Soha Housing Limited

Consolidated Financial Statements

Year ended 31 March 2026

Co-operative and Community Benefit
Society number: 28410R

Regulator of Social Housing number: L4130

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Executives and advisors for the year ended 31 March 2026

Board members
Claire Davis – appointed 1 November 2025
Dave Lakin (Chair of Audit & Risk Committee)
David Mody (Finance portfolio)
Emma Luddington
Hayley Smith
Janet Crooks - retired from the Board - 3 July 2025
Jennifer Ekelund – retired from the Board - 4 September 2025
Katherine Wareing
Mark Goldring – Chair of Board
Martyn Thorne
Naomi Barrand
Peter Nkum Jnr
Peter Sloman
Victoria Dingle (Vice Chair/Chair of Personnel & Remuneration Committee)

Executive management
Katherine Wareing
(Chief Executive)

Nasreen Hussain (left 24 Feb 2026)
(Director of Finance & Resources)

Jeremy Vickers (Start 6 April 2026 – 6 Month contract)
(Interim Director of Finance)

Andy Tollett
(Director of Property Services)

Matt Archer
(Director of Service Redesign and Digital Transformation)

Warwick Ainsworth-Parker
(Interim Director of Housing)

Secretary & registered office
Marisa Elliott

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Principal solicitors
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Funders
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EC2Y 9DB

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Pension Insurance Corporation Plc
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London, EC3V 3ND

Santander UK Plc
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South Oxfordshire District Council
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Milton Park
Milton, OX14 4SB

Virgin Money
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Leeds, LS1 6NP

Introduction by Chair

I'm pleased to introduce Soha's performance report for 2025-26.

This financial year has seen political challenges on both national and global stages, creating a difficult economic landscape for housing associations and households alike. As many households continue to experience the impact of this on their finances, we feel – now as strongly as ever – that our commitment to creating vibrant, sustainable, and resilient communities where everyone can find a home is crucial.

We are a top quartile rated, ambitious housing association. This year has seen us expand our future development pipeline so we will be back to delivering 200 new homes per year from 2027/28. The regrade of our financial viability in late 2025 by the Regulator of Social Housing from a V1 to a V2 reflects that increase in our development ambition and our plans to invest over £140m in the energy efficiency of our residents' current homes. This regrading reflects a positive strategic choice and not a cause for concern.

Investing in the longevity of our homes, old and new, is key to our corporate plan. We increased our development programme, building an additional 100 homes, 81 rented and 19 shared ownership, an increase of 23 from the previous financial year. We also bought 155 homes from another social landlord, 143 rented and 12 shared ownership, increasing Soha's investment in homes in our local communities. Our Warm Homes Wave 3 commitments were completed early, putting us ahead of our own plans to improve the energy efficiency of existing homes by 2027. Early adoption of the programme with matched fund-spending has put us in an exceptional position. Completion of this wave takes us one step closer to all Soha homes meeting the EPC C minimum energy efficiency criteria by 2030.

Alongside our growing development programme, during this past financial year we have heavily invested in empowering residents and staff alike. 10 staff completed Chartered Institute of Housing qualifications and are now using their enhanced knowledge to improve the services their teams offer. The Soha Community Fund, new for 2025-26, saw a panel of residents award grants to 19 grassroots projects to better support the people in our communities. The introduction of the new Resident Experience[LR1.1] department has begun a journey to make sure resident feedback is better used to inform and shape the decisions we make. As a community mutual, we continually use our residents' feedback as a marker of performance.

Each quarter, we formally gather around 300 residents' feedback through the Tenant Satisfaction Measures survey, carried out for us by an external research company (TSMs). In 2025-26, our results were benchmarked against around 60 other landlords across the country and, except in a few measures where we are nearer the median, our residents judge us to be among the top performers. One key metric for us speaks to residents' general satisfaction with Soha's overall service. 82% of those who rent from us are happy with that service, which is a slight improvement on the previous year – though still just under the upper quartile for the sector, so there is still room for improvement.

Service improvement was the main driver for the launch of Soha Response, Soha's in-house contractor which launched on 1 May 2025. After a successful first year, higher resident satisfaction with repairs shows that it was the right choice. As our team continues to grow, we are proud of how we're investing in our local economy and the skills of local people. We recognise that to directly employing local tradespeople to work within and understand our communities is the best way to serve them. We're therefore especially excited to be able to offer our first apprenticeships in 2026-27.

Taking back the repairs contract has given us the opportunity to repair relationships with our residents in a climate where trust in housing associations is low. As the media scrutinises housing associations' responses to hazards (such as damp and mould) we are aware that every resident needs reassurance and consistency from us as their landlord. We implemented new ways of working to meet the hazard response timeframes as laid out by Awaab's Law in 2025, and we are proud of the work we have done to improve the safety of our homes as a result. Thanks to our investment in Stock Condition Surveys and high-quality Fire Risk Assessments, we now know more about the homes we own than we ever have before.

The accounts show a story of a financially robust organisation with the headroom to continue the improvement of existing homes whilst developing new ones. What the numbers can't show is how listening to and learning from our residents continues to steer our direction as we respond to the growing challenges faced by the sector. As we remain alert, we also look forward to the opportunities that lie ahead.

Signed by:
Mark Goldring
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MARK GOLDRING
Chair of the Board
Soha Housing

A - Principal activities

Soha is a mutually owned, community-based provider of a range of housing to meet local needs across South Oxfordshire and surrounding areas. Our main activities are the letting, management, maintenance and development of homes for people in housing need (i.e. the provision of social housing). We work in partnership with others to provide support where needed to enable people to maintain their tenancies and exit homelessness. The proportion of our stock offered for Shared Ownership (part rent/part ownership) is increasing and we also manage related assets such as garages, leasehold properties, open spaces and estate roads and engage in related community development work.

As a mutual community-based association we place great importance on the engagement of our stakeholders in our decision making, and on our role in supporting the building of strong communities.

As we move into 2026/27, we expect our role and contribution to remain important to our residents, our future residents and our communities. We will continue to balance our focus on meeting the immediate needs of residents and communities as we continue to live in a challenging economic environment, with investing to meet the longer-term challenges our communities face in terms of access to affordable and secure accommodation.

B - Effects of material estimates and judgements upon performance

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are shown in note 3 of the accounts. Further information on the most significant estimates is as follows:

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 technological obsolescence that might change the utility of certain software and ICT equipment; changes to decent homes standards which might require more frequent replacement of key components and changes to the ability to let properties that might reduce the economic lives of properties.

Defined benefit obligations:
Management’s estimate of the defined benefit obligation 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 might significantly impact the defined benefit obligation amount and the annual defined benefit expenses (as analysed in note 30, pension liability).

C - Qualifying third-party indemnity provisions

The company has director and officer liability insurance in place for Soha Housing Limited and its subsidiaries.

D - Value for money

D1. Our strategy

We have a comprehensive and strategic approach to achieving and delivering value for money (VfM), to meet our corporate objectives, which is led by the Board.

Our vision, as set out in our Corporate Plan is ‘for vibrant, sustainable and resilient communities where everyone can find a home’. To make our vision a reality, we work with residents, staff, communities and partners to provide, and help people access and retain, quality homes and services that meet their needs. We have clear strategic objectives in place to deliver our vision. These are summarised in Section A, Objectives and strategies to achieve those objectives, in the Strategic Report.

VfM is a crucial part of delivering our business objectives. Soha's Value for Money Strategy clearly sets out our approach which is driven by the Board and follows RSH guidelines can be considered at 4 levels: strategic, organisational, budget and individual transaction.

D2. Our approach

As part of Soha's Partnership and Mergers Strategy, the Board considers annually whether continuing with Soha's current structure is appropriate. This includes consideration of whether to proactively pursue partnerships and/or mergers. The appropriateness of the current structure was considered at the May 2026 Board meeting. The Board resolved that given the strength of the Business Plan, Soha's current structure is appropriate to achieving its vision, aims and objectives.

Soha's Asset Management Strategy (AMS) clearly sets out how we intend to manage and improve our property portfolio now and in the future. The primary function of Soha's business is to provide good quality affordable housing to people in housing need. The AMS is therefore an essential tool to assist the business to continue to operate efficiently and meet the needs of our customers. It recognises the tension between needing to use our assets to get the most effective financial return and to fulfil our social purpose.

The disposal of properties and redevelopment of landholdings for a more appropriate use is an important part of asset management. Soha takes a robust approach to decision-making on the use of resources to deliver its objectives, including an understanding of the trade-offs and opportunity costs of its decisions. Property disposals are considered in several situations such as where there is an opportunity to generate high capital receipts; avoid high maintenance exposure or required improvement costs; concern over demand; desired change in required age profile of stock and stock rationalisation.

The Development Strategy confirms Soha's commitment to development and growth and the approach it will adopt to develop new housing. Most newly developed properties will be general needs housing available for social or affordable rent and shared ownership purchase. The development programme looks primarily to provide housing for people who cannot find a market solution to their housing needs and may be homeless, inadequately housed or need to find alternative housing for reasons of employment, family, disability or health.

Soha will primarily seek to develop within one hour's car travel from Didcot. This is to ensure we can deliver a high quality, cost effective service to our residents.

Open market sale properties may be developed to cross subsidise or facilitate the development of affordable housing. This would be subject to careful evaluation at the time of the appraisal of the economic conditions and risks involved. We have not undertaken any market sale development in 2025/26, and have no active plans in our forward development plan.

Soha has a comprehensive understanding of costs and outcomes. The Board approved Soha's performance indicators for 2026/27, which included the seven metrics specifically required to be published annually under the 'Value for Money Standard 2018' issued by the Regulator of Social Housing (RSH).

D3. Measuring value for money

When measuring value for money, Soha sets out its metrics in a scorecard in five areas. Where available, we compare our performance against other housing providers as a way of demonstrating VfM to tenants and other stakeholders.

The five reported areas are:

a) Business health
b) Development capacity and supply
c) Outcomes delivered
d) Effective asset management
e) Operating efficiencies

There are 14 measures reported within the five areas which include the seven metrics specifically required to be published annually in the statutory accounts under the Value for Money Standard. The Board has agreed the threshold for the seven metrics set by the RSH and the other key performance indicators.

All the measures in the Soha scorecard are set out below for the year ended 31 March 2026. Where available, peer group is provided. The peer group consists of up to 25 South West and South East based housing associations who own between 2,500 to 10,000 properties. The latest available information for the peer group is at 31 March 2025. Soha actuals are associations only.

TABLE A - Business health

Business Health (%)	Peer group 2025			Soha Actual		Target
	Upper	Median	Lower	2024/25	2025/26	2025/26
Operating margin (overall)	24.4%	18.5%	11.9%	33.0%	30.6%	>31.4%
Operating margin (social housing lettings)	27.1%	21.3%	15.1%	31.9%	29.8%	>32.4%
EBITDA MRI (interest cover)	152.9%	115.1%	58.8%	135.6%	116.7%	>100%

Overall operating margin was 30.6% (33.0% in 2024/25) and social housing lettings margin was 29.8% (31.9% in 2024/25). Margins were slightly lower than previous year mainly due to a reduction in first tranche homeownership sales from prior year due the prior year reduction of our development program. For social housing lettings it was outside the target. The main reason for missing the target was responsive repairs spend driven by larger number of repairs with a higher average job cost. Nevertheless, we are operating significantly within the upper quartile for both margins demonstrating our comparable financial health.

EBITDA MRI interest cover is 116.7% (135.6% in 2024/25), a decrease from the prior year and within target.

For both the operating margins and EBITDA MRI ratio, we are operating at levels at which viability and financial health is maintained as demonstrated in the long-term Business Plan.

TABLE B - Development capacity & supply

Development Capacity & Supply	Peer group 2025			Soha Actual		Target
	Upper	Median	Lower	2024/25	2025/26	2025/26
New supply delivered (absolute)	239	94	40	77	100	143
New supply delivered (%)	3.2%	2.2%	1.3%	1.0%	1.3%	>1.5%
Gearing (%)	56.0%	46.7%	34.4%	46.3%	47.4%	<60%

Historically the number of homes delivered by Soha has been significantly above the upper quartile. With the increase in interest rates from historic low, and other adverse economic conditions, development activity was reduced in late 2022. This reduction in activity did impact the level of activity in 2023/24 and 2024/25. We currently have a healthy development pipeline (contracted developments) and delivery in 2025/26 increased. From 2026/27 onwards, development activity in the Business Plan is projected to be in the sector upper quartile. For 2025/26, 100 new properties were handed over. This consisted of 6 social rent, 75 affordable rent and 19 shared ownership properties. In addition, we purchased 155 homes from another housing association.

The gearing ratio is calculated as net debt divided by the net book value of housing assets in the accounts. The gearing ratio is maintained if both debt and housing assets increase at the same pace. The ratio is at around the median quartile and well within target. Soha's gearing ratio level demonstrates that Soha can continue to develop in line with its objectives in the Corporate Plan with sufficient balance sheet capacity.

TABLE C - Outcomes delivered

Outcomes Delivered	Peer group 2025			Soha Actual		Target
	Upper	Median	Lower	2024/25	2025/26	2025/26
Customer satisfaction (%)	84.0%	77.0%	69.0%	80.0%	82.0%	81.0%
Reinvestment %	11.1%	8.3%	4.3%	4.1%	4.9%	>5%

Customer satisfaction is higher than our target and has increased from 80% in 2024/25 to 82% in 2025/26. Our customer satisfaction levels are in the upper sector quartile. One of the main drivers of satisfaction is repairs performance and during the year we launched Soha's in-house contractor 'Soha Response Ltd' a wholly owned subsidiary on 1 May 2026. After a successful first year, higher resident satisfaction with repairs shows that it was the right choice. As our team continues to grow, we remain proud of how we've invested in our local economy. We recognise that to directly employing local tradespeople to work within and understand our communities is the best way to serve them. We're therefore especially excited to have laid the foundation for being able to offer our first apprenticeships in 2026-27.

Reinvestment percentage is the amount spent on new development activity plus capitalised major repairs compared to the carrying value of total properties held at the year end. For new supply, the better measure is under development capacity and supply above. Expenditure on capitalised major repairs is carried out in line with the component lifecycles in the Asset Management Strategy. There was an increase in the re-investment 2025/26 which is driven by the increase in new development activity levels, which is explained above under Table B, Development capacity and supply.

TABLE D - Effective asset management

Effective Asset Management	Peer group 2025			Soha Actual		Target
	Upper	Median	Lower	2024/25	2025/26	2025/26
Return on Capital Employed (%)	3.6%	2.8%	2.2%	3.3%	3.1%	>2.5%
Occupancy (%)	99.1%	98.9%	98.2%	99.2%	99.2%	99.2%
Ratio of planned to responsive repairs	n/a	n/a	n/a	86%	77%	88%

Return on capital employed (ROCE) is the operating surplus, including gain/(loss) on fixed assets to total assets at the year end. Although, ROCE provides an overall indication of the return Soha is making on assets, Soha's Asset Management Strategy focuses on maximising the potential from housing properties, which accounts for 95% of our asset base.

Occupancy rates provide an indication of how well the lettings process is managed. The performance for the year end remained the same as last year but was at the upper quartile and at target. The Lettings and Technical teams are working more collaboratively in geographical localities which has improved occupancy and relet times.

Actual spend on major components within the planned maintenance budget is based on lifecycles so differs from year to year. This factor accounts for the decrease in the ratio of planned to responsive in 2025/26.

Over the longer term, Soha plans to maintain the ratio of planned repairs to response around 77% to ensure that investment in homes is carried out to maintain long term sustainability and provide VfM.

TABLE E - Operating efficiencies

Operating efficiencies	Peer group 2025			Soha Actual		Target
	Upper	Median	Lower	2024/25	2025/26	2025/26
Headline social unit housing cost (£)	£4,014	£4,471	£5,638	£5,052	£5,482	<£5,241
Rent collected as % of rent due	99.3%	98.5%	96.4%	99.0%	99.5%	99.3%
Overheads as % of turnover	n/a	n/a	n/a	12.5%	12.8%	11.6%

Soha's headline social housing cost per unit of £5,482 is in the upper lower quartile . We are conscious that we are comparing to sector costs from 12 months ago and with high levels of inflation in the economy during 2025/26, it is more likely that we are operating at 20% over prior year median. We are comfortable with our cost position which includes carbon zero spend and will increase in line with projected levels of investment in existing homes.

Rent collection as a percentage of rent due has a slight increase at 99.5% and is in the upper sector quartile. We continue to work with our tenants with arrears and provide support to assist residents struggling with the increasing costs of living..

Overheads as 12.8% of turnover increased in 2025/26 and was 1.2% (£668k) above our target of 11.6%. This was mainly the result of increased staff costs due to Soha Response.

E - Compliance with the Governance and Financial Viability Standard

Soha is compliant with the RSH Governance and Financial Viability Standard for the year and up to the date the accounts are signed. The regulatory grading for governance and viability is G1 and V2 which was issued in January 2026.

The overall required outcomes of the Standard are:

- to ensure that there are effective governance arrangements that deliver the aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner.

- to manage resources effectively to ensure their viability is maintained, ensuring that social housing assets are not put at risk. The Standard requires registered providers to assess their compliance with the Standard at least annually and Boards are now required to report their compliance with the Standard within their annual accounts.

The definition of assurance means that this is not just an internal and external audit issue. Boards need to determine where they are obtaining their assurance to demonstrate to the RSH:

- a clear understanding of asset values, related security, potential losses and potential chains of recourse. Note that Boards need to know exactly what information will be required in the event of distress and social housing asset exposure in order to value the assets without delay;

- evidence of application of the principles; and

- the assurance they receive on quality of records.

Soha has adopted, and is compliant with, the National Housing Federation's Code of Governance 2020 (the Code). Soha carries out an independent review of its governance arrangements every three years, the last one was completed in March 2026. This confirmed Soha's compliance with the regulatory standards and the NHF Code. The Board also completes an annual confirmation of compliance. In July 2026, the Board confirmed that Soha is compliant with the Standard.

F - Going concern

In our Business Plan we have modelled several scenarios which consider varying degree of worsening economic variables, rent collection and development activity (including property sales). The worst-case scenario clearly has a financial impact, but we can demonstrate that by taking appropriate mitigating actions, we maintain continued viability even in a pessimistic view of future conditions. These mitigations are reviewed separately by the board on a regular basis.

The Board will continue to review plans with the Directors to make the necessary changes to continue to work with our customers and stakeholders to deliver exceptional services in a friendly, solution-focused way.

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities, totalling £121m, the Board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on Soha's ability to continue as a going concern.

The Board reviewed and approved the Soha Business Plan 2026/27 at the May 2026 meeting. Based on Soha's performance to date and prudent projections forecast in the Business Plan, the Board is content that the accounts should be prepared on a going concern basis.

G - Assessment of the effectiveness of internal control

The Group has developed Financial Regulations and a Code of Conduct that requires the Board to ensure internal controls are in place and they confirm this through the following statement:

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

The Board recognises that it is responsible for the Group's system of internal control and its effectiveness. In meeting these responsibilities, the Board has adopted a risk-based approach to internal controls embedded within normal management and governance processes. This includes the regular evaluation of the nature and extent of risks to which the Group is exposed.

The Audit and Risk Committee, on behalf of the Board, has carried out an annual review of the process adopted by the Board in reviewing the effectiveness of the system of internal control. Some of the key elements of the control framework include:

a) Identification and evaluation of key risks

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and on-going process of risk management review in each area of the Group's activities. The Senior Leadership Team and the Audit and Risk Committee regularly consider reports on significant risks facing the Group and the Chief Executive is responsible for reporting to the

Board any significant changes affecting key risks. The key risks facing the Group now have been discussed by the Board recently and are set out in part (c) of the Strategic report.

b) Board and Audit & Risk Committee overview

The Audit and Risk Committee and the Board review risk management on an on-going basis and review regular reports and assurance from Senior Leadership Team on internal control. A process of self-assessment and regular management reporting on control issues provides hierarchical assurance to successive levels of management and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken for any significant control issues, particularly those that might have a material impact on the financial statements.

c) Control environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues. The Board disseminates its requirements to all employees through the Group's policies regarding the quality, integrity and ethics of its employees. It is supported by a framework of policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection. Where failings or weaknesses in controls are identified, action is taken to remedy them and progress reported to the Audit and Risk Committee and/or the Board. There have been no significant failings or weaknesses identified during the year.

d) Internal Audit

The Audit & Risk Committee and the Board have engaged the services of RSM UK Risk Assurance Services LLP to carry out a programme of internal audit. Internal audit provides the Group, through the Audit & Risk Committee, with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the Association's objectives.

e) Resident Audit and Scrutiny Groups

The Group has developed with tenants a robust Co-regulation model which includes a Resident Audit and Scrutiny Group who test the Group's standards and challenge the Group's decisions and planning at a strategic level. This model is recognised as good practice nationally. Recommendations from Audit & Scrutiny Group are presented to Board and an Action Plan agreed to ensure co-regulation makes a lasting, positive difference to Soha Group's operations.

f) External Inspection and Accreditation

The Group is committed to good quality management systems. The Association continues to work towards excellence in all its activities, NROSH reviewed our services and found that they continue to be outstanding in 2025, and our team are preparing for our next full assessment in autumn 2026.

The Regulator of Social Housing's (RSH) Standards framework can be summarised as:

Economic Standards

- Governance and Viability Standard
- Value for Money Standard
- Rent Standard

Consumer Standards

- Safety and Quality Standard
- Transparency, Influence and Accountability Standard
- Neighbourhood and Community Standard
- Tenancy Standard

We carry out an annual review of compliance against the RSH Standards. Soha is compliant with the RSH Standards as evidenced and confirmed by the Board and the Members' Forum.

Following its review of the Soha Business Plan and regulatory returns submitted during the year, the RSH issued Soha a G1 and V2 rating in January 2026.

We produce a separate document which will be distributed to tenants, as part of their Annual Report, in September 2026. The Board will require management to ensure this is transparent and clear.

g) Performance Indicators and information/financial reporting systems

Financial reporting procedures for the Group include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

h) Annual Review

The Audit and Risk Committee has received the Annual Report on Soha's System of Internal Control for the Year Ended 31 March 2026 prepared by the Directors Team. The Board in turn has received the Annual Report of the Audit and Risk Committee and the annual review of the effectiveness of the system of internal control from the Committee and has taken account of any changes needed to maintain the effectiveness of the risk management and control process.

As a result of the above, the Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group and that the Audit and Risk Committee has reviewed the Fraud Register for the year. This process has been in place for the year ended 31 March 2026 and the subsequent period to 15 September 2026.

H - Post balance sheet events

There are no post balance sheet events.

I – Statement of Board members' responsibilities

The Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation require the Board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the Board members are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and

Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group and association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the group and association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group and association's website is the responsibility of the Board members. The Board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

J – Auditor

All the current Board members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the association's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

Bishop Fleming has expressed their willingness to continue. A resolution for the re-appointment of Bishop Fleming as auditors of the Association is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Signed by:

Mark Goldring

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MARK GOLDRING
Chair
23 July 2026

A - Objectives and strategies to achieve those objectives

2025/26 saw us adopt and begin to deliver a Corporate Plan which runs through to 31 March 2029 In an operating environment with continued high levels of uncertainty the vision, mission and values in the Corporate Plan are particularly important as they guide us in our daily decision making.

Our vision is for strong, vibrant, and sustainable communities where everyone can find a home.

To make our vision a reality, we continue to work with residents, staff, communities and partners to provide, and help people access and retain, quality homes and services; we will support each other and together create opportunities for a better future. We report progress on delivery of the Corporate Plan to Board and our Members' Forum throughout the life of the plan.

Our organisational values shape all that we do. We are and will be:

- Committed to residents – We put residents' wellbeing first and go the extra mile.
- Invested in local communities – We are passionate about building stronger communities, in partnership with others.
- Open and honest – We are clear about what we can and can't do, and share information so we can be held to account.
- Mutual – We belong to our residents, staff and communities and make decisions together.
- We are here for the long term.

The Corporate plan includes scenario planning where we have thought ahead about what choices we will make if our external operating environment changes significantly.

B - Performance during the financial year

B1. Financial performance

The table below shows the group key financial indicators over the last five years are:

	2021/22	2022/23	2023/24	2024/25	2025/26
Properties managed *	7,054	7,338	7,563	7,615	7,832
Properties managed growth (%)	2%	4%	3%	0.7%	2.8%
Turnover (£000s)	58,364	56,272	64,681	64,579	66,488
Change in turnover (%)	14.8%	(3.6%)	14.9%	(0.2%)	3.0%
Operating surplus (£000's)	24,681	19,281	20,622	24,560	23,850
Operating Margin (excluding surplus on disposal of fixed assets)	37.2%	31.1%	30.6%	33.0%	30.6%
Surplus before taxation (£000s)	14,394	8,663	6,291	9,072	8,910

* Social housing properties only

Consolidated statement of comprehensive income

	2026 £'000	2025 £'000	Movement £'000
Turnover	66,488	64,579	1,909
Cost of sales	(2,618)	(3,198)	580
Operating costs	(43,529)	(40,055)	(3,474)
Surplus on disposal of fixed assets	3,509	3,234	275
Operating surplus	**23,850**	**24,560**	**(710)**
Movements in fair value	7	28	(21)
Interest receivable and similar	283	302	(19)
Interest payable*	(15,232)	(15,818)	586
Surplus before taxation for the financial year	**8,908**	**9,072**	**(164)**

* excludes capitalised interest

Soha made a surplus for the year of £8.9m (2025: £9.1m), which is £0.2m lower than the previous year.

Overall turnover was £66.5m (2025: £64.7m) which is £1.9m (3.0%) higher than the prior year. Social housing lettings income increased by £2.6m (4.7%) as a result of the 2.7% rent increase,100 new housing developments brought into management and two months of income from 155 properties purchased from another housing association (transaction completed Feb 2026). The turnover movement is affected by a lower value of first tranche low-cost home ownership sales of £3.8m (2025: £4.9m), also the actual cost of selling a home was 2% higher than in the prior year.

Total operating costs were £43.5m (2025: £40.1m) which is an increase of £3.5m. Operating surplus was £23.9m (2025: 24.6m), £0.7m lower than the previous year. Overall surplus after interest was £8.9m (2025: £9.1m) £0.2m lower than the previous year.

Operating expenditure was within Budget 2025/26. £3.4m increase in operating cost from prior year can be summarised as:

- £1.4m - planned maintenance costs driven by profile of planned works and higher average costs.
- £2.0m - increased operating cost driven by inflation around staff, insurance and IT costs.

Consolidated Balance Sheet

	2026	2025
	£'000	£'000
Tangible fixed assets - housing properties	779,620	737,668
Tangible fixed assets – other	2,208	2,233
Investment properties	680	680
Investments : homebuy loans	1,147	1,140
Net current assets	(2,052)	(3,822)
	781,603	737,899
Creditors: amounts falling due after more than one year	(428,277)	(393,199)
Provision: net pension liability	(1,578)	(2,373)
	351,748	342,327
Capital and reserves		
Income and expenditure reserve	189,490	180,143
Derivative financial instrument reserve	1,137	833
Revaluation reserve	161,121	161,351
	351,748	342,327

At 31 March 2026, Soha's balance sheet showed total assets less current liabilities of £781.6m (2025: £737.9m) – an increase of £43.7m compared with the position at 31 March 2025. The main points are as follows:

- The carrying value of Soha's properties at 31 March 2026 was £779.6m (2025: £737.7m). As properties are held at cost the increase is a result of additional units and capitalised component spend.
- At 31 March 2026, Soha's net current assets were -£2,052k (2025: -£3,822k), an increase of £1.8m, driven by stock decreasing from £3.0m to £2.5m, cash increasing from £7.4m to £9.6m. Higher current liabilities are mainly due to capital creditors and loan repayments (£7.7m) which we have significant loan facilities in place to continue to support.
- Creditors: amounts falling due after more than one year is mainly the drawn down loan finance including financing costs at £370.2m (2025: £342.2m) and also includes deferred capital grant of £49.9m (2025: £48.7m).

The Board has concluded that Soha has adequate resources to achieve the objectives set out in its Corporate Plan and sustain the activity set out in the related 30 year Business Plan.

B2. Treasury and loan finance

Soha has a robust treasury policy in place with input from its treasury consultant to ensure best practice. Its approach to treasury is that it is a function that allows access to funds to carry on its business, not as a separate business activity that is expected to produce surpluses itself. As such, while Soha attempts to take advantage of opportunities to borrow at lower cost, it is primarily concerned with managing cash flow effectively and monitoring the risk inherent in treasury activities.

Soha has a total loan facility of £501.2m of which £380.2m has been drawn down. £121m undrawn are the revolving credit facilities.

Details of the loan facilities are:

Lender	Total facility (£'000)	Drawn down (£'000)	Available (£'000)
Deutche (formerly Dexia)	108,578	102,578	6,000
Pension Insurance Corporation (PIC)	80,000	80,000	0
M&G	74,667	74,667	0
Santander	75,000	0	75,000
Barclays	48,000	8,000	40,000
Danske Bank	50,000	50,000	0
Virgin Money	50,000	50,000	0
South Oxfordshire District Council (SODC)	15,000	15,000	0
TOTAL	**501,245**	**380,245**	**121,000**

The repayment profile of the debt draw down is as follows:

	£m
Term loans:	
due to mature in under 5 years	49.6
in 6-15 years	197.0
In 16-25 years	26.7
in 26-35 years	88.0
Revolving credit facility :	19.0
Total loans drawn down at 31 March 2026	**380.3**

Soha has 2 lenders' covenant measures, the interest cover and gearing ratios. The interest cover covenant is with all lenders and the gearing ratio is with the two banks, Barclays, and Santander. We are comfortably compliant with all covenants, with a 55.0% headroom against the tightest interest cover ratio and 22.0% headroom against the tightest gearing ratio.

Soha entered into an interest rate swap in relation to a £50m variable rate loan in order to fix the interest rate payable for the duration of the loan. Where such complex financial instruments are designated within a cash flow hedging arrangement, fair value movements in the value of the hedging instrument are recorded within Other Comprehensive Income, to the extent that the hedge is effective.

B3. Key performance indicators

Performance is managed using key performance indicators (KPIs). These are reported through a comprehensive management report which is produced monthly and reported to the Board quarterly.

The table below shows actual performance for 2025/26 against target and last year for our housing management and repairs key performance indicators:

Indicator	Actual 2025/26	Target 2025/26	Actual 2024/25
Average time to complete all repairs	16 days	18.0 days	9.5 days
Emergency repairs completed within target %	90.0%	99.0%	92.1%
Repairs fixed first time % (completed following a single visit)	84.5%	85.0%	84.5%
Repairs appointments made and kept %	77.0%	98.0%	97.7%
Gas services carried out within 12 months	100.0%	100.0%	100.0%
Current tenant arrears (gross)	4.0%	3.8%	4.2%
Average re-let times	24 days	22 days	21 days
Void loss	0.75%	0.75%	0.76%
Governance Rating	G1	G1	G1
VR Rating	V2	V1	V1
Satisfaction with overall service (LCRA)	82%	81%	80%
Satisfaction with overall service (LCHO)	69%	75%	70%
Satisfaction with repairs (last 12 months)	76%	74%	70%

Resident satisfaction The overall satisfaction with service score is our best summary score for whether residents feel our service is improving. Both the results from those who rent from us (LCRA) and from our shared owners (LCSO) have improved this year:

Satisfaction with overall service (LCRA)– This increased from 80% in 2024/25 to 82% in 2025/26. We are operating above the sector upper quartile (quartile data in Value for Money section in the Report of the Board above).

Satisfaction with overall service (LCHO) - We are operating at sector leading levels of satisfaction for our shared owners, with 69% of our shared owners expressing positive satisfaction with our services. Upper quartile performance for this metric is 64%. Satisfaction metrics exclude those who are neutral, which we see more shared owners saying they are given they typically have fewer interactions with Soha than those who rent from us

Satisfaction with repairs – Satisfaction with repairs has increased from 70% in 2024/25 to an average of 76% in 2025/26, and a Q4 position on its own is 78% satisfaction, reflecting an improving trend. We expect satisfaction to increase further during 2026/27 with the on-going improvement of our in-house repairs service, Soha Response. Resident satisfaction with the repairs was the primary deriver for setting up Soha Response.

Key Performance management indicators:

Average time to complete repairs – The target for the year was set at a higher level than the previous year to reflect uncertainty around the launch of our new in-house repairs service, Soha Response, in May 2025.

Performance finished the year two days ahead of target, reflecting the successful introduction and early impact of Soha Response..

Current tenant arrears and average relet time were both slightly outside target. Repairs fixed first time % (completed following a single visit) performance was very close to target and remined the same as previous year. We are aiming to be above target in the coming year, with responsive repairs works carried out by the in-house contractor Soha Response.

The KPIs that significantly missed target were:

- **Emergency repairs completed within target** – Performance against this metric declined slightly compared with the previous year. During the year, we introduced our new in-house repairs service, Soha Response, alongside new software. These changes have improved the allocation of emergency jobs and the accuracy of our performance reporting, enabling us to record this metric more effectively. Performance for 2026/27 is expected to be on target.

- **Repairs appointments made and kept –** This metric has significantly improved in year as we have differentiated between repairs appointments we have not kept, and those where residents were not at home for planned appointments. At year end, performance is now in line with our target.

C – Principal risks and uncertainties

The Board has overall responsibility for the management of risk within Soha. To carry out this responsibility effectively, the Board has ensured that a robust control framework is in place so they have a sufficient understanding of the key risks. The Board agreed its risk appetite at the January 2026 meeting. The Senior Leadership Team have a responsibility to implement the risk strategy in line with the risk appetite and carry out a periodic review of risk management procedures and report as required to the Board.

Soha has an internal control framework the covers each area of the business. Each area of the control framework is assigned to the relevant member of the Senior Leadership Team. The Senior Leadership Team's role is to ensure that existing controls are embedded and working effectively. The framework is reviewed by the Senior Leadership Team and the Audit & Risk Committee on a quarterly basis to ensure any new control actions are implemented.

Key risks in the Soha Top LIVE Risk Register together with the controls and mitigating actions are given below:

1. **Soha Response business as usual operation: failure to deliver service to within targets and budget. Full risk register and reporting in place alongside mitigating actions. Reporting on performance and risks to each Soha Board meeting.**
    - Business plan for each phase reviewed and approved by the Soha Response Board.
    - Detailed workplan monitored and reviewed and reports to each Board meeting
    - Robust recruitment strategy implemented
    - Continuous monitoring of KPI data within the scheduling software for accuracy of reporting
    - Maintain relationships with back-up contractors to ensure continuity of service if disruption occurs.

2. **Increasing interest rates. Currently 87% of debt on fixed rates. Percentage of fixed rate debt will decrease as the variable rate RCFs are drawn down:**
    - Treasury strategy - current fixed ratio maintained well within Treasury Management Policy levels. Future debt raised on fixed rate basis.
    - Proactive approach to future financing.

- Interest rate rises included in Business Plan stress testing.
- Triggers and frequency for review of business plan, stress testing and development scheme appraisal assumptions to be reviewed.

3. **Increasingly high inflation: rental income does not increase at same rate as cost. We are unable to deliver our planned level of investment in new homes and retrofitting current homes without breaching our tightest lender covenant if inflation outstrips increases in rental income:**
    - Business plan stress testing (pessimistic scenario) models for this scenario.
    - Clear mitigations are in place to delay / reduce long term investment spend if required.
    - Projected covenant compliance is monitored through the monthly management report.

4. **IT systems attacked by malicious actors:**
    - Up to date security systems, anti-virus and anti-malware in place which are maintained.
    - Appropriate and updated perimeter security firewalls and dated ingress filtering (for email, and web access).
    - PCs and servers have OS and applications regularly patched.
    - Limited access to Servers by experienced staff.
    - Business Continuity Plan in place.
    - Regular 3rd party penetration testing, new web filter system, new email filter system, new patch management system all now in place
    - Web filter (zScaler) and email Filter implemented (CensorNet).
    - Regular security awareness training and phishing campaign.

5. **Data quality - poor data quality leads to uninformed decision making, harm to residents, risk of regulatory breaches leading to regulatory intervention:**
    - Internal audit data integrity check carried out each year.
    - Field validation in key systems.
    - Live reporting on data quality and data gaps.
    - In house stock condition surveys in progress, with high degree of assurance from those completed to date. 1200 stock condition surveys per annum being delivered.
    - New IT being implemented to replace legacy and spreadsheet systems.

D – Governance

Soha has adopted, and is compliant with, the National Housing Federation's Code of Governance 2020 (the Code). Soha carries out an independent review of its governance arrangement every three years, the last one was carried out in June 2025. The review confirmed Soha's compliance with the regulatory standards and the NHF Code. The Board also completes an annual confirmation of compliance. In July 2026, the Board confirmed that Soha is compliant with the Standard.

In 2017/18 Soha took the decision to open up shareholding membership to residents. In 2020/21 Soha activated the existing provision in its rules to open up shareholding membership to staff, subject to no more than 15% of shareholders being staff members. This brings our legal structure into full alignment with our organisational vision to build 'strong, vibrant and sustainable communities where everyone can find a home'. Membership as at 31 March 2026 was 776.

Soha's Board comprises 13 people: five tenant members, six members of the wider community, one co-optee and the Chief Executive. Board membership reflects a wide cross-section of tenant, professional, commercial and public sector interests. Members are selected for the skills and experience which they can bring. Soha pays Board members in line with the rates recommended by The National Housing Federation and the total amounts paid are set out in note 11 to the accounts.

The Board has two formal Committees: Audit & Risk and Personnel & Remuneration. Soha Response and SIB have separate Boards as a fully owned subsidiaries in Soha's group structure. Soha also has a separately constituted Members' Forum, elected by all shareholding members of Soha, which reviews operating performance, comments on policies and helps develop future strategy. This takes the role of Members' Panel, as required by Soha's Rules. From time to time the Board establishes task and finish groups or ad hoc committees.

The Board is responsible for determining Soha's strategy and policies and for ensuring that its affairs are properly managed. The implementation of these has been delegated to the Chief Executive who meets regularly with the Directors and the senior leadership team. The Code of Conduct is based on the NHF Code 2022, and has been in place since May 2025. This will be refreshed in 2026 in line with the new competency and conduct standard.

The Board and Executive Officers are listed on Page 1 together with any changes during the financial year.

Each full Board member holds one share in the Association. The Executive Officers of Soha (including the Chief Executive) can apply for shareholding membership (one share) under the staff membership scheme. All decisions on admission to membership are made by the Personnel and Remuneration committee.

E – Approval

This Strategic Report was approved by order of the Board on 23 July 2026.

Signed by:
Mark Goldring
1829B49AD445489...

MARK GOLDRING
Chair

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

Opinion

We have audited the financial statements of Soha Housing Limited (the 'parent association') and its subsidiaries ('the group') for the year ended 31 March 2026 which comprise the Consolidated and Association Statements of Comprehensive Income, the Consolidated and Association Balance Sheets, the Consolidated and Association Statement of Changes in Reserves, the Consolidated and Association Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent association's affairs as at 31 March 2026, and of the income and expenditure of the group for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the group and the parent association have not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the group and the parent association's books of account; or
- we have not obtained all the information and explanations necessary for the purposes our audit.

Responsibilities of the board

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

In preparing the financial statements, the board is responsible for assessing the group and the parent association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the group or the parent association or to cease operations, or has no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and directors in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- Any matters identified having obtained and reviewed the group's documentation of their policies and procedures relating to:

    - Identifying, evaluation and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - The internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;

- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Co-operative and Community Benefit Societies Act 2014, FRS 102, UK tax legislation, and the Accounting Direction from the Regulator of Social Housing for registered providers.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or avoid a material penalty. These include, data protection regulations, health and safety regulations, employment legislation, and money laundering legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of income, with a particular focus around year-end cut off; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

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

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

A further description of our responsibilities is available on the FRC's website at:

https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Nathan Coughlin
4BC4A09998084CA...

Bishop Fleming Audit Limited
Statutory Auditors
Plymouth
United Kingdom

Date: 17-Aug-2026 | 17:17 BST

Soha Housing Limited

Consolidated and Association statements of comprehensive income for the year ended 31 March 2026

		Group		Association	
	Note	2026	2025	2026	2025
		£'000	£'000	£'000	£'000
Turnover	4	66,488	64,579	66,488	64,579
Cost of sales	4	(2,618)	(3,198)	(2,618)	(3,198)
Operating costs	4	(43,529)	(40,055)	(43,512)	(40,055)
Surplus from the sale of fixed assets	12	3,509	3,234	3,509	3,234
Operating surplus	4,8	**23,850**	**24,560**	**23,867**	**24,560**
Movement in fair value of investment properties	18	-	10	-	10
Movement in fair value of Homebuy Loans	19	7	18	7	18
Other interest receivable and similar income	13	283	302	266	302
Interest and financing costs	14	(15,232)	(15,818)	(15,232)	(15,818)
Surplus before taxation		8,908	9,072	8,908	9,072
Taxation on surplus	15	-	-	-	-
Surplus		**8,908**	**9,072**	**8,908**	**9,072**
Actuarial (loss)/gain on the defined benefit Pension scheme	30	207	432	207	432
Movement in fair value of Derivative financial instrument	29	304	833	304	833
Total comprehensive income for year		**9,419**	**10,337**	**9,419**	**10,337**

The notes on pages 30 to 71 form part of these financial statements.

All activities relate to continuing operations.

Soha Housing Limited

Consolidated and Association balance sheets at 31 March 2026

	Note	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Fixed assets					
Tangible fixed assets – housing properties	16	779,620	737,668	779,620	737,668
Tangible fixed assets – other	17	2,208	2,233	2,159	2,233
Investment properties	18	680	680	680	680
Investments : homebuy loans	19	1,147	1,140	1,147	1,140
		783,655	**741,721**	**783,606**	**741,721**
Current assets					
Stocks	21	2,523	2,966	2,523	2,966
Debtors – receivable within one year	22	6,380	6,662	7,214	6,662
Debtors – receivable in more than one year	22	1,137	833	1,137	833
Cash and cash equivalents	23	9,630	7,383	8,316	7,362
		19,670	**17,845**	**19,190**	**17823**
Creditors: amounts falling due within one year	24	**(21,722)**	**(21,666)**	**(21,196)**	**(21,647)**
Net current assets		**(2,052)**	**(3,821)**	**(2,006)**	**(3,824)**
Total assets less current liabilities		**781,603**	**737,899**	**781,600**	**737,897**
Creditors: amounts falling due after more than one year	25	**(428,277)**	**(393,199)**	**(428,277)**	**(393,199)**
Pension liability	30	(1,578)	(2,373)	(1,578)	(2,373)
Net assets		**351,748**	**342,327**	**351,745**	**342,325**
Capital and reserves					
Income and expenditure reserve		189,490	180,144	189,790	180,444
Derivative financial instrument reserve		1,137	833	1,137	833
Revaluation reserve		161,121	161,351	160,818	161,048
		351,748	**342,327**	**351,745**	**342,325**

The financial statements were approved by the Board of Directors and authorised for issue on 23 July 2026.

Signed by: Mark Goldring 1829B49AD445489...
MARK GOLDRING
Chair

Signed by: 561637704533439...
KATE WAREING
Board Member

Signed by: 52FC2715FDA445A...
MARISA ELLIOTT
Secretary

Soha Housing Limited

Consolidated and Association Statement of changes in reserves for the year ended 31 March 2026

	Group				Association			
	Income and expenditure reserve	Derivative financial instrument reserve	Revaluation reserve	Total	Income and expenditure reserve	Derivative financial instrument reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at April 2025	**180,144**	**833**	**161,351**	**342,327**	**180,444**	**833**	**161,048**	**342,325**
Surplus for the year	**8,908**		**-**	**8,908**	**8,908**		**-**	**8,908**
Actuarial gain on defined benefit pension scheme	**207**		-	207	207		**-**	207
Movement in fair value of hedged financial instrument	-	304	-	304	-	**304**	**-**	304
Total Other comprehensive gain for the year	**207**	**304**	**-**	**511**	**207**	**304**	**-**	**511**
Reserves Transfers:								
Transfer from revaluation reserve to income and expenditure reserve	230		(230)	-	230		(230)	-
Balance at 31 March 2026	**189,490**	**1,137**	**161,121**	**351,748**	**189,790**	**1,137**	**160,818**	**351,745**

The notes on pages 30 to 71 form part of these financial statements.

Soha Housing Limited

Consolidated and Association Statement of changes in reserves for the year ended 31 March 2025

	Group				Association			
	Income and expenditure reserve	Derivative financial instrument reserve	Revaluation reserve	Total	Income and expenditure reserve	Derivative financial instrument reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at April 2024	**170,270**	**-**	**161,721**	**331,991**	**170,571**	**-**	**161,418**	**331,989**
Surplus for the year	**9,071**		**-**	**9,071**	**9,071**		**-**	**9,071**
Actuarial gain on defined benefit pension scheme	432		-	432	432		**-**	432
Movement in fair value of hedged financial instrument	-	833	-	833	-	**833**	**-**	833
Total Other comprehensive gain for the year	**432**	**833**	**-**	**1,265**	**432**	**833**	**-**	**1,265**
Reserves Transfers:								
Transfer from revaluation reserve to income and expenditure reserve	370		(370)	-	370		(370)	-
Balance at 31 March 2025	**180,144**	**833**	**161,351**	**342,327**	**180,444**	**833**	**161,048**	**342,325**

The notes on pages 30 to 71 form part of these financial statements.

Soha Housing Limited

Consolidated and Association statement of cash flows for the year ended 31 March 2026

	Note	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Cash flows from operating activities					
Surplus for the financial year		8,908	9,071	8,908	9,071
Adjustments for:					
Depreciation of fixed assets – housing properties	8	8,361	7,520	8,361	7,520
Depreciation of fixed assets – other	17	412	958	394	958
Impairment	16	0	0	0	0
Amortised grant	5	(1,070)	(665)	(1,070)	(665)
Net fair value losses/(gains) recognised in profit or loss		(7)	(28)	(7)	(28)
Interest payable and finance costs	14	15,232	15,818	15,232	15,818
Interest receivable	13	(283)	(302)	(266)	(302)
Taxation expense		-	-	-	-
Difference between net pension expense and cash contribution		(588)	(749)	(588)	(749)
Surplus on the sale of fixed assets – housing properties	12	(3,509)	(3,234)	(3,509)	(3,234)
Loss on the sale of fixed assets – other	12	-	-	-	-
Movement in trade and other debtors		281	(605)	(552)	(605)
Movement in stocks	21	443	1,933	443	1,933
Movement in creditors		(503)	2,425	(1,012)	2,430
Cash from operations		27,677	32,142	26,335	32,146
Taxation paid		-	-	-	-
Net cash generated from operating activities prior to proceeds from sale of fixed assets		**27,677**	**32,142**	**26,335**	**32,146**
Cash flows from investing activities					
Proceeds from sale of fixed assets – housing properties	12	**6,972**	**5,894**	**6,972**	**5,894**
Purchase of fixed assets – housing properties	16	(43,621)	(24,371)	(43,621)	(24,371)
Purchase of fixed assets – other	17	(386)	(457)	(320)	(457)
Homebuy loans redeemed		-	-	-	-
Investments	18	-	-	-	-
Replacement of property components	16	(6,469)	(6,337)	(6,469)	(6,337)
Net Grant receipts and repayments		5,931	1,317	5,931	1,317
Interest received	13	283	302	266	302
Net cash from investing activities		**(37,290)**	**(23,652)**	**(37,241)**	**(23,652)**
Cash flows from financing activities					
Interest paid	14	(17,147)	(16,872)	(17,147)	(16,872)
New loans – bank	28	36,000	70,000	36,000	70,000
Debt issue costs incurred	28	-	-	-	-
Repayment of loans – bank	28	(6,993)	(62,734)	(6,993)	(62,734)
Net cash from financing activities		**11,860**	**(9,606)**	**11,860**	**(9,606)**
Net movement in cash and cash equivalents		2,247	(1,115)	953	(1,110)
Cash and cash equivalents at beginning of year		7,383	8,498	7,363	8,473
Cash and cash equivalents at end of year		9,630	7,383	8,316	7,363

The notes on pages 30 to 71 form part of these financial statements.

INDEX OF NOTES

1 Legal status

The ‘Group’ consists of Soha Housing Limited (‘the association’), SIB Property Ltd and Soha Response Ltd.

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

2 Accounting policies

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

The accounts are prepared on a Going Concern basis for reasons outlined in Section F of the Report of the Board of Management. The accounts are also prepared under the historical cost basis except for the modification to a fair value basis for certain financial instruments and investment properties as specified in the accounting policies below.

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

The financial statements are using rounded figures which results in trivial casting differences within the financial statements.

Parent company disclosure exemptions

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

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical
- Disclosures in respect of the parent company’s financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group.

The following principal accounting policies have been applied:

Basis of consolidation

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

2 Accounting policies (*continued*)

Income

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

- Rental income receivable (after deducting lost rent from void properties that are available for letting).
- First tranche sales of Low Cost Home Ownership housing properties and sales of properties developed for outright sale.
- Service charges receivable.

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

Service charges

The Group adopts the variable method for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account. Income is recorded based on the estimated amounts chargeable.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change 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 current income tax charge is calculated based on tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Value Added Tax

The Group charges Value Added Tax (VAT) on some of its income and can recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs. Recoverable VAT arises from partially exempt activities and is credited to the Statement of Comprehensive Income.

2 Accounting policies (*continued*)

Pension costs

The group participates in the multi-employer defined benefit Social Housing Pension Scheme (SHPS). Defined benefit pension obligations are accounted for on a defined benefit basis.

Under defined benefit accounting the Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

Holiday pay accrual

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

Tangible fixed assets - Housing Properties

Housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs, capitalised interest and other costs of managing development.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

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

Mixed developments are held within PPE and accounted for at cost less depreciation. Commercial elements of mixed developments are held as investment properties.

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in PPE and held at cost less any impairment, and are transferred to completed properties when ready for letting.

Completed housing properties acquired from subsidiaries are valued at existing use value for social housing at the date of acquisition.

2 Accounting policies (*continued*)

Deemed cost on transition to FRS 102

On transition to FRS 102 the Group took the option of carrying out a one-off valuation exercise of selected items of housing properties and using that amount as deemed cost. To determine the deemed cost at 1 April 2014, the Group engaged independent valuation specialist Savills to value housing properties on an EUV-SH basis. Housing properties will subsequently be measured at cost less depreciation. Any difference between historic cost depreciation and depreciation calculated on deemed cost is transferred between the revaluation reserve and income and expenditure reserve.

Depreciation of housing property

Housing land and property is split between land, structure and other major components that are expected to require replacement over time.

Land is not depreciated on account of its indefinite useful economic life.

Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

The cost of all other housing property (net of accumulated depreciation to date and impairment, where applicable) and components is depreciated over the useful economic lives of the assets on the following basis:

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life as follows:

Description	Economic useful life (years)
Main structure	100
Pitched Roof	70
Kitchen	20
Bathroom	30
External doors	25
External windows	25
Gas heating	20
Electric heating	25
Individual or communal boilers	15
Communal lifts	30
Air Source Heating	15
Green Energy	15
Solar panels	30

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease; when the lease and building elements are depreciated separately over their expected useful economic lives.

2 Accounting policies (*continued*)

Low cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element, "staircasing element", is classed as PPE and included in completed housing property at cost and any provision for impairment. Sales of subsequent tranches are treated as a part disposal of PPE. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

For low cost home ownership accommodation that the Group is responsible for, it is the Group's policy to maintain them in a continuous state of sound repair. Maintenance of other shared ownership properties is the responsibility of the shared owner. Any impairment in the value of such properties is charged to the Statement of Comprehensive Income.

We have carried out sensitivity analysis on shared ownership sales values and can conclude that residual values exceed the carrying amount. Therefore no impairment is required. Residual values will be re-assessed at each reporting date and should the annual assessment identify the residual value to be greater than the carry amount, no charge to depreciation will be incurred.

Allocation of costs for mixed tenure and shared ownership developments

On mixed tenure schemes costs are allocated based on the tenure split per scheme. Allocation of costs for mixed tenure and shared ownership developments are based on the scheme appraisals which are priced by square meterage. First tranche sales vary from 25% up to 75%, but typically average around 35%.

Tangible fixed assets – Other

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

Depreciation of other tangible fixed assets

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Description	**Economic useful life (years)**
Freehold office	50
Freehold office improvements	10
Office furniture and equipment	Range varies between 3 to 5
Computer equipment	3
Scheme equipment	5
Vehicles	3

2 Accounting policies (*continued*)

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

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

Government grants

Grants received in relation to assets that are presented at deemed cost at the date of transition have been accounted for using the performance model as required by Housing SORP 2018. In applying this model, such grant has been presented as if it were originally recognised as income within the Statement of Comprehensive Income in the year it was receivable and is therefore included within brought forward reserves.

Grant received since the transition date in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected (see table of useful economic lives above).

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

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

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

Recycled Capital Grant Fund

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

2 Accounting policies (*continued*)

Investment properties

Investment properties are those not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

Impairment of fixed assets

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

Stock

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

Stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

2 Accounting policies (*continued*)

Loans, investments and short-term deposits

All loans, investments and short-term deposits held by the Group are classified as basic financial instruments as they meet the criteria set out in FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historic cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost. However, the Group has calculated that the difference between the historic cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historic cost. Loans and investments that are payable or receivable within one year are not discounted.

Financial liabilities and equity

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

Cash and cash equivalents

Cash and cash equivalents in the balance sheet consist of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

Leased assets: Lessee

All leases are operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Contingent liabilities

A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

A contingent liability exists on grant repayment which is dependent on and only crystallised on the disposal of related property.

Reserves

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

The revaluation reserve was created from surpluses on asset revaluation on transition to FRS102.

Derivative financial instruments and hedge accounting
To manage interest rate risk, the Group manages its proportion of fixed to variable rate borrowing within approved limits and, where appropriate, utilises interest rate swap agreements. Amounts payable and receivable in respect of these agreements are recognised as adjustments to interest payable over the period of the agreement.

These derivative financial instruments are initially recognised as fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

When considered appropriate, the Group applies hedge accounting and has designated each of the swaps against either existing drawn debt or against highly probable future debt. Hedges are classified as either:

a. Fair value hedges when hedging exposure to changes in the fair value of a recognised asset or liability; or

b. cash flow hedges when hedging exposure to variability in cash flows that is attributable to either a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

Hedge relationships are formally designated and documented at inception, together with the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged , and how the Group will assess the hedging instrument effectiveness in offsetting the exposure to changes in the hedged items fair value or cash flows attributable to the hedged risk.

Accounting for cash flow hedges:

To the extent the hedge is effective, movements in fair value adjustments, other than adjustments for own or counterparty credit risk, are recognised in Other Comprehensive Income and presented in a separate hedged financial instrument reserve. Any movements in fair value relating to ineffectiveness and adjustments for own or counterparty credit risk are recognised in the Income Statement where material.

Where hedge accounting for a cash flow hedge is discontinued and the hedged future cash flows are still expected to occur, the amount that has been accumulated in the cash flow hedge reserve remains there until those future cash flows occur. If the hedged future cash flows are no longer expected to occur, that amount is immediately reclassified to the Income Statement.

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

In preparing these financial statements, the key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Board has considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment as being based on EUV-SH or depreciated replacement cost. The Board has also considered impairment based on their assumptions to define cash or asset generating units.

- The anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, they then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the member's best estimate of sales value based on economic conditions within the area of development.

- The appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership between current and fixed assets.

- The categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.

- What constitutes a cash generating unit when indicators of impairment require there to be an impairment review.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see notes 16 and 17)*

  Tangible fixed assets, other than investment properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as current condition and demand are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

  For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

3 Judgements in applying accounting policies and key sources of estimation uncertainty *(continued)*

- *Investments (see notes 18 and 19)*

  The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through profit and loss. In determining this amount, the Group follows the concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction.

- *Rental and other trade receivables (debtors) (see note 22)*

  The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

- *Defined benefit obligations (see note 30)*

  Management's estimate of the defined benefit obligation is based on several 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 defined benefit obligation amount and the annual defined benefit expenses (as analysed in note 30).

- *Residual values and period to full staircasing for grant amortisation on SO*

  Social housing grants held on shared ownership properties are now amortised using an estimated life of 30 years, based on experience of market average estimated times from first tranche sale to full staircasing sale. As more data becomes available in future year's management will closely monitor this basis, and review annually.

- *Stock*

  Net realisable value is based on the estimated selling price less selling costs. Estimated selling prices were provided by external valuers and by reference to actual selling prices for completed developments. For schemes under construction, the estimated costs to completion are based on approved budgets and forecasts.

4 Particulars of turnover, cost of sales, operating costs and operating surplus - Group

	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	**61,736**	**-**	**(43,326)**	**18,410**
Other Social Housing Activities				
First tranche low cost home ownership sales	3,811	(2,560)	-	1,250
Development administration	-	-	(72)	(72)
Leasehold services	453	-	(48)	405
Other	92	(57)	(84)	(49)
	66,091	**(2,618)**	**(43,529)**	**19,944**
Activities other than Social Housing Activities				
Market sales	-	-	-	-
Lettings (Note 6)	355	-	-	355
Job retention scheme*	-	-	-	-
Other	42	-	-	42
	397	**-**	**-**	**397**
	66,488	**(2,618)**	**(43,529)**	**20,341**

	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	**58,672**	**-**	**(39,959)**	**18,713**
Other Social Housing Activities				
First tranche low cost home ownership sales	4,907	(3,183)	-	1,723
Development administration	-	-	36	36
Leasehold services	328	-	(44)	284
Other	115	(15)	(88)	12
	64,022	**(3,198)**	**(40,055)**	**20,768**
Activities other than Social Housing Activities				
Market sales	-	-	-	-
Lettings (Note 6)	373	-	-	373
Job retention scheme	-	-	-	-
Other	184	-	-	184
	557	**-**	**-**	**557**
	64,579	**(3,198)**	**(40,055)**	**21,325**

4 Particulars of turnover, cost of sales, operating costs and operating surplus – Association

	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	**61,736**	**-**	**(43,326)**	**18,410**
Other Social Housing Activities				
First tranche low cost home ownership sales	3,811	(2,560)	-	1,250
Development administration	-	-	(72)	(72)
Leasehold services	453	-	(48)	405
Other	92	(57)	(67)	(32)
	66,091	**(2,618)**	**(43,512)**	**19,961**
Activities other than Social Housing Activities				
Market sales	-	-	-	-
Lettings (Note 6)	355	-	-	355
Job retention scheme*	-	-	-	-
Other	42	-	-	42
	397	**-**	**-**	**397**
	66,488	**(2,618)**	**(43,512)**	**20,358**

	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2025	2025	2025	2025
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Market sales	-	-	-	-
Lettings (Note 6)	373	-	-	373
Job retention scheme	-	-	-	-
Other	184	-	-	184
	557	**-**	**-**	**557**
	64,579	**(3,198)**	**(40,055)**	**21,325**

5 Income and expenditure from social housing lettings – Group and Association

GROUP & ASSOCIATION	General needs	Supported housing	Low cost home ownership	Key worker	**Total 2026**	Total 2025
	£'000	£'000	£'000	£'000	**£'000**	£'000
Income						
Rents net of identifiable service charges	53,251	838	4,331	304	**58,723**	**56,092**
Service charge income	1,315	12	613	3	**1,943**	**1,914**
Amortised government grants	970	15	79	6	**1,070**	**665**
Turnover from social housing lettings	**55,536**	**865**	**5,023**	**312**	**61,736**	**58,671**
Expenditure						
Management	(5,833)	(92)	(476)	(33)	**(6,433)**	**(4,498)**
Service charge costs	(2,624)	(41)	(213)	(15)	**(2,893)**	**(2,919)**
Routine maintenance	(14,055)	(221)	(1,143)	(80)	**(15,499)**	**(16,337)**
Planned maintenance	(8,916)	(140)	(725)	(51)	**(9,832)**	**(8,419)**
Bad debts	(279)	(4)	(23)	(2)	**(307)**	**(267)**
Depreciation of housing properties	(7,582)	(119)	(617)	(43)	**(8,361)**	**(7,519)**
Impairment – Housing Properties	-	-	-	-	**-**	**-**
Operating expenditure on social housing lettings	**(39,288)**	**(618)**	**(3,197)**	**(224)**	**(43,326)**	**(39,959)**
Operating surplus on social housing lettings	**16,248**	**247**	**1,826**	**88**	**18,410**	**18,712**
Void losses	(434)	(6)	-	(4)	(444)	(428)

6 Particulars of turnover from non-social housing lettings – Group and Association

	2026	2025
	£'000	£'000
Market rent	**10**	**7**
Garages	**345**	**366**
	355	**373**

7 Units of housing stock – Group and Association

	Unit Total 2025	Additions	Disposals	Tenure Changes	Other	Unit Total 2026
General needs housing - social	5,081	143	(4)	(1)	(1)	5,218
General needs housing - affordable	1,445	81	(1)	-	-	1,525
Low cost home ownership	909	31	(23)	(7)	-	910
Supported housing - social	83	-	-	-	-	83
Supported housing - affordable	57	-	-	-	-	57
Intermediate rent	40	-	-	-	(1)	39
Total social housing units	**7,615**	**255**	**(28)**	**(8)**	**(2)**	**7,832**
Market rented	-	-	-	-	-	-
Shared equity	14	-	-	-	-	14
Total owned	**7,629**	**255**	**(28)**	**(8)**	(2)	**7,846**
Accommodation managed for others - Leasehold	347	-	-	8	-	355
Total managed accommodation	**7,976**	**255**	(28)	-	**(2)**	**8,201**
Units managed by other associations	26	-	-	-	2	28
Total owned & managed accommodation	**8,002**	**255**	**(28)**	-	**-**	**8,229**
Units under construction	**187**	**258**	**(255)**	**-**	**-**	**190**

8 Operating surplus

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
This is arrived at after charging:				
Depreciation of housing properties and other fixed assets	8,212	7,273	8,209	7,273
Accelerated depreciation on component disposals	149	247	149	247
Depreciation of other tangible fixed assets	412	958	394	958
Proceeds from Sale of Fixed Assets	-	7	-	7
Operating lease charges – other	17	23	17	23
External Auditors' remuneration (excluding VAT):				
- fees payable to the group's auditor for the audit of the group's annual accounts	68	55	53	55
- under accrual in respect of prior year audit fees	-	-	-	-
- fees for tax computations	4	2	2	2
- fees for tax advice	-	8	-	8
- fees for other non-audit services	21	20	21	20
Internal Auditors' remuneration	58	50	58	50
Defined contribution pension cost	692	680	692	680
Defined benefit pension cost	-	-	-	-

9 Employees – Group and Association

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Staff costs (including Executive Management Team) consist of:				
Wages and salaries	9,627	6,624	7,418	6,624
Social security costs	1,244	676	942	676
Pension costs	851	692	711	692
	11,722	**7,992**	**9,071**	**7,992**

	2026	**2025**
	£'000	**£'000**
Pension costs recognised in other comprehensive income		
Actuarial (gain)/loss on SHPS pension	(207)	(432)
Net pension costs/(credit) recognised in other comprehensive income	**(207)**	**(432)**

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

	Group		Association	
	2026	**2025**	**2026**	**2025**
	No.	**No.**	**No.**	**No.**
Office	37	39	35	39
Housing Management	88	85	88	85
Development, planned maintenance and responsive repairs	91	34	35	34
	217	**158**	**159**	**158**

10 Directors’ and senior executive remuneration – Group and Association

The directors are defined as the members of the Board of Management, the Chief Executive and the Executive Management Team disclosed on page 1.

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Executive directors' emoluments	727	554	727	554
Amounts paid to non-executive directors	115	86	95	86
Contribution to pension scheme	63	64	63	64
	904	**704**	**885**	**704**

The total amount payable to the Chief Executive (who was the highest paid director) in respect of emoluments was £159,131 in 2026 (2025: £145,580). Pension contributions of 10% £15,913 were also made to a defined contribution scheme on their behalf.

As a member of the SHPS defined contribution pension scheme, the pension entitlement of the Chief Executive is identical to those of other members.

The number of staff (including Executive Management Team) who received remuneration greater than £60,000 including employer pension contributions:

	2026	**2025**
	No.	**No.**
£60,000 - £69,999	10	10
£70,000 - £79,999	4	1
£80,000 - £89,000	5	4
£90,000 - £99,999	2	2
£100,000 - £109,999	3	2
£110,000 - £119,999	-	-
£120,000 - £129,999	-	1
£130,000 - £139,999	2	-
£140,000 - £149,999	-	-
£150,000 - £159,999	1	1
£160,000 - £169,999	-	1
£170,000 - £179,999	1	-

11 Board members – Group and Association

Board member	Remuneration £	Member of: Audit & Risk Committee	Member of: Personnel & Remuneration Committee
Mark Goldring	15,103		
Dave Lakin	9,512	X	
David Mody	9,512	X	
Peter Sloman	9,509		X
Victoria Dingle	8,733		X
Naomi Barrand	5,856	X	
Janet Crooks (left 3 Jul 2025)	1,952	X	
Jenny Ekelund (left 4 Sep 2025)	2,529		X
Emma Luddington	5,856		X
Peter Nkum	5,856		X
Hayley Smith	7,379		X
Martyn Thorne	5,856		
Claire Davis (started 1 Nov 2025)	2,589	X	
David Baddeley	5,855		
Rebecca Harwood Lincoln	5,855		
Tim Sadler	5,855		

Total expenses reimbursed to Board members £3,490 (2025: £2,368).

12 Surplus on disposal of fixed assets – Group and Association

Group	Shared ownership staircasing	Other housing properties	Other tangible fixed assets	Total	Total
	2026	2026	2026	2026	2025
	£'000	£'000	£'000	£'000	£'000
Housing Properties:					
Disposal proceeds	5,175	1,797	**-**	**6,972**	**5,894**
Cost of disposals	(2,909)	(500)	-	(3,409)	(2,589)
Selling costs	(28)	(14)	-	(41)	(42)
Write back of amortised grant	(12)	-	-	(12)	(29)
Surplus on disposal	**2,227**	**1,282**	**-**	**3,509**	**3,234**

Association	Shared ownership staircasing	Other housing properties	Other tangible fixed assets	Total	Total
	2026	2026	2026	2026	2025
	£'000	£'000	£'000	£'000	£'000
Housing Properties:					
Disposal proceeds	5,175	1,797	**-**	**6,972**	**5,894**
Cost of disposals	(2,909)	(500)	-	(3,409)	(2,589)
Selling costs	(28)	(14)	-	(41)	(42)
Write back of amortised grant	(12)	-	-	(12)	(29)
Surplus on disposal	**2,227**	**1,282**	**-**	**3,509**	**3,234**

13 Interest receivable and income from investments - Group and Association

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Interest receivable and similar income	283	302	266	302
	283	302	266	302

14 Interest payable and similar charges – Group and Association

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	17,147	16,872	17,147	16,872
Recycled capital grant fund	6	11	6	11
Interest capitalised on construction of housing properties (note 16)	(2,040)	(1,218)	(2,040)	(1,218)
Net interest on net defined benefit liability	119	153	119	153
	15,232	15,818	15,232	15,818

15 Taxation on surplus on ordinary activities

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
UK corporation tax				
Current tax on surplus for the year	-	-	-	-
Adjustment in respect of previous periods	-	-	-	-
Total current tax	**-**	**-**	**-**	**-**
Deferred tax				
Origination and reversal of timing differences	-	-	-	-
Changes to tax rates	-	-	-	-
	-	-	-	-
Taxation on surplus on ordinary activities	-	-	-	-

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

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Surplus on ordinary activities before tax	8,921	9,072	8,921	9,072
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 25% (2025 - 25%)	2,230	2,268	2,230	2,268
Effects of:				
Charitable not subject to tax	(2,230)	(2,268)	(2,230)	(2,268)
Tax on non-charitable activity	-	-	-	-
Adjustment to tax charge in respect of previous periods	-	-	-	-
Total tax charge for period	**-**	**-**	**-**	**-**

The aggregate current and deferred tax relating to items recognised in other comprehensive income is £nil (2025: charge of £nil).

Factors that may affect future tax charges

The group has some tax losses arising which will be carried forward to future years.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value or on the sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. At present, it is not envisaged that any tax will become payable in the foreseeable future.

16 Tangible fixed assets - Housing properties – Group and Association

Group and Association	General needs completed	General needs under construction	Shared ownership completed	Shared ownership under construction	Keyworker/INT accommodation completed	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost:						
At 1 April 2025	710,068	12,046	85,587	1,162	1,996	810,859
Additions: - construction costs	-	14,294	-	3,230	-	17,523
- Properties acquired	24,238		1,708			25,946
- replaced components	6,469	-	-	-	-	6,469
- grossing up of grant funding additions	1,720	-	-	-	-	1,720
Interest capitalised	-	1,878	-	162	-	2,040
Transfer to completed properties	11,878	(11,878)	3,204	(3,204)	-	-
Impairment	-	-	-	-	-	-
Disposals: - stair-casing sales properties	-	-	(2,971)	-	-	(2,971)
- RTB property sales	(274)	-	-	-	-	(274)
- replaced components	(1,032)	-	-	-	-	(1,032)
- other	(294)					(294)
At 31 March 2026	**752,773**	**16,340**	**87,528**	**1,350**	**1,996**	**859,987**
Depreciation:						
At 1 April 2025	(71,066)	-	(1,606)	-	(517)	(73,189)
Charge for the year	(8,187)	-	-	-	(25)	(8,212)
Eliminated on disposals:						
- property sales	50	-	102	-	-	152
- replaced components	883	-	-	-	-	883
At 31 March 2026	(78,320)	-	(1,505)	-	(542)	(80,367)
Net book value at 31 March 2026	**674,453**	**16,339**	**86,024**	**1,349**	**1,455**	**779,620**
Net book value at 31 March 2025	**639,001**	**12,045**	**83,979**	**1,162**	**1,479**	**737,669**

16 Tangible fixed assets - Housing properties – Group and Association (continued)

	2026 £'000	2025 £'000
The net book value of housing properties may be further analysed as:		
Freehold	**765,191**	**715,147**
Long leasehold	**14,304**	**22,388**
Short leasehold	**125**	**134**
	779,620	**737,669**

	2026 £'000	2026 £'000
Interest capitalised in the year (note 14)	**2,040**	**1,218**
Cumulative interest capitalisation	**9,246**	**7,206**
Rate used for capitalization	**4.533%**	**4.810%**

If housing property had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2026 £'000	2025 £'000
Historic cost	**606,667**	**568,668**
Accumulated depreciation	**(80,367)**	**(73,189)**
	526,301	**495,479**

Works to properties	2026 £'000	2026 £'000
Improvements to existing properties capitalised	**8,189**	**6,337**
Major repairs expenditure to income and expenditure account	**3,300**	**3,102**
	11,490	**9,439**

Total Social Housing Grant received or receivable to date is as follows:	2026 £'000	2026 £'000
Capital grant – Housing Properties	**58,376**	**51,387**
Recycled Capital Grant Fund	**324**	**355**
Revenue Grant – Cumulative amount released to reserves	**10,251**	**9,586**
Revenue grant – Released in the year to I&E	**1,070**	**665**
	70,021	**61,993**

16 Tangible fixed assets - Housing properties – Group and Association (continued)

Impairment

The group considers an individual property to represent a cash generating unit (CGU) when assessing for impairment in accordance with the requirements of FRS102 and SORP 2018. No provisions for impairment were required.

Deemed cost

On transition to FRS102, Soha Housing Limited took the option of carrying out a one off valuation on a number of its housing properties and using that amount as deemed cost. To determine the deemed cost at 1 April 2014, the Group engaged Savills to value housing properties on an Existing Use Value for Social Housing (EUV-SH) basis at 31 March 2016. The 31 March 2015 valuation was reduced by 3.7% to arrive at the 1 April 2014 deemed cost. Housing properties are subsequently measured at cost.

This valuation was undertaken by Savills Housing and Healthcare Division, a 100-strong team established for over 20 years and widely recognised as one of the leading teams of specialist valuers and property advisors in the social housing sector. They act for over 300 Registered Providers, all existing lenders, lawyers and rating agencies in the sector (without exception), and have driven a high proportion of Statutory Accounts valuations (for commensurate “G15” and national organisations), Bond Issuances (and their revaluations) and a cross section of land/consultancy projects.

The valuation was carried out as a desktop exercise on an EUV-SH basis using discounted cash flows. The property portfolio was grouped by a number of key parameters to determine the valuation including:

- Location
- Spread
- Usage categories
- Age
- Construction
- Property Type
- Tenure Type
- Rental streams less key deductions for expected maintenance and management costs

The resultant cash flow was calculated over perpetuity with the net income in the final year capitalised into perpetuity with an assumption of 1.0% real rent increase per annum with a discount rate of 4.75% real.

Securitised housing assets

As security for the loans (note 28), there is a fixed charge 5,236 units (2025: 5,363 units) with a net book value of £423m (2025: £431m).

The total unencumbered housing assets which are available to charge to new loan facilities are 2,442 units which could support loans of circa: £330m

17 Other tangible fixed assets – Group and Association

Group	Office buildings £'000	Vehicles £'000	Fixtures, fittings, tools and equipment £'000	Total £'000
Cost or valuation				
At 1 April 2025	1,815	60	6,804	8,679
Additions	-	-	386	386
Disposals	-	-	(556)	(556)
At 31 March 2026	**1,815**	**60**	**6,633**	**8,508**
Depreciation				
At 1 April 2025	(380)	(60)	(6,007)	(6,447)
Charge for year	(22)	-	(390)	(412)
Disposals	-	-	556	556
At 31 March 2026	(402)	(60)	(5,840)	(6,302)
Net book value				
At 31 March 2026	**1,413**	**-**	**793**	**2,207**
At 31 March 2025	**1,435**	**-**	**797**	**2,232**

17 Other tangible fixed assets – Group and Association (Continued)

Association	**Office buildings £'000**	**Vehicles £'000**	**Fixtures, fittings, tools and equipment £'000**	**Total £'000**
Cost or valuation				
At 1 April 2025	1,815	60	6,804	8,679
Additions	-	-	320	320
Disposals	-	-	(556)	(556)
At 31 March 2026	**1,815**	**60**	**6,567**	**8,442**
Depreciation				
At 1 April 2025	(380)	(60)	(6,007)	(6,447)
Charge for year	(22)	-	(372)	(394)
Disposals	-	-	556	556
At 31 March 2026	(402)	(60)	(5,822)	(6,284)
Net book value				
At 31 March 2026	**1,413**	**-**	**745**	**2,158**
At 31 March 2025	**1,435**	**-**	**797**	**2,232**

18 Investment properties – Group and Association

	Market rent	Land	Total
	£'000	£'000	£'000
At 1 April 2025	**130**	**550**	**680**
Sold	-	-	-
Revaluations	-	-	-
At 31 March 2026	**130**	**550**	**680**

The group's investment properties are valued annually on 31 March at fair value, determined by an independent, professionally qualified valuer. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual.

There was £nil surplus on revaluation of investment property this year as advised by the valuers. Therefore, £nil surplus was credited to the Statement of Comprehensive Income for the year.

19 Investments - Homebuy loans – Group and Association

	2026	2025
	£'000	£'000
At 1 April	1,139	1,121
Revalued	7	18
Loans redeemed	-	-
At 31 March	1,146	1,139

Investments in Homebuy loans represent an equity stake in third party properties purchased under the following schemes:

Easymove mortgages
Starter home initiative
Shared equity loans

Security for the loans is based on the assets the loans relate to and repayment terms vary depending on the type of the loan.

20 Fixed asset investments

Details of Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the Association has an interest in are as follows:

Name	Country of incorporation or registration	Proportion of voting rights / ordinary share capital held	Nature of business	Nature of entity
Subsidiary undertakings				
SIB Property Ltd (formerly Soha in Business)	England	100%	Inactive	Incorporated company
Soha Response Limited (formerly - Soha Neighbourhood Services Ltd)	England	100%	In-house repairs & maintenance service	Co-operative and Community Benefit Society

21 Properties for sale

GROUP & ASSOCIATION	First tranche shared ownership properties	Total	First tranche shared ownership properties	Total
	2026	2026	2025	2025
	£'000	£'000	£'000	£'000
Work in progress	1,349	1,349	1,162	1,162
Completed properties	1,174	1,174	1,804	1,804
	2,523	**2,523**	**2,966**	**2,966**

The stock figure above includes capitalised interest of £105k (2025: £58k).

22 Debtors

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Due within one year				
Rent and service charge arrears	3,324	3,102	3,324	3,102
Less: Provision for doubtful debts	(279)	(195)	(279)	(195)
	3,045	**2,907**	**3,045**	**2,907**
Other debtors	491	1,375	491	1,375
Prepayments and accrued income	2,854	2,386	2,854	2,386
Amounts owed by group undertakings	-	-	834	-
Recoverable VAT	(10)	(6)	(10)	(6)
	6,380	**6,662**	**7,214**	**6,662**
Due after one year				
Derivative financial instrument	**1,137**	**833**	**1,137**	**833**
	7,517	**7,495**	**8,351**	**7,495**

23 Cash and cash equivalents

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Cash at bank and in hand	9,392	7,196	8,078	7,175
Cash at bank – sinking fund	238	187	238	187
	9,630	**7,383**	**8,316**	**7,362**

There is a cash balance of £238,120 relates to monies held on behalf of property sinking funds, which are not available for general distribution.

24 Creditors: amounts falling due within one year

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Loans and borrowings (note 28)	7,764	6,775	7,764	6,775
Trade creditors	2,537	2,347	2,518	2,328
Rent and service charges received in advance	1,265	1,097	1,265	1,097
Taxation and social security	327	186	260	186
Development and maintenance accruals	5,309	5,349	4,870	5,349
Deferred capital grant (Note 26)	777	665	777	665
Other Grants	16	581	16	581
Other accruals and deferred income	3,488	4,480	3,488	4,480
Other creditors	238	187	238	187
	21,722	**21,667**	**21,196**	**21,647**

25 Creditors: amounts falling due after more than one year

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Loans and borrowings (Note 28)	370,202	342,185	370,202	342,185
Deferred capital grant (Note 26)	57,598	50,772	57,598	50,772
Recycled capital grant fund (Note 27)	477	242	477	242
	428,277	**393,199**	**428,277**	**393,199**

26 Deferred capital grant

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
At 1 April	51,440	50,192	51,440	50,192
Grants received during the year	6,463	736	6,463	736
Grants recycled to the RCGF	(178)	(212)	(178)	(212)
Grants recycled from the recycled capital grant fund	-	52	-	52
Grants – grossing up of other grants recognised	1,720	-	1,720	-
Grants – other properties	-	1,337	-	1,337
Released to income during the year	(1,070)	(665)	(1,070)	(665)
At 31 March	58,375	51,440	58,375	51,440

27 Recycled capital grant fund – Group and Association

	2026 £'000	2025 £'000
At 1 April	242	42
Inputs to fund:		
- grants recycled from deferred capital grants	**178**	**212**
- grants recycled from other	**-**	**-**
- grants recycled from statement of comprehensive income	**52**	**29**
- interest accrued	**6**	**11**
Recycling of grant:		
- new build	**-**	**-**
- permitted use	**-**	**(52)**
At 31 March	**478**	**242**
Amounts 3 years or older where repayment may be required	**-**	**-**

Withdrawals from the recycled capital grant fund were used for the purchase and development of new housing schemes for letting and for approved works to existing properties.

28 Loans and borrowings – Group and Association

Maturity of debt:

	Bank loans	Capital Markets	Other loans	Financing costs	Total
	2026 £'000	2026 £'000	2026 £'000	2026 £'000	2026 £'000
In one year or less, or on demand	1,500	2,667	3,597	(291)	**7,473**
In more than one year but not more than two years	**2,000**	2,667	3,806	(193)	**8,280**
In more than two years but not more than five years	**12,548**	8,000	12,837	(578)	**32,806**
Five years plus	**91,952**	141,334	97,336	(1,215)	**329,407**
	108,000	154,667	117,576	(2,277)	**377,966**

	Bank loans	Capital Markets	Other loans	Financing costs	Total
	2025 £'000	2025 £'000	2025 £'000	2025 £'000	2025 £'000
In one year or less, or on demand	1,000	2,667	3,388	(289)	**6,766**
In more than one year but not more than two years	1,200	2,667	3,597	(280)	**7,184**
In more than two years but not more than five years	8,367	8,000	12,111	(416)	**28,062**
Five years plus	**68,433**	144,000	95,870	(1,354)	**306,949**
	79,000	157,334	114,966	(2,339)	**348,961**

28 Loans and borrowings – Group and Association *(continued)*

Loans are secured by specific charges on the housing properties of the group. The loans bear interest at fixed rates or variable rates calculated at a margin above the Sterling Overnight Index Average rate (SONIA).

Amounts due on all loans are secured by a fixed charge over a total of 5,236 units (2025: 5,363 units).

At 31 March 2026 the group had undrawn loan facilities of £121m (£137m 2025).

29 Financial instruments

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

	Group		Association	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Financial assets				
Financial assets measured at fair value				
- Trade receivables	3,045	2,907	3,045	2,907
- Other receivables	3,336	3,755	3,335	3,755
- Investments: homebuy loans	1,147	1,139	1,147	1,139
- Cash and cash equivalents	9,630	7,383	8,316	7,362
- Pension schemes	1,578	2,373	1,578	2,373
- Derivative	1,137	833	1,137	833
Total financial assets at fair value	**19,872**	**18,391**	**18,391**	**18,370**

The change in fair value of derivative financial instruments designated in an effective hedging relationship recognised in other comprehensive income during the year is £304k gain (2025: £833k).

30 Pension liability

	SHPS	SHPS
	2026	2025
	£'000	£'000
At 31 March 2026	**1,578**	**2,373**

Social Housing Pension Scheme

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

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

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

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

30 Pension liability *(continued)*

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

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

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Present Values Of Defined Benefit Obligation, Fair Value Of Assets And Defined Benefit Asset (Liability)

	31 March 2026	1 April 2025
	£'000	£'000
Fair value of plan assets	15,321	14,502
Present value of defined benefit obligation	(16,902)	(16,877)
Deficit in plan	(1,581)	(2,375)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	Year ended 31 March 2026	Year ended 31 March 2025
	£'000	£'000
Defined benefit obligation at start of period	16,877	18,100
Current service cost	-	-
Expenses	19	16
Interest expense	975	878
Contributions by plan participants	-	-
Actuarial (gains)/losses due to scheme experience	(298)	782
Actuarial (gains) due to changes in demographic assumptions	135	-
Actuarial (gains) due to changes in financial assumptions	(257)	(2,454)
Benefits (gain)	(549)	(445)
Defined benefit obligation at end of period	16,902	16,877

Reconciliation of Opening and Closing Balances of the Fair Value Of Plan Assets

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Fair value of plan assets at start of period	14,502	14,545
Interest income	856	725
Experience on plan assets (excluding amounts included in interest income) – (loss)/gain	(213)	(1,240)
Contributions by the employer	725	917
Benefits (expenses)	(549)	(445)
Fair value of plan assets at end of period	15,321	14,502

The actual return on the plan assets (including any changes in share of assets) over the period from April 2025 to 31 March 2026 was (£262,000).

Defined Benefit Costs Recognised In Statement Of Comprehensive Income (SOCI)

	Year ended 31 March 2026 £'000
Current service cost	-
Expenses	19
Net interest expense	119
Defined benefit costs recognised in statement of comprehensive income (SOCI)	138

Defined Benefit Costs Recognised In Other Comprehensive Income

	Year ended 31 March 2026 £'000
Experience on plan assets (excluding amounts included in net interest cost) – gain/(loss)	(213)
Experience gains and losses arising on the plan liabilities – gain/(loss)	298
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain/(loss)	(135)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain/(loss)	257
Total amount recognised in other comprehensive income – gain/(loss)	207

30 Pension liability *(continued)*

Assets

	31 March 2026	31 March 2025
	£'000	£'000
Global Equity	1,698	1,625
Liquid Alternatives	2,728	2,689
Insurance-Linked Securities	23	45
Property	748	726
Infrastructure	1	2
Private Equity	33	13
Real Assets	1,442	1,736
Private Credit	1,850	1,775
Investment Grade Credit	901	447
Credit	610	555
Cash	3	197
Long Lease Property	-	4
Secured Income	465	242
Liability Driven Investment	4,671	4,392
Currency Hedging	(1)	23
Net Current Assets	149	31
Total assets	**15,321**	**14,502**

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key Assumptions

	31 March 2026	31 March 2025
	% per annum	% per annum
Discount Rate	6.14%	5.87%
Inflation (RPI)	3.29%	3.08%
Inflation (CPI)	3.03%	2.80%
Salary Growth	4.03%	3.80%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies:

30 Pension liability *(continued)*

	Life expectancy at age 65
	Years
Male retiring in 2026	20.9
Female retiring in 2026	23.2
Male retiring in 2046	22.2
Female retiring in 2046	24.6

31 Share capital

	2026	2025
	£	£
At 1 April	**769**	**808**
Shares issued in the year	62	28
Shares cancelled in the year	(55)	(67)
At 31 March	**776**	**769**

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

32 Contingent liabilities

The Group receives grant from Homes England, which is used to fund the acquisition and development of housing properties and their components. The Group has a future obligation to repay such grant once the properties are disposed of. At 31 March 2026, the value of grant received in respect of these properties that had not been disposed of was £58.4m (2025 £51.4m).

33 Operating leases - Group and Association

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

Amounts payable as Lessee	**Land & Buildings**		**Other**	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Not later than 1 year	-	-	593	23
Later than 1 year and not later than 5 years	-	-	2,528	84
Later than 5 years	-	-	-	-
Total	**-**	**-**	**3,121**	**107**

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

Amounts receivable as Lessor	**Land & Buildings**	
	2026	**2025**
	£'000	**£'000**
Not later than 1 year	37	37
Later than 1 year and not later than 5 years	147	150
Later than 5 years	3,054	3,162
Total	**3,237**	**3,349**

The amounts receivable represent the ground rent receivable on leasehold properties over the terms of the lease.

34 Capital commitments

	Group		**Association**	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Commitments contracted but not provided for:				
Maintenance	7,696	6,700	7,696	6,700
Construction	27,232	28,376	27,232	28,376
Commitments approved by the Board but not contracted for:				
Construction	13,291	19,600	13,291	19,600
	48,219	**54,676**	**48,219**	**54,676**

Capital commitments for the group and the association will be funded from existing reserves, property sales and drawing down on existing facilities.

35 Related party disclosures

The ultimate controlling party of the group is Soha Housing Limited. There is no ultimate controlling party of Soha Housing Limited – Registered social housing provider.

The Board includes five (2025: four) tenant members who hold a tenancy agreement on normal terms and cannot use their position to their advantage. The rent charged for the year was £35k (2025: £29k) and the tenants had a net balance of £1k at the 31 March 2026 (31 March 2025: £1k).

As a result of a change in the membership of Soha, there are 764 (2025: 804) other members who are not Board members but who hold either a tenancy agreement on normal terms or are shared owners who hold leases and cannot use their position to their advantage. The rent charged for the year for these members was £4,610 (2025: £5,168k) and the tenants had a net credit balance of £59k (2025: £27k) at the 31 March 2026.

Total compensation paid to key management personnel for services provided to the group was £904k (2025: £704k), including £63k of employers' pension contribution.

Transactions with non-regulated entities

The association has not provided any services to its subsidiary SIB Property Ltd, which remains inactive.
The association will recharge Soha Response for any additional costs (at costs only) that is incurred in the running of the subsidiary for its repairs service. The association does not receive any charges from its subsidiary's.

	Repairs Service		Management charges		Interest charges	
Payable to Association by subsidiary:	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**
SIB Property Ltd	-	-	-	-	-	-
Soha Response	8,955	-	-	-	-	-
	8,955	**-**	**-**	**-**	**-**	**-**

Entity paying of account	Entity receiving payment on account	Opening balance £'000	Movement £'000	Closing balance £'000
Soha Housing	Soha Response Ltd	**-**	**834**	**834**

Intra-group management fees

Intra-group management fees are receivable by the association from its subsidiary to cover the running costs the association incurs on its behalf. The management fee is calculated based on an agreement between the association and its subsidiary dated March 2026, which is reviewed and updated on an annual basis. There were no costs incurred this financial year or last financial year.

35 Related party disclosures (continued)

Transactions with non-regulated entities

Other intra-group charges

Other intra-group charges payable to the association from subsidiary relate to staff recharges and gift aid payments.

36 Post balance sheet events

There are no post balance sheet events.

37 Net debt reconciliation

	01 April 2025 £'000	Cashflows £'000	Acquisition & disposal of subsidiaries £'000	New finance leases £'000	Other non-cash changes £'000	31 March 2026 £'000
Cash and cash equivalents	7,384	2,246	-	-	-	9,630
Bank loans	(79,000)	(29,000)	-	-	-	(108,000)
Other loans	(269,961)	(7)	-	-	-	(269,966)
Derivative financial instrument	833	-	-	-	304	1,137
Net debt	**(340,744)**	**(26,761)**	**-**	**-**	**304**	**(367,200)**