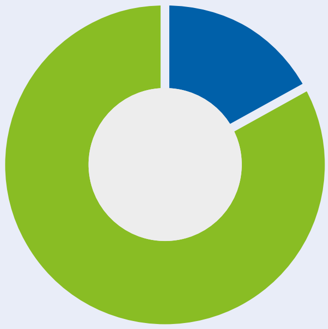
Variable rate	25%
Fixed rate	75%

Funding sources



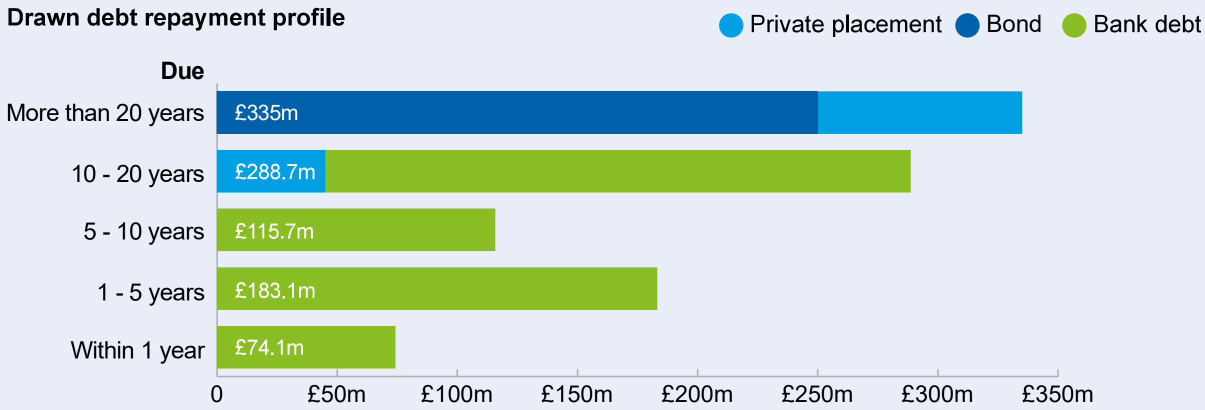
Private placement	13%
Bond	25%
Bank debt	62%

Debt capacity



Undrawn but committed	17%
Drawn	83%

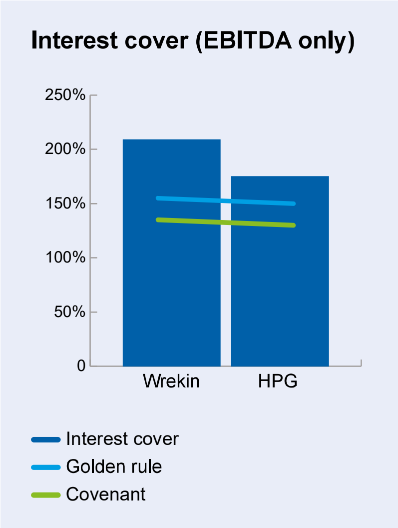
Drawn debt repayment profile

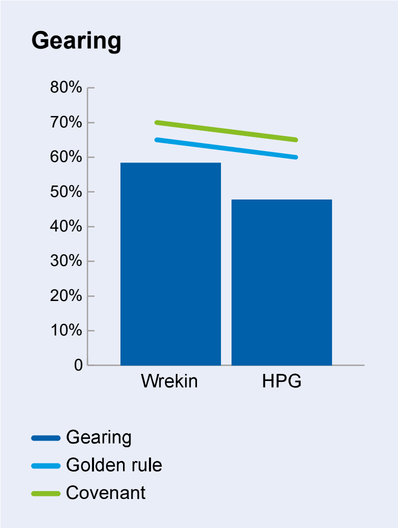


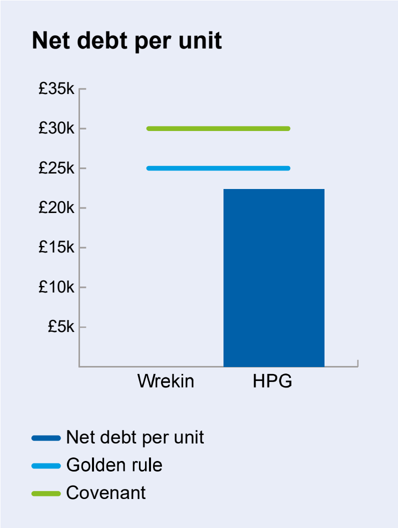
Covenant compliance

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 in the year to 31 March 2025 were as follows: see next page.







Note – Wrekin Housing Group does not have a net debt per unit covenant.

Economic uncertainty

Housing Plus Group is currently operating in an economic environment that is volatile, uncertain and complex. A cost-of-living crisis continues to affect the UK economy, and although bank rates have begun to fall, inflation remains above the Bank of England target, and growth remains elusive. Volatility in the world economy, largely driven by ongoing conflicts and American economic policies, has translated into higher borrowing costs and uncertainty about future economic trends for the Group, presenting a certain level of financial risk 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. However, in June 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, and a rent settlement for 10 years at CPI+1%.

Stress testing the financial plans has shown that there is a high degree of financial resilience in our activities, and we are able to manage sustained, extreme and multi-faceted sequences of negative events. Around 75% of our loans are long-term fixed rate loans or are fully hedged. HPG 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 also 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 debt advice and relief teams, 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

Housing Plus Group

After making enquiries, the Group Board has a reasonable expectation that HPG has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Board have considered the period to 30 September 2026. 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:

- At 31 March 2025, HPG had loan and bond facilities totalling £1.199bn. At that date £201.5m of loan finance remained undrawn. We have a long-term business plan which shows that the remaining undrawn amount will be used to repay maturing debt, and committed to our development programme during the period through to 31 March 2027.
- 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 2025 HPG has a net current liability position of £75m. Of that balance, £75m relates to maturing debt due to be repaid before 31 March 2026, which will be funded out of the undrawn debt balance of £201.5m. The Group raised an additional £165m new revolving credit facilities during 2024 with the aim of funding future debt maturities and new development spend across the Group.
- A comprehensive set of stress tests have been run on the 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 HPG's operating surplus. During the going concern period there are no severe plausible scenarios which result in a covenant breach or inability to meet liabilities as they fall due.

Governance

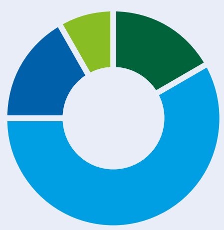
In accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 and the Housing SORP 2018, the remuneration of all Board and committee members who served during the reporting period is disclosed below. The financial statements have been prepared using the merger accounting method, which reflects the results of both entities as if they had operated as a single organisation from the beginning of the financial year. As a result, the disclosures below include the remuneration of Board and committee members who served in either of the legacy organisations during the reporting period. Some individuals listed below ceased to serve as Board or committee members at the date of the merger or earlier and are no longer members of the Board of the merged organisation.

Non-executive Board member remuneration

	£'000		£'000
Graeme Betts	12	Laura Kirkham-Williams	1
Andrew Burns	13	Iain Littlejohn	7
Louise Burns	9	Kevin Morgan	11
Jason Burt	13	Dinesh Murugesh-Warren	3
Vivien Cross	8	Cath Purdy	8
Catherine Dass	19	Jeremy Pert	8
Shaun Davies	5	Rosalind Preen	10
Ian Farrell	8	Paul Riley	4
Ian Fleming	10	Craig Royall	8
Enise Goring-Piskin	3	Roger Scott-Dow	2
Deborah Griffiths	13	Kevin Shaw	5
Helen Hackney	4	C Steele	-
Alan Hawkesworth	11	Jemima Taylor	8
Desmond Hudson	13	Sarah Watson	7
Steve Jennings	17	Simon Whitfield	9
Ravinder Kaur	6	Alan Yates	9
		Total	**264**

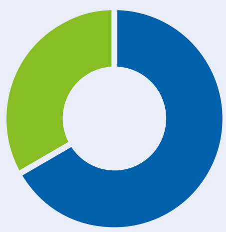
A summary of the diversity of the Board as at 31st March 2025 is shown below:

Age



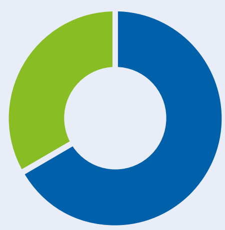
47 - 56 years	2
57 - 66 years	7
67 - 76 years	2
77 - 86 years	1

Gender



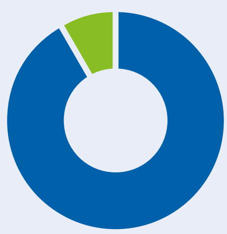
Male	8
Female	4

Ethnicity



White	8
No data	4

Disability

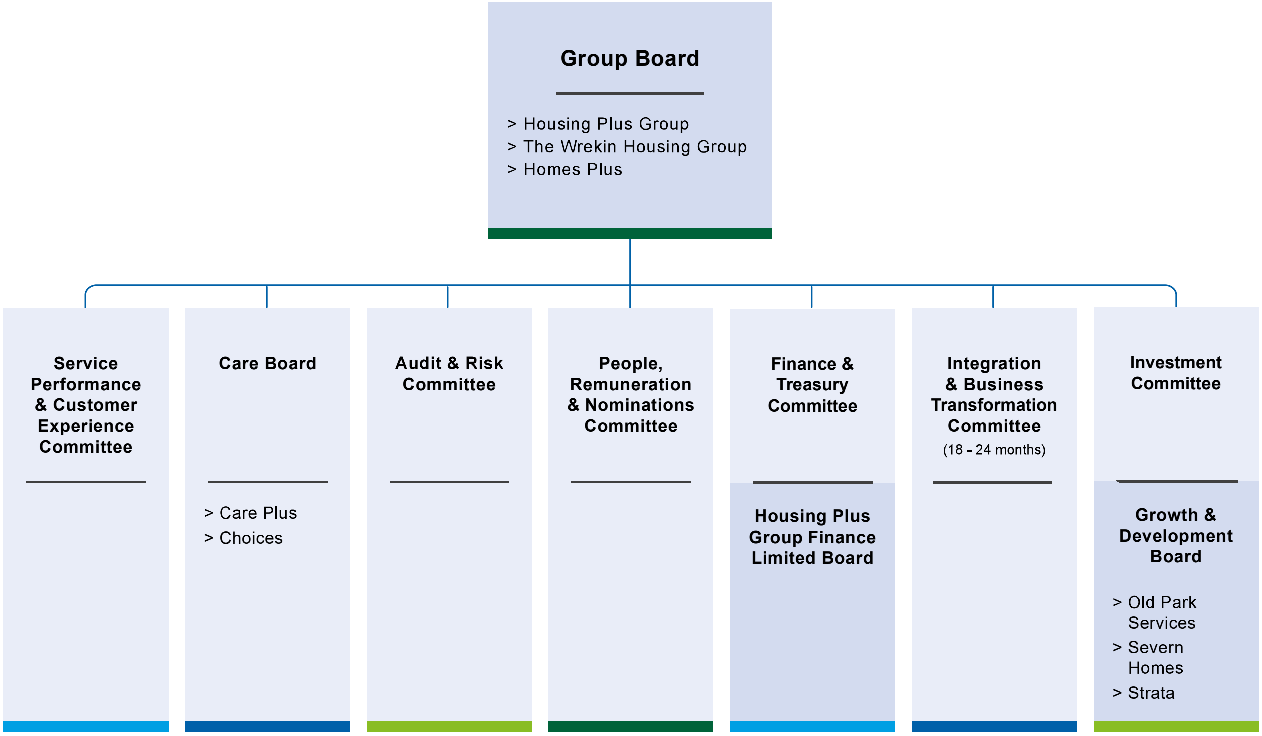


Not disabled*	11
Disabled*	1

*Disabled/Not disabled under the Equality Act

Board and committee structure

Detailed below is the new Governance structure together with the mapping of each entity within the wider group to its respective Board or committee.



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 five and 12 members (including co-optees). The Group Chief Executive is a Board member.

Care Board: The Care Board is a co-terminous Board acting as the Board of each of Choices Housing Association and Care Plus (Staffordshire) Limited. The Board shall be comprised of up to five members including co-optees and shall be appointed by the Group Board.

Growth and Development Board: The Growth and Development Board is the co-terminous Board acting as the Board of each of Old Park Services Limited, Strata Housing Services Limited and Severn Homes Limited. It shall usually be made up of the same people who comprise the Investment Committee. The Board shall be comprised of up to four members including co-optees and shall be appointed by the Group Board.

Housing Plus Group Finance Limited (HPGFL) Board: The HPGFL Board shall usually be made up of the same people who comprise the Finance and Treasury Committee. The Board shall be comprised of at least two and no more than seven members (including co-optees) and shall be appointed by the Group Board.

Committees

Service Performance & 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 & 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 & 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 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 & 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).

Risk management and risk assurance

The Board of Housing Plus Group reviewed and approved the Group's risk management framework in March 2025 which applies to all entities. It will be reviewed by the Board annually. The Framework sets out our risk management approach and details the roles of the Board, Audit & Assurance Committee and the HPG leadership team in terms of how we manage, monitor and report on our risk management activities. The methods of gaining and reporting on risk assurance are also covered.

The Board's Statement of Risk Appetite was also set out in March 2025. The Group has a five-stage appetite matrix, starting at averse, going through minimal, cautious, open, and ending in the highest level of hungry. All the strategic risks are set against this matrix, and in March 2025 the Group Board set the following risk appetites against the strategic risk themes:

Risk theme	Appetite	May 2025 risk score	
ICT and cyber security	**Cautious**	**Open**	**Outside appetite**
Finance and treasury	**Cautious**	**Cautious**	
Customer service delivery	**Cautious**	**Cautious**	
Merger and integration	**Cautious**	**Cautious**	
Asset management	**Cautious**	**Cautious**	
Development and sales	**Open**	**Open**	
Recruitment and retention	**Cautious**	**Minimal**	**Within appetite**
Health and safety	**Minimal**	**Minimal**	
Regulatory compliance	**Minimal**	**Minimal**	

As at May 2025, seven risks were meeting the Board appetite level, one was below the appetite, and there was one strategic risk outside of the Board's risk appetite at the consolidated Group level: that risk related to ICT and cyber security. The reason for this is due to the legacy of the recent merger. The Group is currently operating four distinct housing management systems, so data management, transparency and quality is a concern. There is an ongoing ICT project to port the data onto a single system, CADRE, over the course of the coming year which will bring the risk back into appetite.

Appropriate focus is given to the identification of emerging risks. The Executive Management team and Audit & Risk Committee regularly review sector intelligence and emerging risks. Notable issues that present future potential risks to the business include:

- The volatile international economy and higher interest rates, creating funding constraints for the Group;
- Ongoing cost of living crisis affecting inflation and the finances of our customers;
- Growing focus on the safety and standard of social housing, particularly for customers;
- The Government attitude towards funding social housing and setting future rent increases;
- Counterparty risk, especially regarding our contractors on large development schemes;
- The higher costs of building new homes and investing in our existing homes;
- A growing cyber-security threat to the sector.

Top strategic risks, presenting the greatest threats to the Group, are reported at every Board meeting and Audit & Risk Committee. Housing Plus Group aims to undertake a series of operational risk workshops with every team across the entire breadth of the business during 2025/26. The output from this will be a comprehensive set of operational risk registers covering the whole of the business. These will complement the Group-wide strategic risk register and give depth to the management of risk across the business. In essence, this effective risk management approach assists the Group in the achievement of the strategic plan. The approach is under regular review and enhancements are made every year. We are not complacent about how we manage risk. Following the recent merger the Board redefined the top strategic risks that the Group faces and seeks to manage, aligning the existing approach across the merger partners. Those strategic-level risks are set out below.

Risk theme	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.
Key controls	The Board recognises the cyber risks facing the business as one of the most urgent emerging issues. The Group has an extensive suite of GDPR and information security policies and procedures, that all aim to mitigate against, and control, the risks inherent in data management and security. All Group IT devices require two-factor login authentication, with backup verification procedures and systems. The network is segmented and internet access controls are also in place and regularly maintained. User passwords have to meet a high bar for strength and complexity. There is an automated email threat analysis system in place that identifies, blocks and quarantines potential threats. Employee training and awareness is also maintained for cyber security, GDPR, fraud awareness and data protection. These security measures are regularly tested through internal and external security penetration exercises. The IT team members are highly trained and qualified, and continuous professional development is essential for the senior team members.

Risk theme	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.
Key controls	Financial performance and financial planning are heavily monitored by the Executive team and the Board. The Board approves the annual budget and business plan (including the related stress testing exercise) and receives quarterly reports on financial performance and projections against the budget across the Group's activities. The business plan is updated quarterly for financial forecasts based on the monthly projections of the financial management accounts. Income management is also monitored regularly. The Board and Finance & Treasury Committee receive regular and extensive treasury reporting, including; covenant compliance projections, liquidity projections and capital market intelligence. The Group has a treasury management policy and other financial policies that are regularly reviewed.

Risk theme	Customer service delivery
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.
Key controls	The Service Performance and Customer Excellence (SPaCE) Committee plays a key role in overseeing customer voice work and ensuring that the Group complies with consumer standards, as well as the expectations of the Housing Ombudsman. DTP were recently commissioned to review the Group's compliance with the consumer standards. An action plan has been developed to ensure further excellence and progress in delivering the actions is reported to the committee and Executive team. The Committee ensures that customers are at the centre of the Group's work and provides robust oversight of the Group's strategy for service delivery and performance. The Group understands the crucial importance of listening to customers to shape and improve service delivery and there are various ways in which customers can get involved and provide feedback to us. This includes a process for providing feedback on all customer facing policies and procedures. Complaints and how the Group handles them are monitored and regularly reported to the Executive team and the SPaCE Committee. Staff training, particularly those with customer-facing roles, is key to the Group's control framework in meeting customer expectations.

Risk theme	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.
Key controls	This is a new risk this year following the merger in January 2025 between Wrekin and Housing Plus Group. The risk is measured at the consolidated Group level and is monitored by the Executive team and the Board through the Integration Committee. Quarterly reports on progress against the integration plan are presented here, detailing progress against the various operational and strategic elements of integration.

Risk Theme	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.
Key controls	The Group has a responsibility to invest in our current homes and ensure they meet Decent Homes Standards and the needs of our customers, as well as being safe and healthy places to live. Regular asset management and planned programme update reports, which include updates on net-zero, are reported to the Executive team and Investment Committee quarterly. Third party stock condition surveys are completed every five years with internal surveyors covering at least 20% of the stock each year. The most recent Savills full stock condition survey was completed in 2024. This informs the capital investment activity of replacing components in our existing homes. The Asset Renewal Strategy is key to maintaining the overall quality of HPG's stock, ensuring that older homes that perform poorly on efficiency and value for money tests are disposed, and the proceeds reinvested in developing new, more efficient and high-quality homes for customers.

Risk theme	Development and sales
Risk description	Internal and external factors create an inability to build new homes that are the right product type for our customers, regenerate sites, and sell properties at the right values. This results in financial loss and makes it harder to deliver the business plan and our strategic objectives.
Key controls	The Executive team and HPG Board are focused on monitoring development activity and receive quarterly development update reports. In addition to this, deep dive reviews are presented as required by committee members. Development budgets are reviewed monthly and the programme cashflow forecasts are reviewed quarterly as part of business plan updates. All new schemes go through a strong internal approval process. This includes sign off from the Housing, Asset Management and Finance teams, ensuring that new homes are affordable and are the correct product type located in the areas that we operate in. Where properties are developed for outright sales, sale completions are monitored weekly. Shared ownership homes from new developments are a key part of our development strategy and the risks associated with them are monitored and managed well. The Development team have a high degree of quality control review with third party clerk of works inspecting all sites regularly.

Risk theme	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.
Key controls	The Group manages the risk through regular reviews of colleague terms and conditions, to ensure roles are fair, attractive and benchmarked against the market. The business offers training and development opportunities to all staff, with a comprehensive approach to staff appraisals and learning. There are quarterly reports made on key staff performance metrics, including recruitment and retention performance, to the Group-wide People, Remuneration and Nomination Committee.

Risk theme	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.
Key controls	The Board takes the health and safety of customers, staff and the public very seriously. The Group regularly monitors consultations to ensure that it replies to, and complies with, all regulatory changes and upcoming legislation that impacts all of these individuals. The Group has a full suite of health and safety policies and procedures in place to ensure the health and safety of all staff and customers. Complimenting this, regular specialist third party audits are completed in all compliance areas. Staff have access to occupational health support, an employee assistance programme and specifically trained mental health first aiders to ensure their health and wellbeing.

Risk theme	Regulatory compliance
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.
Key controls	The Group has adopted the NHF Code of Governance 2020 and currently meets all aspects of the Code. The Group Board maintains a compliance calendar for all relevant regulatory submissions and regular agenda items, ensuring Group business is conducted methodically and timely. The Board receives the annual assessment of the Group's performance against the RSH's regulatory standards to ensure wide-ranging compliance and effective governance. There is a Board member directly responsible for complaints where involved tenants scrutinise complaints handling.

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.

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 receive frequent reports on health and safety performance and issues, including any reportable occurrences and all areas of property safety, as well as the findings of audits conducted by independent third-party specialists.

Business performance

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

Statement of financial position	2025	2024
	£m	£m
Housing properties	1,608,000	1,534,027
Investment properties	41,908	42,940
Other fixed assets	11,352	16,735
Long term debtors	694	27
Net current (liabilities)/assets	(74,585)	14,065
Long term creditors	(1,171,559)	(1,214,443)
Pension (liability)/asset	(2,291)	(3,410)
Reserves	**413,519**	**389,941**

The Group reported an operating surplus of £60.5m (2024: £64.0m), 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. 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.

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 is ongoing and is expected to conclude by September 2026, at which point data from all three legacy systems will be integrated into CADRE. In line with this strategic shift, the Board resolved to write off the capitalised development costs associated with the discontinued One HMS project. This decision resulted in a one-off charge of £7m to operating costs during the year.

The increase in turnover is largely due to the application of the 7.7% rent increase combined with the additional units delivered through the development programme. 561 new units were delivered in 2024/25.

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 118 (2024: 127) properties through the strategy, generating receipts of £12.3m (2024: £14.0m). Following a slight dip in property disposals under the Right to Buy (RTB) and Right to Acquire (RTA) schemes in 2023/24, there was an increase in the number of sales in 2024/25 with 38 sales completed under RTB (2024: 30) and a further 13 sales under RTA (2024:14).

The Bank of England base rate of interest fell during the financial year from 5.25% to 4.50% by March 2025. However, this was still relatively high compared with the period before 2021. The business did add to its debt portfolio in 2024, with deals to extend the maturity of existing revolving credit facilities and add £165m in new variable rate deals, although £20m was also repaid due to maturing deals. The new RCFs 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 2024/25 it fell from 4.700% to 4.455% over the course of the financial year. Drawn debt increased during the year by £24m to a total of £997m, but only 25% of that total balance is subject to SONIA rate movements, whilst the other 75% is borrowed on fixed or hedged rates. Although the amount of debt increased the reference rate on variable debt decreased over the year, resulting in a weighted average cost of capital as at 31 March 2025 of 4.71%.

After net funding costs of £38.5m, the Group achieved a surplus on ordinary activities before taxation of £22.3m.

Total comprehensive income for 2024/25 of £23.9m includes actuarial gains on the pension scheme of £18.8m (2024: £9.4m) resulting from changes to assumptions based on economic market indicators as at 31 March 2025. The accounting valuation at 31 March 2025 resulted in a net asset position of £18.8m, however management have effected an asset ceiling in the value of £18.0m in accordance with the requirements of FRS102. A full triennial valuation of the scheme was completed in March 2022 and the next is due later in 2025. 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 £74.0m. A total of 561 new homes were completed during the year securing £11.2m of Homes England grant funding. In addition, the Group capitalised £29.3m 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 18.3% (2024: 24.4%). Although cost inflation was managed through efficiencies and the rent uplift, the Group wrote off a £7m IT WIP project that impacted on the surplus and margin. As a one-off event it is expected that SHL margin will increase again in the future. Following the merger with The 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

Following the merger in January, Housing Plus Group is currently in the process of aligning the ESG policies and strategies of the legacy entities. While a formal ESG strategy is yet to be finalised, the Board recognises the importance of environmental sustainability, social responsibility, and effective governance in delivering long-term value to residents and stakeholders. In the interim, the organisation continues to operate under key principles inherited from the legacy organisations, particularly in areas such as:

- Energy efficiency and decarbonisation of the housing stock.
- Resident engagement and social impact initiatives.
- Strong governance and risk management frameworks.

A full ESG strategy, aligned to the organisation's new corporate plan and strategic objectives, is under development and is expected to be published during the next financial year. This will build on sector best practice, including alignment with the Sustainability Reporting Standard for social housing (SRS) and ESG principles appropriate to the organisation's scale and mission.

As part of this work, the Group will also develop a new net-zero strategy, which is scheduled for publication in 2026. This strategy will outline the Group's long-term pathway to achieving net-zero carbon emissions, building on existing decarbonisation initiatives and supporting national and regional climate goals.

The Board remains committed to transparency and accountability in this area and will provide regular updates on progress in future reporting cycles.

Housing properties

At 31 March 2025, the Group owned 33,440 housing properties (2024: 33,223), a net increase of 217, taking account of acquisitions, demolitions and disposals in the year. The properties were carried in the Statement of Financial Position at cost (after depreciation) of £1.608bn (2024: £1.534bn).

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).

All of the defined benefit schemes were reporting a net asset at 31 March 2025. 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 £18.833m (2024: £9.438m gain). In accordance with advice from our independent pension advisor, First Actuarial, management have taken the decision to effect an asset ceiling in the sum of £18.0m (2024: £82k).

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 the past 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 2024/25 HPG sold 118 properties (2024: 113). A further 51 (2024: 44) properties were sold under the Right to Buy and Right to Acquire provisions across the Group.

First tranche shared ownership sales were completed on 64 units (2024: 93) generating a surplus of £1.1m (2024: £2.23m). There were also six staircasing sales where the tenants became the owner occupier. During the year, Wrekin added 346 new homes to its stock and Housing Plus added 215 homes. The 561 new homes are a combination of traditional development and section 106 planning gains. Following the merger a new development strategy is being formed.

For the Group, the year continued to be very challenging dealing with the insolvency of two contractors from the previous financial year, and the continued impacts on contracting partners' supply chains due to global economic challenges.

During the year, we completed a wide range of developments, including the new 71 apartment extra care development at Paul's Moss in Whitchurch. This challenging development, which incorporated a locally treasured heritage building and a new BREEAM medical centre facility, has made a huge impact on the town that was in need of additional older person's accommodation and expanded health facilities. Sales slowed at the Wrottesly Park development but during the first quarter of 2025/26 there has been an increase in sales compared to the end of 2024/25.

Our relationship with our key grant provider was also strengthened. During the year we drew down circa £11.2m of Homes England grant. The Wrekin programme exceeded the Start on Site target by 26 units, however the Housing Plus Group programme fell short of its Start on Site target by 151 as a result of re-phasing the programme due to in year financial capacity. The majority of these units have moved to 2026/27. These results, along with our recent clean audit results and our relationship management have ensured 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 strategic direction of the Group will be based around the value creation areas we identified to as pillars underpinning the decision to merge Housing Plus Group and Wrekin Housing Group.

- **Place-based leader:** We aim to be a place-based leader where we will continue to work with and listen to customers, and in doing so be able to provide even better services for them.
- **Create capacity and resilience:** We will be more financially resilient for tough economic times, increasing investment in existing homes, while also growing our capacity to build more social homes.
- **Improve our customer offer:** We will remain connected to the communities we already serve while having a larger voice in the region, and we will create additional regional economic impact through our services.
- **Be a great place to work:** We will provide more opportunities for our employees and be a great place to work.

Our new corporate plan is being developed for later in the year.

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 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 3 September 2025 and signed on its behalf by:

C Dass

Catherine Dass
Chair

Statement of Responsibilities of the Board

For the year ended 31 March 2025

Housing Plus Group

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.

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

For the year ended 31 March 2025

Housing Plus Group

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

We have audited the financial statements of Housing Plus Group Limited ("the Group and Association") for the year ended 31 March 2025 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 for the year then ended; as at 31 March 2025 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 their 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's business model and analysed how those risks might affect the Group's 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.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals relating to revenue posted to unusual corresponding accounts, and unexpected users (same poster and approver).

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 other 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, pensions legislation and specific disclosures 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 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 45, 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 the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless 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.

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.

S Brown

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

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

16 September 2025

Financial Statements

For the year ended 31 March 2025

Housing Plus Group

Consolidated and Parent Statement of Comprehensive Income

	Note	Year ended 31 March 2025 Group	Year ended 31 March 2025 Parent	Year ended 31 March 2024 Group restated	Year ended 31 March 2024 Parent
		£'000	£'000	£'000	£'000
Turnover	3	246,254	15,103	229,870	19,435
Cost of sales	3	(13,008)	-	(13,257)	-
Operating costs	3	(188,707)	(15,102)	(168,477)	(18,807)
Gain on disposal of property, plant and equipment (fixed assets)	4	15,900	-	14,982	-
Movement in fair value of investment properties	16	782	-	883	-
Loss on disposal of investment properties	16	(753)	-	-	-
Operating surplus		**60,468**	**1**	**64,001**	**628**
Profit from the disposal of operations	5	300	-	-	-
Interest receivable and similar income	6	768	-	1,004	-
Interest and financing costs	7	(39,257)	(6)	(41,394)	17
Surplus before tax	8	**22,279**	**(5)**	**23,611**	**645**
Taxation on surplus	9	(130)	-	(447)	-
Surplus for the year		**22,149**	**(5)**	**23,164**	**645**
Actuarial gain/(loss) in respect of pension schemes	28	806	231	9,356	(461)
Gain/(loss) recognised in fair value of hedged financial instruments	10	980	-	-	-
Total comprehensive income for the year		**23,935**	**226**	**32,520**	**184**

Comparative figures have been restated to reflect the accounting treatment of the merger in accordance with the applicable merger accounting principles. For further details, refer to note 33. All the Group and Parent turnover and surplus disclosed above are derived from continuing activities. The accompanying notes on pages 58 to 98 form part of these financial statements.

Consolidated Statement of Changes in Reserves

	Group				Parent			
	Income and expenditure reserve	**Restricted reserve**	**Cashflow hedge reserve**	**Total**	**Income and expenditure reserve**	**Restricted reserve**	**Cashflow hedge reserve**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 1 April 2024 restated	**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 (loss)/ gain on defined benefit pension scheme	806	-	-	806	231	-	-	231
Gain/(loss) 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**

Statement of Changes in Reserves

Consolidated Statement of Changes in Reserves (continued)

	Group				Parent			
	Income and expenditure reserve	Restricted reserve	Cashflow hedge reserve	Total	Income and expenditure reserve	Restricted reserve	Cashflow hedge reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2023 restated	**350,879**	**6,770**	**-**	**357,649**	**2,558**	**-**	**-**	**2,558**
Total surplus from Statement of Comprehensive Income	**22,676**	**488**	**-**	**23,164**	**645**	**-**	**-**	**645**
Actuarial gains (loss)/ gain on defined benefit pension scheme	9,356	-	-	9,356	(461)	-	-	(461)
Gain/(loss) recognised in fair value of hedged financial instruments	-	-	-	-	-	-	-	-
Other comprehensive income for the year	**9,356**	**-**	**-**	**9,356**	**(461)**	**-**	**-**	**(461)**
Capital spend in the year	-	(228)	-	(228)	-	-	-	-
Balance at 31 March 2024	**382,911**	**7,030**	**-**	**389,941**	**2,742**	**-**	**-**	**2,742**

Comparative figures have been restated to reflect the accounting treatment of the merger in accordance with the applicable merger accounting principles. For further details, refer to note 33. The accompanying notes on pages 58 to 98 form part of these financial statements.

Consolidated Statement of Financial Position

	Note	As at 31 March 2025 Group	As at 31 March 2025 Parent	As at 31 March 2024 Group restated	As at 31 March 2024 Parent
		£'000	**£'000**	**£'000**	**£'000**
Fixed assets					
Intangible assets and goodwill	13	214	214	5,590	405
Tangible fixed assets					
Housing properties	14	1,608,000	-	1,534,027	-
Other tangible fixed assets	15	11,138	520	11,145	341
Investment properties	16	41,908	-	42,940	-
		1,661,260	734	1,593,702	746
Assets: amounts receivable after more than one year					
Debtors	19	694	-	-	-
Pension asset		-	-	27	-
		694	-	27	-
Current assets					
Stocks	18	19,720	-	24,039	-
Debtors	19	14,012	2,924	12,657	3,729
Investments		-	-	7	-
Cash and cash equivalents		18,113	1,219	28,976	335
Less creditors: amounts falling due within one year	21	(126,430)	(1,909)	(51,614)	(2,068)
Net current (liabilities)/assets		**(74,585)**	**2,234**	**14,065**	**1,996**
Total assets less current liabilities		**1,587,369**	**2,968**	**1,607,794**	**2,742**
Creditors: amounts falling due after more than one year	22	(1,171,559)	-	(1,214,443)	-
Pension provision	28	(2,291)	-	(3,410)	-
Total net assets		**413,519**	**2,968**	**389,941**	**2,742**
Reserves					
Income and expenditure reserve		405,318	2,968	382,911	2,742
Restricted reserve		7,221	-	7,030	-
Cashflow hedge reserve		980	-	-	-
Total reserves		**413,519**	**2,968**	**389,941**	**2,742**

Comparative figures have been restated to reflect the accounting treatment of the merger in accordance with the applicable merger accounting principles. For further details, refer to note 33. The accompanying notes on pages 58 to 98 form part of these financial statements.

The financial statements were approved by the Board on 3 September 2025 and signed on its behalf by:

Catherine Dass
Chair

Wayne Gethings
Director

Janet Lycett
Secretary

Consolidated Statement of Cash Flows

	Note	Group Year ended 31 March 2025		Group Year ended 31 March 2024 restated	
		£'000	£'000	£'000	£'000
Cash from operations	30		**86,821**		**78,026**
Taxation (payable) / receivable			(251)		(338)
Net cash generated from operating activities			**86,570**		**77,688**
Cash flows from investing activities					
Purchase of tangible fixed assets		(112,443)		(122,803)	
Purchase of intangible assets		(1,821)		(1,591)	
Proceeds from sale of tangible fixed assets		29,905		29,921	
Grants received		10,352		15,886	
Interest received		794		1,007	
Net cash from investing activities			**(73,213)**		**(77,580)**
Cash flows from financing activities					
Interest paid		(47,867)		(46,299)	
Loan drawdowns/new loans		72,000		105,000	
Repayments of borrowings		(48,353)		(72,344)	
Net cash used in financing activities			**(24,220)**		**(13,643)**
Net (decrease)/increase in cash and cash equivalents		(10,863)		(13,535)	
Cash and cash equivalents at beginning of the year		28,976		42,511	
Cash and cash equivalents at end of the year			18,113		28,976

Comparative figures have been restated to reflect the accounting treatment of the merger in accordance with the applicable merger accounting principles. For further details, refer to note 33. The accompanying notes on pages 58 to 98 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2025

Housing Plus Group

Notes to the Financial Statements

1 Legal status

The Parent, 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 HPG has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Board have considered the period to 30 September 2026. 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:

- At 31 March 2025, HPG had loan and bond facilities totalling £1.199bn. At that date £201.5m of loan finance remained undrawn. We have a long-term business plan which shows that the remaining undrawn amount will be used to repay maturing debt, and committed to our development programme during the period through to 31 March 2027.
- 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 2025 HPG has a net current liability position of £75m. Of that balance, £75m relates to maturing debt due to be repaid before 31 March 2026, which will be funded out of the undrawn debt balance of £201.5m. The Group raised an additional £165m new revolving credit facilities during 2024 with the aim of funding future debt maturities and new development spend across the Group.
- A comprehensive set of stress tests have been run on the 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 HPG's operating surplus. During the going concern period there are no severe plausible scenarios which result in a covenant breach or inability to meet liabilities as they fall due.

Merger

On 6 January 2025 Housing Plus Group Limited and The Wrekin Housing Group Limited amalgamated to become Housing Plus Group Limited. In accordance with FRS 102 this transaction has been accounted for as a merger and these financial statements have been prepared as if Housing Plus Group in its new form had existed since the start of the previous reporting period. Full details are disclosed in note 33.

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 2025 was £316.7m, (please see note 12). Accumulated depreciation on other fixed assets at 31 March 2025 was £28.2m, (please see note 13).
- **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.

Notes to the Financial Statements

- **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:

Pension scheme	2025	2024
	£m	£m
HPG Parent - Asset	18.1	13.8
Homes Plus (SSHA) – (Liability)	(2.1)	(3.2)
Homes Plus (SARH) – Asset	21.4	16.9
Wrekin Housing Group - Asset	18.1	0.08

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

Pension ceiling asset	2025	2024
	£m	£m
Group	39.5	30.7
Staffordshire scheme HPG Parent	18.1	13.8
Shropshire scheme HPG	10.5	5.4
Shropshire scheme WHG	18.1	0.08

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 year end 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.

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 and 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.

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

Notes to the Financial Statements

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 and licences 5 years
- Business transformation costs 7 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.

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. 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 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:

Pension scheme	2025	2024
	£m	**£m**
HPG Parent - Asset	18.1	13.8
Homes Plus (SSHA) – (Liability)	(2.1)	(3.2)
Homes Plus (SARH) – Asset	21.4	16.9
Wrekin Housing Group - Asset	18.1	0.08

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

Pension ceiling asset	2025	2024
	£m	**£m**
Group	39.5	30.7
Staffordshire scheme HPG Parent	18.1	13.8
Shropshire scheme HPG	10.5	5.4
Shropshire scheme WHG	18.1	0.08

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)

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.

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 consider 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.

3 Particulars of turnover, operating costs and operating surplus

Group	Note	Turnover	Cost of Sales	Op Ex	Surplus/ (Deficit)	Turnover	Cost of Sales	Op Ex	Surplus/ (Deficit)
		Year ended 31 March 2025				Year ended 31 March 2024			
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings									
Income and expenditure from social housing lettings	3a	208,232	-	(170,087)	38,145	193,431	-	(146,158)	47,273
Other social housing activities									
1st Tranche low cost home ownership sales		5,286	(4,008)	(229)	1,049	8,150	(5,695)	(223)	2,232
Leaseholders		911	-	(807)	104	774	-	(758)	16
Tenant garages		489	-	(75)	414	550	-	(163)	387
External activities		1,545	-	(1,550)	(5)	2,282	-	(2,121)	161
Development team		-	-	(173)	(173)	-	-	(94)	(94)
Office depreciation and impairment		-	-	(446)	(446)	-	-	(468)	(468)
Other activities		384	-	(667)	(283)	705	-	(997)	(292)
Gain on disposal of property assets		-	-	-	15,900	-	-	-	14,982
		8,615	(4,008)	(3,947)	16,560	12,461	(5,695)	(4,824)	16,924
Activities other than social housing activities									
Shops		339	-	-	339	295	-	-	295
Private garages		1,464	-	(313)	1,151	1,302	-	(97)	1,205
Market and commercial rent		2,056	-	(163)	1,893	2,005	-	(183)	1,822
Other		3,733	-	(3,191)	542	3,377	-	(3,068)	309
Market sales		12,427	(9,000)	(1,087)	2,340	8,876	(7,562)	(845)	469
Care activities		9,388	-	(10,107)	(719)	8,123	-	(13,293)	(5,170)
Gain/(loss) on disposal of other fixed assets		-	-	188	188	-	-	(9)	(9)
Movement in fair value of investment properties		-	-	-	782	-	-	-	883
(Loss)/gain on disposal of investment properties		-	-	-	(753)	-	-	-	-
		29,407	(9,000)	(14,673)	5,763	23,978	(7,562)	(17,495)	(196)
Total		**246,254**	**(13,008)**	**(188,707)**	**60,468**	**229,870**	**(13,257)**	**(168,477)**	**64,001**

Notes to the Financial Statements

Parent	Note	Turnover	Cost of Sales	Op Ex	Operating Surplus/ (Deficit)	Turnover	Cost of Sales	Op ex	Operating Surplus/ (Deficit)
		Year ended 31 March 2025				Year ended 31 March 2024			
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings									
Income and expenditure from social housing lettings	3a	-	-	-	-	-	-	-	-
Other social housing activities									
Charges for support services		15,095	-	(14,930)	165	19,435	-	(18,713)	722
External activities		8	-	-	8	-	-	-	-
Development team		-	-	(173)	(173)	-	-	(94)	(94)
Intra Group		-	-	1	1	-	-	-	-
		15,103	-	(15,102)	1	19,435	-	(18,807)	628
Total		**15,103**	**-**	**(15,102)**	**1**	**19,435**	**-**	**(18,807)**	**628**

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	General housing	Supported housing	Low cost home ownership	Care housing	Total (Year ended 31 March 2025)	2024 Group Total
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover						
Rent receivable net of identifiable service charges	148,095	28,083	4,400	6,233	186,811	174,366
Service charge income	2,607	11,737	509	1,660	16,513	15,450
Amortised government grants	2,000	145	64	108	2,317	2,158
Other revenue grants	2,591	-	-	-	2,591	1,457
Turnover from social housing lettings	155,293	39,965	4,973	8,001	208,232	193,431
Operating Expenditure						
Management	(24,862)	(6,930)	(890)	(1,528)	(34,210)	(32,962)
Service charge costs	(7,052)	(15,492)	(67)	(2,725)	(25,336)	(21,382)
Routine maintenance	(38,540)	(3,280)	-	(230)	(42,050)	(37,705)
Planned maintenance	(23,113)	(1,693)	-	(2)	(24,808)	(21,834)
Bad debts	(2,166)	(83)	-	(3)	(2,252)	(433)
Depreciation of housing properties	(27,411)	(5,469)	(816)	(702)	(34,398)	(31,842)
Impairment of housing management systems	(5,652)	(1,111)	(235)	-	(6,998)	-
Write off of components following demolition	(35)	-	-	-	(35)	-
Operating costs on social housing lettings	(128,831)	(34,058)	(2,008)	(5,190)	(170,087)	(146,158)
Operating surplus/(deficit) on social housing lettings	26,462	5,907	2,965	2,811	38,145	47,273
Void Losses	(1,356)	(543)	(1)	(6)	(1,906)	(1,724)

Included within planned maintenance are compliance costs as follows:

	General housing	Supported housing	Low cost home ownership	Care housing	Total	2024 Group Total
Compliance costs	(12,645)	(392)	-	(2)	(13,039)	(11,891)

The parent does not hold any housing stock for letting.

3b Classes of accommodation in management and development

Group	As at 31 March 2025	As at 31 March 2024
	Number	**Number**
General housing		
- Social rent	22,197	22,277
- Affordable rent	4,471	4,319
Supported housing and housing for older people		
- Social rent	3,256	3,292
- Affordable rent	1,065	924
Low cost home ownership	1,244	1,197
Care Housing		
- Social rent	203	202
- Affordable rent	50	50
- Care Home Beds	37	37
Total social housing units	**32,523**	**32,298**
Market rent	236	246
Other	2	2
Leasehold	649	647
Leasehold for the elderly	30	30
Total social housing units owned and managed	**33,440**	**33,223**
Accommodation managed on behalf of others	30	30
Total social housing managed	33,470	33,253
Non social leasehold	589	605
Total housing managed	**34,059**	**33,858**
Homes under construction at the year end	**818**	**1,032**

The parent does not hold any housing stock.

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

Group	Right to Buy sales	Right to Acquire sales	Low cost home ownership staircasing sales	Other disposals	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Proceeds of sales	2,429	1,350	236	19,380	23,395	25,569
Less: Cost of sales	(922)	(384)	(103)	(5,910)	(7,319)	(10,512)
Selling costs	(72)	-	-	(104)	(176)	(75)
	1,435	966	133	13,366	15,900	14,982

5 Profit from disposal of operation

Group	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Profit from sale of Telecare	300	-
Profit from disposal of operations	**300**	**-**

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 2025		Year ended 31 March 2024	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Interest received from current asset investments	768	-	1,004	-
Interest receivable and similar income	**768**	**-**	**1,004**	**-**

7 Interest payable and financing costs

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Bank loans and overdraft	(42,537)	-	(42,362)	-
Loan amortisation	336	-	(1,282)	-
Renegotiation fees	(894)	-	(569)	-
Capitalised interest	5,199	-	4,417	-
Funders security/facility fee	(1,258)	-	(1,034)	-
Net interest on pension liability	(103)	(6)	(564)	17
Interest payable and similar income	**(39,257)**	**(6)**	**(41,394)**	**17**

Interest incurred on development activity was capitalised at rates between 4.45% - 5.65%.

8 Surplus on ordinary activities before taxation

This is arrived at after charging:	**Note**	Year ended 31 March 2025 Group	Year ended 31 March 2025 Parent	Year ended 31 March 2024 Group	Year ended 31 March 2024 Parent
		£'000	£'000	£'000	£'000
Depreciation:					
Housing assets		34,397	-	31,842	-
Other tangible fixed assets		1,265	190	1,330	298
Impairment:					
Intangible assets		6,999	347	347	-
Housing assets		-	-	-	-
Other tangible fixed assets		-	-	-	-
Amortisation:					
Intangible assets	13	198	191	558	200
Grants		(2,316)	-	(2,156)	-
Fair value movement (gain) on investment properties		(29)	-	(883)	-
(Surplus)/deficit on disposal of housing properties	4	(15,900)	-	(14,982)	-
(Surplus)/deficit on disposal of other fixed assets		(188)	-	9	-
Operating lease rentals	26	3,518	45	3,019	45
Auditor's remuneration (incl. expenses excl. VAT):					
Fees for the audit of the financial statements		405	75	285	45
Fees for other services		-	-	20	5

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 2025		Year ended 31 March 2024	
	Group	**Parent**	**Group**	**Parent**
	£'000	**£'000**	**£'000**	**£'000**
Surplus/(deficit) on ordinary activities before tax	22,279	(5)	23,611	645
Tax on surplus on ordinary activities at standard UK corporation tax rate of 25% (2024: 25%)	5,570	(1)	5,903	161
Less: tax on surplus attributable to charitable activities	(4,978)	1	(5,167)	(161)
Adjustments to tax in respect of prior periods	(462)	-	(289)	-
	130	-	447	-

10 Movement in fair value of financial instruments

Included in other comprehensive income	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	£'000	**£'000**
Derivatives treated as cash flow hedging instruments - effective	980	-
Movement in fair value of financial instruments	**980**	**-**

11 Employees

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

	Year ended 31 March 2025		Year ended 31 March 2024	
	Group	**Parent**	**Group**	**Parent**
	Number	**Number**	**Number**	**Number**
Administration and management	827	225	608	222
Property services and retail	505	259	463	244
Housing support and care	493	38	419	37
Other	5	5	5	5
Total	**1,830**	**527**	**1,495**	**508**

Employees costs

		Year ended 31 March 2025		Year ended 31 March 2024	
	Note	**Group**	**Parent**	**Group**	**Parent**
		£'000	**£'000**	**£'000**	**£'000**
Wages and salaries		64,891	21,351	53,264	19,606
Social Security costs		6,139	2,059	4,992	1,918
Other pension costs	27	5,972	1,822	4,970	1,646
Total		**77,002**	**25,232**	**63,226**	**23,170**

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.

Summary of Board members payments	Year ended 31 March 2025 Group	Parent	Year ended 31 March 2024 Group	Parent
	£'000	£'000	£'000	£'000
Pay	264	184	302	188
National Insurance	7	6	6	5
Total	**271**	**190**	**308**	**193**

The aggregate amount of emoluments (including benefits in kind and pension contributions) paid to or receivable by the ten (2024: ten) Executive Officers of the Group and of the ten (2024: six) of the Parent during the year was made up as follows:

	Year ended 31 March 2025 Group	Parent	Year ended 31 March 2024 Group	Parent
	£'000	£'000	£'000	£'000
Emoluments (including benefits in kind)	1,891	1,212	1,708	856
Compensation for loss of office	196	196	-	-
Pension contribution, or pay in lieu thereof, in respect of services as directors	382	285	271	150
Total	**2,469**	**1,693**	**1,979**	**1,006**

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 2025 Group	Parent	Year ended 31 March 2024 Group	Parent
	Number	Number	Number	Number
More than £60,000 but not more than £70,000	44	20	33	20
More than £70,000 but not more than £80,000	11	8	13	7
More than £80,000 but not more than £90,000	12	7	14	7
More than £90,000 but not more than £100,000	10	5	10	7
More than £100,000 but not more than £110,000	3	3	2	1
More than £110,000 but not more than £120,000	6	3	5	1
More than £120,000 but not more than £130,000	5	1	2	2
More than £130,000 but not more than £140,000	-	-	2	2
More than £140,000 but not more than £150,000	1	1	2	1
More than £150,000 but not more than £160,000	2	2	3	1
More than £160,000 but not more than £170,000	1	-	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	2	2
More than £190,000 but not more than £200,000	-	-	-	-
More than £200,000 but not more than £210,000	1	1	2	1
More than £210,000 but not more than £220,000	1	1	-	-
More than £220,000 but not more than £230,000	-	1	-	-
More than £230,000 but not more than £240,000	-	-	-	-
More than £240,000 but not more than £250,000	-	-	-	-
More than £250,000 but not more than £260,000	1	-	-	-
More than £260,000 but not more than £270,000	-	1	-	-
More than £270,000 but not more than £280,000	-	-	-	-
More than £280,000 but not more than £290,000	1	1	1	1
More than £570,000 but not more than £580,000	1	1	-	-

The total emoluments (excluding pension contributions and employer pension strain payments) of the highest paid director, who was the former Chief Executive of Housing Plus Group, Mrs Sarah Boden and left the organisation following the appointment of a new Chief Executive as part of the merger, were £429k (2024: £240k).

This total included salary £192k, benefits in kind £1k, payment in lieu of notice £124k and compensation for loss of office £112k. The former Chief Executive was a member of the LGPS on an ordinary 50:50 basis and employer pension contributions for the year were £33k (2024: £43k). In addition, a pension strain payment of £114k was also incurred and paid to the LGPS in respect of early retirement obligations.

13 Intangible assets and goodwill

As at 31st March 2025	Software	Goodwill	Group Total	Parent Software
	£'000	£'000	£'000	£'000
Cost				
At 1 April	8,638	1,550	10,188	2,089
Additions	1,821	-	1,821	-
Disposals	-	-	-	-
At 31 March	10,459	1,550	12,009	2,089
Accumulated amortisation				
At 1 April	(3,048)	(1,550)	(4,598)	(1,684)
Charge for the year	(198)	-	(198)	(191)
Impairment	(6,999)	-	(6,999)	-
At 31 March	(10,245)	(1,550)	(11,795)	(1,875)
Net book value				
At 31 March	214	-	214	214
At 1 April	5,590	-	5,590	405

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 is ongoing and is expected to conclude by September 2026, at which point data from all three legacy systems will be integrated into CADRE. In line with this strategic shift, the Board resolved to impair the capitalised development costs associated with the discontinued One HMS project.

Notes to the Financial Statements

14 Housing properties at cost

Group	Houses for Letting Complete for letting	Houses for Letting Under construct.	Low cost home ownership Complete for Letting	Low cost home ownership Under construct.	Other	Total
						As at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April	1,632,757	102,883	85,131	4,989	7	1,825,767
Additions	33,973	76,018	36	11,510	-	121,537
Disposals	(17,068)	(274)	(327)	-	-	(17,669)
Transfer on completion	78,760	(78,760)	9,550	(9,550)	-	-
Transfer to current assets	(58)	-	(1,130)	(3,751)	-	(4,939)
Change of tenure	(987)	(156)	987	156	-	-
At 31 March	1,727,377	99,711	94,247	3,354	7	1,924,696
Less accumulated depreciation and impairment						
At 1 April	(285,738)	-	(6,002)	-	-	(291,740)
Depreciation charge for year	(32,908)	-	(704)	-	-	(33,612)
Eliminated in respect of disposals	8,586	-	30	-	-	8,616
Transfer to current assets	14	-	26	-	-	40
Change of tenure	51	-	(51)	-	-	-
At 31 March	(309,995)	-	(6,701)	-	-	(316,696)
Net book value						
At 31 March	1,417,382	99,711	87,546	3,354	7	1,608,000
At 1 April	1,347,019	102,883	79,129	4,989	7	1,534,027

Note: Included within 'Eliminated in respect of disposals' is accelerated depreciation of £1,503k (2024: £880k). Of the total additions, £29,268k relate to component replacements and £1,413k fire safety works (2024: £22,745k component replacements, £1,517k fire safety works). Internal costs directly attributable to development or construction of housing properties were £1.939m (2024:1.948m).

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

Charges against properties

Group	As at 31 March 2025	As at 31 March 2024
Number of properties on which there is a fixed charge	27,395	28,239
Number of properties not charged	5,250	4,191
Total number of properties	32,645	32,430

Housing properties book value, net of depreciation and impairments

Group	As at 31 March 2025	As at 31 March 2024
	£'000	£'000
Freehold land and buildings	1,607,544	1,533,556
Long leasehold land and buildings	456	471
	1,608,000	**1,534,027**

15 Other tangible fixed assets

Group	Plant, machinery & vehicles	Furniture & equipment	Computer equipment	Land & buildings	Total
					As at 31 March 2025
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April	1,104	8,384	7,522	21,403	38,413
Additions	45	474	761	211	1,491
Disposals	-	(58)	-	(474)	(532)
At 31 March	1,149	8,800	8,283	21,140	39,372
Accumulated depreciation and impairment					
At 1 April	(987)	(7,316)	(7,078)	(11,887)	(27,268)
Depreciation charge for year	(56)	(371)	(401)	(437)	(1,265)
Depreciation released on disposal	-	57	-	242	299
At 31 March	(1,043)	(7,630)	(7,479)	(12,082)	(28,234)
Net book value					
At 31 March	106	1,170	804	9,058	11,138
At 1 April	117	1,068	444	9,516	11,145

Land and buildings includes £2,235k held under long leasehold (2024 £2,235k).

Parent	Plant, machinery & vehicles	Furniture & equipment	Computer equipment	Total
				As at 31 March 2025
	£'000	£'000	£'000	£'000
Cost				
At 1 April	243	11	3,335	3,589
Additions	-	-	369	369
Disposals	-	-	-	-
At 31 March	243	11	3,704	3,958
Accumulated depreciation and impairment				
At 1 April	(243)	(9)	(2,996)	(3,248)
Depreciation charge for year	-	(1)	(189)	(190)
Depreciation released on disposal	-	-	-	-
At 31 March	(243)	(10)	(3,185)	(3,438)
Net book value				
At 31 March	-	1	519	520
At 1 April	-	2	339	341

There are no charges on any of these assets.

16 Investment properties

Group	As at 31 March 2025	As at 31 March 2024
	£'000	**£'000**
At 1 April	42,940	42,044
Additions	71	13
Disposal	(1,885)	-
Net gain from fair value adjustments	782	883
At 31 March	**41,908**	**42,940**

All investment properties were valued as at 31st March 2025 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 the year, 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 £0.753m. 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 2025	As at 31 March 2024
	£'000	£'000
Properties developed for outright sale		
Completed	7,533	1,637
Under Construction	9,331	19,566
Total outright sales properties	**16,864**	**21,203**
Shared ownership properties		
Completed	1,177	427
Under Construction	890	1,767
Total low cost home ownership	**2,067**	**2,194**
Other stocks	789	642
Land held for development	-	-
Open market sale completed properties	-	-
Open market sale properties under construction	-	-
Total Inventories	**19,720**	**24,039**

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 (2024: none). The Parent does not hold any stock.

19 Trade and other debtors

	As at 31 March 2025		As at 31 March 2024	
	Group	Parent	Group	Parent
Due within one year	**£'000**	**£'000**	**£'000**	**£'000**
Rent and service charges receivable	5,881	-	5,855	-
Less: Provision for bad and doubtful debts	(3,382)	-	(1,625)	-
	2,499	-	4,230	-
Care service receivable	504	-	410	-
Less: Provision for bad and doubtful debts	(85)	-	(12)	-
	419	-	398	-
Amounts due from group undertakings	-	1,900	-	3,100
Derivative financial assets (see note 20)	286	-	-	-
Other debtors	3,700	12	3,855	91
Less: Provision for bad and doubtful debts	(429)	-	(150)	-
	3,557	1,912	3,705	3,191
Prepayments and accrued income	7,335	1,012	4,222	538
Taxation and social security	202	-	102	-
Total debtors due within one year	14,012	2,924	12,657	3,729
Derivative financial assets (see note 20)	694	-	-	-
Total due after more than one year	694	-	-	-
Total debtors	**14,706**	**2,924**	**12,657**	**3,729**

20 Derivative financial assets

Group	As at 31 March 2025		As at 31 March 2024	
Interest Rate Swaps (cashflow)	Receivable	Payable	Receivable	Payable
	£'000	£'000	£'000	£'000
In one year or less	2,156	(1,867)	-	-
Between one and two years	1,928	(1,851)	-	-
Between two and five years	5,869	(5,570)	-	-
In five years or more	4,646	(4,186)	-	-
Total (nominal)	**14,599**	**(13,474)**	**-**	**-**

Housing Plus Group has entered into a £50m interest rate swap contract to fix the rates of £50m of its variable rate borrowing portfolio until various dates up to 2032. Housing Plus Group designated these derivatives as hedging instruments against the cashflow of the loans.

The fair value of these swap contracts as at 31 March 2025 was £980k (2024: £nil), of which £286k is due within one year and £694k is due greater than one year. The fair value was determined by calculating the net present value of the future cashflows (shown above) of the swaps discounted using an appropriate mid-market swap curve as at 31 March 2025.

21 Creditors: amounts falling due within one year

	As at 31 March 2025		As at 31 March 2024	
	Group	Parent	Group	Parent
	£'000	£'000	£'000	£'000
Loans payable within one year	(74,606)	-	(3,353)	-
Trade creditors	(14,922)	(914)	(15,183)	(1,054)
Rents and service charges received in advance	(7,823)	-	(7,323)	-
Amounts owed to group undertakings	-	(61)	-	-
Taxation and social security	(1,451)	-	(1,452)	-
Other creditors	(1,094)	-	(1,040)	-
Social housing grant received in advance	(1,241)	-	(2,547)	-
Deferred grant income	(2,546)	-	(2,328)	-
Recycled capital grant and disposal proceeds fund	(32)	-	(45)	-
Accruals and deferred income	(17,111)	(934)	(12,374)	(1,014)
Accrued interest	(5,581)	-	(5,955)	-
Employees	(23)	-	(14)	-
Total creditors: amounts falling due within one year	**(126,430)**	**(1,909)**	**(51,614)**	**(2,068)**

22 Creditors: amounts falling due after more than one year

	As at 31 March 2025		As at 31 March 2024	
	Group	**Parent**	**Group**	**Parent**
	£'000	**£'000**	**£'000**	**£'000**
Loans and borrowings	(942,005)	-	(995,479)	-
Loan arrangement fees	1,478	-	1,416	-
Deferred grant income	(229,571)	-	(217,736)	-
Recycled capital grant and disposal proceeds fund	(298)	-	(554)	-
Other designated funds	(1,163)	-	(2,090)	-
Total creditors: amounts falling due after more than one year	**(1,171,559)**	**-**	**(1,214,443)**	**-**

Repayment of loans

				As at 31st March 2025
Group	**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 31st March 2024
Group	**Bank loans**	**Other loans**	**Bond financing**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
In one year or less, or on demand	3,000	353	-	3,353
In more than one year but not more than two years	76,243	363	-	76,606
In more than two years but not more than five years	236,063	1,150	-	237,213
In more than five years	364,996	66,437	250,227	681,660
	680,302	68,303	250,227	998,832

As at 31 March 2025 the Group had total facilities of £1,198m (2024: £1,053) of which £997m was drawn (2024: £973m) with £201.5m undrawn but immediately available (2024: £80m). During the year a total of £165m new variable rate facilities were arranged and £20m fixed rate debt matured. At year end the drawn funds were comprised of 75% fixed rate or hedged funds, meeting the Group policy of 65% minimum.

Fixed rate debt bears a weighted average interest rate of 4.31% and are fixed for a weighted average period of 19 years.

Variable rate revolver facilities bear interest at rates based on SONIA plus margins. Some of the variable rate deals were hedged through embedded derivatives, whilst one £50m deal agreed in 2024 was hedged through a stand-alone interest rate swap derivative.

As at 31 March 2025, 25% (£250m) of the above debt came from the capital markets, 62% (£617m) from banks and 13% (£130m) from institutional investors through private placement deals.

Deferred capital grant

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:

Group	As at 31 March 2025	As at 31 March 2024
	£'000	**£'000**
Deferred capital grant at 1st April	220,064	206,331
Grants received during the year	12,557	15,710
Grants recycled from/(to) the recycled capital grant fund	(73)	138
Transfers from reserves	200	56
Transferred from Disposal Proceeds Fund	1,743	-
Releases to income during the year	(2,374)	(2,171)
Deferred capital grant at 31 March	**232,117**	**220,064**
Amounts due within one year	2,546	2,328
Amounts due after more than one year	229,571	217,736
Total	**232,117**	**220,064**

Recycled capital grant fund

Group	As at 31 March 2025	As at 31 March 2024
Recycled Capital Grant Fund	**£'000**	**£'000**
Balance as at 1 April	599	1,003
Recycled grant input	267	119
Withdrawals	(536)	(523)
Balance as at 31 March	**330**	**599**
Amounts due within one year	32	45
Amounts due after more than one year	298	554
Total	**330**	**599**

23 Financial instruments

	Note	As at 31 March 2025 Group	As at 31 March 2025 Parent	As at 31 March 2024 Group	As at 31 March 2024 Parent
		£'000	**£'000**	**£'000**	**£'000**
Financial assets measured at historic cost					
Rent and service charge receivable	19	5,881	-	5,855	-
Care service receivable	19	504	-	410	-
Amounts owed from group undertakings	19	-	1,900	-	3,100
Other debtors	19	3,700	12	3,855	91
Investments in short term deposits		-	-	7	-
Cash and cash equivalents		18,113	1,219	28,976	335
Total financial assets		28,198	3,131	39,103	3,526
Financial liabilities measured at amortised cost					
Loans	21/22	(1,016,611)	-	(998,832)	-
		(1,016,611)	**-**	**(998,832)**	**-**
Financial liabilities measured at historical cost					
Trade creditors	21	(14,922)	(914)	(15,183)	(1,054)
Accruals	21	(17,111)	(934)	(12,374)	(1,014)
Amounts owed to group undertakings	21	-	(61)	-	-
Other creditors	21	(1,094)	-	(1,040)	-
		(33,127)	(1,909)	(28,597)	(2,068)
Total financial liabilities		(1,049,738)	(1,909)	(1,027,429)	(2,068)

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 2025**	**As at 31 March 2024**
	£	**£**
As at 1 April	6	6
Shares issued during the financial period	5	-
As at 31 March	**11**	**6**

25 Capital commitments

The following describes the way the Group funds development:

	As at 31 March 2025		As at 31 March 2024	
	Group	**Parent**	**Group**	**Parent**
	£'000	**£'000**	**£'000**	**£'000**
Expenditure contracted but not provided in the financial statements	56,661	-	101,842	-
Expenditure authorised by the Board but not contracted	115,408	-	100,244	-
Total capital commitments	**172,069**	**-**	**202,086**	**-**

The expenditure will be funded as follows:

Group	**As at 31 March 2025**	**As at 31 March 2024**
	£'000	**£'000**
Loans and reserves	120,171	147,270
Social housing grant	33,911	36,986
Forecast sales	17,987	17,830
Total gross expenditure	**172,069**	**202,086**

26 Leases

Operating leases

At 31 March 2025 the total of future minimum lease payments under non-cancellable operating leases for each of the following periods was:

	As at 31 March 2025		As at 31 March 2024	
	Group	**Parent**	**Group**	**Parent**
	£'000	**£'000**	**£'000**	**£'000**
Leases for buildings:				
Not later than one year	-	-	104	-
Later than one year and not later than five years	169	-	106	-
Leases for vehicles:				
Not later than one year	2,497	-	1,904	-
Later than one year and not later than five years	2,258	-	3,340	-
Later than five years				
Leases for equipment:				
Not later than one year	48	45	52	45
Later than one year and not later than five years	4	4	52	49
	4,976	49	5,558	94

The expenditure charged in the Statement of Comprehensive Income during the year in relation to minimum lease payments was £1,374k for the Group (2024: £1,266k) and £45k for the Parent (2024: £45k).

Finance leases and hire purchase

The group had no obligations under finance leases or hire purchase agreements as at 31 March 2025 (2024: None)

27 Pensions

Housing Plus Group, as a group, participates in three multi-employer pension schemes, the Staffordshire County Council Scheme, and the Shropshire Council Scheme for Housing Plus Group and the Shropshire Council Scheme for The Wrekin Housing Group. In addition, the Group participates in the Housing Plus Pensions Scheme. 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). Housing Plus Group Limited, the parent organisation, participates in the Housing Plus Pension Scheme and the Staffordshire County Council Scheme.

a) Staffordshire County Council Scheme

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

Housing Plus Group has three schemes within the Staffordshire LGPS of which two relate to Homes Plus. Two of the schemes (one in Housing Plus and one in Homes Plus) are currently pooled together but for the purposes of the accounting valuation for the financial statements they have been split out. We are currently in the process of pooling the other Staffordshire LGPS scheme with the goal of having one overall scheme for the Group.

The latest triennial valuation of the scheme was carried out as at 31 March 2022. The triennial valuation is based on the pooling of all three schemes within Housing Plus Group. The funding position at 31 March 2022 is a surplus of £21,432k. (Assets £90,010k, Liabilities £68,578k, funding level 131%)

The actuary has estimated that the net pension liability under FRS102 as at 31 March 2025 for HPG (the parent) is an asset of £18,061k (2024: £13,829k asset). The other schemes within the Group have an estimated net pension asset/ liability as follows. Homes Plus - SSHA is a liability of £2,087k (2024: £3,185k). For Homes Plus – SARH there is an asset of £21,446k. (2024: £16,879k).

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 2025 the surplus recognised as an asset in the statement of financial position for HPG (the parent) is £nil (2024; £nil). The amount recognised in the Group is £nil (2024: £27k).

The organisations' net liabilities can be summarised as:

	2025 Parent	2025 Homes Plus	2025 Group	2024 Parent	2024 Homes Plus	2024 Group
	£'000	£'000	£'000	£'000	£'000	£'000
Fair value of employer assets	42,078	57,523	99,601	40,510	57,577	98,087
Present value of defined benefit obligations (funded)	(24,017)	(38,117)	(62,134)	(26,681)	(43,832)	(70,513)
Surplus/(deficit)	18,061	19,406	37,467	13,829	13,745	27,574
Net asset ceiling	(18,061)	(21,446)	(39,507)	(13,829)	(16,852)	(30,681)
Present value of defined benefit obligations (unfunded)	-	(47)	(47)	-	(51)	(51)
Provision at the end of period	**-**	**(2,087)**	**(2,087)**	**-**	**(3,158)**	**(3,158)**

Reconciliation of the effect of the net asset ceiling	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	£'000	£'000	£'000
Opening asset ceiling	13,829	30,681	10,001	22,536
Interest on asset ceiling	678	1,504	480	1,082
Movement in asset ceiling recognised through OCI (as a remeasurement)	3,554	7,322	3,348	7,090
Asset ceiling	18,061	39,507	13,829	30,708
Surplus recognised (IAS19)	-	-	-	(27)
Closing net asset ceiling	**18,061**	**39,507**	**13,829**	**30,681**

Assumptions	2025	2024
	% p.a.	% p.a.
Salary increases	3.30%	3.25%
Pension increases	2.80%	2.75%
Discount rate	5.80%	4.90%

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

Housing Plus	Males	Females
Current pensioners	21.0 years	25.0 years
Future pensioners*	22.0 years	25.5 years

Homes Plus Scheme - SSHA	Males	Females
Current pensioners	20.7 years	23.8 years
Future pensioners*	22.1 years	25.3 years

Homes Plus Scheme (Formerly SARH)	Males	Females
Current Pensioners	20.9 years	24.0 years
Future Pensioners*	21.6 years	24.9 years

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

Categories of plan assets as a % of total plan assets	2025	2024
	%	%
Equities	60	66
Bonds	30	25
Property	8	7
Cash	2	2

Information about defined benefit obligation before surplus restrictions	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	£'000	£'000	£'000
Active members	12,433	18,353	13,603	20,583
Deferred members	5,880	18,455	6,759	21,151
Pensioner members	5,704	25,326	6,319	28,779
Unfunded obligations	-	47	-	51
Closing liabilities	**24,017**	**62,181**	**26,681**	**70,564**

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.

Net pension liability	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	£'000	£'000	£'000
Fair value of employer assets	42,078	99,601	40,510	98,087
Present value of funded obligations	(24,017)	(62,134)	(26,681)	(70,513)
Surplus/(deficit)	18,061	37,467	13,829	27,574
Effect of net asset ceiling	(18,061)	(39,507)	(13,829)	(30,681)
Present value of unfunded liabilities	-	(47)	-	(51)
Net pension (liability)	**-**	**(2,087)**	**-**	**(3,158)**

* We have elected to cap a surplus £39,507k (2024: £30,708k) on the asset celling of two schemes to nil (2024: £27k) for the Group. For Housing Plus the parent we have capped the surplus of £18,061k (2024: £13,829k) to £0 (2024: £0).

Notes to the Financial Statements

Amount charged to operating surplus	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Current service cost*	(787)	(1,023)	(844)	(1,116)
Past service cost	(239)	(239)	-	-
Administration expense	-	-	-	-
Effects of curtailments	-	-	-	-
Total operating charge	**(1,026)**	**(1,262)**	**(844)**	**(1,116)**
Amount charged to financing costs				
Interest income on plan assets	1,990	4,764	1,720	4,203
Interest cost on defined benefit obligation	(1,318)	(3,422)	(1,228)	(3,279)
Interest on asset ceiling	(678)	(1,504)	(480)	(1,082)
Total net interest	**(6)**	**(162)**	**12**	**(158)**
Total defined benefit cost recognised in income statement for the year	**(1,032)**	**(1,424)**	**(832)**	**(1,274)**

* The service cost figures include an allowance for administration expenses of 0.8% of payroll.

Re-measurements recognised in other comprehensive income	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Change in financial assumptions	4,204	9,729	843	1,977
Change in demographic assumptions	-	-	381	1,050
Other experience	259	686	(889)	(2,457)
Effect of movement in net asset ceiling	(3,554)	(7,322)	(3,348)	(7,063)
Return on assets (excluding amounts included in net interest)	(688)	(1,647)	2,786	6,812
Total re-measurements recognised in other comprehensive income	**221**	**1,446**	**(227)**	**319**

Reconciliation of defined benefit obligation	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Opening defined benefit obligation	**26,681**	**70,564**	**25,397**	**68,754**
Current service cost	787	1,023	844	1,116
Past service cost	239	239	-	-
Interest cost	1,318	3,422	1,228	3,279
Contributions from members	346	426	336	422
Actuarial losses/(gains)	(4,463)	(10,415)	(335)	(570)
Estimated unfunded benefits paid	-	(4)	-	(3)
Estimated benefits paid	(891)	(3,074)	(789)	(2,434)
Closing defined benefit obligation	**24,017**	**62,181**	**26,681**	**70,564**

Reconciliation of fair value of employer assets	2025 Parent	2025 Group	2024 Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Opening fair value of employer assets	**40,510**	**98,087**	**35,647**	**88,020**
Expected return on assets	(688)	(1,647)	2,786	6,812
Interest income on plan assets	1,990	4,764	1,720	4,203
Contributions from members	346	426	336	422
Contributions from employer	811	1,045	810	1,064
Contributions in respect of unfunded benefits	-	4	-	3
Unfunded benefits paid	-	(4)	-	(3)
Benefits paid	(891)	(3,074)	(789)	(2,434)
Closing fair value of employer assets	**42,078**	**99,601**	**40,510**	**98,087**

b) Shropshire County Council Scheme – Housing Plus Group

Home Plus 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.

The latest triennial valuation of the scheme was carried out as at 31 March 2022. The funding position at 31 March 2022 is a surplus of £4,006k. (Assets £45,279k, liabilities £41,273k, funding level 110%).

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 2025 is an asset of £10,487k (2024: £5,318k). 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 2025, the surplus recognised is a liability in the statement of financial position of £204k (2024: £225k).

Assumptions	2025	2024
	% p.a.	**% p.a.**
Salary increases	3.30%	3.25%
Pension increases	2.80%	2.75%
Discount rate	5.80%	4.90%

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

	Males	Females
Current pensioners	22.0 years	24.3 years
Future pensioners*	23.0 years	25.7 years

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

Categories of plan assets as a % of total plan assets	2025	2024
	%	**%**
Equities	59	57
Bonds	13	15
Property	4	3
Alternatives	23	24
Cash	1	1

Reconciliation of the effect of the net asset ceiling	2025	2024
	£'000	**£'000**
Opening asset ceiling	5,318	749
Interest on asset ceiling	261	36
Movement in asset ceiling recognised through OCI (as a remeasurement)	4,908	4,533
Asset ceiling	10,487	5,318
Surplus recognised (IAS19)	-	-
Closing net asset ceiling	**10,487**	**5,318**

Net pension liability	2025	2024
	£'000	**£'000**
Fair value of employer assets	47,358	46,443
Present value of funded obligations	(36,871)	(41,125)
Surplus/(deficit)	10,487	5,318
Effect of net asset ceiling	(10,487)	(5,318)
Present value of unfunded liabilities	(204)	(225)
Net pension (liability)	(204)	(225)

Amount charged to operating surplus	2025	2024
	£'000	£'000
Current service cost	(284)	(341)
Past service cost	-	-
Administration expense	(12)	(14)
Effects of curtailments	-	-
Total operating charge	**(296)**	**(355)**
Amount charged to financing costs		
Interest income on plan assets	2,240	2,015
Interest cost on defined benefit obligation	(1,981)	(1,968)
Interest on asset ceiling	(261)	(36)
Total net interest	(2)	11
Total defined benefit cost recognised in income statement for the year	**(298)**	**(344)**

Re-measurements recognised in other comprehensive income	2025	2024
	£'000	£'000
Change in financial assumptions	4,694	916
Change in demographic assumptions	(46)	613
Other experience	37	(304)
Effect of movement in net asset ceiling	(4,908)	(4,533)
Return on assets (excluding amounts included in net interest)	157	2,990
Total re-measurements recognised in other comprehensive income	**(66)**	**(318)**

Reconciliation of defined benefit obligation	2025	2024
	£'000	£'000
Opening defined benefit obligation	**41,350**	**41,747**
Current service cost	284	341
Past service cost	-	-
Interest cost	1,981	1,968
Contributions from members	103	117
Actuarial losses/(gains)	(4,685)	(1,225)
Result on curtailments	-	-
Estimated benefits paid	(1,958)	(1,598)
Closing defined benefit obligation	**37,075**	**41,350**

Reconciliation of fair value of employer assets	2025	2024
	£'000	£'000
Opening fair value of employer assets	**46,443**	**42,496**
Expected return on assets	157	2,990
Interest income on plan assets	2,240	2,015
Contributions from members	103	117
Contributions from employer	385	437
Administration expenses	(12)	(14)
Unfunded benefits paid	-	-
Benefits paid	(1,958)	(1,598)
Closing fair value of employer assets	**47,358**	**46,443**

History of gains and losses	2025	2024
	£'000	£'000
Fair value of employer assets	47,358	46,443
Net asset ceiling	(10,487)	(5,318)
Present value of defined benefit obligations	(37,075)	(41,350)
Deficit	**(204)**	**(225)**

c) Shropshire County Council Scheme – The 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. 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 2025 is an asset of £18,113k (2024: £82k). 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 2025, the surplus recognised is an asset in the statement of financial position of nil (2024: nil).

Assumptions	2025	2024
	% p.a.	% p.a.
Salary increases	3.30%	3.10%
Pension increases	2.80%	2.70%
Discount rate	5.90%	4.90%

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 VitaCurves and based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	22.0 years	21.8 years
Future pensioners*	24.3 years	24.2 years

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

Reconciliation of the effect of the net asset ceiling	2025	2024
	£'000	£'000
Opening asset ceiling	82	-
Interest on asset ceiling	4	-
Movement in asset ceiling recognised through OCI (as a remeasurement)	18,027	82
Asset ceiling	18,113	82
Surplus recognised (IAS19)	-	-
Closing net asset ceiling	**18,113**	**82**

Net pension liability	2025	2024
	£'000	£'000
Fair value of employer assets	126,441	120,894
Present value of funded obligations	(108,328)	(120,812)
Surplus/(deficit)	18,113	82
Effect of net asset ceiling	(18,113)	(82)
Present value of unfunded liabilities	-	-
Net pension (liability)	**-**	**-**

Notes to the Financial Statements

Amount charged to operating surplus	2025	2024
	£'000	£'000
Current service cost	(1,816)	(1,934)
Past service cost	(48)	-
Administration expense	(91)	(93)
Effects of curtailments	-	-
Total operating charge	**(1,955)**	**(2,027)**
Amount charged to financing costs		
Interest income on plan assets	5,907	5,314
Interest cost on defined benefit obligation	(5,842)	(5,748)
Interest on asset ceiling	(4)	-
Total net interest	61	(434)
Total defined benefit cost recognised in income statement for the year	**(1,894)**	**(2,461)**

Re-measurements recognised in other comprehensive income	2025	2024
	£'000	£'000
Remeasurements - net gain/(loss)	17,419	10,208
Effect of movement in net asset ceiling	(18,027)	(82)
Total re-measurements recognised in other comprehensive income	**(608)**	**10,126**

Reconciliation of defined benefit obligation	2025	2024
	£'000	£'000
Opening defined benefit obligation	**(120,812)**	**(118,901)**
Current service cost	(1,816)	(1,934)
Past service cost	(48)	-
Interest cost	(5,842)	(5,748)
Contributions from members	(800)	(813)
Actuarial losses/(gains)	17,001	2,588
Result on curtailments	-	-
Estimated benefits paid	3,989	3,996
Closing defined benefit obligation	**(108,328)**	**(120,812)**

Reconciliation of fair value of employer assets	2025	2024
	£'000	£'000
Opening fair value of employer assets	**120,894**	**108,856**
Expected return on assets	418	7,620
Interest income on plan assets	5,907	5,314
Contributions from members	800	813
Contributions from employer	2,502	2,380
Administration expenses	(91)	(93)
Unfunded benefits paid	-	-
Benefits paid	(3,989)	(3,996)
Closing fair value of employer assets	**126,441**	**120,894**

History of gains and losses	2025	2024
	£'000	£'000
Fair value of employer assets	126,441	120,894
Net asset ceiling	(18,113)	(82)
Present value of defined benefit obligations	(108,328)	(120,812)
Deficit	**-**	**-**

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 2025 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. The major assumptions used by the actuary are shown below.

The latest triennial valuation of the scheme was carried out as at 30 September 2022. The results showed a deficit of £1,219k. An agreement was put into place to clear the deficit by 31st March 2025.

The actuary has estimated that the net pension asset/ liability as at 31 March 2025 is an asset of £47k (2024: asset £292k). 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 2025, the surplus recognised in the statement of financial position is £nil (2024: £nil).

We have been notified by the trustee of the scheme that it has performed a review of the changes made to the scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2025. It is recognised that this could potentially impact the value of scheme liabilities, but given the current level of uncertainties, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

Financial assumptions	**2025**	**2024**
	% p.a.	**% p.a.**
Discount rate	5.80%	4.90%
Inflation (RPI)	3.10%	3.05%
Inflation (CPI)	2.80%	2.75%
Deferred revaluation	3.10%	3.05%
Pension increases		
- CPI max 5% p.a.	2.74%	2.70%
- CPI max 3% p.a.	2.22%	2.20%

Demographic assumptions as at	**2025**	**2024**
Mortality		
Base Tables	Pre retirement: nil Post retirement: 109% of S3PXA	Pre retirement: nil Post retirement: 109% of S3PXA
Improvement allowance	CMI_2023 (1.25%) for males CMI_2023 (1.25%) for females	CMI_2023 (1.25%) for males CMI_2023 (1.25%) for females
Smoothing parameter	7	7
Life expectancy from age 65		
Pensioners (currently aged 65)	Male: 21.1 Female: 23.6	Male: 21.0 Female: 23.5
Non-pensioners (currently aged 65)	Male: 22.3 Female: 25.0	Male: 22.3 Female: 24.9
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

		2025		2024
Categories of plan assets	**Parent**	**Group**	**Parent**	**Group**
	£'000	**£'000**	**£'000**	**£'000**
Equities	101	333	171	565
Bonds	1,357	4,469	1,587	5,227
Property	101	333	104	342
Other	690	2,273	725	2,390
Total market value of assets	**2,249**	**7,408**	**2,587**	**8,524**

Notes to the Financial Statements

Net pension liability	**Parent** 2025	**Group** 2025	**Parent** 2024	**Group** 2024
	£'000	**£'000**	**£'000**	**£'000**
Fair value of employer assets	2,249	7,408	2,587	8,524
Present value of scheme liabilities	(2,234)	(7,361)	(2,498)	(8,232)
Surplus/(deficits)	15	47	89	292
Effect of asset celling	(15)	(47)	(89)	(292)
Net pension (liability)	-	-	-	-

Amount charged to operating surplus	**Parent** 2025	**Group** 2025	**Parent** 2024	**Group** 2024
	£'000	**£'000**	**£'000**	**£'000**
Current service cost	-	-	-	-
Past service cost	-	-	-	-
Administration expense	33	110	(31)	(102)
Settlement losses/(gains)	-	-	-	-
Total operating charge	**33**	**110**	**(31)**	**(102)**
Amount charged to financing costs				
Interest income on plan assets	(125)	(412)	124	408
Interest cost on defined benefit obligation	121	398	(119)	(391)
Interest on effect of asset ceiling	4	14	-	-
Total net interest	-	-	5	17
Total defined benefit cost recognised in income statement for the year	**33**	**110**	**(26)**	**(85)**

Re-measurements recognised in other comprehensive income	**Parent** 2025	**Group** 2025	**Parent** 2024	**Group** 2024
	£'000	**£'000**	**£'000**	**£'000**
Change in financial assumptions	397	1,309	87	286
Change in demographic assumptions	(35)	(114)	19	63
Other experience	(40)	(131)	(29)	(95)
Return on assets (excluding amounts included in net interest)	(391)	(1,289)	(222)	(733)
Effect of movement in net asset ceiling	79	259	(89)	(292)
Total re-measurements recognised in other comprehensive income	**10**	**34**	**(234)**	**(771)**

Changes in assets/(liabilities) during the year	**Parent** 2025	**Group** 2025	**Parent** 2024	**Group** 2024
	£'000	**£'000**	**£'000**	**£'000**
Opening Surplus/(deficit) at the start of the period	**-**	**-**	**(3)**	**(10)**
Current service cost	-	-	-	-
Past service cost	-	-	-	-
Net interest cost	-	-	5	17
Expenses	(33)	(110)	(31)	(102)
Re-measurements included in other comprehensive income	10	34	(234)	(771)
Employer contribution	23	76	263	866
Estimated benefits paid	-	-	-	-
Surplus/(deficit) at the end of the period	**-**	**-**	**-**	**-**

Notes to the Financial Statements

Change in liabilities during the year	Parent	2025 Group	Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Opening liabilities	**2,498**	**8,232**	**2,484**	**8,188**
Interest cost on defined benefit obligations	121	398	119	391
Benefits paid	(62)	(205)	(28)	(93)
Actuarial (gain)/ loss on changes in assumptions	(363)	(1,195)	(106)	(349)
Experience (gain)/ loss on liabilities	40	131	29	95
Closing Liabilities	**2,234**	**7,361**	**2,498**	**8,232**

Reconciliation of fair value of employer assets	Parent	2025 Group	Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Opening fair value of employer assets	**2,587**	**8,524**	**2,481**	**8,178**
Expected return on assets	(391)	(1,289)	(222)	(733)
Interest income on plan assets	125	412	124	408
Contributions from members	-	-	-	-
Contributions from employer	23	76	263	866
Administration expenses	(33)	(110)	(31)	(102)
Unfunded benefits paid	-	-	-	-
Benefits paid	(62)	(205)	(28)	(93)
Closing fair value of employer assets	**2,249**	**7,408**	**2,587**	**8,524**

Reconciliation of the effect of the net asset ceiling	Parent	2025 Group	Parent	2024 Group
	£'000	**£'000**	**£'000**	**£'000**
Opening asset ceiling	89	292	-	-
Interest on asset ceiling	4	14	-	-
Movement in asset ceiling recognised through OCI (as a remeasurement)	(78)	(259)	89	292
Asset ceiling	15	47	89	292
Surplus /(deficit) recognised (IAS19)	-	-	-	-
Closing net asset ceiling	**15**	**47**	**89**	**292**

28 Pension liability

As detailed in note 27, the Group had the following provisions during the year:

	Staffordshire LGPS	Shropshire LGPS - Homes Plus	Shropshire LGPS - Wrekin Housing Group	HPPS	Total
	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	(3,158)	(225)	-	-	(3,383)
Additions/(reductions) dealt within surplus/deficit	(213)	89	547	(34)	389
Additions/(reductions) dealt within other comprehensive income	1,446	(66)	(608)	34	806
Interest costs	(162)	(2)	61	-	(103)
At 31 March 2025	(2,087)	(204)	-	-	(2,291)
Asset	-	-	-	-	-
Liability	(2,087)	(204)	-	-	(2,291)
At 31 March 2025	(2,087)	(204)	-	-	(2,291)

The parent had the following liabilities during the year:

	Staffordshire LGPS	HPPS	Total
	£'000	£'000	£'000
At 1 April 2024	-	-	-
Additions/(reductions) dealt within surplus/deficit	(215)	(10)	(225)
Additions/(reductions) dealt within other comprehensive income	221	10	231
Interest costs	(6)	-	(6)
Asset	-	-	-
Liability	-	-	-
At 31 March 2025	-	-	-
Asset	-	-	-
Liability	-	-	-
At 31 March 2024	-	-	-

Pension liability – LGPS

The Staffordshire and Shropshire LGPS pension schemes are multi-employer defined benefit schemes. 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.

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. It is understood this would apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No further information is available at this stage.

Pension liability – HPPS

The HPPS pension scheme 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). An independent 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 Association is aware of the June 2023 High Court judgement in the case of Virgin Media vs NTL Pension Trustees II Limited, and that in July 2024 the Court of Appeal dismissed the appeal brought by Virgin Media against aspects of the High Court's decision. This judgement may have significant implications for defined benefit schemes that were "contracted out".

29 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.

30 Reconciliation of surplus to net cash flow from operating activities

Group	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Surplus for the year	**22,279**	**23,611**
Adjustments for non cash items:		
Amortisation	198	(1,309)
Depreciation and impairment	41,876	33,015
Write-off of components following demolition of properties	381	-
Decrease /(Increase) in stock	5,087	2,267
Decrease /(Increase) in trade and other debtors	454	(849)
Increase /(Decrease) in trade and other creditors	(2,253)	(970)
Pension costs less contributions payable	(225)	(1,020)
Valuation Movements	(100)	(896)
Movement in sinking fund	(927)	225
Non cash amount of tangible fixed asset disposals	-	-
	44,491	30,463
Adjustments for investing or financing activities:		
Surplus from the sale of tangible fixed assets	(15,900)	(14,982)
Government grants utilised in the year	(2,374)	(1,326)
Interest payable	39,093	41,264
Interest received	(768)	(1,004)
	20,051	23,952
Cash flow from operations	**86,821**	**78,026**

Notes to the Financial Statements

31 Analysis of changes in net debt during year

Group	Year ended 31 March 2025	Other non-cash movements	Cash Flow	Year ended 31 March 2024
	£'000	£'000	£'000	£'000
Cash at bank and in hand	11,083	-	(2,190)	13,273
Cash held as collateral	-	-	(1)	1
Short Term Deposits	7,030	-	(8,679)	15,709
	18,113	-	(10,870)	28,983
Housing loans due within one year	(74,606)	(74,243)	2,990	(3,353)
Housing loans due after one year	(691,801)	58,316	(4,865)	(745,252)
Bond finance due greater than one year	(250,204)	23	-	(250,227)
Loan arrangement fees	1,479	-	63	1,416
Total changes in net debt	**(997,019)**	**(15,904)**	**(12,682)**	**(968,433)**

32 Related party transactions

Transactions with non-regulated members of the Group.

2025 - Parent	Care Plus	Severn Homes Ltd	Development Worx	Old Park Services	Strata Housing Association
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	797	500	-	-	-
Total	**797**	**500**	**-**	**-**	**-**
Outflow					
Services received	-	-	-	3	-
Total	-	-	-	3	-

2024 - Parent	Care Plus	Severn Homes Ltd	Development Worx	Old Park Services	Strata Housing Association
	£'000	£'000	£'000	£'000	£'000
Inflow					
Services provided	801	500	9	-	-
Total	**801**	**500**	**9**	**-**	**-**
Outflow					
Services received	-	-	-	-	-
Total	-	-	-	-	-

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

		Parent
	2025	**2024**
	£'000	**£'000**
Care Plus	72	68
Severn Homes	402	829
Development Worx	5	12
Total	**479**	**909**

33 Merger

On 6 January 2025 The Wrekin Housing Group along with its subsidiaries merged with Housing Plus Group. The Parent and Group financial statements presented here incorporate the results of the organisations prior to merger and the new group from the merger date to 31 March 2025.

The share of Total Comprehensive Income for the prior year, the share of Total Comprehensive Income in the current year to the merger date with the effect of any accounting policy adjustments and the contribution post-merger date, and the share of the net assets at merger are disclosed in accordance with FRS 102.

Total Comprehensive Income and Net Assets Share in the year of merger

Group	**Housing Plus Group**	**The Wrekin Housing Group**	**Merger adjustments**	**At merger date**	**Post merger**	**As at 31 March 2025**
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	102,490	89,818	-	**192,308**	53,946	**246,254**
Operating surplus for the year	29,800	27,656	-	**57,456**	3,012	**60,468**
Total comprehensive income for the year	13,058	10,683	-	**23,741**	194	**23,935**
Net assets	250,638	141,035	-	**391,673**	21,846	**413,519**

Total comprehensive income and net assets share in the prior year

Group	**Housing Plus Group**	**The Wrekin Housing Group**	**As at 31 March 2024**
	£'000	£'000	£'000
Turnover	126,107	103,763	**229,870**
Operating surplus for the year	32,167	31,834	**64,001**
Total comprehensive income for the year	9,327	23,193	**32,520**
Net assets	237,579	152,362	**389,941**

Housing Plus Group

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