Registered Society No: 8537
Regulator of Social Housing Registration No: L4172

ABRI GROUP LIMITED

Annual Report and Financial Statements

Year Ended 31 March 2026

Contents

ABRI GROUP LIMITED

GENERAL INFORMATION

Board of Directors

Jane Alderman	
Jocelyn McConnachie	
Lou Taylor	
Mary-Kathryn Adams	
David Montague	
Margaret Porteous	
Stephen Skuse	
Veronica Gordon	
Sarah Smith	
Mary Neate	appointed 03/12/2025
Melanie Panek	appointed 03/12/2025
John Gary Orr	
Caroline Moore	

Secretary

Gemma Burton-Connolly

Registered office

Collins House
Bishopstoke Road
Eastleigh
Hampshire
SO50 6AD

Bankers

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Auditor

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

INTRODUCTION FROM OUR GROUP BOARD CHAIR

Over the past year, the Board has reflected on what Abri has achieved in an operating environment that has continued to prove most challenging. Political uncertainty and the ongoing cost of living crisis have reshaped Abri's external operating environment, while strengthened building and fire safety regulations, alongside the introduction of Awaab's Law, sharpened the national focus on the quality and safety of homes. At the same time, Abri has had to navigate broader risks, including the rising demand for social housing, increasing levels of homelessness, growing concerns around social cohesion and wider geo-political risks that could potentially impact UK housing providers.

Against this backdrop, the Board has maintained a clear focus on safeguarding Abri's long-term resilience. The government's renewed commitment to social and affordable housing, demonstrated through a 10-year rent settlement and the launch of the new Social and Affordable Homes Programme from April 2026, along with the re-introduction of social rent convergence in April 2027, provides the sector with the long term certainty needed if we are to make a meaningful contribution to tackling the country's housing crisis.

Abri has continued to navigate these significant political and economic risks whilst maintaining its financial strength and resilience, which has remained a central Board priority. This was reaffirmed by the retention of our G1/V1 rating from the Regulator of Social Housing in October 2025, along with an A3 stable credit rating from Moody's. As a result of strong strategic oversight, governance and financial resilience, we have successfully integrated Octavia Housing fully into the group.

Inspired by the ideals of Octavia Hill, who championed the idea that decent, affordable housing could transform lives, during the year, the organisation consulted widely with colleagues, customers and stakeholders, and it was clear that Octavia's ideals are still relevant today. With this in mind the Board set its ambitions for Abri's new corporate strategy. A strategy that builds on the foundations laid by the previous "Achieving Together" strategy and one that reflects the group's ambition to become one of the largest and best performing housing associations in the UK.

Through this strategy, the group aims to become a top performing housing association - reaching top 5 by scale, customer satisfaction and as a place to work. While Abri has already delivered strongly against these goals, there is much more work to do. The pressures are significant: waiting lists remain at record levels and too many families continue to live in poor quality homes, with rising costs making the housing crisis even more acute.

With a bold new strategy, a strengthened and diverse workforce, and the backing of the government, Abri has a real opportunity to make a huge difference to its customers' lives. It remains committed to tackling the housing crisis head on, building more homes and improving its existing ones to create places people are proud to live.

To support Abri's expansive ambitions, the Board was strengthened with the appointment of Baroness Polly Neate CBE, former Chief Executive of Shelter, and Melanie Czarra, a global investment banker. Their experience and expertise will help further diversify the Board as Abri continues to evolve and improve as an organisation. Maggie Porteous was also appointed as the Chair of the Octavia Foundation, ensuring the charity is well positioned to realise its full potential. On behalf of the Board, I want to thank all colleagues at Abri for their dedication and commitment to our customers over the past year. Your hard work has been instrumental to our progress.

Now, carrying forward Octavia Hill's legacy, and with strong foundations laid, the Board's priority is clear: Abri will continue to raise its standards, deliver on our ambitious objectives, and ensure that it continues to support generations of customers to come.

David Montague
Group Board Chair

INTRODUCTION FROM OUR GROUP CHIEF EXECUTIVE

Abri has delivered another year of strong performance. This year, Abri reported a group turnover of £447m and an operating surplus of £123m. We're proud to have continued our upward trajectory in investing ever increasing amounts into our existing homes. This year we invested £135m, including £19m in building safety and fire safety and £14m into making our homes more energy efficient, lowering fuel bills for customers and helping meet our net zero commitments. Awaab's Law came into effect in October 2025, introducing statutory timeframes for addressing emergency hazards such as damp and mould. Our performance demonstrates strong compliance and a proactive operational response to emerging risks as we prepare for its full implementation.

Providing high quality services for our customers remains one of our priorities. Listening to our customers and acting on their feedback is integral to how we design and deliver our services. This is reflected in our Tenant Satisfaction Measures which continue to show strong customer satisfaction results. This year we also completed the full integration of Octavia Housing into the group, with systems, processes and data aligned to ensure we provide a consistent service for all customers. Across the wider business, three years on from implementing a regional housing model we're seeing the positive impact our local approach is having on our customers, with significant increases in satisfaction with our services. In addition to our core housing services, we're focusing attention on creating cohesive communities to ensure everyone feels safe, included and able to thrive.

We remain committed to building high quality affordable homes. This year we delivered 1,123 new homes and secured planning for hundreds more, including approval to build 960 new homes and supporting infrastructure at the former Ford Airfield site in West Sussex as part of a joint venture. We also began work on our largest regeneration project, the Granges (formerly Sawyers Close) in Windsor, providing quality new homes for existing customers and hundreds more for the wider community.

Earlier in the year, the government outlined their support for social housing with a range of transformative measures announced in the Comprehensive Spending Review, including £39bn of investment in new affordable homes. These welcome announcements provide more certainty for the sector and present an opportunity to make a real impact on tackling the housing crisis. We are committed to playing our part, and the recent launch of our Investment Strategy outlines ambitious homebuilding targets to take us to 2035.

Abri is proud to call itself a great place to work. We continue to invest in our colleagues; expanding learning and development opportunities, improving accessibility and inclusion and reducing our gender pay gap. This is reflected in our Investors in People Platinum accreditation.

None of these achievements would have been possible without the dedication and commitment shown by our colleagues. On behalf of the executive team, I'd like to thank our colleagues for continuing to put our customers first.

With another year of strong performance and growth, I'm delighted to end the year having launched our new corporate strategy. One that builds on the progress we made in our "Achieving Together" strategy, positioning ourselves to address the challenges our customers continue to face and step up to meet the government's housing targets.

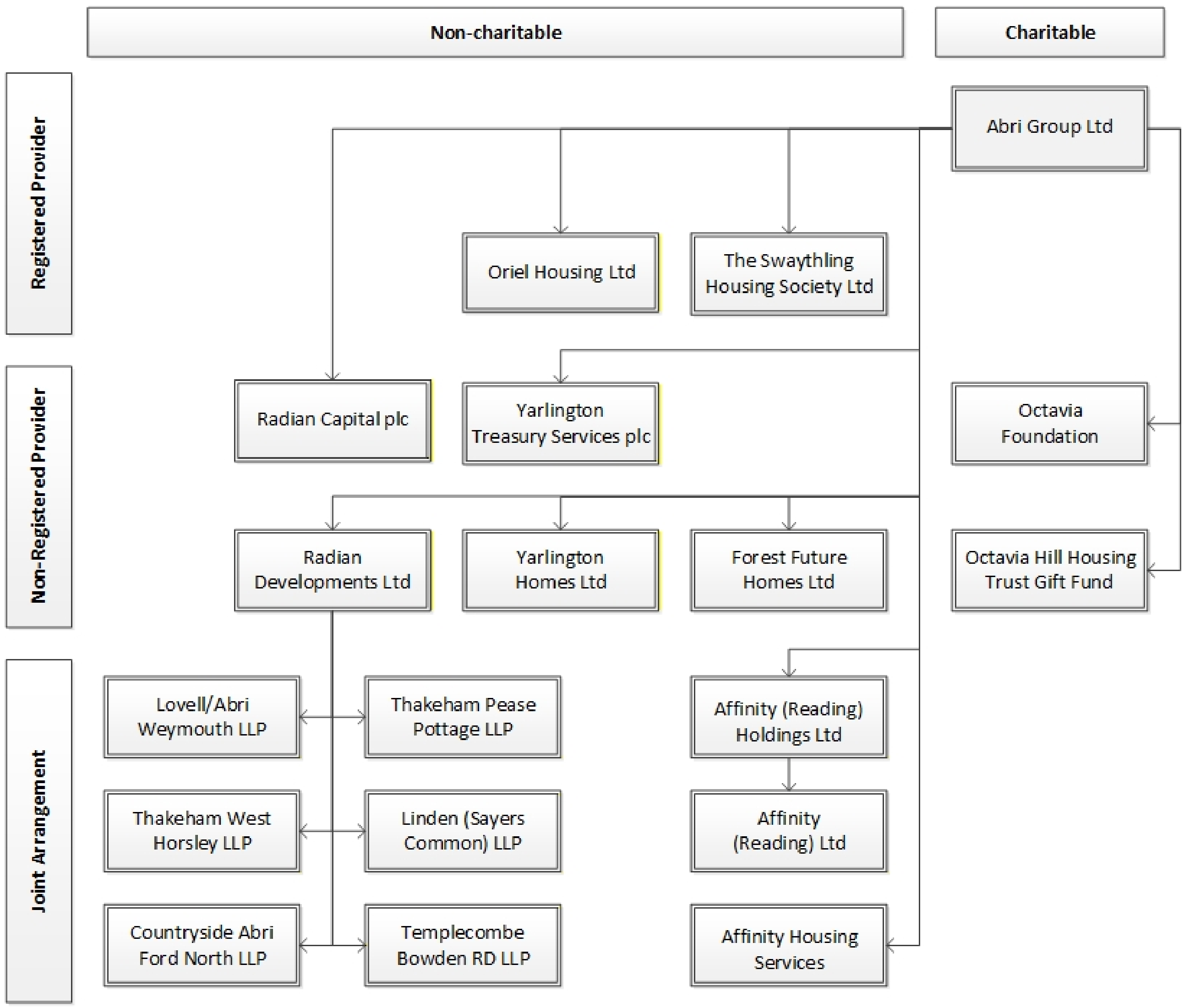
Within that context, I look forward to what we can achieve by working with government and our partners in the coming year, and throughout the life of our new corporate strategy. We will continue to make decisions aligned to our vision - providing the very best services we can today, while pursuing ideals that make tomorrow better.

Gary Orr
Group Chief Executive

STRATEGIC REPORT

Group Structure

The Group's structure, excluding dormant and non-trading entities, as at the reporting date is shown below.



Changes in the financial year

The following changes in the Group structure took place during the financial year.

- On 3 December 2025, Radian Developments became a 50% shareholder in Templecombe Bowden RD LLP.
- On 16 February 2026, Octavia Housing completed a Transfer of Engagements to Abri Group Limited, who became the immediate parent company of Octavia Foundation and the sole Trustee of the Octavia Hill Housing Trust Gift Fund.

Business Model

Abri Group Limited (the "Society"), who benefit from charitable tax status, and The Swaythling Housing Society Limited are the two primary registered providers in the Group. Abri Group Limited is the parent of the Abri Group and holds most of the housing stock within the Group.

Oriel Housing Limited owns no stock, is the third registered provider in the Group and is engaged in the delivery of housing properties as Abri Build, our in-house construction team. Yarlington Homes Limited and Forest Future Homes Limited, through direct delivery, and Radian Developments Limited, through joint arrangements, also engage in development activity on behalf of the Group.

Radian Capital plc and Yarlington Treasury Services plc are funding vehicles through which finance is raised via corporate bonds for use in our wider organisation.

Octavia Foundation and Octavia Hill Housing Trust Gift Fund are registered charities and serve to benefit local communities.

The Group utilises its structure to deliver a range of products and services, with surpluses reinvested to deliver more homes and services for customers across a range of tenures. Income is primarily derived through rent on housing properties across social tenures, while income from non-social activities – including rental income and sale of units – contributes significantly to the Group's result.

Overview of Financial Results

Group financial performance

	FY26 £'000s	FY25 £'000s	*Variance* *£'000s/%*
Turnover	447,407	376,545	*70,862*
Operating surplus	123,116	84,952	*38,164*
Surplus before tax	**50,876**	**467,310**	***(416,434)***
Surplus before tax (excl. gift on combination)	**50,876**	**30,387**	***20,489***
Operating margin	27.5%	22.6%	*4.9%*
Operating margin (excl. asset sales)	18.4%	14.7%	*3.7%*
Social Housing Letting Interest Cover	95.8%	82.7%	*13.1%*
EBITDA MRI	128.9%	99.2%	*29.7%*
EBITDA	154.4%	165.9%	*(11.5%)*
Net margin	11.4%	124.1%	*(112.7%)*
Net margin (excl. gift on combination)	11.4%	8.1%	*3.3%*

Octavia Housing joined the Abri Group on 18 December 2024; the financial results for the year ended 31 March 2026 and 2025 are not like-for-like with the prior year including a significant gift on combination but only the post-acquisition results of Octavia.

Turnover has increased by £71m year on year. Income from rentals increased by £53m, with property sales increasing by £7m, predominantly due to the increased size of the Group. Turnover from social tenures has increased by £53m to £364m and accounts for 81% of the Group's total turnover.

Income from first tranche sales contributes £59m, an increase of £7m and represent 13% of total turnover. Supply of and demand for property remained high in the year despite continued economic pressures; first tranche sales volume increased by 20% to just over 500 units.

The Group benefits from a range of other income streams, including the provision of care and support services, garage rental, commercial unit rental, charity shops and photovoltaic panels, which all together generate an additional £15m in income.

Cost of sales have increased by £5m, consistent with the increase in sales, with margins on first tranche sales reducing in the year, from 8% to 6%. This is a product of recent inflationary pressures from development now coming through as units handover and sales complete, as well as our ability to develop more marginal schemes with the support of grant funding.

Operating costs increased by £39m to £312m. Employee costs increased by £19m to £112m, driven by the 15% increase in employee numbers. As a consequence of Octavia Housings Transfer of Engagements in February 2026, we have also triggered cessation on two legacy defined benefit schemes, with £1m of exit payments accrued for at the reporting date. Costs associated with repairs and maintenance also increased by £9m, despite the release of £4m of legacy provisions. This is in keeping with the increased number of homes in the Group, reflecting our commitment to increase investment in our existing stock. We have elected to net down new provisions for cladding remedial works and associated grant income from the Governments Cladding Safety Scheme within major repairs.

Overview of financial results (continued)

Group financial performance (continued)

Surpluses generated on the sale of fixed assets have increased from £29m to £41m. Existing unit sales delivered surpluses of £33m, while staircasing transactions account for an additional £6m. Overall, margins improved from 47% to 56%, with margins on existing units averaging 65%. Operating surpluses have improved notably from £85m to £123m, supported by the increase in property sales, with margins increasing from 23% to 28% in the process.

Net interest costs have increased by £15m due to additional borrowing in the year, despite interest income increasing by £3m.

The value of our investment properties has reduced by £1m in the year following the receipt of year end valuations.

The Group's share of underlying joint venture performance resulted in a loss of £1m in the year, reducing from a surplus of £3m in the prior year. Distributions received of £1m were notably lower than the £10m in the prior year.

The Group has recorded a surplus before tax of £51m, compared to £30m in the prior year on a like-for-like basis (excluding £437m of gift arising from business combinations), with margins improving from 8% to 11% in the process.

In other comprehensive income, there have been actuarial gains of £1m, against gains of £4m in the prior year and a gain of £1m on financial instruments used to hedge interest rate risk.

Society financial performance

	FY26 £'000s	Combined FY25 £'000s	*Variance* *£'000s*
Turnover	378,478	359,741	*18,737*
Operating surplus	101,814	65,460	*36,354*
Surplus before tax	**56,436**	**26,472**	***29,964***
Operating margin	26.9%	25.8%	*1.1%*
Operating margin (excl. asset disposal)	17.3%	19.6%	*(2.3%)*
EBITDA MRI	118.9%	82.0%	*36.9%*
Net margin	14.9%	7.4%	*7.5%*

On 16 February 2026, Octavia Housing completed a Transfer of Engagements to Abri Group Limited, having initially become a subsidiary of the Society when it joined the Group on 18 December 2024. The transaction has been treated as a group reconstruction, with merger accounting requirements applied to the presentation of results. This sees the prior year results of both Octavia and Abri combined and the current year results reflecting the results of both entities for the entirety of the financial year.

Turnover has increased by £19m year on year. Income from rentals increased by £17m but first tranche sales proceeds reduced by £1m. Other revenue streams were in line with the previous year. Turnover from social tenures has increased by £18m to £306m and accounts for 81% of the Society's total turnover.

STRATEGIC REPORT (continued)

Overview of financial results (continued)

Society financial performance (continued)

Income from first tranche sales contributes £54m and equates to 14% of total turnover. Demand for property remained high in the year, despite the ongoing economic pressures, as first tranche sales volumes increased by 20% to 450 units and represented 90% of completions in the Group.

Cost of sales have increased by £3m, causing margins on first tranche sales to reduce from 14% to 6% given the small reduction in turnover. This is a product of recent inflationary pressures from development now coming through as units handover and sales complete, as well as our ability to develop more marginal schemes with the support of grant funding.

Operating costs reduced by £7m to £265m; costs associated with repairs and maintenance increased by £1m to £91m, due to job volumes, and we have elected to net down new provisions for cladding remedial works and associated grant income from the Governments Cladding Safety Scheme within major repairs. Management costs reduced by £3m to £77m; the prior year saw higher costs associated with the closure of defined benefit pension schemes, despite two schemes triggering cessations in the year. With effect from February 2026 the Society had no employees as all employees transferred to The Swaythling Housing Society prior to Octavia completing its Transfer of Engagements to Abri.

Surpluses generated on the sale of fixed assets were £14m higher than the prior year at £36m, with existing unit sales delivering a surplus of £31m. Overall, margins improved from 54% to 71%, driven by margins on existing unit disposals of 82%.

Operating surpluses were therefore notably improved year on year, increasing to £102m; margins also improved from 18% to 27% in the process.

Net interest costs have increased by £4m due to additional borrowing in the year, despite interest income increasing by £4m.

The value of our investment properties has reduced by £1m in the year following the receipt of year end valuations.

In the year, Gift Aid income reduced from £23m to £11m, driven by the payment of additional interim gift aid payments to Octavia by subsidiaries in the prior year.

The Society has recorded a surplus before tax of £56m at a margin of 12%, an improvement from the £26m at 1% in the prior year. The results were driven by reductions in operating costs and increased surpluses on fixed asset disposals, with reductions in Gift Aid offset by the cost of returning donor properties in the prior year.

In other comprehensive income, there have been actuarial gains of £1m, against marginal gains in the prior year and a gain of £1m on financial instruments used to hedge interest rate risk.

Overview of financial results (continued)

Group financial position

	FY26 £'000s	FY25 £'000s	*Variance £'000s*
Fixed assets	4,313,703	4,065,175	*248,528*
Current assets	323,477	356,513	*(33,036)*
Current liabilities	(220,489)	(199,358)	*(21,131)*
Long term liabilities	(2,755,744)	(2,614,663)	*(141,081)*
Net assets	**1,660,950**	**1,607,667**	***53,283***

Housing properties have increased by £257m, driven by £278m of development spend and £34m of works to existing properties. Our social housing stock, with a carrying value of £4.2bn, represents 97% of our fixed asset base.

The closing value of investment properties reflects year end valuations, after disposal of 39 market rented units in the year. The closing value of other fixed assets and equity loans reflects normal levels of depreciation and disposals respectively.

Within current assets, our closing cash position of £91m is £12m lower than the prior year. Our housing properties available for sale are £25m lower than the prior year at £90m; the balance at year end is primarily attributable to shared ownership properties under construction, with £24m of completed stock unsold at year end, following significant handovers in Quarter 4. Receivables, which total £141m, are £4m higher than the prior year, primarily due to accrued grant income from the Cladding Safety Scheme. At the reporting date, net tenant arrears (total arrears less associated provisions) stand at £8.7m; equivalent to 2.5% of rental income and service charges (net of voids) across all tenures.

Payables due within one year are £21m higher than the prior year at £220m due to the aging profile of loans and borrowings and an £8m increase in accruals at year end.

Within long term liabilities, loans and borrowings are £144m higher than the prior year at £1,920m, due to additional borrowing in the year. Provisions are in line with the prior year overall at £10m, but releases of legacy provisions have been replaced with new provisions, primarily for remedial works for shared ownership and leasehold tenures in buildings over 11m in height.

Movements within deferred capital grant and equity loan grant reflected normal levels of claims and amortisation and disposals respectively.

The value of defined benefit pension liabilities has reduced to £10m at year end and relates primarily to the Abri Group Pension Scheme within Swaythling after both legacy schemes within Octavia (SHPS and RBKC LGPS) ceased during the year. We are however mindful of potential exposure to the outcome of scheme benefits reviews.

Following the results of the year, our Group funds are £1,661m.

Overview of financial results (continued)

Society financial position

		Combined	
	FY26	**FY25**	***Variance***
	£'000s	**£'000s**	***£'000s***
Fixed assets	3,427,735	3,196,342	*231,393*
Current assets	315,317	330,941	*(15,624)*
Current liabilities	(162,480)	(148,358)	*(14,122)*
Long term liabilities	(2,353,520)	(2,210,132)	*(143,388)*
Net assets	**1,227,052**	**1,168,793**	***58,259***

The results for the year ended 31 March 2025 include the assets and liabilities of both Abri Group Limited and Octavia Housing, with merger accounting adopted to reflect the Transfer of Engagements of Octavia into Abri in February 2026 and prior year balances combined accordingly.

Housing properties have increased by £234m, driven by £247m of development spend and £30m of works to existing properties. Our social housing stock, with a carrying value of £3.4bn, represents 98% of our fixed asset base.

The closing value of investment properties reflects year end valuations and the closing value of other fixed assets reflects normal levels of depreciation and disposals in the year.

Within current assets, our closing cash position of £75m is £2m higher than the prior year. Our housing properties available for sale are £18m lower than the prior year at £77m; the balance at year end is primarily attributable to shared ownership properties under construction, with £22m of completed stock unsold at year end, following significant handovers in Quarter 4. Receivables, which total £164m, are in line with the prior year overall but now include accrued grant income from the Cladding Safety Scheme. Whilst amounts owed by Group undertakings has reduced notably, intercompany loans made to subsidiaries has increased from £25m to £33m year on year.

Payables due within one year are £14m higher than the prior year at £162m due to the aging profile of loans and borrowings and a £4m increase in deferred income at year end.

Within long term liabilities, loans and borrowings are £150m higher than the prior year at £1,706m, due to additional borrowing in the year. Provisions are £5m higher than the prior year due to additional provisions, primarily for remedial works for shared ownership and leasehold tenures in buildings over 11m in height.

Movements within deferred capital grant reflected normal levels of claims and amortisation.

At the reporting date, the Society no longer has exposure to defined benefit pension scheme liabilities, after both legacy schemes within Octavia (SHPS and RBKC LGPS) ceased during the year. We are however mindful of potential exposure to the outcome of scheme benefits reviews.

Following the results of the year, our Society funds are £1,227m.

Corporate Strategy

Our core beliefs

We exist to provide the very best homes and services we can today, whilst pursuing the ideals that make tomorrow better. Every decision we make is rooted in the beliefs that:

- Everyone has the right to a safe, warm, affordable and sustainable home;
- Homes and communities are places to belong, grow and thrive; and
- Equal opportunities must exist for communities so everyone can have improved life chances.

Our beliefs are inspired by the ideals of Octavia Hill, whose lifelong mission was to “make lives noble, homes happy and family life good”. They’re the standards that we strive towards, informing how we approach challenges, engage with our customers and shape our communities to make things better. They challenge us to set a higher standard and lead by example in the relentless pursuit of excellence.

Becoming a top 5 housing association

In pursuit of our ideals and through the successful delivery of our new strategy, we’re building on the foundations of our “Achieving Together 2020-2025” strategy to become a:

- Top 5 housing association by scale;
- Top 5 for customer satisfaction; and
- Top 5 as a place to work

Our ideals

Our journey to becoming a top 5 housing association will take time but through our 2026-2031 corporate strategy we have the confidence to address today’s realities whilst striving for tomorrow’s ideals. Our strategy focuses on three core themes:

- **Homes**: We will provide safe, affordable, sustainable and healthy homes that are designed for long-term value and which support people’s wellbeing, independence and aspirations;
- **Services**: We will provide reliable, responsive and empowering services that are delivered with empathy and respect; and
- **Organisation**: We will be a values-led, purpose-driven organisation that sets the standard in good governance, financial resilience and social impact, trusted by customers and partners, attracting and nurturing talent.

Corporate Strategy (continued)

Performance against our strategic objectives

<u>*Homes: Our ideals*</u>

Doubling our commitment to building more homes

In 2025/26 we built 1,123 homes, including 1,094 affordable and social rent homes, of which 532 were for shared ownership, exceeding our annual delivery target. Alongside completions we exchanged on 640 plots and secured 1,075 plots for future development, strengthening our delivery pipeline.

We continue to increase delivery through our in-house construction team, Abri Build; this year they delivered 109 homes, giving us greater control over quality, cost and pace of delivery.

Our completed home performance results represent an important milestone in our ambitions to tackle the housing crisis. Through our new Investment Strategy we're doubling our previous target of 10,000 homes by 2030 to 20,000 homes by 2036.

Building in partnership

Delivering more homes at pace is only possible through strong, collaborative partnerships. These partnerships expand capacity, share expertise and help unlock delivery on complex sites across our regions. As a Strategic Partner for Homes England, we built 610 homes this year with grant funding and we continued to work with partners Lovell, Thakeham and Vistry to deliver more homes. This year our joint venture with Vistry, at the former Ford Airfield site in West Sussex, received planning approval for 698 mixed-tenure homes, with delivery of 1,500 homes overall, and community infrastructure.

Abri continued to support delivery through the Wayfarer partnership, a consortium of 17 housing providers and local authority partners. Members have built 1,156 homes as part of Homes England programmes helping progress affordable housing across the south.

Realising homeownership

With affordability continuing to challenge many aspiring homeowners, we remain committed to offering accessible routes into home ownership. In the last year we sold 502 new shared ownership homes, supported 178 staircasing transactions and completed over 200 resales. Surpluses made from sales are reinvested directly into delivering more affordable homes and services.

Regeneration schemes

Work is progressing at pace on The Granges in Windsor, our largest regeneration project to date. The scheme will replace 192 flats across four 1960s tower blocks at Sawyers Close, with 413 modern, energy-efficient homes for existing customers and the wider community. Construction on the first two phases, totalling 182 homes, is well underway, and the first of the tower blocks has now been demolished. The first phase of homes is expected to be completed in early 2027.

Abri is also investing in the renewal of existing sites in Bracknell. Barn Close and Bay House, buildings that no longer met our standards, have been demolished to make way for 57 high-quality social rented homes.

Corporate Strategy (continued)

Performance against our strategic objectives (continued)

Homes: Our ideals (continued)

Investing in our existing homes

Year on year, we continue to invest record amounts into our existing homes. This year we've spent £135m on repairs maintenance including £4m in addressing the root cause of damp and mould, £19m in building and fire safety works and £14m into making our homes more energy efficient. In addition, nearly 8,000 homes benefitted from planned component renewals such as new roofs, windows, kitchens and bathrooms, keeping homes safe, comfortable and fit for the future.

Improving homes and services in London

In 2025/26 we've focussed on improving the quality of homes and services for our residents in London including reducing the time taken to complete repairs and improving gas compliance. Building and fire safety remediation in the region has been accelerated through a combination of government grant funding and Abri's own investment. Plans are also well underway to carry out the cladding replacement programme and remediation works at Elm Road, Wembley following a fire in 2024.

Responding to Awaab's Law

The introduction of Awaab's Law has further strengthened our focus on safe, responsive repairs. This year our teams have prioritised quicker resolution of issues, clearer communication with customers and embedding new requirements into everyday practice. Our performance on works involving issues with damp and mould reflects shows strong compliance and we continue to monitor emerging risks as we prepare for full implementation of the Law.

Creating sustainable homes

As one of 17 strategic partners working with the Department for Energy Security and Net Zero, Abri are delivering a programme of energy efficiency measures to ensure our homes achieve EPC C or above by 2030. This year we retrofitted 2,255 homes, improving comfort, reducing carbon emissions and helping customers manage rising energy costs. This year Abri also secured ECO4 funding to install Solar PV systems in around 250 homes, further supporting more energy efficient living and ensuring these properties reach EPC C or above.

Our approach to reducing waste and sustainable development extends to our regeneration projects. As part of The Granges redevelopment, we've recovered high-quality windows for reuse, kitchens have been dismantled and reassembled to be given a second life, and we're working to identify and repurpose as many components as possible from the old blocks. We're hoping to learn from and embed these circular-economy principles across our new developments.

STRATEGIC REPORT (continued)

Corporate Strategy (continued)

Performance against our strategic objectives (continued)

Services: Our ideals

Tenant Satisfaction Measures (TSMs)

In 2025/26 we strengthened how we listen to our customers. We adopted a mixed-methods survey approach, engaging customers by phone, face to face and online. This enabled more people to share their views, including those who are harder to reach. This was also the first year that feedback from Octavia customers was fully incorporated into the group.

Our TSMs show positive progress. Rental satisfaction for Abri improved by 2.4% to 76.9% while shared ownership satisfaction increased by 3.7% to 56.1%. In London, our newest region, overall satisfaction also rose, with rental satisfaction increasing by 1.4% to 52.9% and shared ownership improvement growing by 5.6% to 29.2%. Across the Group, overall satisfaction now sits at 74% for rental customers and 53.2% for shared owners.

While we're encouraged by these results, we are clear about where improvement is needed. We know we must strengthen our approach to complaints handling and how we address anti-social behaviour (ASB). In response, we've introduced a dedicated complaints improvement plan focused on learning and accountability. This includes speaking directly to customers who give negative feedback, carrying out detailed reviews of all escalated complaints and apply learnings from the Housing Ombudsman. We've carried out the same structured approach to ASB, updating policies, procedures, improving response times, and increased clarity for customers about what support is available.

We recognise that satisfaction for our shared owners is not where it needs to be. We have reviewed our homeownership offer and are taking action to improve customer experience.

Reviewing our Shared Ownership offer

Shared owner satisfaction with Abri, and across the sector, continues to highlight where services must improve. In response to this we've undertaken a comprehensive strategic review of our shared ownership offer, to ensure it meets evolving customer expectations and delivers a consistently high-quality experience. The review was informed by extensive engagement with colleagues and customers. Improvements were grouped into six focus areas: service charges, estate and grounds maintenance, defects, best practice, customer journey and the impact of regulation. While work is still ongoing, the insights gained through this review and our customer feedback will be critical in strengthening our shared ownership service.

Integration of services

In September 2025 we completed the migration of all legacy Octavia data on to Abri systems, enabling colleagues to work on a single set of platforms and ensures consistency across the organisation. We're continuing to align policies, processes and ways of working so that all customers receive the same standard of service, regardless of location or legacy organisation.

Corporate Strategy (continued)

Performance against our strategic objectives (continued)

Services: Our ideals (continued)

Tenancy sustainment

Our tenancy sustainment team delivered a record year, securing £9.1m in additional income for our customers, an increase of £1.5m compared to the previous year. This support helps customers access the benefits they're entitled to, sustain their tenancies, better manage household expenditure and feel more secure and confident in their home.

Our regional model and customer panels

We believe our services are most effective when they're shaped by those who use them and tailored to differing needs. It's the foundation of our regional operating model.

Customer voice is central to our approach. Over the past year we've continued embedding Regional Customer Panels across our South, South East and South West regions. These panels place customers and local communities at the heart of our decision making.

Together with our panels we co-created regional priority documents that will be used to hold us to account on service delivery. Our panels also provided feedback on the annual rent setting review, which informed recommendations to the Group Board, and helped design our customer consultation approach to develop our new corporate strategy.

We'll expand our regional model into London, where we'll introduce eight housing patches led by Housing Partners who are visible, accountable and empowered to deliver for our customers. Just like our other regions, we'll be introducing a new regional customer panel, ensuring we're working collaboratively to deliver services and support that matter to our central and west London customers.

Resident Scrutiny Group

This year the Resident Scrutiny Group refreshed its statement of purpose to make it clearer, more accessible and more reflective of how the group works today. The update focused on using plain, easy to understand language, strengthening the group's commitment to independence and transparency whilst also ensuring the document aligns with Abri's wider approach to customer engagement and accountability. Members also contributed to improving the accessibility and presentation of scrutiny information on Abri's website. This work focused on making digital content clearer, friendlier and easier to navigate.

Our first lifecycle evaluation survey with customers

As part of the regeneration of Sawyers Close in Windsor, we launched our first lifecycle evaluation survey. This research captures customer experience throughout the redevelopment process, beginning with a baseline survey. We'll run regular check-in surveys during construction, followed by a post-project survey to assess long-term outcomes. This approach ensures we listen and respond to customers throughout the regeneration journey and apply learning to future regeneration and large-scale projects.

Corporate Strategy (continued)

Performance against our strategic objectives (continued)

Services: Our ideals (continued)

Investing in our communities

Across our regions we invested £4.7m into our communities this year. This funding supported a wide range of projects, including access to low-cost food and cooking skills, activities to tackle isolation and loneliness and initiatives that celebrate and take pride in diversity.

September 2025 marked 100 years since the first homes were built in Mansbridge, Southampton, by The Swaythling Housing Society. The centenary was celebrated with a family fun day attended by 400 people, the unveiling of a commemorative mosaic and an exhibition developed with the University of Southampton's as part of the Mansbridge Heritage Project.

We also continue to hold Community Action Days, bringing customers, colleagues and members of the community together; our London region held its first event in July 2025. They're a chance to carry out minor repairs, provide tenancy advice and improve local shared areas. To strengthen engagement in London we also hosted five drop-in sessions, speaking to 161 people. These conversations highlighted issues including anti-social behaviour, caretaker support, and pest control. enabling us to respond to immediate concerns and identify areas of improvement.

Creating cohesive communities

Communities across the country continue to experience increased pressure and tension. We're committed to ensuring the neighbourhoods we serve are safe, welcoming places where everyone feels like they belong. This year we established a Community Cohesion Working Group to review, develop and implement approaches that foster a common vision, sense of belonging and strengthen community resilience. By identifying the root causes of conflict and addressing these, we aim to promote acceptance, inclusivity and shared responsibility.

Organisation: Our ideals

Financial resilience and strong governance

We continue to demonstrate financial strength and effective governance. This year we retained our G1/V1 rating from the Regulator of Social Housing and our A3 stable credit rating from Moody's. This stability enabled us to successfully integrate Octavia Housing into the group, with the Transfer of Engagements completed in February 2026.

Inclusion and belonging

We're committed to creating a workplace where every colleague feels included, supported and able to thrive. Over the past year we've strengthened our equality, diversity and inclusion approach by deepening our understanding of colleague needs, expanding accessible learning resources and ensuring our workplace reflects the diversity of the communities we serve.

Corporate Strategy (continued)

Performance against our strategic objectives (continued)

<u>*Organisation: Our ideals (continued)*</u>

Inclusion and belonging (continued)

As part of our commitment to accessibility, we introduced new tools and adjustments for colleagues, including coloured overlays for those with dyslexia, captions on videos and full-day accessibility awareness sessions. We also established a new forum, providing a safe and confidential space for people living with disabilities or long-term health issues to share their experiences, ideas and challenges.

To increase awareness and inclusion throughout the year, we developed an EDI calendar, highlighting key awareness days and religious festivals, shaped by colleague data and engagement. Publicly, we've signed the HouseProud pledge, reinforcing our commitment to creating safe, inclusive environments for our LGBTQ+ colleagues and customers.

Colleague learning and development

Supporting our colleagues to learn and develop is central to our ambition of building a high performing organisation and Top 5 housing association to work for. Over the past year we've strengthened our learning offer and expanded opportunities for professional development. Colleagues across eight directorates completed the Institute of Leadership accredited Housing Leaders programme, equipping them with new leadership skills and confidence.

We've enhanced our Housing Professional of the Future (HPoF) programme, introducing a new housing policy module to help colleagues deepen their understanding of how national policy shapes Abri and the wider sector. This year, 550 colleagues completed an element of HPoF. To further embed learning into everyday practice, we launched a new online Skills Allotment where colleagues can share tips and insights from their training.

Becoming a sustainable organisation

We recognise our responsibility to reduce our impact on the environment. Through our own operations, services and supply chain, we are committed to working more sustainably and achieving net-zero. Our ambition is to embed a culture of low-carbon thinking across Abri, empowering colleagues, customers and communities to take meaningful steps to reduce our shared environmental impact.

In June 2025, we hosted our first Sustainability Supply Chain Summit, in partnership with the University of Southampton. Combined with a detailed survey of our suppliers, this helped us understand environmental impacts across our supply chain and identify opportunities to develop shared, long-term solutions.

This year our head office in Eastleigh became net-zero through the purchase of green electricity, the installation of a new air-conditioning system and a switch to heat pumps to provide hot water. This project will inform our approach to transitioning all our offices and depots to net-zero.

We're also investing in nature and biodiversity. In Mansbridge, Southampton, our pilot project planted 100 trees on the estate and enhanced the green space to attract bees, birds and bugs. The project has a clear five-year management plan to guide regular maintenance, showcase exemplar techniques and features, producing a blueprint for our other estates.

Key Stakeholders

Abri's success would not have been realised without strong partnership working with our stakeholders. We work closely with those who are most influential and interested in helping deliver great services and grow thriving communities. Here's how we engage with our key stakeholders:

Our customers

- Consultations to make improvements to, or introduce new, services, policies and processes;
- Resident scrutiny embedded into our governance structure;
- Regional Customer Panels to bring our customer voice directly into how we plan and deliver our services on a local level to drive change that meets diverse needs of our communities;
- Steering groups, forms and working groups to capture feedback, ideas and opinions on our services;
- Monthly digital newsletter and quarterly hard copy newsletter full of key landlord information, service updates, changes, news and events in each of our regions;
- Local action plans where there are changes or issues affecting a large group of customers; and
- Stage two complaint handling reviewed by a panel including customers (if requested).

Communities

- Working groups and partnerships to understand local sentiment;
- Dedicated Community Investment Zones where support is needed most;
- Community Action Days, door knocks, events and site visits;
- Surveys and consultations; and
- Partnerships with local authorities and employers.

Regulator of Social Housing and Housing Ombudsman

- Proactive engagement in line with co-regulatory approach;
- Track key changes, announcements and publications; and
- Participating in surveys and consultations.

Members of Parliament, councillors, local authorities and trade associations

- Proactive engagement with campaigns or during issues which affect a number of our customers;
- Respond to statutory and non-statutory government consultations;
- Development site visits, housing and community visits and events;
- Quarterly newsletter on key Abri news, performance and service delivery;
- Roundtables, thought leadership, conferences and one to one meetings; and
- Host and attend parliamentary events, roundtables and events at the House of Commons.

Investors

- Briefings after Regulatory News Service announcements;
- Timely updates on performance, budgets and long-term forecasts; and
- Regular meetings and presentations.

Tenant Satisfaction Measures

The Tenant Satisfaction Measures (TSMs) are a set of performance indicators, introduced by the Regulator of Social Housing in 2023/24. They enable customers to scrutinise our performance, give insights to where we can improve services, and provides a source of intelligence to the Regulator on how far we are meeting the outcomes of the consumer standards.

A mixed method approach was applied to TSM surveying in 2025/26, with surveys conducted by telephone, face to face and online, by an external research provider. 3,598 surveys were undertaken ensuring a representative sample , matching the profile of Abri customers by location, tenure, age, gender, ethnicity and the type of property they live in.

Our Results

This year's results are inclusive of Octavia data and customer satisfaction scores, which has resulted in a reduction in performance in some areas.

Building safety measures ensure that, as a landlord, we're completing the required checks to keep our homes and customers safe. Anti-Social Behaviour (ASB) measures ensure that we record and progress all customer concerns.

Repairs measures indicate that our homes meet the Decent Homes Standard in all but a small number of cases, and repairs to customers' homes are completed in a timely manner, in line with our service commitment.

The volume of complaints has increased compared to the previous year as a result of Octavia joining the Group. The majority of complaints are responded to within the Complaint Handling Code's timescales.

	Measure name	2025/26		2024/25	
		LCRA	SO	LCRA	SO
Building Safety	Proportion of homes for which all required gas safety checks have been carried out [BS01]	99.0%		99.9%	
	Proportion of homes for which all fire risk assessments have been carried out [BS02]	97.7%		99.3%	
	Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out [BS03]	96.5%		90.0%	
	Proportion of homes for which all required legionella risk assessments have been carried out [BS04]	95.0%		97.5%	
	Proportion of homes for which all required communal passenger lift safety checks have been carried out [BS05]	96.9%		96.7%	
ASB	Number of ASB cases opened per 1,000 homes [NM01]	31.7		55.6	
	Number of ASB cases that involve hate incidents opened per 1,000 homes [NM02]	0.9		1.3	
Repairs	Proportion of homes that do not meet the decent homes standard [RP01]	0.0%		0.0%	
	Proportion of non-emergency responsive repairs completed with the landlord's target timescale {RP02 1]	96.7%		94.7%	
	Proportion of emergency responsive repairs completed with the landlord's target timescale {RP02 2]	97.5%		98.7%	

Tenant Satisfaction Measures (continued)

	Measure name	2025/26		2024/25	
		LCRA	SO	LCRA	SO
Complaints	Number of stage one complaints received per 1,000 homes [CH01 1]	91.2	84.2	69.9	54.2
	Number of stage two complaints received per 1,000 homes [CH01 2]	32.2	34.2	20.4	19.9
	Proportion of stage one complaints responded to within the Housing Ombudsman's Complaints Handling Code timescales [CH02 1]	98.5%	98.6%	79.4%	76.1%
	Proportion of stage two complaints responded to within the Housing Ombudsman's Complaints Handling Code timescales [CH02 2]	94.1%	96.5%	75.0%	71.6%
Tenant perception	Proportion of respondents who report that they are satisfied with the overall service from their landlord [TP01]	74.0%	53.2%	74.5%	52.4%
	Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the overall repairs service [TP02]	77.6%	-	76.2%	-
	Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the time taken to complete their most recent repair [TP03]	73.3%	-	69.9%	-
	Proportion of respondents who report that they are satisfied that their home is well maintained [TP04]	75.0%	-	74.6%	-
	Proportion of respondents who report that they are satisfied that their home is safe [TP05]	82.2%	76.2%	81.6%	75.8%
	Proportion of respondents who report that they are satisfied that their landlord listens to tenant views and acts upon them [TP06]	65.4%	43.8%	65.2%	44.1%
	Proportion of respondents who report that they are satisfied that their landlord keeps them informed about things that matter to them [TP07]	75.5%	63.7%	75.0%	64.1%
	Proportion of respondents who report that they agree their landlord treats them fairly and with respect [TP08]	81.0%	65.2%	79.6%	66.7%
	Proportion of respondents who report making a complaint in the last 12 months who are satisfied with their landlord’s approach to complaints handling [TP09]	36.6%	32.6%	41.3%	23.4%
	Proportion of respondents with communal areas who report that they are satisfied that their landlord keeps communal areas clean and well maintained [TP10]	68.5%	50.0%	66.6%	44.9%
	Proportion of respondents who report that they are satisfied that their landlord makes a positive contribution to the neighbourhood [TP11]	68.9%	43.0%	65.3%	44.3%
	Proportion of respondents who report that they are satisfied with their landlord’s approach to handling anti-social behaviour [TP12]	60.0%	39.8%	58.8%	38.0%

STRATEGIC REPORT (continued)

Stock Profile

Our Geography

As of 31 March 2026, we owned and managed housing properties across 67 local authorities; those where we managed 750 properties, or more are shown below:

Local authority	General needs	Shared ownership	Supported housing for older people	Other social housing	Market rent housing	Total
Somerset County Council	7,220	688	1,633	74	4	**9,619**
Bracknell Forest Council	5,781	223	445	26	-	**6,475**
East Hampshire District Council	4,196	315	627	142	2	**5,282**
Royal Borough of Windsor and Maidenhead	2,711	149	439	130	-	**3,429**
Southampton City Council	2,009	301	232	158	79	**2,779**
Westminster City Council	1,639	105	109	91	-	**1,944**
Eastleigh Borough Council	1,194	413	113	88	32	**1,840**
Reading Borough Council	1,406	106	16	58	-	**1,586**
Wiltshire Council	975	453	4	1	-	**1,433**
Royal Borough of Kensington and Chelsea	933	14	231	11	1	**1,190**
New Forest District Council	713	127	4	53	-	**897**
Dorset Council	645	258	50	8	-	**961**
Bournemouth, Christchurch and Poole	564	160	39	11	113	**887**
Portsmouth City Council	693	57	-	89	-	**839**
	30,679	**3,369**	**3,942**	**940**	**231**	**39,161**

We owned and managed a further 8,642 housing properties across a further 53 local authorities.

Stock value

The Housing Properties held on our Statement of Financial Position within fixed assets are held at either historic cost, deemed cost or fair value, which in practice for registered providers is the "Existing Use Value for Social Housing", as a result of business combinations in recent years.

In total, these properties are held at £4.2bn (2025: £3.9bn) which is significantly lower than their full market value of £13.5bn (2025: £12.4bn), as valued at 31 March 2026.

Our Developments

During the year, we've been involved in over 80 developments across our geography, delivering homes across a variety of tenures. We've committed to building 20,000 new homes by 2036; to achieve this we're:

- Working with Homes England and other organisations that share our values to solve the housing crisis through collaboration;
- Creating high-quality, well managed and maintained homes to enhance communities;
- Working in partnership with local authorities and other housing associations, as lead partner of Wayfarer. We'll continue to expand on the 90,000 homes owned or managed by Wayfarer partners throughout the south of England;
- Delivering innovatively. We're going to maximise the number of off-site manufactured homes we deliver to minimise our carbon footprint and increase delivery;
- Using our in-house construction team to build our own homes. We'll improve efficiency and quality and help to build great places to live; and
- Having a solution for every site. We can provide the right development whether that's land led, regeneration, joint ventures or Section 106.

Development activity

Land led acquisitions

We buy land with or without planning permission and use our inhouse construction team or the contractors on our construction framework to build new homes across the south of England.

Scheme:	**Portugal Road, Woking**	This is a land led scheme for 72 Affordable Homes to be delivered by Countryside UK. A well-located scheme comprising two and three bedroom homes for our Corporate Strategy and Homes England Strategic Partnership targets.
Completion:	2026	
No of Homes:	72	
Tenure:	Affordable Rent	

Scheme:	**Cockroad Lane, Beaminster**	The development will provide a mix of houses to support the community and bring more affordable homes to the area. We'll also be creating new areas of green space, including woodland and hedgerow planting, a children's play area and recreational footpaths.
Completion:	2027	
No of Homes:	58	
Tenure:	Affordable Rent, Shared Ownership	

Joint Ventures

Typically, on larger developments, we look to deliver the new homes via a joint venture. Either through a contractual or corporate arrangement, we utilise the expertise of both parties for the benefit of the new community.

Scheme:	**Ford Airfield**	We've entered into a joint venture to acquire the former Ford Airfield in West Sussex, with plans to transform the site into 1,500 new homes. This development will provide new, quality, affordable homes, as well as new services and facilities for the local community. By working in joint venture with Vistry, we've unlocked the full potential of the site, making sure it delivers the best outcomes for the community.
Completion:	2037	
No of Homes:	1,500	
Tenure:	Affordable Rent, Shared Ownership, Market Sale	

Our Developments (continued)

Development activity (continued)

Partnerships

We are often presented with a 'package deal', where either a site and contractor are presented together, or if a contractor or developer controls a site and wants to build the development for us. The reduction in market risk and guaranteed cashflow makes this an attractive solution.

Scheme:	**St James Hospital, Portsmouth**	This scheme will deliver 100% affordable housing, made possible through a combination of our own investment and grant funding via our Strategic Partnership with Homes England. The Portsmouth development will provide a mix of two-to-four-bedroom homes, designed to meet a range of local needs, and will include wider community and environmental benefits such as green space for our customers.
Completion:	2027	
No of Homes:	58	
Tenure:	Affordable Rent, Shared Ownership	

Scheme:	**Bath Road, Bristol**	We are working in partnership with Vistry to transform the brownfield site which has been derelict for the last ten years into 109 new affordable homes. Located adjacent to the popular Paintworks site, the new development will provide 100% affordable housing, with grant funding support from Homes England. In addition to the homes there will also be a new commercial unit that will likely be turned into a convenience store.
Completion:	2027	
No of Homes:	109	
Tenure:	Affordable Rent, Shared Ownership, Social Rent	

Section 106

As part of developments for new homes, affordable housing is often required as part of the planning permission, secured via a Section 106 legal agreement. We understand the importance of the commitment to S106 by housing associations and we've continued to deliver homes this way. While there have been challenges in the sector and reduced bidding on S106 homes, we have great relationships with our house builder and developer partners based on years of successful S106 delivery.

Abri Build

Our in-house team has full control over health and safety, budget and the specification, meaning we can adapt homes to meet the needs of customers. We've used our experience to build homes that are fully wheelchair accessible with adjustable kitchens and fittings to enhance accessibility. To future proof our homes we also have specific targets for insulation as well as using renewable and low carbon energy to make them sustainable in the long term.

Scheme:	**Pound Street, Newbury**	Abri Build are currently on site in Newbury, producing a mixture of flats and houses at Pound Street. These homes will be designed to meet a range of local needs and contribute towards Abri's Corporate Strategy and Strategic Partnership target with Homes England.
Completion:	2027	
No of Homes:	79	
Tenure:	Affordable Rent, Social Rent	

Our Developments (continued)

Development activity (continued)

Scheme:	**Merrymakers, Slough**	The scheme will provide a mixture of flats and houses in a great location, where affordable homes are desperately needed.
Completion:	2027	
No of Homes:	53	
Tenure:	Affordable Rent, Social Rent	

Modern Methods of Construction (MMC)

We're part of the Building Better alliance, which is supported by the National Housing Federation, utilising collective purchasing power to buy homes from leading MMC manufacturers to develop offsite solutions at a greater scale. Working collaboratively helps us all to achieve greater quality and build in a more efficient, sustainable way. MMC also helps to reduce waste due to the precision engineering involved and speeds up delivery to give communities the homes they need to thrive.

Scheme:	**Kingsgrove, Wantage**	All 129 homes will be delivered using timber frame construction through Vistry Works, supporting more efficient build programmes and aligning with our focus on sustainability and quality. These modern methods help us deliver homes that are fit for the future, while maintaining the standards our customers expect.
Completion:	2028	
No of Homes:	129	
Tenure:	Affordable Rent, Shared Ownership, Social Rent	

Scheme:	**Herkomer, Bristol**	The new homes, produced by offsite manufacturing specialist BoKlok, will use the latest techniques in factory-built housing and incorporate sustainable features including high standards of insulation, air source heat pumps and electric car charging points. The homes will use just under 4% of the carbon compared to a home built using traditional methods.
Completion:	2026	
No of Homes:	40	
Tenure:	Shared Ownership, Social Rent	

Value for Money

Our approach to Value for Money

Driving Value for Money (VfM) is at the heart of Abri and underpins all our investment decisions. It provides the framework through which we pursue economy, efficiency and effectiveness, ensuring that we make the best use of our resources to deliver our strategic objectives and improve outcomes for customers and stakeholders. Over the life of the 2023-26 VfM Strategy, this approach has translated into measurable outcomes that have strengthened financial capacity and supported reinvestment across the business.

Delivered outcomes from the previous strategy include

- £3.5m per annum of Silva integration efficiencies in perpetuity from 2025/26
- £1.4m per annum of procurement efficiencies supporting overhead and HomeCare savings.

Abri also modernised Repairs and Maintenance delivery, building on £4.7m of savings achieved by 2022/23 and a further £0.6m in 2023/24, while improving right-first-time performance, service reliability and locally accountable delivery. Through our regional operating model, we have also improved baseline customer outcomes and strengthened governance and accountability around service delivery.

Value for Money (continued)

Our approach to Value for Money (continued)

In development, we expanded in-house delivery capability to reduce external contractor costs, used framework agreements and modern methods of construction to improve efficiency, and secured £250m of Homes England strategic partnership funding to reduce borrowing costs, provide tenure flexibility and support additional homes within the programme. Through a programme of asset optimisation, we also generated £81m of surplus for reinvestment into new and existing homes while removing poorer-performing assets from our portfolio.

Abri's financial strength enabled us to support Octavia ahead of joining the group. In 2024/25, Abri invested over £2m in leadership and operational support as part of Octavia's agreed recovery plan. The payback from this investment, and the short-term impact on financial performance, continues to be monitored through Board reporting. More broadly, Abri's VfM strategy remains embedded in strategic objectives and governance arrangements, with quarterly scorecards, investment reviews and benefit tracking helping to ensure that resources are directed to the areas that deliver the greatest long-term value for customers, the organisation and the communities Abri serve.

VfM and our Corporate Strategy

Below, we have outlined how the key pillars of our corporate strategy support the delivery of value for money across our operations.

Homes – underpinned by our Investment Strategy

- Economy, efficiency and effectiveness in asset investment by targeting spend on building safety, decarbonisation and stock condition using data-led asset management to optimise whole life costs;
- Optimal use of housing assets through consistent investment standards, active disposals and regeneration, releasing capital and capacity for reinvestment in new and existing homes; and
- Maximised reinvestment capacity via disciplined funding, grant optimisation and reduced borrowing costs, enabling delivery of more affordable, safe and sustainable homes.

Services – underpinned by our Services and Regional Strategies

- Efficient deployment of resources by prioritising core landlord services and avoiding spend dilution across low impact activity, ensuring value is demonstrably linked to customer outcomes;
- Improved productivity and service effectiveness through insourcing, process standardisation, digital enablement and performance insight, reducing unit costs and failure rates; and
- Transparent evidence of outcomes through service metrics, customer feedback and complaints learning, demonstrating the link between cost, quality and improved satisfaction.

Organisation – underpinned by the assumptions in our Financial Plan and our Treasury, Digital & Data, People and OD and Policy and influencing Strategies.

- Strong financial control and governance ensuring resources are used economically and transparently, with clear accountability for VfM embedded across decision making;
- Long term financial resilience delivered through treasury optimisation, risk aware funding decisions and disciplined use of resources to support investment and growth; and
- Efficient operating model enabled by digital, data and targeted workforce investment, improving productivity, decision making quality and value from existing resources.

Value for Money (continued)

Our performance

The following table outlines our VfM performance against the regulatory metrics, compared to the previous year and the sector median for our peers in a similar geography of a comparable size.

	2025/26		2024/25	
Value for Money metric	**Actual[1]**	**Budget**	**Actual[1]**	**Peer**
Re-investment	7.4%	7.6%	7.6%	7.4%
New supply delivered (social)	2.2%	2.0%	1.6%	1.8%
New supply delivered (non-social)	0.01%	0.03%	0.00%	0.10%
Gearing	45.9%	45.3%	44.7%	48.8%
Interest cover – EBITDA-MRI	128.9%	135.7%	99.2%	85.8%
Headline social housing cost per unit	5,818	6,216	5,378	6,223
Operating margin - social housing lettings	22.2%	22.9%	17.2%	22.5%
Operating margin	18.4%	20.2%	14.7%	18.0%
Return on capital employed (ROCE)	2.8%	3.0%	2.1%	2.7%

[1] *Actuals – the results for both 2024/25 and 2025/26 represent the accounting results within these financial statements, including the post-acquisition results of Octavia Housing*

Our Board monitors both operational and VfM performance through quarterly scorecards, enabling the scrutiny of a cross-section of performance across the business. This is intrinsically linked to the delivery of our corporate objectives. An overview of our results is included below.

Re-investment

Re-investment in our assets is predominantly driven by our development spend on housing properties, with contributions from capitalised repairs and interest. In the year, we've spent £312m on housing properties, including £278m of development expenditure, in line with relative investment levels in our peer group.

New supply delivered (social)

The new supply of social units measures the relative number of new social units handed over through our development pipeline and excludes the purchase of existing units. In the year, we've handed over 1,094 social units which compares favourably to our peers and is well ahead of budget.

Gearing

Gearing, as measured by net debt against the net book value of our housing properties, is marginally higher than the prior year as we've borrowed to fund investment in new and existing homes but remains below our peer average.

Interest cover

Interest cover, as measured by adjusted earnings relative to interest costs, has underperformed budget given continued investment in our existing stock in the form of repairs. The results are however a significant improvement on the prior year, led by better control of operating costs, and compares favourably to our peer group.

Value for Money (continued)

Our performance (continued)

Social housing cost per unit

Cost per unit measures our operating costs relative to the number of social units we operate. Our cost per unit has increased in the year, in part due to benefits from accounting for group reconstructions in the prior year (with the Group taking Octavia's closing stock numbers but only three months of relevant expenditure); despite this our results remain below our budget and that of our peers.

Operating margins – social and overall

Operating margin across both social units in isolation and all operations (excluding asset disposals) considers surplus relative to turnover. Both measures show a significant improvement from the prior year despite falling short of budget as unforeseen operating costs have increased and turnover has reduced. We have also reviewed our housing and community investment operations alongside internal restructuring activity, leading us to recognise our community work separately from social housing activity in our accounts bringing us into line with our peers.

Return on Capital Employed (ROCE)

ROCE shows our returns against our net asset base and is consistent year on year and performs ahead of peers despite falling below budget. We expect this metric to improve in future with an increased programme of existing unit disposals.

Directors remuneration and management costs note

The following metrics are consistent with the definitions within the Accounting Direction 2022 and the supporting notes to these financial statements and fulfil our responsibilities under the Transparency, Influence and Accountability Standard, to ensure we provide customers with information around Directors remuneration and management costs.

	2026	2025
	£	£
Management cost per unit	2,024	1,751
Highest paid Directors cost per unit	9	8
Directors' remuneration cost per unit	108	88

The results for 2025 were beneficially impacted by business combinations as outlined above.

Looking forward

Abri's revised Value for Money Strategy 2026–2031 sets out how the Group will optimise the use of resources, assets and financial capacity to support delivery of its corporate objectives over the next five years. The strategy positions value for money as a core decision-making discipline across the organisation, balancing cost, quality, risk and outcomes while maintaining long-term financial resilience during a period of heightened investment in existing homes, new supply, service improvement and innovation.

Value for Money (continued)

Looking forward (continued)

Over the strategy period, Abri intends to embed value for money across its supporting strategies, including services, investment, treasury, procurement, digital and organisational design. Key priorities include improving service efficiency and customer outcomes, investing in building safety and energy performance, strengthening the delivery of new homes, using data and technology to reduce inefficiency, and ensuring workforce and operating models remain fit for purpose. These priorities are expected to support continued reinvestment in homes and communities, alongside disciplined management of funding, costs and liquidity.

Delivery of the strategy will be supported by established governance and performance oversight through Executive Board, Group Board and Audit & Risk Committee, with progress tracked through regulatory metrics, financial planning, benefit realisation and benchmarking. Internal Audit has provided full assurance over Abri's approach to value for money, providing a strong foundation for implementation of the refreshed strategy. Together, these arrangements are intended to help ensure that resources are used efficiently, effectively and economically, and that value created is reinvested to deliver better homes, improved services and positive outcomes for customers and communities.

Below, we've set out the five-year forecast performance of these metrics, from our latest Financial Plan.

Metric	2027	2028	2029	2030	2031
Re-investment	9.5%	7.4%	7.2%	5.3%	7.1%
New supply delivered (social)	1.7%	2.2%	3.1%	1.9%	1.7%
New supply delivered (non-social)	0.0%	0.0%	0.0%	0.1%	0.1%
Gearing	48.2%	48.5%	47.3%	44.4%	43.1%
Interest cover – EBITDA-MRI	110.0%	106.0%	115.0%	119.0%	132.0%
Headline social housing cost per unit	6,615	6,504	6,496	6,648	6,516
Operating margin - social housing lettings	21.4%	23.8%	25.5%	27.2%	28.5%
Operating margin	20.3%	21.6%	22.5%	24.6%	26.2%
Return on Capital Employed (ROCE)	3.0%	2.9%	3.1%	3.3%	3.4%

Summary

Our Board recognises the importance of driving Value for Money from all activities we undertake. Our targets are challenging yet achievable, and we've ensured they never compromise our strategic priorities. Through Abri's governance processes, we'll be held to account by our Board and customers, via our scrutiny group, to ensure VfM is being maximised. The rolling three-year VfM target will be reviewed annually as part of the budget setting and financial planning process, considering performance against our peers.

Impact on the Environment

Abri has launched a new Corporate Strategy which sets out further steps to reach our ambition to become net zero for Scope 1 & 2 emissions by 2035 and for the rest of our emissions by 2050. New carbon baselining work is taking place to enable interim targets to be set for every five years to ensure we remain on track.

We are also updating our Sustainable Finance Framework (SFF) in 2026, which aligns to our finance strategy and ESG ambitions. Underpinned by the United Nations' Sustainable Development goals, it ensures the funding sourced is invested in the right places and the impact it's having on our customer and community outcomes is continually measured.

Impact on the Environment (continued)

Streamlined Energy and Carbon Reporting (SECR)

Outlined below are the results of the Group's SECR for 2025/26. UK Government Greenhouse Gas Conversion Factors for Company Reporting has been used for the reporting of emissions, using the 2023 version. Emission types included in the calculations related to:

- electricity and gas consumed at office premises, communal areas and construction sites
- vehicle emissions from vans used by our repairs and maintenance teams and from colleagues on business mileage and commuting to offices

	2026	**2025[1]**
Scope 1	*8,680.7*	*5,775.5*
Scope 2	*1,869.2*	*1,620.4*
Scope 3	*566.7*	*726.1*
Total CO2e Scope Gross emissions (tonnes)	**11,116.5**	**8,122.0**
Intensity Metric (net emissions) tCO2e/number of full-time staff	**5.0**	**4.1**
Kilowatt hours of energy used	*55,623,302*	*37,380,462*

[1] Disclosures for 2025 include figures for Octavia Housing from December 2024

Annual energy efficiency actions

Abri has successfully concluded the existing Wave 2.1 and 2.2 Social Housing Decarbonisation Fund (now named Warm Homes) grant from Government. Increased numbers of properties were retrofitted, primarily with insulation and solar PV systems which effectively cut customer energy bills. A larger, Wave 3 programme has begun, and further funding rounds are under active consideration. At March 2026 83% of our homes (excluding our London region, where a data validation exercise remains in progress) met this standard; we remain on track to ensure that all our properties are at least EPC C by the 2030 target. The new Corporate Strategy commits Abri to have all our properties to be at the higher level of EPC B by 2050.

Abri continues to purchase certified green electricity from renewable sources, effectively delivering against one of our three big targets to meet our 2035 Scope 1 & 2 target. All our electricity for corporate and communal sites is in contracts with Ecotricity & EDF using REGO backed renewable energy. Legacy properties of Silva Homes are due to join in 2027 when their existing contract comes up for renewal. This will save an additional 360 tonnes of carbon each year. The delivery of our first net zero office has been a major achievement of the business this year.

Abri is continuing to utilise Modern Methods of Construction (MMC) when building new homes and delivered 480 new homes using MMC either directly or through joint ventures.

New programmes of work have kicked off this year to transition each of our 104 heat networks to ensure they meet new metering and billing requirements, and to ensure that net zero transition plans are developed.

A new electric vehicle 'ecosystem' project is also progressing to unite all our existing charging infrastructure, plan new community charge points and progress plans to electrify the Abri fleet. A third-party contract is out for tender and a new role is planned to provide more dedicated oversight.

Tenancy Fraud and Anti-Money Laundering

We take tenancy fraud very seriously, especially as there aren't enough social housing homes for the people who need them. People committing tenancy fraud are breaking the law and breaching their tenancy agreement, while also causing even longer waits for those entitled to live in social housing.

We employ a range of measures to tackle tenancy fraud, including taking steps to identify, prevent and follow up on customers who don't use their homes as their main and principal residence. We take action to get the home back if we believe tenancy fraud is happening.

Abri takes a zero-tolerance approach to all forms of corruption and bribery. We're alert to the potential for fraud and money laundering, especially in transactions relating to sales of our housing stock. We take reasonable steps to minimise the risk of money laundering, including identity verification and source of funds checks before sales proceed. We have robust procedures in place, including an Anti-Corruption Framework, which are complemented by mandatory training for our colleagues. We also have a Money Laundering Reporting Officer and deputy.

Modern Slavery and Human Trafficking

We recognise the detrimental effect modern slavery has on individuals across the globe and are committed to acting ethically within our business, and with others, to combat modern slavery.

Abri takes a zero-tolerance approach to modern slavery across all areas of our organisation, as well as in our supply chains. We're committed to ensuring we aren't connected to modern slavery in any way and our aim is to ensure that our business always operates in an open and transparent way.

Our commitment is reflected in our Anti-Slavery and Human Trafficking Policy, available on request.

Approval of Strategic Report

Our Strategic Report was approved by our Board on 16 July 2026, and signed on its behalf by:

David Montague
Director

DIRECTORS' REPORT

Our Directors present their report for the year ended 31 March 2026.

Group Board

Group Board Members

Our Group Board Members are the legal Directors of Abri Group Limited, as listed on page 1.

David Montague – Group Chair

David served as the Chief Executive of L&Q, one of Britain's largest housing associations, between 2008 and 2021. Over 32 years, David has, in a number of roles, overseen the company's growth and success through mergers, acquisitions, major regeneration schemes and development partnerships with smaller associations. A leading figure in the sector, David has been chair of the G15 and served on the board of the National Housing Federation as well as working with successive London Mayors. In 2013, David was awarded a Commander of the Order of the British Empire (CBE) for services to housing in London. David now holds a number of non-executive and advisory roles for organisations, including The Housing Finance Corporation and Lloyds Banking Group.

Gary Orr – Group Chief Executive

Gary has worked in the housing sector for 25 years, having held a multitude of roles in homelessness services, housing management and, more latterly, senior and executive positions within housing associations across the UK. Abri is Gary's fourth Chief Executive role in his career. Gary was the inaugural co-chair for the National Delivery Group (NDG) between 2023 and 2026. He also chairs the Greener Futures Housing Partnership and is a member of the Bank of England Residential Property Forum.

Caroline Moore – Chief Financial Officer

Caroline qualified as a chartered accountant with PricewaterhouseCoopers and spent the early part of her career in financial regulation at the Housing Corporation. She joined Yarlington Housing Group as Director of Finance, later becoming Chief Financial Officer following the merger of Yarlington Housing Group and Radian. She has held several non-executive roles, including Chair of the Audit Committee at Yeovil NHS Trust. Caroline manages the Finance and Treasury and Financial Planning directorates at Abri. Caroline is also on the board of several entities within the Abri Group.

Jane Alderman – Board Member

Jane is a senior leader who's successfully managed large development programmes in the affordable and market housing sectors. Jane has previously held roles with several social housing groups, including Curo Group. Currently, Jane is an independent housing and property consultant, providing a range of services to clients in the public and private sector, like advice on policy and governance and joint ventures. Jane is a chartered surveyor and member of the Chartered Institute of Housing.

Jocelyn McConnachie – Board Member

Jocelyn is highly experienced in leading customer and digital transformation programmes and cultural change. She's held senior posts at National Grid, E.ON Energy and Calmac Ferries. She was also previously a Non-Executive Board Member at Western Isles NHS, has served as Deputy Chair of Western Power Distribution's independent Customer Engagement Committee and in May 2026 joined the board of L&Q, one of Britain's largest housing associations.

Group Board (continued)

Group Board Members (continued)

Mary-Kathryn Adams – Board Member

Mary-Kathryn (MK) has over ten years of experience investigating the intersection of evidence, policy and practice in housing and urbanism across the UK. After completing her doctorate, she joined the Housing Associations' Charitable Trust, most recently serving as the Deputy Chief Executive, and worked with housing providers across the UK; particularly in relation to community investment, social value measurement, and the implementation of data standards across the sector. In 2019, MK joined Simetrica-Jacobs and became their Chief Executive Officer in 2023.

Lou Taylor – Board Member

Lou has more than 20 years' experience in media, advertising and community-based enterprises as an owner, entrepreneur, director, and board member. His career spans both commercial and social enterprises. He's currently a non-executive member of Surrey Police and Hampshire & Isle of Wight Healthcare NHS Foundation Trust. Since 2015, Lou has been responsible for running Black History Month in Southampton and has formed a successful social enterprise to promote knowledge and understanding of Black, Asian, minority and ethnic issues and experiences across the region.

Maggie Porteous – Senior Independent Director

Maggie spent 31 years working for the John Lewis Partnership in its department stores and head office. She's a highly motivated leader with an exceptional ability to create great teams and deliver business results. She has a proven track record in the operational management of omni channel retailing across multiple sites and in opening and rolling out new store formats. Maggie is currently Vice Chair of The Riverside Group's Board and Chair of their Governance and Remuneration Committee.

Steve Skuse – Board Member

Steve has spent most of his career to date in residential contracting and development, and this involved significant work with housing associations. In 2017, Steve joined Catalyst Housing as Director of Development Delivery and was Director of Land & Partnerships before leaving in 2021. Steve joined Silva Homes Limited as a Non-Executive Director in 2020 and served on the Audit and Risk and Compliance Committees. Alongside his non-executive role, he's held interim roles at executive level in development and strategic asset management.

Sarah Smith – Board Member

Sarah's career has spanned over 35 years, working with the social housing sector. She's a chartered accountant, qualifying with BDO before moving to KPMG. She joined London & Quadrant Housing Trust in 2001 and was then appointed as Chief Financial Officer of Southern Housing, held between 2009 and 2025.

Sarah was Chair of the G15 Finance Directors group and Vice Chair of the Housing SORP Working Party from 2015 to 2021. She holds a number of non-executive roles including at M&G Shared Ownership, Dolphin Living, Reall Limited and Sustainability for Housing.

Group Board (continued)

Group Board Members (continued)

Veronica Gordon – Board Member

Veronica is a former BBC local radio and ITV regional news journalist and the founder of Our Version Media Community Interest Company (CIC), a Southampton based organisation that's increasing authentic representation of Black and marginalised communities. She brings considerable experience in broadcast and digital media and is committed to equipping others with media skills to tell their own stories. Veronica, a long-standing customer of Abri, also has a unique perspective on the voice of our customers through well-established links with Abri's communities across the south, where she's worked and volunteered for the past 15 years.

Mary (Polly) Neate – Board Member

Polly is a high-profile expert commentator on social issues, a strategic adviser, qualified coach and mentor. She is Convenor of the Social Insights Panel hosted by the Future Governance Forum, and an experienced non-executive director and trustee. She spent nearly eight years as CEO of the household-name housing and homelessness charity, Shelter, and before that was CEO of Women's Aid and Executive Director of External Relations at Action for Children. She has led teams through transformational change and strategic challenges, both external and internal. She led successful campaigns to criminalise coercive control, reform the family courts, invest in women's refuges, create rights for private renters, combat discrimination in renting, make social housing safer, and invest in social housing.

Melanie Panek – Co-optee

Melanie is a leader in global investment banking and corporate finance, with expertise in capital markets, large-scale merger and acquisition and financing, structured finance, and private credit. Over her career, she advised major corporate and financial institutions on treasury, risk management, and multi-currency financing. She held senior roles across Risk management, credit ratings advisory, sales and trading, ultimately serving as Head of EMEA Syndicate and Division Head at leading firms including JP Morgan, Goldman Sachs, Citi, UBS, and others. Today, she serves as a portfolio Non-Executive Director in financial services and housing, with a strong focus on governance, risk, and sustainability. She sits on the boards of Vectis Housing Association and BondAuction, advises the University of Edinburgh Business School, and has previously chaired United Way UK and served as an Independent Non-Executive Director at Daiwa Capital Markets Europe.

DIRECTORS' REPORT (continued)

Group Board (continued)

Membership of other legal entities

The members of Abri's Group Board also hold positions as directors of other legal entities in the Group, with memberships at the reporting date outlined below:

	The Swaythling Housing Society	**Oriel Housing**	**Radian Developments**	**Yarlington Homes**	**Forest Future Homes**	**Radian Capital**	**Yarlington Treasury Services**	**Octavia Foundation**
David Montague	Chair	Chair	-	-	-	-	-	-
Jane Alderman	X	X	X	Chair	X	-	-	-
Lou Taylor	X	X	-	-	-	-	-	X
Jocelyn McConnachie	X	X	-	-	-	-	-	-
Mary Katherine Adams	X	X	-	-	-	-	-	-
Margaret Porteous	X	X	-	-	-	-	-	Chair
Stephen Skuse	X	X	-	-	Chair	-	-	-
Sarah Smith	X	X	-	-	-	-	-	-
Veronica Gordon	X	X	-	-	-	-	-	X
Mary Neate	X	X	-	-	-	-	-	-
Melanie Panek	X	X	-	-	-	-	-	-
John Gary Orr	*X*	*X*	*X*	-	-	*X*	-	-
Caroline Moore	*X*	*X*	*Chair*	-	*X*	*Chair*	*Chair*	-

Key: Non-Executive Member; *Executive Board Member*. X denotes membership.

Group Board composition

During the year, we've worked to further increase the diversity of our Group Board; across the 11 members:

- Eight are female (73%) and three are male
- Seven (64%) are aged between 45-64, three are aged over 65, and one is aged below 44
- Nine (82%) are from a non-BME background and two are from a BME background
- Seven (64%) are married or in a civil partnership, two are single and two are divorced
- Eight (73%) are heterosexual, two are gay/lesbian and one prefers not to say
- Six (55%) belong to the Christian faith, four are not religious or are agnostic and one prefers not to say
- Six (55%) do not have caring responsibilities, four are a secondary carer and one has dependent children; and
- Nine (82%) have no declared disability whilst two do.

Executive Board

Our Group Board is supported by an Executive Board which is responsible for day-to-day operations of all entities in the Group, with a focus on the delivery of our Corporate Strategy. Gary Orr and Caroline Moore are members of both our Group Board and Executive Board. Jo Makinson joined Abri's Executive Board as Chief Investment Officer in January 2025 and resigned in March 2026.

The remaining Executive Board Members are listed below.

Andy Skarzynski – Chief Strategy & Resources Officer

Andy's responsibilities include strategy development, IT, HR, communications and our change function. He works to ensure that Abri has the right people, guided and motivated by the right values and supported by the right technology, to deliver our full potential. Andy's background includes significant experience in marketing, communications, e-commerce, and change management gained across a range of businesses and sectors. Andy has held senior roles within the media, advertising, charity, and retail sectors.

Gemma Burton-Connolly – Chief Governance Officer

Gemma joined our Executive Board as Chief Governance Officer in February 2025. Prior to this, she was Executive Director of Governance and Assurance at a Manchester housing association. Gemma's background is legal, including human rights, and she has vast experience of governance, legal, audit, risk, compliance and assurance matters. She also spearheaded the regulatory recovery of a housing association back to compliance. She's well versed in the workings of private and public companies, as well as charities, and she's been the lead in various group restructures and has experience in commercial divestment of companies.

Rose Bean – Chief Investment Officer (from 27 March 2026)

Rose joined Abri's Executive Board in January 2026. She brings over 20 years' experience in the housing sector, having held senior roles in asset management, including Chief Property Officer and previously Director of Asset Management and Sustainability at Abri. Rose has deep expertise in strategic asset management, long-term investment planning, place shaping and regeneration. A recognised advocate for sustainability, she has previously led sector partnerships to drive innovation and accelerate progress towards net zero. As Chief Investment Officer, Rose is responsible for the Group's investment strategy, ensuring Abri can deliver more needed affordable homes and maintain the quality of our existing stock.

Mary Gibbons - Chief Operating Officer (from 1 April 2026)

Mary is responsible for the strategic leadership of customer experience and all landlord services, including housing, repairs and maintenance, complaints, tenancy sustainment and community investment. Mary joined Abri after leading the integration of Octavia, and formation of Abri's new London region, following the partnership completion in December 2024. Under her leadership, Octavia saw stabilisation of services, strengthened controls and processes, and improvements in customer services. Before joining Abri, Mary held senior leadership roles across the housing sector, including at CHP and Hundred Houses Society. She was previously Chief Executive of Moat Homes, a 20,000-home landlord.

Executive Board (continued)

Ralph Facey – Chief Operating Officer (until 31 March 2026)

Ralph has 38 years' experience in the housing sector and, following a housing management and regeneration career in local government, has held several executive director roles for The Swaythling Housing Society Limited. Ralph was appointed as Radian's Group Director of Housing and Customer Services in 2009 and became Executive Director of Partnerships and Projects in 2018. Following the formation of Abri, Ralph was appointed as Executive Director of Strategic Partnerships and Projects, and in 2021 was appointed to Chief Operating Officer. Ralph resigned as Chief Operating Officer on 31 March 2026, and announced plans to retire. Ralph has taken on the role of Managing Director of the Octavia Foundation, effective from April 2026.

Executive and Corporate Director service contracts

The members of our Executive Board and our Corporate Directors are employed on the same terms as other colleagues, except for a contractual annual bonus scheme, the provision of a company car or payment of a car allowance, enhanced pension scheme contributions and the provision of private medical benefit. Remuneration decisions are overseen by our People and Culture Committee. Details of the benefits received by Executive Directors are set out in note 8.

Our Group Board is responsible for approving any bonus awards or changes in the Chief Executive's remuneration or contract. Our Executive Board and Corporate Directors, including those who are Group Board Members, hold no interest in the Group's shares and act within the authority delegated to them by the Group Board under defined terms of reference.

Governance and Regulation

Group Board overview

The Group Board is responsible for setting the strategic direction, values and objectives of Abri and its subsidiaries. It monitors our performance, how well we're managing our finances and is responsible for ensuring effective governance across the business.

Our Group Board Members are selected through an open, competitive process. They contribute a wide range of professional, commercial, and other relevant experience and expertise. The Board is led by the Group Chair, David Montague, who sits alongside 10 other Non-Executive Directors, one of whom is a co-optee to the Board, the Group Chief Executive and Chief Financial Officer. Our Company Secretary is an experienced, qualified lawyer and supports our Board on all matters regulatory, governance and legal.

This year our Board met ten times and:

- approved the combined financial plan, stress testing and interim plan;
- approved the consolidated budget for 2026/27;
- approved the rent increase for all eligible properties from 1 April 2026;
- maintained oversight of Octavia Housing integration and approved the Transfer of Engagements;
- approved funding bids, including the Homes England Strategic Partnership for the Social and Affordable Homes Programme 2026 – 2036 and Warm Homes Social Funding Wave 3;
- approved the appointments of a new Chief Investment Officer, a new Chair for the Octavia Foundation Board and a Group Board member and Group Board co-optee;
- approved the new Corporate Strategy 2026 – 2031;
- reviewed all strategies and policies reserved for Group Board approval;

DIRECTORS' REPORT (continued)

Governance and Regulation (continued)

Group Board overview (continued)

- approved Abri's risk framework and risk appetite and tolerance statements;
- regularly reviewed compliance with health and safety landlord obligations;
- received stock condition updates; and
- held two co-regulation sessions with the Resident Scrutiny Group

The Group Board is supported by the Executive Board, Corporate Directors, and the following Committees during the year, to which certain responsibilities were delegated:

- Audit and Risk Committee (ARC)
- People and Culture Committee (PACC)
- Remuneration Committee (RemCo)
- Investment Committee (IC – formerly the Treasury Committee and the Development and Assets Committee)
- Customer Committee (CC – formerly the Customer Services and Performance Committee)
- Integration Committee (ITC – formerly the Transition and Integration Committee)

Committee memberships

The membership of our committees at the reporting date is made up as follows:

	ARC	**PACC**	**RemCo**	**IC**	**CC**	**ITC**
David Montague	-	X	X	-	-	-
Jane Alderman	-	-	-	Chair	-	-
Lou Taylor	-	-	-	X	Chair	-
Jocelyn McConnachie	X	Chair	Chair	-	-	-
Mary Katherine Adams	X	-	-	-	-	Chair
Margaret Porteous	-	X	X	-	X	X
Stephen Skuse	X	-	-	X	-	-
Sarah Smith	Chair	-	-	X	-	-
Veronica Gordon	-	-	-	-	X	-
Mary Neate	-	-	-	-	-	-
X Melanie Panek	-	-	-	X	-	-
John Gary Orr	-	*Member*	-	X	X	X
Caroline Moore	-	-	-	-	X	X
Andrew Frost	X	-	-	-	X	-
Richard Cartwright	X	-	-	-	-	-
Lara Sonola	-	-	-	-	-	X
Mike Collis	-	-	-	-	X	-
Joanna Smith	-	-	-	-	X	-
Ashley Christophers	-	-	-	-	X	-

Key: Non-Executive Member; *Executive Board Member*. X denotes membership.

Governance and Regulation (continued)

Our committees

Audit and Risk Committee

The Committee is responsible for overseeing Abri's risk management process, ensuring key risks are effectively managed through a robust system of internal controls. The Committee also oversees our internal audit function and external audit process, ensuring the integrity of our financial statements, and is responsible for resident scrutiny arrangements. During the year, the Committee met seven times and:

- received regular updates and approved the implementation of recommendations from the Resident Scrutiny Groups' reviews;
- approved the Value for Money Statement and the insurance programme for 2025/26;
- reviewed Abri's internal audit function, including reviewing internal audit reports and approving the Internal Audit Plan and Charter;
- received regular risk updates (including horizon scanning) and recommended the Enterprise Risk Management Framework and risks outside appetite or tolerance to the Group Board for approval;
- received regular updates on modern slavery, whistleblowing, money laundering, fraud/theft and serious and sensitive cases;
- scrutinised the self-assessments against the NHF Code of Governance, NHF and Abri Codes of Conduct and RSH regulatory framework; and
- received planning and completion reports from the external auditors and recommended the approval of the Group's Annual Report and Financial Statements to the Group Board.

People and Culture Committee

The Committee is responsible for overseeing Abri's organisational approach to people and culture and is responsible for nominations and succession planning for non-executive directors (this includes Chairs, independents and co-optees) and the Chief Executive. The Committee also maintains oversight of the organisation's approach to equality, diversity and inclusion to ensure a fair, open, and inclusive culture. During the year, the Committee met five times and:

- monitored people and culture performance, including recruitment, retention, engagement, turnover, sickness, and compliance with mandatory training;
- monitored the cultural integration of Octavia;
- scrutinised the Gender, Ethnicity and Disability Pay Gaps;
- approved the revised Equality Diversity and Inclusion Group's Terms of Reference;
- approved the new Group Board safeguarding champion role profile;
- approved the process for a governance effectiveness review;
- approved the appointment of a Managing Director of the Octavia Foundation and to commence recruitment for a new Chief Operating Officer;
- approved the executive recognition and reward for 2024-25 and the framework for 2025-26;
- approved the process for the Group Board and Committee skills review and the 2025-26 Board training programme.

Governance and Regulation (continued)

Our committees (continued)

Remuneration Committee

The Committee was set up in October 2025 to ensure the appropriate arrangements are in place for the retention and remuneration of the Chief Executive Officer, executive directors and non-executive directors (which includes Chairs, independent members and co-optees). The Committee met for the first time in February 2026 and:

- approved the Group Reward & Recognition Statement;
- approved the colleague pay award;
- conducted the annual review of the Chief Executive Officer and Executive Directors' reward packages

Investment Committee

The Committee was established in November 2025 bringing together the Treasury Committee and the Development and Assets Committee. It contributes to the development of the Investment, Treasury and Alternative Funding strategies and receives assurance on their delivery. It takes a holistic view of Abri's investment needs and makes recommendations to Group Board on the appropriate allocation of resources, considering return on investment, while ensuring that the quality of homes and the views and needs of existing and future customers are central to decision-making. During the year, the Committee met three times and:

- scrutinised the financial and operational performance of the assets and development programmes to ensure they remain aligned with Financial Plan assumptions and deliver the expected benefits;
- monitored the delivery of Investment Strategy objectives including any implications for funding;
- recommended the Treasury Strategy, Annual Treasury Plan and Investment Policy to the Group Board;
- monitored all major partnership arrangements, including joint ventures, and approving loan extensions;
- recommended to Group Board Radian Developments Limited to become a member of Templecombe Bowden RD LLP;
- approved contracts for major development and regeneration activity and recommended to Group Board those schemes and projects that present a higher than usual risk or do not meet the approved development hurdles and/or Investment Strategy parameters;
- recommended to Group Board the Homes England Strategic Partnership bid for the Social and Affordable Homes Programme 2026 – 2036;
- received updates on affordable rents, disposals and sales.

Governance and Regulation (continued)

Our committees (continued)

Customer Committee

The Committee supports the Group Board by overseeing the quality and effectiveness of services provided to customers, with a particular focus on housing management, day-to-day repairs, customer service performance, and customer engagement. The Committee provides oversight from a group and regional perspective and seeks customer input and insight through regional panels and wider engagement groups to inform its decision-making. The Committee replaced the Customer Service and Performance Committee in September 2025. During the year the Committee met four times in the year and:

- reviewed customer feedback and Tenant Satisfaction Measures;
- monitored compliance with the Regulator of Social Housing's consumer standards and the Housing Ombudsman Code;
- scrutinised service delivery to ensure customer needs and regulatory expectations are being met;
- monitored complaints performance including Housing Ombudsman complaints performance;
- approved the Customer Annual Report 2025-26;
- recommended to Group Board the Services Strategy 2026-2031;
- received updates on allocations, Homecare and the Affinity Reading Joint Venture.

Integration Committee (formerly the Transition and Integration Committee)

The Committee was set up in 2025 to oversee the transition of Octavia Housing into the Abri Group; including performance recovery and integration in the period from the approval of the final business case to completion of the Transfer of Engagements (ToE) in February 2026. In April 2026 the Committee was renamed to the Integration Committee as the ToE milestone had been achieved, with attention focussed on the remaining operational activities from the closed recovery workstreams. During the year, the Committee met four times and:

- received regular updates from the Transition and Integration Working Group on the 9 recovery workstreams and approved workstreams for closure once recovery outcomes had been achieved;
- received updates on financial performance and key financial deliverables;
- monitored the Octavia recovery risks;
- monitored engagement with the Regulator of Social Housing on recovery and integration

Code of Governance

The Group operates under the National Housing Federation (NHF) Code of Governance 2020, under which we're compliant.

Independent benchmarking is used to determine total pay and reward and the Chief Executive is not involved in the decision-making process over his own remuneration.

All required disclosures and returns to the Regulator of Social Housing have been made and we've maintained the necessary registers, including Board Member declarations of interest and gifts and hospitality.

Governance and Regulation (continued)

Regulatory judgements

We maintained top gradings of G1 for governance and V1 for viability in November 2025, following a stability check by the Regulator of Social Housing (RSH). We've not yet been assessed by the RSH against the consumer standards.

Prior to joining the Abri Group, Octavia Housing was downgraded from G1 to G3 and from V2 to V3 in September 2023 and was given a C3 regulatory judgement in July 2024 which outlined failings in oversight, management and delivery in several areas of Octavia Housing's landlord health and safety responsibilities. Abri has continued to engage positively with the RSH while making the improvements required to address the failings in delivery of the outcomes of the consumer standards. The nine recovery workstreams that form the improvement plan were all completed and closed by April 2026.

Compliance with the regulatory standards

The Board has reviewed our performance against the economic and consumer standards, as set out in the RSH's Regulatory framework. The Board confirms we're fully compliant for the financial year ended 31 March 2026 and up to the date of signing of this report, with the exception of the historic gradings for Octavia Housing, as outlined in the paragraph above.

Risk and Internal Controls

Overview

Our Group Board has ultimate responsibility for establishing and maintaining a group-wide control framework from which each entity board can review the effectiveness of controls. No system of internal control provides absolute assurance nor eliminates all risk, but the control framework in place is designed to manage and reduce the risk of failing to achieve business and strategic objectives. Each board retains responsibility for the internal control system, but delegates responsibility to review its effectiveness to the Audit and Risk Committee.

In addition, the Group's internal control framework is designed to give reasonable assurance on the reliability of financial and operational information, the maintenance of proper accounting records, and the safeguarding of assets, all of which are integral to the achievement of the Group's strategic objectives. It focuses on the significant risks that threaten our ability to meet our objectives, effective customer outcomes (including their safety) and the safeguarding of assets. The internal control framework includes:

- Governing documents (Standing Orders and Financial Regulations) which are reviewed annually and provide clearly defined roles, responsibilities, and management, including a scheme of delegation;
- Policies including Treasury management, Investment, Anti-Corruption Framework and Whistleblowing;
- An Enterprise Risk Framework based on our risk appetite, annually approved by the Group Board;
- An Enterprise Risk Register which is formally reviewed on a quarterly basis but is subject to continuous update as risks evolve. Quarterly risk reporting is provided to the Executive Board, Audit and Risk Committee and the Group Board;
- An Emerging Risks Register (including both threats and opportunities) is maintained and reported to the Executive Board, Audit and Risk Committee and the Group Board;
- Horizon scanning over a 25-year period, incorporating sector and non-sector specific sources;
- Risk events are reported and studied; where risks have materialised for the business, they are subject to root cause analysis and any control weaknesses are addressed;

Risk and internal controls (continued)

Overview (continued)

- Assurance activities, including assurance mapping, the maintaining of an Asset and Liability Register, internal audit – using a hybrid model of an in-house team and external providers – and stress testing long term financial plans;
- A Fraud Register which is reported to the Audit and Risk Committee and Group Board and submitted to the Regulator annually;
- Annual Self-assessments of our compliance with the NHF Code of Governance, the Regulatory Standards, and all relevant law;
- Performance reporting, benchmarking, and accreditations, including:
  - KPI monitoring and scorecards (monthly at Executive Board and quarterly at Group Board)
  - Dedicated Performance Panel
  - Benchmarking with peers via services such as HouseMark
  - Moody's Credit Rating
  - Housing Quality Network Accreditation of Incomes
- Resident Scrutiny Group reports are presented to the Executive Board and Audit and Risk Committee; who in turn are responsible for reporting to the Group Board. The Chair of the Resident Scrutiny Group is also a member of the Audit and Risk Committee and the Customer Committee.

Our top risks

The following table gives an overview of the principal top risks the Group has identified and summarises the key controls in operation and mitigating actions that have taken place and or are underway.

Risk	Controls and assurance
Business systems may be compromised or inadequate	• Digital and Data Enabling Strategy and implementation plan to coordinate systems improvement • Rigorous permissions control • System controls to prevent escalation of breach • Firewalls including web and email filtering • Monthly security audits, internal and external penetration testing, phishing simulations • Monthly review of core infrastructure • Multifactor Authentication (MFA) for all users • IT Security Policy and annual training • Multiple system monitoring tools • Regular reporting on uptime and systems availability • Business Continuity and Disaster Recovery processes
The Octavia recovery plan and group wide Change portfolio are not delivered in line with stakeholder expectations (note: Transfer of Engagements from Octavia to Abri was achieved in February 2026).	• Detailed workstream planning • Business analysis • Change management • Executive ownership • Business ownership and leadership • Proactive horizon scanning • Project delivery • Assurance • Transformation and Integration Working Group and Committee • Third party assurance reporting

DIRECTORS' REPORT (continued)

Risk and internal controls (continued)

Our top risks (continued)

Risk	Controls and assurance
The business's data integrity may be inadequate	• Information Asset Owners and Data Leads • Compliance Team • Data Protection Training • Information Asset Register • Digital and Data Enabling Plan • KPI Framework • Insight Teams • Data minimisation Policy
Business policies, processes and procedures may not deliver effective customer outcomes	• Structured approach to policy review • Benchmarking and good practice reviews • Impact assessments • Resident involvement • Colleague training • Meaningful, proportionate and relevant consultation • Regulatory compliance checks • Lessons learnt from complaints and other feedback
The business may fail to deliver, or keep pace with, the required level of new housing stock	• Homes England Strategic Partnership • Development procedures • Development Appraisal • Tenure reviews • Quality Inspections • Investment Committee oversight
The political environment may not be conducive to the business's strategy	• Political monitoring and engagement • Crisis and issues management • Positive relationship with regulator • Diversified funding • Customer research • Proactive public affairs and public relations strategy • NHF membership
The business may fail to generate or collect sufficient income	• Tenancy support services including hardship and community funds • Robust reporting systems • Rent and service setting policies • Research and customer intelligence • Automation of rent actions • Due diligence and market testing for third party payment systems
Financial planning assumptions or modelling may be inaccurate	• Policies and Procedures • Performance Monitoring and benchmarking • Stress testing and Risk Management • Board and committee oversight • Internal analysis • External review, advice and accreditation
Critical suppliers may underperform or fail	• Procurement strategy • Credit review • Contract review meetings and review of KPIs • Procurement tender

Risk and internal controls (continued)

Risk management development

The Group recognises that as the business evolves, so must its risk management framework. To ensure that we continue to enhance and leverage our risk management capabilities the Group will continue to develop its enterprise-wide risk management approach.

Directors' indemnities

Directors' and Officer's insurance cover has been established for all Directors to provide appropriate cover, indemnifying them against liability when acting for the Group. The indemnities were in force during the 2025/26 financial year and remain in place for all current and past Directors of the Group.

Group Board's statement on effectiveness of internal control

The Audit and Risk Committee received assurance from the Executive Board on 30 June 2026 on the effectiveness of internal controls that have operated during 2025/26, via a self-assessment process signed off by the Executive Board.

The Group Board received assurance from the Audit and Risk Committee on 25 June 2026 that the system of internal controls has operated effectively during 2025/26, and that there have been no significant control weaknesses identified or breakdown in internal controls resulting in material losses, contingencies or uncertainties which would require disclosure in the financial statements during the year.

Overall, performance of our internal audit programme has been strong across the year providing a significant level of assurance across the Group. Of the 21 internal audits this year, one received a rating of 'no assurance'. This was in relation to the rent setting processes at Octavia Housing before it joined Abri and this rating was expected. 'Partial assurance with improvements required' was the result of the supply chain due diligence audit. In line with the Financial Reporting Council's Guidance on Audit Committees, the Audit and Risk Committee consider the Committee to be independent, and effective.

Capital and Treasury Management

Introduction

The Group and Society are financed by a combination of revenue reserves, long-term loan facilities, bond finance, and Social Housing Grant received from the government.

Abri has a comprehensive Treasury Management Policy with tests that apply to the Group as a whole. The policy requires the Group to maintain a minimum level of liquidity such that there is:

- sufficient cash and cash equivalents to cover three months of forecasted cash requirement;
- sufficient liquidity to cover 18 months' net cash requirement, before new funding; including sales receipts, from approved schemes (but not pipeline and aspirational development), and with the assumption that forecast sales, Joint Venture receipts are reduced by 50%; and
- no over-reliance placed on any one counterparty, whether through cash holdings or available facilities

Capital and Treasury Management (continued)

Capital structure

On 31 March 2026, the Group's borrowings amounted to £2,054.6m of nominal drawn debt (2025: £1,904.6m) of which £85.0m (2025: £77.8m) is due to be paid within the next year. The Society's borrowings amounted to £1,752.3m of nominal drawn debt (combined 2025: £1,592.6m) of which £79.1m (combined 2025: £72.0m) is due to be paid within the next year.

Own named bonds

Our own-named bonds are issued by Radian Capital plc and Yarlington Treasury Services plc, with proceeds received being on-lent to Abri Group Limited.

Issuer	Radian Capital	Radian Capital	Radian Capital	Yarlington Treasury Services
Name	2042	2044	2049	2057
Coupon	6.000%	4.622%	5.029%	3.410%
Nominal Issued	£100m	£100m	£200m	£120m
Sold to date	£100m	£30m	£200m	£120m
Received to date	£100m	£30m	£200m	£120m
Unsold	-	£70m	-	-
Repayable	Expiry	Instalments	Expiry	Instalments

Other loans and borrowings

The Group has several bonds which are repayable in both single and multiple instalments, subject to fixed nominal rates of interest of between 1.05% and 11.09%. The Group also has various bank loans which are repayable in both single and multiple instalments, subject to nominal rates of interest linked to SONIA. Additionally, the Group has two Homes England loans which are repayable as single instalments, subject to an increasing fixed nominal rate of interest.

Risks

- **Interest rate risk** is the risk that the Society is unable to service its loans and borrowings due to rises in interest rates. The Society manages interest rate risk through the requirements laid out in the Treasury Management Policy, including entering into interest rate swaps to fix a proportion of floating rate debt;
- **Liquidity risk** is the risk that the Society is unable to service its loans and borrowings, or meet repayment liabilities as they fall due, owing to insufficient cash. The Society manages liquidity risk through the requirements laid out in the Treasury Management Policy, including requirements for minimum levels of cash or immediately available facilities;
- **Counterparty credit risk** is the risk that the Society is unable to access cash deposits due to failure of counterparties. The Society manages counterparty credit risk by regularly monitoring and reviewing the credit rating of counterparties through the requirements laid out in the Treasury Management Policy;
- **Market risk** is the risk that the Society is unable to refinance loans and borrowings at an acceptable interest rate as they mature. The Society manages market risk by modelling the impact of interest rate rises in its long-term forecast and identifying mitigating actions; and
- **Currency risk** is not applicable as the Society borrows and invests surplus funds only in sterling.

Capital and Treasury Management (continued)

Interest rate management

Most of the Group's borrowings consist of fixed rate bonds and bank funding at both fixed and floating rates of interest. A subset of our bank loans has embedded interest rate swaps that run for all or part of the loan term. There are also three standalone interest rate swap arrangements, and they're considered effective hedges with fair value movements taken through cash flow reserve.

Within the Group, total debt of nominal £2,054.6m, on 31 March 2026 consisted of 76% at fixed rates; of which £1,036.5m was fixed interest bonds, £431.7m was made up of embedded interest rate swaps, £102.0m was from the standalone interest rate swap, and £0.6m was fixed rate Homes England loans. The interest rate swaps run for all, or part, of the loan term. There are no options in our portfolio.

Within the Society, total debt of nominal £1,748.3m, on 31 March 2026 consisted of 75% at fixed rates; of which £931.3m was fixed interest bonds, £276.3m was made up of embedded interest rate swaps, and £102m was from the standalone interest rate swap. The interest rate swaps run for all, or part, of the loan term. There are no options in our portfolio.

Financial loan covenants compliance

Financial loan covenants are primarily measured by EBITDA MRI interest cover, gearing ratios, intra-group support, asset cover based on property asset values, and debt service and income tests. Covenants are continually monitored and reported to our Executive Board, Performance Panel and Investment Committee. There were no breaches of financial covenants during the year.

Surplus assets for future debt security

On 31 March 2026 the Group had £1,837.8m (Society: £1,497.6m) unsecured completed housing properties not required for charging to existing debt facilities. These are sufficient for the Group to raise over £1,778.6m (Society: £1,415.0m) of future new debt assuming asset cover ratios of: 105% for Existing Use Value as Social Housing (EUV-SH) for social properties and 120% for Market Value Subject to Tenancies (MV-T) for market rent properties.

Future funding options

On 31 March 2026, the Group had £484.1m (Society: £462.5m) in available liquidity. This comprised £91.2m (Society: £74.6m) of immediately available cash and cash equivalents and £392.9m (Society: £387.9m) in revolving credit facilities and undrawn term loan facilities. The Group had £70m of retained bonds held for future sale. This is sufficient to fund the Group over the 21 months from the date of this report.

Moody's credit rating

Moody's review Abri's credit rating by looking at the Group as a whole. In December 2025 Moody's confirmed that Abri has retained its A3 stable credit rating, reflecting the organisation's strength and ongoing resilience. The announcement follows the retention of Abri's G1/V1 rating from the Regulator of Social Housing.

Colleagues

Colleague numbers

The Group directly employed an average of 2,264 (2025: 1,978) full-time equivalent colleagues during the financial year, calculated on standard working hours per week for each colleague.

In January 2026, all employees of Octavia Housing moved to The Swaythling Housing Society via a Transfer of Undertakings (Protection of Employment), prior to the completion of the Transfer of Engagements of Octavia to Abri in the following month. Effective from this date, Swaythling once more became the sole employing entity in the Group.

Values and behaviours

We set the highest standards for ourselves and our colleagues and everything we do aligns with this. The following values and behaviours unite us in our shared duty as a housing provider:

- **Be the difference** - Abri is all about doing the right thing for our customers, for each other, and for everyone. We believe in the difference we make and stand up for it every day
- **Always curious** - we're always learning, that's how we grow. We try new things and love the opportunities that change brings
- **Achieving together** – we're one Abri. Everyone, united across the business, working together to deliver our purpose
- **Own it openly** - we trust and respect each other and work together in an open, honest way
- **Embrace possibility** - change makes everything possible. But you have to lead it, drive it and embrace it with positive energy. That's how we'll spot our opportunities, step up and make them happen

Equality, Diversity and Inclusion (EDI)

Abri is committed to providing equal opportunities to our employees, underpinned by a working environment that is inclusive and free from discrimination or harassment. The Group is flexible and considers all reasonable requests from existing and prospective employees in relation to any disability, impairment or change in circumstance. The organisation collects colleague and customer data on protected characteristics to support a data driven and intelligence led approach to EDI and helps raise awareness of our commitment to EDI among colleagues, customers, and stakeholders. Our approach to EDI is also supported by learning and development opportunities.

The EDI Group meets quarterly to discuss inclusion priorities and identify good practice and innovation that support our EDI journey. Under the guidance of the Independent Chair, the meeting format has been refined to provide more dedicated time to focus on strategy and outcomes.

During the year, Abri progressed a strategic reset of our EDI priorities, reaffirming three key objectives that will guide its work: strengthening its connection with the diverse communities it serves, establishing Abri as a landlord and employer of choice for disabled residents and colleagues, and deepening our understanding of how protected characteristics influence experiences of homelessness. This reset sets out multi-year commitments to improve data insight, expand engagement with seldom-heard groups, enhance service accessibility, deliver targeted training, undertake accessibility audits, and collaborate with external partners on research into inequalities in housing access. These expanded definitions will be integrated into workplans and inform the development of the organisations new inclusion strategy ensuring EDI is fully embedded across the organisation and continues to shape how we design and deliver inclusive services.

Equality, Diversity and Inclusion (EDI) (continued)

Our EDI Champions meet every two months and play a key role in promoting, celebrating, and raising awareness of EDI issues across Abri. They support the recognition of notable dates and provide a valuable point of insight when developing new EDI initiatives across the organisation.

This year, Abri introduced new staff networks for LGBTQ+ colleagues, building on the support already available for colleagues with disabilities or chronic illnesses, as well as our menopause support group. The organisation is drawing on the experience of our legacy Octavia colleagues to establish sustainable and impactful networks, taking lessons from the existing Black staff network (Uplift). Over the coming year, Abri plans to further expand this offer by creating additional staff networks to support our neurodiverse colleagues.

As the organisation continues to advance our Equality, Diversity and Inclusion journey, we remain committed to creating an environment where every colleague feels respected, represented and able to thrive.

Health, Safety and Wellbeing

The health, safety and wellbeing of our customers and colleagues is critical to everything we do. Our governance structure maintains comprehensive oversight of our performance to ensure that we're meeting statutory and regulatory obligations and driving a best practice approach to addressing the risks associated with our operations to help deliver our strategic objectives.

We're a signatory of the Building Safety Charter and we were awarded a 'Certificate of Commitment and Progress – Building Safety Stage One: Leadership and Culture' as a Building Safety Champion. We're also a corporate member of the Association of Safety and Compliance Professionals, helping us keep up to date with all current landlord safety developments and requirements.

To ensure compliance with the provisions of the Building Safety Act 2022, and secondary legislation we have Building Safety Team in the Strategic Asset directorate. There is a dedicated team of Building Safety Managers for all of the higher risk buildings (HRB) as defined by the Act where Abri is either the Principal Accountable Person or Accountable Person.

The team manage all requirements of the HRB regulatory regime and carry out fire door checks within these buildings.

The programme of works to remediate unsafe external wall systems (EWS) within the London region is managed by the building safety team, as well as the interim management of the risks. The reporting requirements of Homes England via the Cladding Safety Scheme portal is managed by the team.

In accordance with the requirements of the Building Safety Act 2022 and associated secondary legislation, Abri has continued to strengthen its Building Safety functions throughout the year. A dedicated Building Safety Team, based within the Strategic Asset Directorate, is responsible for ensuring compliance across all Higher-Risk Buildings (HRBs) for which Abri acts as the Principal Accountable Person or an Accountable Person.

During the year, the team has managed all regulatory obligations for HRBs, including oversight of safety case reports, resident engagement duties, and the completion of fire door inspections. In addition, the team continues to oversee the programme of works to remediate unsafe external wall systems (EWS) across the London region, alongside the interim management of associated building safety risks. Reporting to Homes England via the Cladding Safety Scheme portal is also coordinated and managed by the team.

Health, Safety and Wellbeing (continued)

Monitoring and reporting

Scrutiny of all landlord safety compliance data is undertaken by the Landlord Safety Department, providing assurance regarding our ongoing compliance with statutory requirements. Heightened monitoring and data validation is a continuous process.

Assurance validation and reporting is through:

- ongoing analysis in parallel to the operational programmes being performed
- a standardised automated reporting platform and exception identification
- monthly formal meetings with operations teams and live informal interactions if any abnormal behaviour/data is seen
- monthly Fire and Building Safety operational Group meetings
- Landlord Safety Compliance reporting to the Performance Panel, Executive Board, Customer Committee and Group Board.

Abri also runs audit programmes using external providers to gain further assurance, including TIAA, NICEIC and CORGI. All these measures ensure that we remain up to date with all current landlord safety requirements and assurance.

The Building Safety Act 2022 and Social Housing (Regulation) Act 2023

To ensure compliance with the provisions of the Building Safety Act 2022, and to address the requirements of the Social Housing (Regulation) Act 2023, we have:

- a Landlord Safety Department monitoring and verifying our fire, legionella, LOLER, asbestos, gas, and electrical safety compliance activities; with a data compliance expert driving continuous improvement through data validation and exception reviews across our housing management systems
- A dedicated Fire Safety Department focussed on managing our fire risk assessments, resolving remediation works and any major fire related projects.
  The department is led by Assistant Director of Homecare Fire Safety with a diploma in Building Surveying who's also a Member Chartered Building Engineer (MCABE). Abri has appointed Hampshire & Isle of Wight Fire Rescue Service as Primary Fire Authority
- a Property Care Department resolving legionella, LOLER and asbestos obligations, addressing the general maintenance of our property portfolio and lead by an asset management expert
- a Safer Homes Department focussed on gas and electrical safety compliance, led by an electrical safety expert
- a Heathy Homes Department resolving damp and mould cases in customers' homes
- a Building Safety Department focussed on total oversight of buildings over 18m in height, being the interface to the Building Safety Regulator, ensuring all registrations are completed, delivering a portfolio of building safety cases, and being the facilitator across all internal directorates to ensure the ongoing safety of our customers
- front line staff in our development and home care functions with responsibility for building safety compliance and proactively reporting issues, such as damp and mould

Abri's overall approach to delivery of landlord safety is led by our Commercial Services Director, an expert in building maintenance and repair with extensive experience in the housing sector.

Health, Safety and Wellbeing (continued)

Fire Safety (England) Regulations 2022

To meet the requirements of the Fire Safety (England) Regulations 2022, we've provided details of our external wall systems to the relevant local fire and rescue services for all buildings greater than 18m in height/7 storeys. Annual fire risk assessments are carried out on all buildings over 18m in height/7 storeys or complex in nature. Fire risk assessments for general needs, medium to low rise stock are undertaken every three years, unless issues have been identified that mean annual assessments are required due to the level of risk or the vulnerability of customers in the property. We have an internal team of competent inspectors that perform flat and communal fire door inspections in all +11m blocks.

Secure information boxes remain installed in all 18m+ buildings, as per requirements, containing all required building information. We also have an ongoing annual program to inform our customers of fire related information specific to their residence.

Fire Safety (Residential Evacuation Plans) (England) Regulations 2025

To meet the requirements of the Fire Safety (Residential Evacuation Plans) (England) Regulations 2025 that came into effect 6 April 2026 we have introduced procedures for identifying customers who may struggle to self-evacuate, introduced RPEEPs and identified our buildings '11-18m+ with simultaneous evacuation', with SIB boxes ordered and being installed.

Damp and mould

Abri has a robust approach to assessing damp and mould, and we're committed to acting quickly to get to the root cause of any problem identified. Our aim is to prevent cases becoming a category 1 or 2 hazard and proactively identify and minimise any impact on our customers. We have:

- A dedicated Heathy Homes Department with a team of surveyors who monitor and provide oversight on disrepair cases through site inspections and weekly disrepair meetings
- A timely response to complex repair cases and emergency situations from our operational teams, with oversight and co-ordination from our Quality Assurance Department
- An operational Service Improvement Group which meets monthly to ensure a co-ordinated companywide approach to service improvements
- An established contractual partnership with an independent damp and mould specialist to survey and provide independent reports
- Internal damp and mould operatives in each geographical area
- A process that ensures every void property is reviewed, to assess its suitability for ventilation systems and, if required, fit appropriate systems prior to a new tenancy starting
- Damp and mould awareness training with our contact centre and frontline colleagues to enable them to identify and prioritise cases in line with Awaab's Law.
- A companywide 'See Something, Say Something' campaign, empowering all colleagues and external contractors to report anything they see which isn't right in our homes and neighbourhoods
- Stock condition surveys on a 5-year rolling programme
- Created a predictive model of households which are most likely to have damp and mould so we can proactively contact customers most at risk.
- A reporting scorecard that provides a holistic view of damp and mould cases across our property portfolio and tracks progress of remedial actions
- Landlord Safety Compliance reporting to the Performance Panel, Executive Board, Customer Committee and Group Board

Health, Safety and Wellbeing (continued)

Safety and Resilience Strategy

The strategy addresses our obligations under the Health and Safety at Work Act 1974 and Food Safety Act 1990 and other relevant statutory provisions, including The Management of Health and Safety at Work Regulations 1999 and the Equality Act 2010. The Strategy also addresses the need to ensure that our business continuity and emergency planning programmes exist to mitigate risks and any impacts associated with disruptions to our services. As such, we'll always seek to minimise such risks to the lowest practical level.

Acquisition of Own Shares

No Group entities have been party to the acquisition of shares in fellow subsidiaries in the current or prior year.

Post Balance Sheet Events

On 26 June 2026, a commitment letter for additional borrowing was executed with an initial period of three months, providing Abri Group Limited with access to an additional £300m of liquidity; access to funds is contingent on the signing of a Senior Finance Agreement.

On 1 July 2026, Abri Group Limited and Curo Group (Albion) Limited announced that they are exploring options to form a new partnership. A final decision is expected later in the year, following a formal consultation with customers and the agreement of both Boards to the final business case.

Going Concern

In recent years, several factors – a global pandemic, followed by Russia's invasion of Ukraine, both significant contributors to the resulting cost of living crisis and the consequential rise in interest rates – have all significantly impacted going concern assessments. Whilst the significance of some factors have reduced, others – notably geo-political instability, re-heightened by conflict in the Middle East, and the emerging economic uncertainty - remain at the forefront of our short-term decision making. The gradual downward trend in inflation and anticipated cuts to interest rates are now far from certain and we remain vigilant of the impact on operations in the coming months.

We've continued to adapt to new legislation and compliance requirements, from the Social Housing (Regulation) Act 2023, Awaab's Law and regulations around fire safety, to the Tenant Satisfaction Measures, alongside reformed ownership models in the form of affordable rent and shared ownership. No single factor has a material impact on our financial results this year; nevertheless, they remain key considerations in setting our budgets for the financial year ahead and, more significantly, in our long-term plans.

The assumptions in our business plans – interest rates, inflation, demand for property and legislative impact amongst others – are subjected to a range of stress testing to identify areas of risk or concern, with a particular focus on continued covenant compliance and appropriate mitigation – such as fixing interest rates or exploring new methods of delivery of housing supply – where possible. Our forecasting is evaluated against several key performance indicators, with overlap to those reviewed by external parties. such as the Regulator of Social Housing and credit referencing agencies.

Going Concern (continued)

The Board has prepared cashflow forecasts covering a period of 20 months from the date of approval of these financial statements. Given the strength of our financial position and availability and liquidity of undrawn loan facilities, the Board believes that there are no material uncertainties that cast doubt on the Group or Society's ability to continue, as a going concern, as we're well placed to absorb the impact of changes that lay ahead.

The Board, therefore, have a reasonable expectation that the Society has adequate resources to continue to operate for a period of at least 12 months from the approval of these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure of Information to Auditor

At the date when this report is approved, each of our Board Members confirm the following:

- So far, as each Board Member is aware, there's no relevant audit information needed by the Group's auditor in connection with preparing their report, of which the Group's auditor is unaware
- Each Board Member has taken all the steps that they ought to as Board Members to make themselves aware of any relevant audit information needed by the Group's auditor in connection with preparing their report and to establish that the Group's auditor is aware of that information

External Auditor

The Groups' current statutory auditor, BDO LLP, has served 10 years since appointment in 2017, so in accordance with the statutory requirements for Public Interest Entities (PIEs) regarding mandatory audit firm rotation, a formal tender process was conducted during the year, led by the Audit Committee.

A resolution to appoint Ernst & Young LLP as the Society's statutory auditor for the financial year ending 31 March 2027 will be proposed to shareholders at the forthcoming Annual General Meeting. The Board extends its thanks to BDO LLP for their independence, objectivity, and professional service throughout their tenure.

Approval of the Board

The Directors' Report was approved by the Board on 16 July 2026, and signed on its behalf by:

David Montague
Director

STATEMENT OF THE BOARD'S RESPONSIBILITIES

Our 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 requires Board Members to prepare financial statements for each financial year. Under that law, our Board Members have elected to prepare the Society's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, 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 have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it's inappropriate to presume that the Group and Society will continue in business

Our Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions. They're to disclose, with reasonable accuracy at any time, the financial position of the Society and enable it to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Communities 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're also responsible for safeguarding the assets of the Society and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board Members are 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'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's website is the responsibility of Board Members. Our Board Members responsibility also extends to the ongoing integrity of the financial statements contained therein.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABRI GROUP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group and of the Society's affairs as at 31 March 2026 and of the Group and the Society's surplus and the Group's cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Abri Group Limited ("the Society") and its subsidiaries ("the Group") for the year ended 31 March 2026, which comprise the following:

- Group statement of comprehensive income
- Society statement of comprehensive income
- Group statement of financial position
- Society statement of financial position
- Group statement of changes in reserves
- Society statement of changes in reserves
- Group statement of cash flows
- Notes 1 to 36 to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Society 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 as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Society and we remain independent of the Group and the Society in conducting our audit.

In addition to the statutory audit, the firm has performed agreed upon procedures in respect of loan covenant compliance, Right to Buy transactions, Homes England grant certifications, Warmer Homes grant reporting, and compliance with requirements under the EMTN Bond Programme. These services are considered permissible under the applicable ethical and independence standards and have not impaired our independence.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABRI GROUP LIMITED (CONTINUED)

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. Our evaluation of the Board's assessment of the Group and the parent Society's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern.
- We assessed the internal forecasting process to confirm the projections are prepared by appropriate personnel that are aware of the detailed figures in the forecast and also have a high level understanding of the Group's market, strategy and profile in the customer base, and the potential impact that current economic pressures might have on these projections.
- We challenged the key assumptions used by management in the preparation of their forecasts based on our knowledge of the business and the general economic environment.
- We tested the mechanical accuracy of the forecasts, assessing historical forecasting accuracy and understanding management's consideration of downside sensitivity analysis.
- We assessed scenarios modelled by management which included a range of stress tests to analyse the impact of risks from the persistent inflationary pressures, elevated interest rates and refinancing costs, increased regulatory and compliance requirements (including building safety and environmental standards), and wider economic uncertainty affecting tenant affordability and arrears. We challenged the assumptions used and available mitigating actions included within these scenarios and reviewed the stress test calculations.
- We obtained details of and assessed the availability of financing facilities, including the nature of facilities, repayment terms and financial covenants. We considered management's financial covenant compliance calculations through to March 2028 and concluded on the consistency of such calculations with the ratios stated in the relevant lender agreements. We assessed the facility and covenant headroom calculations and re performed sensitivities on management's base case and stressed case scenarios.
- We considered the development plan over the going concern period and specifically the availability of funding for contracted commitments within the plan.
- We considered the adequacy of the disclosures in the financial statements against the requirements of the accounting standards and consistency of the disclosure against the forecasts and stress test scenarios.

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 the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Society's ability to continue as a going concern.

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

Overview

Key audit matters		**2026**	**2025**
	Management override of controls	✓	X
	The recoverable amount of property developed for sale is materially misstated.	X	✓
	Accounting for business combinations in the year	X	✓
	Following changes to our assessment of the risk of misstatement of the property developed for sale balance at year end, we no longer classified any of the schemes as having significant risks in the estimate of selling price or costs to complete and sell. Accounting for business combinations in the year is no longer considered to be a key audit matter because this was a one off transaction that occurred in the prior year.		
Materiality	*Group financial statements as a whole:* £83.0m (2025: £57.2m) based on 1.8% (2025: 1.3%) of total assets		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The group is highly centralised with 12 components all based in the UK, in the same location, and all subject to group management oversight.

Components (apart from the joint ventures, which do not contribute to Group risks) have the same accounting function and Group management and therefore are subject to a common control environment. For our scoping assessment, we identified components as legal entities, aligned with statutory audit requirements in the UK.

To determine components in scope, we performed risk assessment procedures to identify areas in the Group's financial statements that may be at risk of material misstatement. We used both qualitative and quantitative factors to perform this assessment including evaluating the size, complexity, and nature of each entity's activities, reviewing significant transactions or estimates and any changes in the business environment.

We identified the specific areas that could lead to a material misstatement at Group level. As part of our Group audit, we assessed each component against the risks of material misstatement identified.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included procedures on the entire financial information of the component, including performing substantive procedures.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABRI GROUP LIMITED (CONTINUED)

An overview of the scope of our audit (continued)

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Procedures were performed on the entire financial information of Abri Group Limited and Swaythling Housing Society Limited. We identified a further four components that required audit procedures over specific financial statement areas due to the extent to which certain financial statement areas within these components contributed to the identified Group risks of material misstatement.

The remainder of the components were not identified as contributing to identified Group risks of material misstatement and the financial information of these components were principally subject to analytical review procedures performed by the Group audit team.

The Group engagement team has performed all procedures directly and has not involved component auditors in the Group audit.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting, commonality of controls and similarity of the group's activities and business lines in relation to going concern and building safety. We therefore designed and performed procedures centrally in these areas.

The group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Changes from the prior year

We identified four components requiring audit procedures over specific financial statement areas, compared to six such components in the prior year, reflecting changes in the relative contribution of components to the identified Group risks of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABRI GROUP LIMITED (CONTINUED)

An overview of the scope of our audit (continued)

Key audit matters (continued)

Key audit matter		How the scope of our audit addressed the key audit matter
Management override of controls	Management has the ability to manipulate accounting records and override controls that otherwise appear to be operating effectively. We are required to consider this as a significant risk of material misstatement due to fraud. Our risk assessment indicates that the areas of the accounting records most susceptible to management override are journal postings and significant accounting estimates. Given the level of work performed on the estimates testing in the current year, as well as the senior resource allocated to these areas we have considered this to be a key audit matter.	Our audit procedures included the following: • We obtained a complete list of journals and, using information gathered during the audit and our understanding of the Group and entity, we defined risk criteria for unusual journals and then tested those journals that meet the risk criteria by agreeing to supporting documentation. • Additionally, we tested a random sample of the remaining journals by agreeing them to supporting documentation. • A critical review of the consolidation and, in particular, manual or late journals posted at consolidated level. • Review of unadjusted audit differences for indications of bias or deliberate misstatement. • Performed retrospective reviews to assess the historical accuracy and reliability of management's judgments and accounting estimates, and to evaluate the effectiveness of the estimation process. • We evaluated the reasonableness of the judgments and estimates made by management, using benchmarking and experts, including but not limited to: o Reviewing potential impairment indicators across housing schemes and challenging management's assessment of whether impairment was required. o Reviewing management's impairment assessments for a sample of properties developed for sale schemes, including testing key assumptions relating to forecast sales values and costs to complete using historical performance, third-party evidence and discussions with management. o Benchmarking useful economic lives against sector peers and assessing whether component replacement activity indicated a need to revisit management's assumptions. o Assessing the reasonableness of first tranche sales assumptions through comparison to historical and post year-end sales activity and considering the

Key audit matter		**How the scope of our audit addressed the key audit matter**
		resulting accounting impact. o Reviewing depreciation policies and key assumptions relating to leasehold land and shared ownership properties, including assessing the appropriateness of management's accounting treatment. o Developing an independent expectation for rent debtor provisions using cash collection performance and comparing this with management's estimate. o Engaging pension specialists to support our assessment of pension assets, liabilities and related actuarial assumptions. **Key observations:** We noted no material exceptions through performing these procedures.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		**Parent Society financial statements**	
	2026 £m	**2025 £m**	**2026 £m**	**2025 £m**
Financial statement materiality				
Materiality	£83.0m	£57.2m	£67.4m	£37.7m
Basis for determining materiality	1.8% of total assets	1.3% of total assets	1.8% of total assets	1.3% of total assets
Performance materiality	£62.3m	£42.9m	£50.6m	£28.3m
Basis for determining performance materiality	75% of materiality	75% of materiality	75% of materiality	75% of materiality
Specific materiality				
Specific materiality	£10.3m	£6.8m	£8.7m	£5.2m
Basis for determining specific materiality	2.3% of revenue	1.8% of revenue	2.3% of revenue	1.8% of revenue
Specific performance materiality	£7.7m	£5.1m	£6.5m	£3.9m
Basis for determining specific performance materiality	75% of materiality	75% of materiality	75% of materiality	75% of materiality

Rationale for the benchmarks applied

A housing society's key stakeholders are primarily focused on the value of the stable, rented asset portfolio, as their debt is secured on these assets. Total assets is therefore considered to be the appropriate benchmark for determining overall materiality. However, we also determined that for other classes of transactions and balances in income and expenditure recognised within the statement of comprehensive income that are used in covenant calculations and sector benchmarking metrics, as well as other financial statement areas such as properties for sale and rent arrears that are subject to greater scrutiny by key stakeholders, a misstatement of less than materiality for the financial statements as a whole could influence the economic decisions of the users of the financial statements. As a result, we applied a specific materiality calculated using Revenue as the benchmark to these balances and transactions.

We have determined that 75% of materiality is an appropriate basis for performance materiality based on our previous experience of the audit and factors such as the low levels of misstatements previously identified partially offset by some areas of the financial statements being subject to significant estimation uncertainty.

Our application of materiality (continued)

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Society, whose materiality and performance materiality are set out above, based on a percentage of between 75% and 80% of Group performance materiality dependent on a number of factors including size and our assessment of the risk of material misstatement of those components. Overall component performance materiality ranged from £46.7k to £56.0m, specific performance materiality ranged from £4.5m to £5.4m.

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £4.2m (2025: £2.0m) in relation to financial statement materiality and £515k in relation to specific materiality (2025: £238k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

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

In preparing the financial statements, the Board are responsible for assessing the Group and the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Group or the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Society and management.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the industry in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be 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. The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Regulator of Social Housing's Regulatory Standards, employment law, fire safety legislation, data protection and health and safety legislation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABRI GROUP LIMITED (CONTINUED)

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

Non-compliance with laws and regulations (continued)

Our procedures in respect of the above included:

- enquires of management whether there were any litigations and claims;
- enquires of the legal team of the Group and the Society;
- review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

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

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
    - detecting and responding to the risks of fraud; and
    - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through accounting estimates and inappropriate journal entries.

Our procedures in respect of the above included:

- testing journal entries throughout the year that met defined risk criteria, as well as a random sample, by agreeing to supporting documentation;
- involvement of forensic specialists in the audit at the planning stage to challenge our planning review and the assumptions we were making over the areas fraud would most likely be perpetrated;
- challenging assumptions made by management in their significant accounting estimates, in particular in relation to the indicators of impairment of housing assets, defined benefit pension scheme, useful economic lives, recoverable amount of property developed for sale, rent debtor provision, and the apportionment of costs between first tranche and retained equity elements of shared ownership properties.

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

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

Fraud (continued)

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

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

Other matters which we are required to address

Following the recommendation of the Audit and Risk Committee, we were first appointed by the Board to audit the financial statements for the year ending 31 March 2017 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is ten years, covering the years ending 2017 to 2026.

Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the members of the Society, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society'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 Society and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
C7998D5EC4924F4...

BDO LLP
Statutory Auditor
London
24 July 2026

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

GROUP STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Turnover	3	447,407	376,545
Cost of sales	3	(52,827)	(48,123)
Operating costs	3	(312,286)	(272,943)
Surplus from disposal of fixed assets	3	40,822	29,473
Operating surplus		**123,116**	**84,952**
Finance income	4	13,202	9,795
Finance costs	5	(82,882)	(64,416)
Loans written off		(141)	(1,753)
Fair value movement on financial instruments	17	(163)	(69)
Fair value movement on investment properties	13	(1,263)	(971)
Share of surplus in jointly controlled entities	15	(993)	2,849
Gift arising from business combination	36	-	436,923
Surplus on ordinary activities before tax	**6**	**50,876**	**467,310**
Tax (charge)/credit for the year	7	(15)	1,406
Surplus on ordinary activities after tax		**50,861**	**468,716**
Other comprehensive income			
Actuarial gains on defined benefit pension schemes	26	1,293	4,358
Tax credit recognised in other comprehensive income	7	-	(675)
Fair value movement on cash flow hedge	31	1,129	2,108
Total comprehensive income		**53,283**	**474,507**

All activities derive from continuing operations.

The notes on pages 71 to 131 form part of these financial statements.

SOCIETY STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2026

	Note	2026 £'000	Combined 2025 £'000
Turnover	3	378,478	359,741
Cost of sales	3	(47,979)	(44,910)
Operating costs	3	(265,159)	(272,169)
Surplus from disposal of fixed assets	3	36,474	22,798
Operating surplus		**101,814**	**65,460**
Finance income	4	14,001	10,491
Finance costs	5	(69,403)	(61,845)
Loans written off		(141)	(1,753)
Fair value movement on financial instruments		(155)	-
Fair value movement on investment properties	13	(1,190)	(545)
Distributions from jointly controlled entities	15	624	444
Return of donor properties		-	(9,033)
Gift Aid	27	10,886	23,253
Surplus on ordinary activities before tax	6	**56,436**	**26,472**
Tax charge for the year	7	(13)	-
Surplus on ordinary activities after tax		**56,423**	**26,472**
Other comprehensive income			
Actuarial gains on defined benefit pension schemes	26	1,013	170
Fair value movement on cash flow hedge	31	1,129	2,595
Total comprehensive income		**58,565**	**29,237**

All activities derive from continuing operations.

The notes on pages 71 to 131 form part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Intangible assets	10	-	50
Housing properties	11	4,190,276	3,932,956
Other fixed assets	12	26,729	28,233
Investment properties	13	70,381	76,344
Equity loans	14	24,450	25,987
Investments	15	1,867	1,605
		4,313,703	**4,065,175**
Current assets			
Properties for sale	16	89,603	114,813
Inventories		1,514	1,009
Receivables – amounts due within one year	17	54,136	50,687
Receivables – amounts due after one year	17	87,044	86,844
Cash at hand and in bank		91,180	103,160
		323,477	**356,513**
Payables: amounts due within one year	18	(220,489)	(199,358)
Net current assets		**102,988**	**157,155**
Total assets less current liabilities		**4,416,691**	**4,222,330**
Payables: amounts due after one year	19	(1,953,166)	(1,808,303)
Investment provisions	15	(2,926)	-
Provisions	21	(10,349)	(9,639)
Deferred Capital Grant due after one year	23	(759,409)	(761,260)
Equity loan grant	14	(20,031)	(21,203)
Pension liability	26	(9,863)	(14,258)
Net assets		**1,660,950**	**1,607,667**
Capital and reserves			
Share capital	28	0	0
Revenue reserve		1,542,436	1,487,492
Revaluation reserve		116,797	119,587
Cash flow hedge reserve	32	1,717	588
Group funds		**1,660,950**	**1,607,667**

The notes on pages 71 to 131 form part of these financial statements. The consolidated financial statements of Abri Group Limited, registered society number 8537, on pages 64 to 131 are approved by the Board and authorised for issue on 16 July 2026, signed on its behalf by:

David Montague	**Sarah Smith**	**Gemma Burton-Connolly**
Director	Director	Company Secretary

SOCIETY STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

	Note	2026 £'000	Combined 2025 £'000
Fixed assets			
	10	-	50
Housing properties	11	3,371,653	3,138,058
Other fixed assets	12	15,163	16,247
Investment properties	13	35,573	36,641
Investments	15	5,346	5,346
		3,427,735	**3,196,342**
Current assets			
Properties for sale	16	77,018	94,684
Receivables – amounts due within one year	17	44,096	52,137
Receivables – amounts due after one year	17	119,604	111,394
Cash at hand and in bank		74,599	72,726
		315,317	**330,941**
Payables: amounts due within one year	18	(162,480)	(148,358)
Net current assets		**152,837**	**182,583**
Total assets less current liabilities		**3,580,572**	**3,378,925**
Payables: amounts due after one year	19	(1,724,184)	(1,576,697)
Provisions	21	(10,349)	(5,376)
Deferred Capital Grant due after one year	23	(618,987)	(626,592)
Pension liability	26	-	(1,467)
Net assets		**1,227,052**	**1,168,793**
Capital and reserves			
Share capital	28	0	0
Revenue reserve		978,443	916,561
Revaluation reserve		245,663	250,415
Cash flow hedge reserve	32	2,946	1,817
Society's funds		**1,227,052**	**1,168,793**

The notes on pages 71 to 131 form part of these financial statements. The consolidated financial statements of Abri Group Limited, registered society number 8537, on pages 64 to 131 are approved by the Board and authorised for issue on 16 July 2026, signed on its behalf by:

David Montague	**Sarah Smith**	**Gemma Burton-Connolly**
Director	Director	Company Secretary

GROUP STATEMENT OF CHANGES IN RESERVES

	Share capital £'000	Revenue reserve £'000	Revaluation reserve £'000	Cash flow hedge reserve £'000	Total £'000
At 31 March 2024	**0**	**1,012,216**	**122,464**	**(1,520)**	**1,133,160**
Surplus on ordinary activities after tax	-	468,716	-	-	**468,716**
Tax credit recognised in other comprehensive income	-	(675)	-	-	**(675)**
Actuarial loss on defined benefit pension schemes	-	4,358	-	-	**4,358**
Gain on financial derivatives	-	-	-	2,108	**2,108**
Release from revaluation reserve	-	2,877	(2,877)	-	**-**
At 31 March 2025	**0**	**1,487,492**	**119,587**	**588**	**1,607,667**
Surplus on ordinary activities after tax	-	50,861	-	-	**50,861**
Actuarial gain on defined benefit pension schemes	-	1,293	-	-	**1,293**
Gain on financial derivatives	-	-	-	1,129	**1,129**
Release from revaluation reserve	-	2,790	(2,790)	-	**-**
At 31 March 2026	**0**	**1,542,436**	**116,797**	**1,717**	**1,660,950**

The notes on pages 71 to 131 form part of these financial statements.

SOCIETY STATEMENT OF CHANGES IN RESERVES

	Share capital £'000	Revenue reserve £'000	Revaluation reserve £'000	Restricted reserve £'000	Cash flow hedge reserve £'000	Total £'000
At 31 March 2024 – Combined	**0**	**874,379**	**256,187**	**10,355**	**(778)**	**1,140,143**
Surplus on ordinary activities after tax	-	35,505	-	(9,033)	**-**	**26,472**
Actuarial gains on defined benefit pension schemes	-	170	-	**-**	**-**	**170**
Gain on financial derivatives	-	-	-	-	2,595	**2,595**
Release from revaluation reserve	-	5,772	(5,772)	**-**	**-**	**-**
Transfer of properties to OHHTGF	-	(587)	-	**-**	**-**	**(587)**
Transfer between restricted and unrestricted reserves	-	1,322	-	(1,322)	**-**	**-**
Shares issued during the year	0	-	-	-	**-**	0
Shares cancelled during the year	(0)	-	-	-	**-**	(0)
At 31 March 2025 - Combined	**0**	**916,561**	**250,415**	**-**	**1,817**	**1,168,793**
Transfer to Octavia Hill Housing Trust Gift Fund	-	(306)	-	-	-	**(306)**
Surplus on ordinary activities after tax	-	56,423	-	-	-	**56,423**
Actuarial gains on defined benefit pension schemes	-	1,013	-	-	-	**1,013**
Gain on financial derivatives	-	-	-	-	1,129	**1,129**
Release from revaluation reserve	-	4,752	(4,752)	-	-	**-**
Shares issued during the year	0	-	-	-	**-**	**0**
At 31 March 2026	**0**	**978,443**	**245,663**	**-**	**2,946**	**1,227,052**

The notes on pages 71 to 131 form part of these financial statements.

GROUP STATEMENT OF CASH FLOWS
Year ended 31 March 2026

	2026 £'000	2025 £'000
Operating surplus	**123,116**	**84,952**
Adjustments for:		
Depreciation, amortisation and impairments	50,252	45,627
(Increase)/decrease in provisions	(1,159)	2,560
Pension expense less cash contribution	(3,783)	(3,227)
Decrease in inventories	(502)	(35)
Increase in receivables and prepayments	(4,502)	(12,134)
Increase in payables and accruals	12,358	9,604
Cost of sales on stock disposal	83,213	77,460
Cost of properties developed for sale	(47,607)	(65,489)
	88,270	**54,366**
Net cash inflow from operating activities	**211,386**	**139,318**
Cash flows from investing activities		
Purchase of other fixed assets	(2,146)	(3,718)
Payments to acquire and develop housing properties	(299,409)	(285,830)
Distributions from jointly controlled entities	338	10,105
Cash (outflow)/inflow on loans to jointly controlled entities	931	4,801
Finance income	11,561	5,781
Arising on business combination	-	7,466
Social Housing grant received	7,266	21,746
Cash outflow from investing activities	**(281,459)**	**(239,649)**
Cash flow from financing activities		
Finance costs	(91,188)	(70,339)
Loan repayments	(35,049)	(30,758)
Cash inflow from financing, including premiums on issue	184,330	241,818
Cash inflow/(outflow) from financing activities	**58,093**	**140,721**
Net change in cash and cash equivalents	(11,980)	40,390
Opening cash as at 1 April	**103,160**	**62,770**
Closing cash as at 31 March	**91,180**	**103,160**

The notes on pages 71 to 131 form part of these financial statements.

1. LEGAL STATUS

The Society is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Society Act 2014 and is also registered with the Regulator of Social Housing as a social housing provider. The Society is a public benefit entity.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Group and Society have been prepared in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP), including Financial Reporting Standard 102 (FRS 102) and the Housing Statement of Recommended Practice (SORP) 2018 for registered social housing providers, and comply with the Accounting Direction for private registered providers of social housing 2022. The financial statements are presented in pounds sterling and have been prepared on the historical cost basis, except for a modification to amortised cost or a fair value basis for certain financial instruments and investment properties, as specified in the accounting policies below.

Going concern

In recent years, several factors – a global pandemic, followed by Russia's invasion of Ukraine, both significant contributors to the resulting cost of living crisis and the consequential rise in interest rates – have all significantly impacted going concern assessments. Whilst the significance of some factors have reduced, others – notably geo-political instability, re-heightened by conflict in the Middle East, and the emerging economic uncertainty - remain at the forefront of our short-term decision making. The gradual downward trend in inflation and anticipated cuts to interest rates are now far from certain and we remain vigilant of the impact on operations in the coming months.

We've continued to adapt to new legislation and compliance requirements, from the Social Housing (Regulation) Act 2023, Awaab's Law and regulations around fire safety, to the Tenant Satisfaction Measures, alongside reformed ownership models in the form of affordable rent and shared ownership. No single factor has a material impact on our financial results this year; nevertheless, they remain key considerations in setting our budgets for the financial year ahead and, more significantly, in our long-term plans.

The assumptions in our business plans – interest rates, inflation, demand for property and legislative impact amongst others – are subjected to a range of stress testing, to identify areas of risk or concern, with a particular focus on continued covenant compliance and appropriate mitigation – such as fixing interest rates or exploring new methods of delivery of housing supply – where possible. Our forecasting is evaluated against several key performance indicators, with overlap to those reviewed by external parties, such as the Regulator of Social Housing and credit referencing agencies.

The Board has prepared cashflow forecasts covering a period of 20 months from the date of approval of these financial statements. Given the strength of our financial position and availability and liquidity of undrawn loan facilities, the Board believes that there are no material uncertainties that cast doubt on the Group or Society's ability to continue, as a going concern, as we're well placed to absorb the impact of changes that lay ahead.

The Board, therefore, have a reasonable expectation that the Society has adequate resources to continue to operate for a period of at least 12 months from the approval of these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. ACCOUNTING POLICIES (continued)

Disclosure exemptions

In preparing the separate financial statements of the Parent Society, advantage has been taken of the disclosure exemption under FRS 102 paragraph 1.12(b) in not preparing a Statement of Cash Flows on the basis that this is included in the consolidated financial statements.

Consolidation

The Group's financial statements consolidate the financial statements of the Parent Society and all its subsidiaries on 31 March. Intercompany transactions are eliminated on consolidation.

Abri Group Limited is the ultimate parent and has taken advantage of the exemption contained in FRS 102 not to disclose transactions or balances with entities which form part of the Group and are also registered providers. Transactions with subsidiaries and jointly controlled entities which are not registered providers regulated by the Regulation Committee of the Regulator of Social Housing are disclosed in note 33.

The consolidated financial statement incorporates the results of the business combination using the purchase method (see Business Combination Policy), and the results of the acquired operations are included in the Group Statement of Comprehensive Income in the prior year from the date on which control was obtained.

Operating segments

As there are publicly traded securities within the Group, we are required to disclose information about our operating segments under IFRS 8. Segmental information is disclosed in note 3 and as part of the analysis of housing properties in note 11. Information about income, expenditure and assets attributable to material operating segments are presented on the basis of the nature and function of housing assets held by the Group rather than geographical location. As permitted by IFRS 8, this is appropriate on the basis of the similarity of the services provided, the nature of the risks associated, the type and class of customer, and the nature of the regulatory environment across all of the geographical locations in which the Group operates.

The Board does not routinely receive segmental information disaggregated by geographical location.

Jointly controlled entities

Jointly controlled entities are those where the Group holds a significant equity interest but has no overall control.

In the consolidated financial statements interests in jointly controlled entities are accounted for using the equity method of accounting, under which the equity investment is initially recognised at the transaction price and is subsequently adjusted to reflect the Group's share of the surplus or deficit, making relevant adjustments to align accounting policies as required.

Where the share of equity is negative, a provision is required that represents the Group's obligation to fund a deficit in the jointly controlled entity.

2. ACCOUNTING POLICIES (continued)

Turnover

Turnover represents rental and service charge income (net of void losses), fee income and revenue grant receivable, proceeds from market and first tranche sales, the provision of care and support services, income from charity shops, and the amortisation of capital grant.

Rental and service charge income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids.

Income from market and first tranche sales is recognised at the point of legal completion of the sale.

Other income is recognised as receivable on the delivery of services provided. Deferred Capital Grant is released over the life of the asset structure.

Cost of sales

Cost of sales relates to market and first tranche sales and represents those costs, including direct overheads, capitalised interest and other incidental costs, incurred during development, construction, and marketing of those properties.

On market sales, the cost of sales represents the full cost of the unit sold.

On first tranche transactions, the percentage of equity purchased determines the percentage of total unit costs recognised in the Statement of Comprehensive Income.

Revenue grant

The Group receives grants in respect of revenue expenditure, and these are credited as appropriate to income in the same period as the expenditure to which they relate.

Service charge income and expenditure

Where service charge income is identifiable, it is recorded separately to rental income. Where service charge income is not identifiable, it is recorded within rental income.

Where charges are variable, the income will include an adjustment for the under or over recovery from previous years and will be adjusted for under or over recovery in the current year. Until these balances are returned to or recovered from our tenants, they are held as payables or receivables on the Statement of Financial Position.

Where charges are fixed, the income will reflect the charges raised in the period, with amounts due from tenants held as receivables on the Statement of Financial Position.

Service charge expenditure is disclosed separately and includes the cost of all direct services provided, in addition to an allowance for management costs. Expenditure will also include costs of services provided that are not recoverable from tenants.

2. ACCOUNTING POLICIES (continued)

Surplus/(deficit) from disposal of fixed assets

Subsequent sales of existing properties and other fixed assets are included in operating surplus as they are deemed to be part of ongoing operating activities.

Staircasing events include both partial and final transactions, where the purchaser increases or fully acquires the equity in their property. Final staircasing events on houses will involve the disposal of the freehold, whereas on flats the Group will retain the freehold on the property, reclassifying the unit as a leasehold unit in note 3.

The surplus on sales under the Right to Buy and Right to Acquire legislation is the difference between the proceeds received and the carrying value of the properties, subject to any third-party agreements relating back to Large Scale Voluntary Transfers of housing stock.

The surplus recognised on the sale of other housing properties and other fixed assets is the difference between the proceeds received and the carrying value of the property or asset.

The surplus recognised on redemptions of equity loans is derived from the market value of the equity holding in the property at the point of sale, less the original loan amount, any provision, and any associated grant.

Repairs and maintenance

The Group capitalises items of expenditure on housing properties if they result in an enhancement to the economic benefits from the property or if they replace an identifiable component. Works to existing properties which do not meet the above criteria are charged to the Statement of Comprehensive Income.

Finance income

Interest is earned from cash and cash equivalents, loans made to other entities in the Group, loans made to jointly controlled entities, and interest charged on equity loans.

Finance costs

Interest costs, issue costs, premiums, and discounts are charged to finance costs over the term of debt, using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Included within finance costs are ongoing servicing fees of loans and borrowings, which are charged to the Statement of Comprehensive Income over the review cycle of each facility.

Capitalisation of finance costs

The Group capitalises interest costs incurred because of development activities, with the amounts presented net of finance costs in the Statement of Comprehensive Income and included within the carrying value of assets in the Statement of Financial Position.

Disclosure of the calculation basis and amounts capitalised is included in notes 5 and 11.

2. ACCOUNTING POLICIES (continued)

Value Added Tax (VAT)

The Society is part of the Radian VAT Group, the principal VAT group in the Abri Group. As a substantial proportion of its income is rent, which is exempt for VAT purposes, the Group is subject to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT and the input VAT recovered is credited to the Statement of Comprehensive Income when received.

Pensions

For defined contribution schemes, the amount charged to income and expenditure in respect of pension costs is the employer contribution payable in the year.

For defined benefit schemes, the amounts charged to staff costs within operating costs are those arising from colleague services rendered during the period, benefit changes and settlements. The net interest cost on the net defined benefit liabilities is included within finance costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets are recognised immediately in other comprehensive income.

Defined benefit schemes are funded with assets of the scheme held separately from those of the Group and administered by The Pensions Trust or local government. Pension scheme assets are measured at fair value and liabilities on an actuarial basis using the projected unit method. Actuarial valuations are updated at each reporting date and full actuarial valuations are obtained at least triennially.

Business combinations

For business combination that are in substance a gift, as adopted for Octavia Housing joining the Group as a subsidiary of Abri Group Limited in December 2024, any excess of the fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain in the Statement of Comprehensive Income. The gain represents the gift of the value of one entity to another and is recognised as income.

Costs directly attributable to the execution of business combinations those are in substance a gift are recognised within the overall gain or loss on the gift of net assets.

For business restructuring, with Octavia Housing completing a Transfer of Engagements to Abri Group Limited in February 2026, merger accounting has been adopted. The results of the combining entities have been presented in these financial statements from the beginning of the financial year. The comparative amounts from the previous financial year within the financial statements and supporting notes have been aggregated and denoted as “combined” accordingly.

Prior to the transfer, both entities were registered providers with charitable tax status and Community Benefit Societies under the regulation of the Financial Conduct Authority and shared a common set of Directors under the Group Board structure in the Group.

Current tax

Current tax is recognised for tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

2. ACCOUNTING POLICIES (continued)

Fixed assets - housing properties

Housing properties are held at cost less accumulated depreciation, except for properties which have come into the Group via business combinations.

- those previously owned by Yarlington Housing Group prior to the implementation of FRS 102, are held at deemed cost less accumulated depreciation; and
- those previously owned by Silva Homes and Octavia Housing prior to becoming members of the Group are now held at fair value, less accumulated depreciation.

Cost includes acquisition expenditure, development costs and directly attributable administration costs. The carrying value of housing properties is split between the land, structure and major components which require periodic replacement.

For shared ownership properties, the amount retained in housing properties is the cost of unsold equity (if the first tranche sale has completed) or 60% of the total unit cost (if the first tranche sale is yet to complete).

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed properties upon practical completion.

Land

Land acquired or donated to the Group will be classified depending on its intended use. Land acquired for the provision of social housing, or where no specific intended use exists, will be treated as a fixed asset. When land is held for speculative purposes, for capital gain, or a commercial rental return it will be accounted for as an investment property.

Depreciation

Freehold buildings and components

Depreciation is charged on a straight-line basis over the estimated useful economic life of components on the following annual rates:

- 100 years – structure
- 50 - 70 years – roofs
- 30 - 40 years – electrical wiring
- 20 - 30 years – bathrooms, heating systems, fire doors, windows, and roofs (flat)
- 20 years – kitchens, photovoltaic panels and lifts
- 10 - 15 years – boilers and positive input ventilation systems
- 5 years – electric vehicle (EV) chargers

Freehold land and investment properties are not depreciated and shared ownership properties only retain costs within structure, in the absence of a repair liability. When components are replaced, the net book value of existing components is charged to the Statement of Comprehensive Income at the point of disposal as accelerated depreciation on replacement of components.

2. ACCOUNTING POLICIES (continued)

Depreciation (continued)

Leasehold units

Depreciation is charged on a straight-line basis over the estimated useful economic life of the property, with reference to the term of the lease. Components in leasehold units are depreciated over the useful economic lives outlined above, or the remaining lease term if shorter.

Other fixed assets

Depreciation is charged on a straight-line basis over the expected useful economic lives of the assets at the following annual rates:

- 50 years – freehold premises
- 10 - 20 years – leasehold improvements
- 3 - 5 years – vehicles, plant and equipment, computers, fixtures, and fittings

Investment properties

Investment properties are commercial properties, housing properties let at market rates or other properties held for investment potential or capital appreciation.

Investment properties are measured at cost on acquisition or initial recognition and subsequently revalued to their market value at least annually with gains and losses recognised in the Statement of Comprehensive Income.

Details of the advisers from whom values are obtained and the basis of valuation adopted are included in note 13.

Investments in equity loans

The HomeBuy scheme, now closed to new entrants, was a program of home ownership where loans were advanced by the Group to purchasers of property. The program was funded through a combination of government grant and the Group's own funds. The loan advanced to the purchaser and the amount of grant received are both recorded at cost, less impairment.

The Group has a fixed charge on the property entitling it to a share of the proceeds on the sale of the property. Any capital loss realised on redemption of the loan is initially offset against the government grant, which is held as a long-term liability.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for using the cost model in the Society’s financial statements.

2. ACCOUNTING POLICIES (continued)

Properties held for sale

Property held for sale comprises both completed properties and property in the course of construction. All unsold market sale and shared ownership properties are classed as current assets at the reporting date and are valued at the lower of cost or estimated selling price less costs to complete and sell.

On shared ownership properties where the first tranche sale has yet to complete, either 25% or 40% of each units' cost will be recognised as a current asset, depending on the location of the property.

Inventories

Inventory represents materials and replacement components held prior to use in repair works. Items are held at the lower of cost and net realisable value and periodic stock counts ensure that damaged and obsolete items are identified and written off.

Cash and cash equivalents

Cash consist of cash at bank and in hand, deposits, short-term investments with an original maturity date of three months or less and cash in sinking fund accounts to which the Group has access on behalf of the beneficiaries of the account.

Provisions

The Group recognises provisions in respect of liabilities of uncertain timing or amounts. Provisions are made for specific and quantifiable liabilities, measured at the best estimate of expenditure and only where probable that it is required to settle a legal or constructive obligation that existed at the reporting date.

Contingent Liabilities

Contingent liabilities have been disclosed in the consolidated financial statements in relation to grant arising on business combinations, where a possible obligation to repay deferred capital grant exists but is dependent on subsequent disposal of the property, a future event which is not certain.

Receivables and payables

Receivables and payables with no stated interest rate, and receivable and payable within one year, are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income within operating income and expense.

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable amount of receivables and provides for the balance based on the value and class of the debt.

Sinking funds

Sinking funds comprise leasehold sinking funds and scheme provisions. Leasehold sinking funds are unspent amounts collected from leaseholders for major repairs on leasehold schemes, plus any interest received, and are included in payables. Scheme provisions are scheme funds set aside for major repairs and are included in payables.

2. ACCOUNTING POLICIES (continued)

Financial instruments

Financial instruments are recognised when the Group or Society becomes a party to the contractual provisions of the instrument and are classified according to their substance.

Deferred and Recycled Capital Grant

Deferred Capital Grant, predominantly Social Housing Grant, is initially recognised at transaction value as a long-term liability and is amortised to the Statement of Comprehensive Income as turnover over the life of the associated asset, except for grant received in respect of equity loans.

Upon disposal of an asset which has Deferred Capital Grant allocated to it, the cost of the grant is transferred to the Recycled Capital Grant Fund until the grant is reinvested in a replacement property or repaid, reflecting the existing obligation under the Social Housing Grant funding regime. If there is no requirement to recycle or repay the grant on disposal of the assets, any unamortised grant remaining within liabilities is released to the Statement of Comprehensive Income to cost of sales.

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax relating to investment properties, those are measured at fair value, is recognised using the tax rates and allowances that apply to the sale of the assets. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted at the reporting date those are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented on the Statement of Financial Position as deferred tax assets within receivables. Deferred tax assets and liabilities are offset only if the Society or Group has a legally enforceable right to set off current tax assets against current tax liabilities.

Hedge accounting

The Group accounts for a standalone interest rate swap as a cash flow hedge. The hedge is deemed to be fully effective and the cash flows from the hedging instrument are recognised in the Statement of Comprehensive Income in the relevant period. The changes in fair value, as determined by independent third parties, are recognised are within Other Comprehensive Income and subsequently in the cash flow hedge reserve.

Revaluation reserve

The Group operates a non-distributable revaluation reserve in respect of the subset of assets previously revalued at deemed cost, as permitted upon adoption of FRS 102.

The revaluation reserve is debited each period to mitigate the impact of additional depreciation charges and higher cost of sales, with the amounts released crediting the revenue reserve.

2. ACCOUNTING POLICIES (continued)

Financial assets and liabilities

Loans and borrowings

The Group's loans and borrowings meet the definition of, and are classified as, basic financial instruments. These instruments are initially recorded at the transaction price. They are subsequently recorded at amortised cost using the effective interest method.

Gilt holdings

The Group holds UK government gilts within certain liquidity funds and has elected to designate these at fair value through profit or loss.

Leases

Leases are classified as finance leases whenever the terms of a lease transfer, substantially all the risks or rewards of ownership of the leased assets to the entity. All other leases are classified as operating leases.

For finance leases, the amount capitalised is the lower of the present value of the minimum lease payments payable during the lease term of the fair value of the leased asset. The corresponding leasing commitments are shown as the present value of the obligations to the lessor; lease payments consist of a finance charge, which is charged to the Statement of Comprehensive Income in the period, and reduction in the liability.

Rentals under operating leases are accounted for on a straight-line basis over the lease term even if the payments (where the Group is the lessee) and receipts (where the Group is the lessor) are not made or received on that basis.

Critical judgements, estimates and uncertainty

Preparation of the financial statements requires management to make the following significant judgments and estimates:

Impairment review

At each reporting date the Group assesses whether an indicator of impairment exists. If such an indicator exists, assets affected are subject to an impairment review and the recoverable amount of the asset or cash generating unit is estimated. The Group defines cash generating units as relevant phases of development schemes across all tenures, except where this approach would lead to a cash generating unit of insufficient size or value; in such instances, schemes in a similar geography may be aggregated to form a larger cash generating unit. An impairment loss occurs when the carrying amount of an asset or cash generating unit exceeds its recoverable amount.

Business combinations

Judgement is applied in assessing the nature of business combinations, with two separate transactions reflected in these accounts.

Within the consolidated Group, Octavia Housing becoming a subsidiary of Abri Group was judged to be a combination that is in substance a gift, resulting in certain assets and liabilities being fair valued and the post-acquisition trading results becoming part of the Group results for the year ended 31 March 2025.

2. ACCOUNTING POLICIES (continued)

Critical judgements, estimates and uncertainty (continued)

Business combinations (continued)

Within the entity accounts of Abri Group, Octavia Housing completing a Transfer or Engagements into the Society in January 2026 was deemed to meet the definitions of a group reconstruction, which saw merger accounting applied. This resulted in prior year results being combined, with judgement also exercised in merging at book values, and current year results including the results of both entities as one from the start of the financial year.

Provisions for fire safety works

A provision for the replacement of cladding and/or insulation in high rise blocks with shared ownership and/or leasehold units has been included in accounts where the following criteria have all been met:

- tests have confirmed the materials used in construction were defective
- our intention to remedy the situation has been clearly communicated to affected residents
- the estimate of remedial works is reliable, typically informed by quotes from independent third parties

In aggregate, these factors give rise to a constructive obligation, the value of which can be reliably measured, at the reporting date.

Classification of investment properties

Judgement is exercised in determining which housing and commercial properties and other assets let at market rates and are classified as investment properties as a result. This judgement has a significant impact on the carrying value of properties, consequently held at fair value and not cost, in the financial statements.

Where investment properties are being actively marketed for sale at the reporting date, offers made from independent third parties are used instead of external valuations when these offers are lower, as a more accurate indicator of fair value of these properties.

Capitalisation of property development costs

Judgement is applied in the determination of total forecast development costs, including contingencies for uncertain future events, which in turn forms the handover value of completed housing properties. Judgement is also involved in determining the appropriate allocation of costs between tenures on developments with multiple tenures. Costs are allocated to each unit on their size, relative to the total size of the scheme.

For shared ownership properties, further judgement is applied on the split between current and fixed assets, dependent upon the equity anticipated to be purchased in the first tranche.

2. ACCOUNTING POLICIES (continued)

Critical judgements, estimates and uncertainty (continued)

Recoverable amount of properties developed for sale

The expecting selling price is based on estimates received from suitably qualified professionals and are kept under review during the development stage to ensure they exceed total forecast development costs. At the reporting date, judgement is exercised that these selling processes remain appropriate in determining that the net realisable value of each property exceeds its cost and is thus not impaired.

Classification of loans with embedded interest rate swaps

We hold loans which carry a variable rate of interest. In some cases, our interest charges have been fixed by the inclusion of embedded interest rate swaps in these agreements for part or the full term of the loan. These loans could be repaid early and fixes could be broken. This would involve paying a premium to lenders or the lenders paying a discount to us depending on the prevailing interest rate as there are two-way break clauses in our loan agreements.

Considering the requirements and criteria set out in FRS 102 and given our intention and forecasted ability to hold all these loans to maturity, we consider classification of the loans as 'basic' to be appropriate and recognition at amortised cost to be a fair representation of our liabilities.

Fair value measurement

The Society uses external professional advisers to determine the fair value of financial instruments and investment properties.

While the fair value of financial instruments is based on quoted prices, investment properties are valued according to the methodologies and assumptions applied by the adviser.

Housing properties and components – values and useful economic lives

In the process of developing or acquiring housing properties, where no land value is separately identifiable, an estimation of the land value is derived from a Red Book Valuation by a qualified surveyor.

Each unit is assigned relevant components, which are separately identifiable from the structure of the property at the point of handover. Each component is assigned a standard cost and an estimation of the useful life is made, informing the depreciation charges each unit receives in aggregate.

Defined benefit pension obligations

Financial and actuarial assumptions underlying accounting estimates of the Group's defined benefit obligations are informed by actuarial advice, based on best estimates according to scheme duration, and applied consistently across accounting periods.

Given the value of scheme liabilities at the reporting date, we have determined that even significant changes in estimates would not result in material changes to the valuations included in these accounts.

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS

Group			**2026**					**2025**		
Social housing lettings, other social housing and non-social housing activities	**Turnover £'000**	**Cost of sales £'000**	**Operating costs £'000**	**Surplus on asset disposals £'000**	**Operating surplus/ (deficit) £'000**	**Turnover £'000**	**Cost of sales £'000**	**Operating costs £'000**	**Surplus on asset disposals £'000**	**Operating surplus/ (deficit) £'000**
Social housing lettings	363,533	-	(285,612)	-	**77,921**	310,349	**-**	(256,868)	**-**	**53,481**
Other social housing activities										
Development administration	43	-	(3,939)	-	**(3,896)**	58	-	(2,714)	-	**(2,656)**
First tranche sales	59,254	(52,249)	(3,185)	-	**3,820**	52,303	(45,717)	(2,519)	-	**4,067**
Impairment of properties for sale	-	(272)	-	-	**(272)**	-	(2,406)	-	-	**(2,406)**
Disposal of fixed assets	398	-	(1,397)	40,822	**39,823**	317	-	(582)	29,473	**29,208**
Support services	848	-	(2,375)	-	**(1,527)**	579	-	(1,750)	-	**(1,171)**
Community involvement	1,102	-	(3,369)	-	**(2,267)**	-	-	-	-	**-**
	61,645	**(52,521)**	**(14,265)**	**40,822**	**35,681**	**53,257**	**(48,123)**	**(7,565)**	**29,473**	**27,042**
Non-social housing activities										
Market rent properties	3,311	-	(1,498)	-	**1,813**	4,049	-	(1,377)	-	**2,672**
Student accommodation	2,483	-	(501)	-	**1,982**	949	-	(300)	-	**649**
Leaseholders	3,193	-	(1,047)	-	**2,146**	1,096	-	(908)	-	**188**
Garages	3,621	-	(368)	-	**3,253**	3,578	-	(355)	-	**3,223**
Commercial units	1,092	-	3	-	**1,095**	434	-	(79)	-	**355**
Market sales	459	(306)	(55)	-	**98**	-	-	-	-	**-**
Care and Support	3,706	-	(5,914)	-	**(2,208)**	212	-	(1,277)	-	**(1,065)**
Charity Shops	2,607	-	(2,256)	-	**351**	278	-	(765)	-	**(487)**
Photovoltaics	746	-	(136)	-	**610**	693	-	(133)	-	**560**
Other	1,011	-	(637)	-	**374**	1,650	-	(3,316)	-	**(1,666)**
	22,229	**(306)**	**(12,409)**	**-**	**9,514**	**12,939**	**-**	**(8,510)**	**-**	**4,429**
Total	**447,407**	**(52,827)**	**(312,286)**	**40,822**	**123,116**	**376,545**	**(48,123)**	**(272,943)**	**29,473**	**84,952**

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS (CONTINUED)

Group			**2026**					**2025**		
Social housing lettings	**General needs housing £'000**	**Supported /housing for older people £'000**	**Shared ownership £'000**	**Other social housing £'000**	**Total £'000**	**General needs housing £'000**	**Supported /housing for older people £'000**	**Shared ownership £'000**	**Other social housing £'000**	**Total £'000**
Turnover										
Rent receivable net of identifiable service charges (net of voids)	261,343	26,523	27,059	16,804	**331,729**	230,231	23,118	20,776	14,025	**288,150**
Service charge income	8,856	8,215	4,396	686	**22,153**	5,406	4,909	3,138	99	**13,552**
Net rental income	**270,199**	**34,738**	**31,455**	**17,490**	**353,882**	**235,637**	**28,027**	**23,914**	**14,124**	**301,702**
Amortisation of capital grant	4,513	382	939	777	**6,611**	4,026	439	776	797	**6,038**
Grants taken to income	3,040	-	-	-	**3,040**	2,609	-	-	-	**2,609**
	277,752	**35,120**	**32,394**	**18,267**	**363,533**	**242,272**	**28,466**	**24,690**	**14,921**	**310,349**
Operating costs										
Management	(72,457)	(8,376)	(11,713)	(3,621)	**(96,167)**	(62,809)	(7,022)	(9,381)	(2,564)	**(81,776)**
Service charge costs	(23,258)	(2,688)	(3,760)	(1,162)	**(30,868)**	(19,045)	(2,129)	(2,844)	(777)	**(24,795)**
Routine maintenance	(50,398)	(5,826)	-	(2,519)	**(58,743)**	(43,074)	(4,816)	-	(1,758)	**(49,648)**
Planned maintenance	(20,392)	(2,357)	-	(1,019)	**(23,768)**	(16,554)	(1,851)	-	(676)	**(19,081)**
Major repairs expenditure	(15,522)	(2,326)	-	(1,005)	**(18,853)**	(20,007)	(2,296)	-	(839)	**(23,142)**
Bad debts	(1,904)	(220)	(308)	(95)	**(2,527)**	(3,242)	(362)	(484)	(132)	**(4,220)**
Depreciation of housing properties	(40,044)	(4,537)	(3,531)	(3,113)	**(51,225)**	(33,654)	(3,954)	(2,600)	(2,427)	**(42,635)**
Loss on disposal of components	(3,237)	(201)	-	(126)	**(3,564)**	(2,329)	(218)	-	(35)	**(2,582)**
Impairment of housing properties	1,542	-	-	-	**1,542**	(336)	-	(1,483)	-	**(1,819)**
Defined benefit pension cessation	(1,439)	-	-	-	**(1,439)**	(7,170)	-	-	-	**(7,170)**
	(227,109)	**(26,531)**	**(19,312)**	**(12,660)**	**(285,612)**	**(208,220)**	**(22,648)**	**(16,792)**	**(9,208)**	**(256,868)**
Operating surplus	**50,643**	**8,589**	**13,082**	**5,607**	**77,921**	**34,052**	**5,818**	**7,898**	**5,713**	**53,481**
Void losses	*(2,292)*	*(830)*	*(195)*	*(446)*	***(3,763)***	*(1,805)*	*(606)*	*(138)*	*(158)*	***(2,707)***

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS (CONTINUED)

Society	2026					Combined 2025				
Social housing lettings, other social housing and non-social housing activities	**Turnover £'000**	**Cost of sales £'000**	**Operating costs £'000**	**Surplus on asset disposals £'000**	**Operating surplus/ (deficit) £'000**	**Turnover £'000**	**Cost of sales £'000**	**Operating costs £'000**	**Surplus on asset disposals £'000**	**Operating surplus/ (deficit) £'000**
Social housing lettings	305,663		(243,864)	-	**61,799**	288,112	-	(251,950)	-	**36,162**
Other social housing activities										
Development administration	-	-	(2,456)	-	**(2,456)**	-	-	(3,023)	-	**(3,023)**
First tranche sales	53,871	(47,979)	(2,548)	-	**3,344**	54,417	(44,676)	(2,132)	-	**7,609**
Disposal of fixed assets	184	-	(1,022)	36,474	**35,636**	254	-	(517)	22,798	**22,535**
Impairment of properties for sale	-	-	-	-	**-**	-	(234)	-	-	**(234)**
Support services	834	-	(1,901)	-	**(1,067)**	975	-	(1,541)	-	**(566)**
Community involvement	780	-	(2,498)	-	**(1,718)**	-	-	-	-	**-**
	55,669	**(47,979)**	**(10,425)**	**36,474**	**33,739**	**55,646**	**(44,910)**	**(7,213)**	**22,798**	**26,321**
Non-social housing activities										
Market rent properties	480	-	(379)	-	**101**	823	-	(404)	-	**419**
Student accommodation	2,483	-	(501)	-	**1,982**	2,616	-	(1,201)	-	**1,415**
Leaseholders	2,199	-	(843)	-	**1,356**	1,088	-	(861)	-	**227**
Garages	3,476	-	(305)	-	**3,171**	3,455	-	(297)	-	**3,158**
Commercial units	973	-	3	-	**976**	1,117	-	(316)	-	**801**
Care and Support	3,706	-	(5,914)	-	**(2,208)**	3,211	-	(5,237)	-	**(2,026)**
Charity Shops	2,607	-	(2,256)	-	**351**	2,145	-	(2,024)	-	**121**
Photovoltaics	521	-	(105)	-	**416**	486	-	(97)	-	**389**
Other	701	-	(570)	-	**131**	1,042	-	(2,569)	-	**(1,527)**
	17,146	**-**	**(10,870)**	**-**	**6,276**	**15,983**	**-**	**(13,006)**	**-**	**2,977**
Total	**378,478**	**(47,979)**	**(265,159)**	**36,474**	**101,814**	**359,741**	**(44,910)**	**(272,169)**	**22,798**	**65,460**

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS (CONTINUED)

Society	2026					Combined 2025				
Social Housing Lettings	General needs housing £'000	Supported / housing for older people £'000	Shared ownership £'000	Other social housing £'000	Total £'000	General needs housing £'000	Supported / housing for older people £'000	Shared ownership £'000	Other social housing £'000	Total £'000
Turnover										
Rent receivable net of identifiable										
Service charges (net of voids)	224,361	24,944	18,166	10,235	**277,706**	217,370	22,704	14,764	10,036	**264,874**
Service charge income	8,372	7,873	3,068	686	**19,999**	6,807	6,165	2,981	98	**16,051**
Net rental income	**232,733**	**32,817**	**21,234**	**10,921**	**297,705**	**224,177**	**28,869**	**17,745**	**10,134**	**280,925**
Amortisation of capital grant	4,038	680	603	270	**5,591**	3,753	556	447	270	**5,026**
Grants taken to income	2,367	-	-	-	**2,367**	2,161	-	-	-	**2,161**
	239,138	**33,497**	**21,837**	**11,191**	**305,663**	**230,091**	**29,425**	**18,192**	**10,404**	**288,112**
Operating costs										
Management	(60,054)	(7,470)	(7,120)	(2,262)	**(76,906)**	(63,475)	(7,346)	(6,978)	(1,627)	**(79,426)**
Service charge costs	(19,454)	(2,420)	(2,307)	(733)	**(24,914)**	(21,253)	(2,387)	(2,428)	(524)	**(26,592)**
Routine maintenance	(43,280)	(5,384)	-	(1,630)	**(50,294)**	(40,499)	(4,785)	-	(1,066)	**(46,350)**
Planned maintenance	(18,045)	(2,245)	-	(680)	**(20,970)**	(17,986)	(1,998)	-	(437)	**(20,421)**
Major repairs expenditure	(17,884)	(2,267)	-	(686)	**(20,837)**	(21,099)	(2,447)	-	(542)	**(24,088)**
Bad debts	(1,800)	(224)	(213)	(68)	**(2,305)**	(3,307)	(340)	(417)	(72)	**(4,136)**
Depreciation of housing properties	(34,035)	(4,488)	(2,251)	(1,891)	**(42,665)**	(28,511)	(4,160)	(4,877)	(1,892)	**(39,440)**
Loss on disposal of components	(1,877)	(192)	-	(49)	**(2,118)**	(2,295)	(200)	-	(13)	**(2,508)**
Impairment of housing properties	(1,416)	-	-	-	**(1,416)**	(336)	-	(1,483)	-	**(1,819)**
Defined benefit pension cessation	(1,439)	-	-	-	**(1,439)**	(7,170)	-	-	-	**(7,170)**
	(199,284)	**(24,690)**	**(11,891)**	**(7,999)**	**(243,864)**	**(205,931)**	**(23,662)**	**(16,184)**	**(6,173)**	**(251,950)**
Operating surplus	**39,854**	**8,807**	**9,946**	**3,192**	**61,799**	**24,160**	**5,763**	**2,008**	**4,231**	**36,162**
Void losses	*(2,089)*	*(817)*	*(188)*	*(417)*	***(3,511)***	*(1,829)*	*(854)*	*(148)*	*(151)*	***(2,982)***

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS (CONTINUED)

Group		2026			2025	
Surplus on disposal of fixed assets	Sale proceeds £'000	Cost of Sales £'000	Surplus/ (deficit) £'000	Sale proceeds £'000	Cost of Sales £'000	Surplus/ (deficit) £'000
Staircasing	16,855	(10,807)	**6,048**	13,541	(7,987)	**5,554**
Right to Buy/Acquire	3,147	(1,611)	**1,536**	744	(801)	**(57)**
Existing unit sales	49,947	(17,437)	**32,510**	45,563	(22,669)	**22,894**
Equity loan redemptions	2,727	(1,666)	**1,061**	2,555	(1,488)	**1,067**
Other fixed assets	49	(382)	**(333)**	82	(67)	**15**
Total	**72,725**	**(31,903)**	**40,822**	**62,485**	**(33,012)**	**29,473**

Group

Stock units	Restated 2025 Number	2026 Additions	2026 Disposals	2026 Reclass	2026 Number
Social housing properties - owned and managed					
General needs housing*	35,515	561	(219)	(59)	**35,798**
Supported/housing for older people	4,149	1	(6)	(6)	**4,138**
Shared ownership	5,362	532	(65)	(42)	**5,787**
Other social housing	1,676	-	(10)	123	**1,789**
	46,702	**1,094**	**(300)**	**16**	**47,512**
Owned and managed - non-social					
Market rent housing	294	-	(12)	(27)	**255**
Student accommodation	152	-	-	(116)	**36**
	47,148	**1,094**	**(312)**	**(127)**	**47,803**
Other					
Owned/not managed – leasehold**	3,116	18	(2)	135	**3,267**
Equity loans	674	-	(35)	-	**639**
Total	**50,938**	**1,112**	**(349)**	**8**	**51,709**
Non-housing properties	7,667	12	(37)	(8)	**7,634**
Total units	**58,605**	**1,124**	**(386)**	**-**	**59,343**
Properties under construction	*3,334*				*2,926*

** Includes 1,236 units managed in partnership for Affinity Housing Services (2025: 1,246)*
*** Leasehold housing represents those units where the freehold has been retained.*

The prior year numbers have been restated to correct additional units, primarily standalone garage units within non-housing properties, identified within Octavia Housing after Group accounts were finalised.

3. TURNOVER, COST OF SALES, OPERATING COSTS, SURPLUS FROM DISPOSAL OF FIXED ASSETS AND OPERATING SURPLUS (CONTINUED)

Society		2026			Combined 2025	
Surplus on disposal of fixed assets	**Sale proceeds £'000**	**Cost of Sales £'000**	**Surplus/ (deficit) £'000**	**Sale proceeds £'000**	**Cost of Sales £'000**	**Surplus/ (deficit) £'000**
Staircasing	10,102	(6,318)	**3,784**	8,263	(5,155)	**3,108**
Right to Buy/Acquire	2,979	(1,364)	**1,615**	744	(569)	**175**
Existing unit sales	38,165	(6,709)	**31,456**	33,408	(13,852)	**19,556**
Other fixed assets		(381)	**(381)**		(41)	**(41)**
Total	**51,246**	**(14,772)**	**36,474**	**42,415**	**(19,617)**	**22,798**

Society

Stock units	**Combined 2025 Number**	**2026 Additions**	**2026 Disposals**	**2026 Reclass**	**2026 Number**
Social housing properties - owned and managed					
General needs housing*	30,837	475	(192)	(58)	**31,062**
Supported/housing for older people	3,876	1	(6)	(7)	**3,864**
Shared ownership	3,274	477	(34)	(34)	**3,683**
Other social housing	1,048	-	(2)	124	**1,170**
	39,035	**953**	**(234)**	**25**	**39,779**
Owned and managed - non-social					
Market rent housing	31	-	-	-	**31**
Student accommodation	152	-	-	(116)	**36**
	39,218	**953**	**(234)**	**(91)**	**39,846**
Other					
Owned/not managed – leasehold**	2,596	9	(1)	91	**2,695**
Total	**41,814**	**962**	**(235)**	**-**	**42,541**
Non-housing properties	7,383	5	(36)	-	**7,352**
Total units	**49,197**	**967**	**(271)**	**-**	**49,893**
Properties under construction	*3,093*				*2,818*

** Includes 1,236 units managed in partnership for Affinity Housing Services (2025: 1,246)*

*** Leasehold housing represents those units where the freehold has been retained.*

4. FINANCE INCOME

	Group		Society	Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Interest receivable from cash and cash equivalents	7,020	4,132	5,944	3,059
Interest receivable from intercompany loans	-	-	2,212	2,116
Equity loan interest	337	347	-	-
Interest from jointly controlled entities loan notes	5,845	5,316	5,845	5,316
	13,202	**9,795**	**14,001**	**10,491**

5. FINANCE COSTS

	Group		Society	Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Interest costs on loans and borrowings	91,269	70,090	76,342	67,499
Servicing fees of loans and borrowings	2,601	3,521	2,422	3,761
Capitalised interest	(12,338)	(10,957)	(9,564)	(9,634)
	81,532	**62,653**	**69,200**	**61,626**
Interest on Recycled Capital Grant Fund	668	817	180	171
Interest payable on corporation tax	-	29	-	-
Interest on pension scheme liabilities	682	916	23	48
	82,882	**64,416**	**69,403**	**61,845**

The weighted average cost of capital for the period is 4.58% (2025: 4.35%) with reference to its effective interest costs on loans and borrowings against the carrying value of loans and borrowings during the year at a Group level.

6. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAX

Surplus on ordinary activities before tax is stated after charging/(crediting):

	Group		Society	Society Combined
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Depreciation of fixed assets	58,124	47,418	46,690	41,249
Amortisation of Social Housing Grant	(6,611)	(6,011)	(5,600)	(5,051)
Impairments	(1,270)	4,225	1,416	3,043
Defined contribution pension cost	10,246	9,178	642	1,286
Defined benefit service cost	13	120	13	136
Operating lease expense:				
Land and buildings	1,651	893	1,404	1,223
Office equipment, computers and motor vehicles	2,885	2,373	64	64
Fees payable to the Society's auditor (ex. VAT):				
In their capacity as auditors				
- Society's financial statements	75	186	82	241
- Society's subsidiaries	193	386	-	-
In respect of other assurance related services	29	58	3	58

7. TAX

	Group		Society	Society Combined
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Current tax				
UK corporation tax	15	(674)	13	-
Adjustments in respect of prior periods	-	(732)	-	-
Tax charge/(credit) for the year	**15**	**(1,406)**	**13**	**-**

7. TAX (CONTINUED)

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 25%. The differences are explained as follows:

	Group		Society	Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Total tax reconciliation				
Surplus on ordinary activities before tax	50,876	467,310	56,436	26,472
Tax on surplus on ordinary activities at 25%	12,719	116,828	14,109	6,617
Effects of:				
Fixed asset differences	(958)	(1,003)	-	-
Income not taxable for tax purposes	(1,718)	(624)	-	-
Expenses not deductible for tax purposes	1,462	721	-	-
Capital gains	1,074	947	-	-
Adjustments in respect of prior periods	(1)	(732)	-	-
Exempt profits adjustment	(14,098)	(6,584)	(14,096)	(6,617)
Gift on business combination	-	(113,335)	-	-
Movement in deferred tax asset not recognised	1,734	4,202	-	-
Amounts recognised in other comprehensive income	70	(675)	-	-
Gift Aid	(1,080)	1,736	-	-
Profits arising in LLPs	(302)	(3,421)	-	-
Corporate Interest Restriction	1,113	534	-	-
Total tax charge/(credit)	**15**	**(1,406)**	**13**	**-**

8. DIRECTORS' EMOLUMENTS

The key management personnel of the Group, who are all remunerated by The Swaythling Housing Society Limited, are identified as:

- legal Directors, who sit as the Group Board, comprising both Non-Executive and Executive Board Members (as outlined below)
- remaining members of the Executive Board who are not legal Directors
- corporate Directors who have day-to-day responsibilities for operational departments in our wider group structure

Non-Executive Members receive a fee in respect of services provided to all the Group's entities and committees; it is not possible to disaggregate their remuneration at a constituent entity level. Executive Board Members receive no incremental remuneration for their role as directors of individual legal entities.

8. DIRECTORS' EMOLUMENTS (CONTINUED)

Name	Appointed	Resigned	Annual Fee
Jane Alderman	01/02/2019	-	16,238
Jocelyn McConnachie	04/08/2021	-	16,238
Lou Taylor	04/08/2021	-	16,238
Mary-Kathryn Adams	04/08/2021	-	16,238
David Montague	25/05/2022	-	32,500
Margaret Porteous	02/10/2023	-	19,000
Stephen Skuse	02/10/2023	-	16,238
Veronica Gordon	25/05/2022	-	12,075
Sarah Smith	02/01/2025	-	16,238
Mary Neate	03/12/2025	-	12,075
Melanie Panek	03/12/2025	-	12,075
John Gary Orr	*15/10/2018*	-	*N/A*
Caroline Moore	*04/11/2019*	-	*N/A*

Board members received emoluments during the year totalling £184k (2025: £178k). Board expenses of £9k (2025: £10k) were incurred in the year.

Shown below are the aggregate emoluments (including pensions and benefits in kind, excluding compensation for loss of office) paid to:

Group	**2026** **£'000**	**2025** **£'000**
Executive Board (excluding those paid to third parties)	2,022	1,808
Board Members	189	169
Key management personnel, excluding Directors	2,900	2,080
	5,111	**4,057**
Compensation for loss of Directors' offices:		
Payments in lieu of notice	-	37
Termination	-	146
	-	**183**
	5,111	**4,240**
Amount payable to the highest paid Director (excluding pension contributions)	**412**	**385**

Note that the highest paid Director in the Group is not the same in both years; in 2025 the amount includes payments for the loss of office.

Our Chief Executive Officer is a member of a defined contribution scheme, into which the Group made employer contributions of £10k (2025: £10k).

During the year ended 31 March 2026 there were seven (2025: six) Directors within defined contribution pension schemes in which the Group participates. Their outstanding contributions, which were accrued, as at 31 March 2026 totalled £15k (2025: £10k).

9. STAFF COSTS

The average number of colleagues expressed as full-time equivalents (calculated on standard working hours per week for each colleague) during the year was as follows:

	Group		Society	
				Combined
	2026	2025	2026	2025
	FTE	FTE	FTE	FTE
Central office and support staff	395	370	22	77
Development staff	115	113	5	29
Housing and customer services staff	833	642	180	214
Repairs and maintenance staff	896	846	23	106
Charity shop staff	25	7	21	25
	2,264	**1,978**	**251**	**451**

	Group		Society	
				Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Staff costs (for the above colleagues)				
Wages and salaries	90,304	76,362	10,991	18,596
Social security costs	11,490	7,776	1,417	1,923
Pension costs	10,259	9,297	654	1,308
	112,053	**93,435**	**13,062**	**21,827**

On 18 December 2024, around 400 employees of Octavia Housing became part of the Group when Octavia became a subsidiary of Abri Group Limited, increasing colleague numbers and costs at a group level.

On 31 January 2026, all employees of Octavia completed a Transfer of Undertakings (Protection of Employment) to The Swaythling Housing Society prior to Octavia completing a Transfer of Engagements to Abri on 16 February 2026. Under merger accounting requirements, employees of Octavia are included in the disclosures of the Society.

As part of the transfers, all legacy Octavia employees joined Abri's Standard Life defined contribution pension scheme, now the only active defined contribution scheme in the Group, and cessation was triggered on Octavia's defined benefit pension schemes.

At the reporting date, The Swaythling Housing Society is the only employing entity in the Group.

9. STAFF COSTS (CONTINUED)

The following number of full-time equivalent staff had remuneration (including compensation for loss of office and pension contributions) of £60,000 of more, shown in bands of £10,000:

	Group		Society	Combined
	2026	2025	2026	2025
Salary banding	**FTE**	**FTE**	**FTE**	**FTE**
£60,000 - £69,999	78	59	8	14
£70,000 - £79,999	46	51	10	13
£80,000 - £89,999	34	22	3	6
£90,000 - £99,999	16	12	2	2
£100,000 - £109,999	19	18	1	2
£110,000 - £119,999	7	2	-	2
£120,000 - £129,999	4	3	-	2
£130,000 - £139,999	2	3	-	-
£140,000 - £149,999	-	3	-	1
£150,000 - £159,999	1	-	-	1
£160,000 - £169,999	2	7	-	-
£170,000 - £179,000	4	3	-	-
£180,000 - £189,999	3		-	-
£190,000 - £199,999	3	2	-	1
£240,000 - £249,999	1	-	-	-
£250,000 - £259,999	1	-	-	-
£260,000 - £269,999	-	3	-	-
£280,000 - £289,999	1	-	-	-
£290,000 - £299,999	1	-	-	-
£310,000 - £319,999	1	-	-	-
£370,000 - £379,999	-	1	-	-
£380,000 - £389,999	-	1	-	-
£420,000 - £429,999	1	-	-	-
	225	**190**	**24**	**44**

10. INTANGIBLE ASSETS

Internally generated in-house software applications	**Group £'000**	**Society £'000**
Cost		
At 1 April 2025 – combined (Society)	101	1,474
Disposals and demolitions	(93)	(1,466)
At 31 March 2026	**8**	**8**
Accumulated amortisation		
At 1 April 2025 – combined (Society)	(51)	(1,424)
Charge for the year	(9)	(9)
Disposals	52	1,425
At 31 March 2025	**(8)**	**(8)**
Net book value		
At 31 March 2026	**-**	**-**
At 31 March 2025	**50**	**50**

11. HOUSING PROPERTIES

Interest capitalisation

	Group		**Society**	**Combined**
	2026 £'000	**2025 £'000**	**2026 £'000**	**2025 £'000**
Interest capitalised in the year	12,338	10,957	9,564	9,634
Cumulative interest capitalised	77,317	68,628	62,102	54,563
Rate used for capitalisation	4.58%	4.35%	4.58%	4.35%

Expenditure on works to existing housing properties

	Group		**Society**	**Combined**
	2026 £'000	**2025 £'000**	**2026 £'000**	**2025 £'000**
Capitalised	33,950	37,342	30,427	34,597
Charged to Statement of Comprehensive Income	101,363	91,871	92,102	90,859

Included within the amounts above, and other areas of operating costs, is a total of £7,962k (2025: £6,066k) for the Group and £11,459k (combined 2025: £4,158k) for the Society related to fire safety expenditure. The Group results are offset by the release of £4,594k of fire safety provisions where amounts and/or works are no longer required.

11. HOUSING PROPERTIES (CONTINUED)

Group	Completed properties			Properties in course of construction			
	Social housing lettings £'000	Shared ownership £'000	Total £'000	Social housing lettings £'000	Shared ownership £'000	Total £'000	Total £'000
Cost							
At 1 April 2025	3,347,826	590,580	**3,938,406**	238,032	135,727	**373,759**	**4,312,165**
Additions	129	-	**129**	213,773	63,738	277,511	**277,640**
Additions - works to existing properties	33,950	-	**33,950**	-	-	-	**33,950**
Transferred into management	166,508	110,236	**276,744**	(166,508)	(110,236)	(276,744)	
Reclassifications	(340)	(65)	**(405)**	272	1,759	2,031	**1,626**
Disposals and demolitions	(20,605)	(10,598)	**(31,203)**	-	-	-	**(31,203)**
Net movement to current assets	-	18,784	**18,784**	-	-	-	**18,784**
At 31 March 2026	**3,527,468**	**708,937**	**4,236,405**	**285,569**	**90,988**	**376,557**	**4,612,962**
Accumulated depreciation and impairment							
At 1 April 2025	(359,303)	(17,475)	**(376,778)**	(948)	(1,483)	**(2,431)**	**(379,209)**
Charge for the year	(47,237)	(3,988)	**(51,225)**	-	-	-	**(51,225)**
Reclassifications	(2)	2	**-**	-	-	-	**-**
Impairment	1,542	-	**1,542**	-	-	-	**1,542**
Disposals and demolitions	5,850	356	**6,206**	-	-	-	**6,206**
At 31 March 2026	**(399,150)**	**(21,105)**	**(420,255)**	**(948)**	**(1,483)**	**(2,431)**	**(422,686)**
Net book value							
At 31 March 2026	**3,128,318**	**687,832**	**3,816,150**	**284,621**	**89,505**	**374,126**	**4,190,276**
At 31 March 2025	**2,988,523**	**573,105**	**3,561,628**	**237,084**	**134,244**	**371,328**	**3,932,956**

11. HOUSING PROPERTIES (CONTINUED)

Society	Completed properties			Properties in course of construction			
	Social housing lettings	Shared ownership	Total	Social housing lettings	Shared ownership	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2025 - combined	2,850,238	415,783	**3,266,021**	195,026	115,068	**310,094**	**3,576,115**
Additions	96	-	**96**	182,986	63,864	**246,850**	**246,946**
Additions - works to existing properties	30,427	-	**30,427**	-	-	**-**	**30,427**
Transferred into management	136,902	97,527	**234,429**	(136,902)	(97,527)	**(234,429)**	**-**
Reclassifications	(553)	147	**(406)**	272	-	**272**	**(134)**
Disposals and demolitions	(16,730)	(6,530)	**(23,260)**	-	-	**-**	**(23,260)**
Net movement to current assets	-	16,084	**16,084**	-	-	**-**	**16,084**
At 31 March 2026	**3,000,380**	**523,011**	**3,523,391**	**241,382**	**81,405**	**322,787**	**3,846,178**
Accumulated depreciation and impairment							
At 1 April 2025 - combined	(421,204)	(12,981)	**(434,185)**	(2,389)	(1,483)	**(3,872)**	**(438,057)**
Charge for the year	(39,909)	(2,754)	**(42,663)**	-	-	**-**	**(42,663)**
Disposals and demolitions	7,332	279	**7,611**	-	-	**-**	**7,611**
Impairment	(1,416)	-	**(1,416)**	-	-	**-**	**(1,416)**
Reclassifications	(13)	13	**-**	-	-	**-**	**-**
At 31 March 2026	**(455,210)**	**(15,443)**	**(470,653)**	**(2,389)**	**(1,483)**	**(3,872)**	**(474,525)**
Net book value							
At 31 March 2026	**2,545,170**	**507,568**	**3,052,738**	**238,993**	**79,922**	**318,915**	**3,371,653**
At 31 March 2025 - combined	**2,429,034**	**402,802**	**2,831,836**	**192,637**	**113,585**	**306,222**	**3,138,058**

11. HOUSING PROPERTIES (CONTINUED)

Freehold and leasehold properties

At 31 March 2026, the net book value of completed properties and properties in the course of construction held on a freehold and leasehold basis was split as follows:

	Group			Society		
	Freehold £'000	Leasehold £'000	Total £'000	Freehold £'000	Leasehold £'000	Total £'000
General needs	3,226,281	186,658	**3,412,939**	2,586,035	198,128	**2,784,163**
Shared ownership	708,838	68,499	**777,337**	531,160	56,330	**587,490**
	3,935,119	**255,157**	**4,190,276**	**3,117,195**	**254,458**	**3,371,653**

Security

The Group had housing property with a net book value of £1,480m pledged as security at 31 March 2026 (2025: £1,769m).

The Society had housing property with a net book value of £1,049m pledged as security at 31 March 2026 (combined 2025: £1,578m).

Impairment

In the Group results, a £1.5m credit on impairment has been recognised to appropriately value a block of flats within the legacy Octavia Housing portfolio, which had previously suffered fire damage. The properties were erroneously given a fair value lower than their associated land value in the process of fair valuing assets as part of the business combination in the prior year.

In the Society results, a £1.4m impairment has been recognised, relating to the same block of flats to reduce the carrying value of the block to the same land value.

12. OTHER FIXED ASSETS

	Group					Society			
	Freehold land and premises £'000	Leasehold additions £'000	Computers Fixtures and fittings £'000	Vehicles, plant and equipment £'000	Total £'000	Freehold land and premises £'000	Computers fixtures and fittings £'000	Vehicles, plant and equipment £'000	Total £'000
Cost									
At 1 April 2025 - combined (Society)	27,739	-	9,148	1,714	**38,601**	17,117	15,183	93	**32,393**
Additions	310	-	1,716	120	**2,146**	230	908	-	**1,138**
Disposals	-	-	(868)	(287)	**(1,155)**	-	(9,534)	(53)	**(9,587)**
Reclassifications	754	-	(730)	-	**24**	754	(730)	-	**24**
At 31 March 2026	**28,803**	**-**	**9,266**	**1,547**	**39,616**	**18,101**	**5,827**	**40**	**23,968**
Accumulated depreciation									
At 1 April 2025 - combined (Society)	(7,440)	-	(1,783)	(1,145)	**(10,368)**	(5,573)	(10,490)	(83)	**(16,146)**
Charge for the year	(1,210)	-	(1,874)	(251)	**(3,335)**	(967)	(937)	(3)	**(1,907)**
Disposals	529	-	-	287	**816**	529	8,666	53	**9,248**
Reclassifications	-	61	(61)	-	**-**	-	-	-	**-**
At 31 March 2026	**(8,121)**	**61**	**(3,718)**	**(1,109)**	**(12,887)**	**(6,011)**	**(2,761)**	**(33)**	**(8,805)**
Net book value									
At 31 March 2026	**20,682**	**61**	**5,548**	**438**	**26,729**	**12,090**	**3,066**	**7**	**15,163**
At 31 March 2025	**20,299**	**-**	**7,365**	**569**	**28,233**	**11,544**	**4,693**	**10**	**16,247**

13. INVESTMENT PROPERTIES

	Completed	
	Group	Society
	£'000	£'000
Value		
At 1 April 2025 – combined (Society)	76,344	36,641
Reclassifications	122	122
Disposals	(4,822)	-
Revaluation deficit	(1,263)	(1,190)
At 31 March 2026	**70,381**	**35,573**

The deficit on revaluation of investment property has been charged to the Statement of Comprehensive Income for the year.

Property valuation

Completed investment properties are valued annually, on 31 March, at fair value, determined by an independent, professionally qualified valuer; Jones Lang LaSalle (RICS), 30 Warwick Street, London, W1B 5NH.

The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. In valuing investment properties, a discounted cash flow methodology was adopted, factoring in gross rental income less deductions for reasonable operating costs, based on the following key assumptions:

- Discount rate (income) 7.75% - 8.75%
- Level of long-term annual rent increase 3.5%
- Bad Debts and Voids 3.0%
- Management cost 10.0%
- Repairs, maintenance and insurance cost 15.0%

If the investment properties had not been revalued, they would have been accounted for on the historical cost basis and held at the following amounts:

	Group		Society	
				Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Cost	55,733	59,673	19,519	19,398
Depreciation	(8,751)	(8,763)	(3,723)	(3,648)
Net book value	**46,982**	**50,910**	**15,796**	**15,750**

14. EQUITY LOANS

Group	2026 £'000	2025 £'000
Equity loans	24,508	26,103
Accrued equity loan interest	29	28
Equity loan provision	(87)	(144)
	24,450	**25,987**

Equity loans are secured by way of an equity charge over the property purchased by the recipient of the loan. The Group has received £20.0m of grant (2025: £21.2m) in respect of the equity loans in issue which will be recycled on redemption of the loans.

15. INVESTMENTS

Group	At 1 April 2025 £'000	Change in year £'000	At 31 March 2026 £'000
Lovell/Abri Weymouth LLP	622	(878)	**(256)**
Thakeham West Horsley LLP	(1,937)	(719)	**(2,656)**
Countryside Abri Ford North LLP	-	(14)	**(14)**
Affinity (Reading) Holdings Limited	1,143	19	**1,162**
Affinity Housing Services	1,052	(463)	**589**
West Country Savings & Loans	15	-	**15**
Charities only Investment Fund (CoIF)	710	(609)	**101**
Investments	**3,542**	**(1,675)**	**1,867**
Investment provisions	**(1,937)**	**989**	**(2,926)**

In 2025, net investments of £1,605k are disclosed within fixed assets on the Statement of Financial Position.

The Group received distributions from development joint ventures of £0.3m (2025: £10.1m) and housing joint ventures of £0.6m (2025: £nil); these amounts are included within the share of surplus in jointly controlled entities in the Statement of Comprehensive Income. The Group, via Radian Developments Limited invested in:

- Lovell/Abri Weymouth LLP in 2020, a jointly controlled entity with Lovell Partnerships Limited. The partnership was formed to develop a site on the outskirts of Weymouth to deliver 500 new homes and a new primary school, care home, community centre and public open space
- Thakeham/West Horsley LLP in 2022, a jointly controlled entity with Thakeham Homes Limited. The partnership was formed to develop land at Manor Farm, West Horsley to deliver 139 homes, community infrastructure and public open space
- Countryside Abri Ford North LLP in 2024, a jointly controlled entity with Countryside Properties (UK) Limited. The partnership was formed to develop the former Ford Airfield to deliver 1,500 homes, a care home, retail and commercial centre, leisure space, and land for a new school
- Templecombe Bowden RD LLP in March 2026, a jointly controlled entity with Countryside Properties (UK) Limited. The partnership was formed to deliver 140 homes, children's play facilities and an area for community use within the village of Templecombe, Somerset.

15. INVESTMENTS (CONTINUED)

Abri Group Limited has 333 solely held shares and 333 jointly held shares in Affinity (Reading) Holdings Limited with Southern Housing Group. In turn, Affinity (Reading) Holdings Limited owns 100% of the share capital of Affinity (Reading) Limited; the operator of a PFI contract to supply, refurbish, manage, and maintain part of Reading Borough Council's housing inventory until 2034. Abri Group Limited is also in partnership with Southern Housing to deliver housing and community development services for the estate, under the PFI contract, via Affinity Housing Services.

Abri Group Limited invested in Somerset Savings and Loans, who offer short term loans and savings services to customers. The organisation is a community owned, not for profit financial co-operative.

The Group, via the Octavia Foundation has a fixed investment in the Charities only Investment Fund (COIF) administered by CCLA Investment Management.

Society	**At 1 April 2025 - combined £'000**	**Change in year £'000**	**At 31 March 2026 £'000**
Affinity (Reading) Holdings Limited	1,170	-	1,170
Affinity Housing Services	25	-	25
West Country Savings & Loans	15	-	15
Swaythling Assured Homes plc	4,023	-	4,023
Yarlington Treasury Services plc	50	-	50
Radian Capital plc	50	-	50
Yarlington Homes Limited	1	-	1
Radian Developments Limited	1	-	1
Forest Future Homes Limited	1	-	1
Octavia Living Limited	10	-	10
	5,346	**-**	**5,346**

The Society subscribed for the whole of the share capital of:

- Radian Capital plc in 2011, a subsidiary set up to raise funds through the bond markets to extend to other members of the Group. The Society holds 50,000 £1 shares of which £12,500 has been paid.
- Radian Developments Limited in 2018, a subsidiary set up to deliver joint venture projects. The Society holds 1,000 £1 shares which have been fully paid.
- Swaythling Assured Homes plc, a now dormant subsidiary. The Society holds 4,031,002 ordinary 50p shares which have been fully paid.
- Yarlington Treasury Services plc, via a Transfer of Engagement completed on 30 June 2021, a subsidiary set up to raise funds through the bond markets to extend to other members of the Group. The Society holds 50,000 £1 shares of which £12,500 has been paid.
- Yarlington Homes Limited in 2018, via a Transfer of Engagement completed on 30 June 2021, a subsidiary set up to develop housing properties.
- Forest Future Homes Limited in 2024, via a Transfer of Engagement completed on 1 October 2024, a subsidiary set up to develop housing properties.
- Octavia Living Limited in 2025, via a Transfer of Engagement completed on 16 February 2026, a subsidiary initially set up to develop housing properties but dormant during the year. The Society holds 10,000 £1 shares which have been fully paid.

16. PROPERTIES FOR SALE

Group	Completed properties			Properties in course of construction			
	Market sales	Shared ownership	Total	Market sales	Shared ownership	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2025	-	21,828	**21,828**	6,062	86,923	**92,985**	**114,813**
Additions	-	-	**-**	3,055	44,551	**47,606**	**47,606**
Completed in year	4,048	72,843	**76,891**	(4,048)	(72,843)	**(76,891)**	**-**
Impairment	-	-	**-**	-	(272)	**(272)**	**(272)**
Reclassifications	-	(14)	**(14)**	(2,931)	1,173	**(1,758)**	**(1,772)**
Net movement from housing properties	-	(18,784)	**(18,784)**	-	-	**-**	**(18,784)**
Cost of properties sold	(269)	(51,719)	**(51,988)**	-	-	**-**	**(51,988)**
At 31 March 2026	**3,779**	**24,154**	**27,933**	**2,138**	**59,532**	**61,670**	**89,603**

Society	Completed properties			Properties in course of construction			
	Market sales	Shared ownership	Total	Market sales	Shared ownership	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2025 - combined	-	21,232	**21,232**	-	73,452	**73,452**	**94,684**
Additions	-	-	**-**	1,759	44,156	**45,915**	**45,915**
Completed in year	-	64,327	**64,327**	-	(64,327)	**(64,327)**	**-**
Reclassifications	-	(14)	**(14)**	-	-	**-**	**(14)**
Net movement from housing properties	-	(16,084)	**(16,084)**	-	-	**-**	**(16,084)**
Cost of properties sold	-	(47,483)	**(47,483)**	-	-	**-**	**(47,483)**
At 31 March 2026	**-**	**21,978**	**21,978**	**1,759**	**53,281**	**55,040**	**77,018**

17. RECEIVABLES

	Note	Group 2026 £'000	Group 2025 £'000	Society 2026 £'000	Society Combined 2025 £'000
Gross arrears of rent and service charges					
Social		19,736	17,841	17,167	15,713
Non-social		2,516	1,491	2,325	687
		22,252	**19,332**	**19,492**	**16,400**
Bad debt provision		(13,527)	(12,720)	(12,263)	(11,437)
Net tenant arrears		**8,725**	**6,612**	**7,229**	**4,963**
Social Housing Grant receivable		5,945	254	5,945	254
Short-term non-liquid assets		10,004	10,181	5,075	5,262
Trade receivables		6,910	14,069	6,104	4,130
Other receivables and prepayments		17,928	13,461	7,683	5,986
Other taxation and social security		4,624	6,110	539	266
Amounts due from Group undertakings		-	-	11,521	31,276
Amounts due within one year		**54,136**	**50,687**	**44,096**	**52,137**
Loans to development joint ventures		59,033	60,105	59,033	60,105
Loans to housing joint ventures		10,415	8,761	10,415	8,761
Interest rate swap	31	2,906	1,777	2,906	1,777
Stock Transfer Agreement	19	14,690	16,201	14,690	16,201
Intercompany loans		-	-	32,560	24,550
Amounts due after one year		**87,044**	**86,844**	**119,604**	**111,394**
		141,180	**137,531**	**163,700**	**163,531**

Included within other receivables and prepayments for the Group above are staff loans of £91k (2025: £67k).

Short-term non-liquid assets include cash held in liquidity funds and gilts, as outlined below:

Investment	Interest rate %	Expiry date Year	Group and Society Nominal value £'000	Fair value 2026 £'000	Fair value 2025 £'000
UK Government gilts	4.75	2038	**600**	**579**	**590**

The fair value movement on gilts of £11k (2025: £51k) has been debited to the Statement of Comprehensive Income in the year.

18. PAYABLES: AMOUNTS DUE WITHIN ONE YEAR

	Note	Group 2026 £'000	Group 2025 £'000	Society 2026 £'000	Society Combined 2025 £'000
Loans, borrowings and accrued interest	19	94,416	86,999	94,199	82,633
Trade payables		17,266	15,768	8,864	6,307
Deferred income and payments on account		19,005	15,198	15,127	11,452
Other tax and social security payable		2,427	2,105	48	313
Other payables		10,366	7,749	6,013	4,516
Accruals		55,266	47,158	22,797	25,727
Pension cessation payment		2,559	7,157	2,559	7,157
Contract retentions		3,199	3,514	1,030	962
Right to Buy proceeds share agreement		2,272	1,844	2,272	1,844
Deferred Capital Grant	23	7,138	6,463	6,091	5,317
Recycled Capital Grant	24	6,560	5,402	3,391	2,054
Unpaid share capital in subsidiaries		-	-	76	76
Corporation tax		15	1	13	-
		220,489	**199,358**	**162,480**	**148,358**

19. PAYABLES: AMOUNTS DUE AFTER ONE YEAR

	Note	Group 2026 £'000	Group 2025 £'000	Society 2026 £'000	Society Combined 2025 £'000
Loans, borrowings, and accrued interest		1,919,611	1,775,112	1,706,492	1,556,794
Recycled Capital Grant Fund	24	11,794	10,262	2,262	1,956
Stock Transfer Agreement		14,690	16,201	14,690	16,201
Contract retentions		7,026	6,696	695	1,714
Deposits repayable		45	32	45	32
		1,953,166	**1,808,303**	**1,724,184**	**1,576,697**

Stock transfer agreements

Immediately prior to entering into the Stock Transfer Agreement between Silva Homes and Bracknell Forest Council, the council and Silva Homes entered a Development Agreement under which Silva Homes agreed to perform the works required to bring the properties up to an agreed condition. The contract was for a fixed sum of £129m, equivalent to the expected costs of the works, fees and related costs.

At transfer, Silva Homes contracted with the council to receive the benefit of the agreed improvement works (£129m) plus the housing properties at a price equal to the agreed value of the unimproved property (£34m). These contracts have enabled Silva Homes to recover the VAT on the improvement costs, which would otherwise have been expensed.

19. PAYABLES: AMOUNTS DUE AFTER ONE YEAR (CONTINUED)

Stock transfer agreements (continued)

At the time of the transfer, Silva Homes paid the council a net cash amount of £34m, representing the acquisition of the properties in their unimproved condition (£34m) and the value of the council's obligation to carry out the refurbishment works (£129m); less than the amount due to be incurred by Silva Homes under the development agreement, in relation to the anticipated costs of the improvements (£129m).

While the council has a legal obligation to Silva Homes to complete the refurbishment works, this work has been contracted back to Silva Homes, giving rise to a legal obligation. Therefore, the underlying substance of the transaction is that Silva Homes has acquired the properties in their existing condition at their agreed value and will complete certain repairs and improvements of not less than £129m. In accordance with FRS 102, the resultant debtor and creditor are disclosed separately within the financial statements. Should the value of the work completed vary from what was originally forecast, the contract may be terminated with no financial loss to Abri Group Limited.

Borrowings are repayable or will be released to the Statement of Comprehensive Income as follows:

Group	**2026**				**2025**			
	Bank loans £'000	**Bonds £'000**	**HE loans £'000**	**Total £'000**	**Bank loans £'000**	**Bonds £'000**	**HE loans £'000**	**Total £'000**
Multi instalments								
One year or less	83,239	732	-	**83,971**	76,343	1,423	-	**77,766**
One to two years	55,531	796	-	**56,327**	24,165	1,732	-	**25,897**
Two to five years	466,921	2,643	-	**469,564**	379,859	5,591	-	**385,450**
Five years or more	471,775	408,310	-	**880,085**	545,724	334,909	-	**880,633**
	1,077,466	**412,481**	**-**	**1,489,947**	**1,026,091**	**343,655**	**-**	**1,369,746**
Single instalment								
One year or less	-	1,000	-	**1,000**	**-**	**-**	**-**	**-**
One to two years	-	1,000	-	**1,000**	**-**	**-**	**-**	**-**
Two to five years	-	2,500	-	**2,500**	**-**	**-**	**-**	**-**
Five years or more	-	559,550	572	**560,122**	**-**	534,300	572	534,872
	-	**564,050**	**572**	**564,622**	**-**	**534,300**	**572**	**534,872**
	1,077,466	**976,531**	**572**	**2,054,569**	**1,026,091**	**877,955**	**572**	**1,904,618**

The total value of all loans and borrowings is reduced by £40.5m (2025: £43.0m) of capitalised fees, premiums, accrued interest, and fair value adjustments arising on gift accounting for business combinations.

19. PAYABLES: AMOUNTS DUE AFTER ONE YEAR (continued)

Society	2026				2025			
	Bank loans	Bonds	InterCo Loans	Total	Bank loans	Bonds	InterCo Loans	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Multi instalments								
One year or less	73,937	171	4,000	**78,108**	67,043	908	4,000	**71,951**
One to two years	10,231	185	-	**10,416**	14,865	1,171	-	**16,036**
Two to five years	400,321	652	-	**400,973**	276,359	3,602	-	**279,961**
Five years or more	392,575	252,300	150,000	**794,875**	458,123	178,284	150,000	**786,407**
	877,064	**253,308**	**154,000**	**1,284,372**	**816,390**	**183,965**	**154,000**	**1,154,355**
Single instalment								
One year or less	-	1,000	-	**1,000**	-	-	-	**-**
One to two years	-	1,000	-	**1,000**	-	-	-	**-**
Two to five years	-	2,500	-	**2,500**	-	-	-	**-**
Five years or more	-	163,450	300,000	**463,450**	-	138,200	300,000	**438,200**
	-	**167,950**	**300,000**	**467,950**	**-**	**138,200**	**300,000**	**438,200**
	877,064	**421,258**	**454,000**	**1,752,322**	**816,390**	**322,165**	**454,000**	**1,592,555**

The total value of all loans and borrowings includes a further £48.4mm (combined 2025: £46.8m) of capitalised fees, premiums and accrued interest.

Overview of loans and borrowings

The Group and Society holds bank loans at fixed rates of interest of between 0.01% and 6.46%, with maturity dates in the Group ranging from 2026-2040 inclusive and 2028-2040 in the Society. The Group and Society also holds bank loans at variable rates of interest, with a weighted average variable rate of interest for the Group of 5.08% (5.11% for the Society), priced with reference to SONIA, lender margin and including credit adjustment spread, with maturity dates that range from 2026-2040 inclusive.

The Group and Society has sold a range of bonds, capital market and private placement transactions repayable in both single and multiple instalments, all at fixed rates of interest. The Group sold bonds in conjunction with financial institutions at rates between 1.05% and 11.09%, with maturity dates ranging from 2030-2058 inclusive, whilst the Society has bonds at rates of between 1.05% and 8.13% over the same period.

The Group has two Homes England loans which are repayable as single instalments and are subject to an increasing fixed nominal rate of interest, both loans mature in 2033. The Society has intercompany loans with Radian Capital and Yarlington Treasury Services on like-for-like terms to the initial bond sales.

All external loans and borrowings are secured against housing properties, with both headroom on existing facilities and undrawn facilities available to the Group and Society.

20. CONTINGENT LIABILITIES

Government grants as part of business combinations

Government grants of £181.9m and £8.3m associated with housing properties were acquired from Octavia Housing and Silva Homes Limited respectively. As these properties were included at fair value on acquisition, any fall in value for which the grant is compensating has already been reflected in the valuation and therefore no Deferred Capital Grant has been recognised in long term liabilities. In the event of the housing properties being disposed, the Abri Group is responsible for the repayment or recycling of the grant.

Fire Safety remedial works

The Group uses PAS9980 assessments which provide the methodology for the fire risk appraisal of external wall construction and cladding of existing multi-storey and multi-occupied residential buildings.

There is a possible, but uncertain obligation in relation to buildings where a PAS9980 assessment has not yet been performed. We have determined our constructive obligation to carry out future works is at the point when we formally notify residents of the start date for remediation works to commence, and a provision is recognised at that point. This is after we have completed a PAS9980 survey which has then been used to inform the works required and have determined the cost of those works.

Management have estimated the cost of works in relation to leasehold buildings on less than 11m in height where formal communication has not yet taken place to be £2.8m.

TPT Scheme Benefit Review

As outlined in further detail in note 26, two of our defined benefit pension schemes (Abri Group Pension Scheme and the Social Housing Pension Scheme) are anticipating an increase in liabilities pending the outcome of the review. At the reporting date we only possess indicative estimates of the additional liabilities for each scheme, which are not anticipated to be material to the Group or Society's results.

21. PROVISIONS

	Group		Society	
				Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Balance brought forward on 1 April	9,639	5,159	5,376	5,165
Business combinations	-	4,833	-	-
Variations to provisions brought forward	286	-	286	-
New provisions in year	5,019	211	5,019	211
Release of provisions in year	(4,595)	(564)	(332)	-
Balance carried forward on 31 March	**10,349**	**9,639**	**10,349**	**5,376**

Provisions relate to remedial works for defective cladding and/or insulation on blocks in excess of 11m in height, associated compensation payments, staff redundancies and dilapidations. Variations arise from a change in the scope and estimated cost of works and are released against costs incurred when work is in progress.

22. ANALYSIS OF CHANGES IN NET DEBT

Group	On 1 April 2025 £'000	Cash flows £'000	Non-cash changes £'000	On 31 March 2026 £'000
Cash				
Cash and cash equivalents	**103,160**	**(11,980)**	**-**	**91,180**
Loans and borrowings				
Payables: due within one year	(86,999)	(7,203)	(214)	**(94,416)**
Payables: due after one year	(1,775,112)	(142,078)	(2,421)	**(1,919,611)**
	(1,862,111)	**(149,281)**	**(2,635)**	**(2,014,027)**
Financial derivatives				
Interest rate swap	**1,777**	**-**	**1,129**	**2,906**
	(1,757,174)	**(161,261)**	**(1,506)**	**(1,919,941)**

23. DEFERRED CAPITAL GRANT

	Group			Society		
	Completed	In course of construction	Total	Completed	In course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
On 1 April 2025 – combined (Society)	**652,080**	**211,741**	**863,821**	528,112	185,470	**713,582**
Inputs						
Received in year	3,175	1,224	**4,399**	(990)	1,164	**174**
Transferred from Recycled Capital Grant Fund	-	4,013	**4,013**	-	763	**763**
Outputs						
Transferred into management	64,404	(64,404)	**-**	49,475	(49,475)	**-**
Recycled on disposal	(4,833)	-	**(4,833)**	(2,519)	-	**(2,519)**
Released on disposal	2,559	(1,123)	**1,434**	(19)	-	**(19)**
On 31 March 2026	**717,385**	**151,451**	**868,852**	**574,059**	**137,922**	**711,981**
Accumulated amortisation						
On 1 April 2025 – combined (Society)	**(96,098)**	**-**	**(96,098)**	(81,673)	-	**(81,673)**
Released on disposal	404	-	**404**	360	-	**360**
Charge for the year	(6,611)	-	**(6,611)**	(5,590)	-	**(5,590)**
On 31 March 2026	**(102,305)**	**-**	**(102,305)**	**(86,903)**	**-**	**(86,903)**
Amortised Deferred Capital Grant						
On 31 March 2026	**615,080**	**151,451**	**766,547**	**487,156**	**137,922**	**625,078**
On 31 March 2025 – combined (Society)	**555,982**	**211,741**	**767,723**	**446,439**	**185,470**	**631,909**

23. DEFERRED CAPITAL GRANT (CONTINUED)

Deferred Capital Grant will be recognised in the Statement of Comprehensive Income as follows:

	Group			Society		
	Completed £'000	In course of construction £'000	Total £'000	Completed £'000	In course of construction £'000	Total £'000
Due within one year	7,138	-	**7,138**	6,091	-	**6,091**
Due after one year	607,958	151,451	**759,409**	481,065	137,922	**618,987**
	615,096	**151,451**	**766,547**	**487,156**	**137,922**	**625,078**

The Recycled Capital Grant Fund for the Group is held centrally within The Swaythling Housing Society Limited.

24. RECYCLED CAPITAL GRANT FUND

	Group		Society	Combined
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
On 1 April	15,664	13,949	4,010	4,597
Net inputs to fund				
Arising on combination	-	5,081	-	-
Grants recycled	6,022	4,197	2,698	1,986
Interest accrued	668	817	180	171
Transfers to other Group members	-	-	2,552	4,276
Other	13	62	(29)	(19)
Recycling of grant				
New build	(4,013)	(8,442)	(3,758)	(7,001)
On 31 March	**18,354**	**15,664**	**5,653**	**4,010**
Recycled Capital Grant due within one year	6,560	5,402	3,391	2,054
Recycled Capital Grant due after one year	11,794	10,262	2,262	1,956
	18,354	**15,664**	**5,653**	**4,010**

Grants recycled include amounts relating to both Deferred Capital and Equity Loan Grant.

Included within payables due in less than one year is £nil (2025: £nil), which has been held for more than three years and would normally be due for repayment to Homes England. However, under the terms of the Strategic Partnership, it is expected that aged balances can be recycled up to the cessation date of the partnership and therefore are not due for repayment.

25. DEFERRED TAX

Group

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to taxes levied by the same tax authority on the same taxable entity within the Group. It is not anticipated that there will be any significant reversal of the deferred tax liability in the next 12 months.

An asset of £10.3m (2025: £7.0m) has not been recognised in respect of losses and other timing differences. The asset would be recovered if there were sufficient and suitable surpluses in the future.

26. PENSIONS

Defined contribution schemes

The Group participates in a number of defined contribution schemes, a consequence of recent business combinations as outlined below:

- **Standard Life** - the provider for employees of The Swaythling Housing Society Limited.
- **Scottish Widows** – membership of the scheme ceased when all employees of Silva Homes transferred to The Swaythling Housing Society Limited on 1 October 2024, at the point Silva completed its Transfer of Engagements to Abri Group Limited.
- **Social Housing Pension Scheme** – membership of the scheme ceased when all employees of Octavia Housing transferred to The Swaythling Housing Society Limited on 31 January 2026, prior to the completion of Octavia's Transfer of Engagements to Abri Group Limited on 16 February 2026.

	Group		**Society**	
				Combined
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Accounting charge				
Standard Life	9,602	8,652	-	-
Scottish Widows	-	291	-	291
Social Housing Pension Scheme	640	215	642	995
Private Pension	-	20	-	-
	10,242	**9,178**	**642**	**1,286**
Outstanding contributions on 31 March				
Standard Life	914	780	-	-
Social Housing Pension Scheme	-	70	-	**70**
	914	**850**	**-**	**70**

26. PENSIONS (CONTINUED)

Defined benefit schemes

During the current and prior year, the Group participated in the following schemes, all of which were closed to new entrants.

- Abri Group Pension Scheme (AGPS)
- Royal County of Berkshire Pension Fund (RCB)
- The Social Housing Pension Scheme (SHPS); and
- Royal Borough of Kensington and Chelsea (RBKC)

All schemes had full actuarial valuations carried out in 2022 and updated to 31 March 2026, or cessation if applicable, by an independent qualified actuary.

Abri Group Pension Scheme (AGPS)

The Society and The Swaythling Housing Society participated in AGPS, established after employers in the legacy Radian Group exited the Social Housing Pension Scheme. The scheme is closed to future accrual with effect from July 2023. The full valuation (September 2023) showed a deficit of £22.8m, corresponding to a funding level of 73% which the employers agreed to with the trustee to aim to eliminate over a period of six years. In the year, payments were made towards this deficit totalling £3,504k (2025: £3,402k).

At the reporting date the values, and movements in year, of the scheme have been fully disclosed within The Swaythling Housing Society given the proportion of deferred and pensioner members of the scheme.

Royal County of Berkshire Pension Fund (RCB)

The Swaythling Housing Society Limited participated in RCB; in July 2023, cessation debt of £1.5m was settled, fully discharging the Society’s liability to the scheme.

Silva Homes also participated in RCB. The full valuation (March 2022) showed a funding surplus of £3.7m and funding level of 117%. In March 2025 a subsumption payment of £7,157k was agreed, and accrued for, with the pension scheme and local authority, fully discharging the Group’s liability to the scheme.

The Social Housing Pension Scheme (SHPS)

Octavia Housing participated in the Social Housing Pension Scheme, a multi-employer scheme which provides benefit to some 500 non-associated employers. The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which, 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 triennial valuation of the Scheme for funding purposes was carried out as of 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 Society 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.

On 31 January 2026, cessation of the scheme was triggered when all active members of the SHPS defined contribution scheme completed a Transfer of Undertakings (Protection of Earnings) from Octavia to Swaythling and transferred to Abri Group’s standard life defined contribution scheme.

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Royal Borough of Kensington and Chelsea (RBKC)

Octavia Housing was an admitted body to the LGPS administered by the Royal Borough of Kensington and Chelsea (RBKC). The LGPS is a multi-employer defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings.

Membership of the Scheme is restricted to former RBKC employees who were transferred under Transfer of Undertakings (Protection of Employment) on 1 December 2014 at which there were no past service deficits. Any future service deficits are guaranteed by a £135k bond underwritten by HSBC plc. In addition, as many unrelated employers participate in the Royal Borough of Kensington and Chelsea Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

On 31 January 2026, cessation of the scheme was triggered when the remaining active members of the scheme completed a Transfer of Undertakings (Protection of Earnings) from Octavia to Swaythling, who became an admitted employer of the scheme from this date. The disclosures in the subsequent notes relate solely to the period prior to the transfer, as the values relating to two active members of the scheme for the final two months of the year are immaterial to the financial statements.

Other Matters

TPT Scheme Benefit Review

We were notified in 2022 by the Trustee of both AGPS and SHPS that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, this process is ongoing with the Court's determination expected during the second quarter of 2026. Until the Court direction is received, it is unknown whether any increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Virgin Media Limited v NTL Pension Trustees II Limited

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Limited against aspects of the June 2023 decision. The conclusions reached by the court in this case may have implications for other UK defined benefit plans. The Company is currently considering the implications of the case for the Scheme. In addition, the Company has been informed by the scheme's trustee that it has asked the High Court to clarify various points on how the issues arising from the Virgin Media case should be applied to the scheme in the case of Verity Trustees Limited v Wood and others, which was heard by the High Court in February and March 2025 with the outcome expected later this year. Furthermore, on 5 June 2025, the Department of Work and Pensions announced that the Government will "... introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards". The defined benefit obligation has been calculated on the basis of the pension benefits currently being administered, and at this stage the directors do not consider it necessary to make any adjustments as a result of the Virgin Media case.

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

At the reporting date the schemes across the Group had the following net liabilities:

	Group		Society	Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
AGPS defined benefit deficit	9,863	12,797	-	6
SHPS defined benefit deficit	-	1,461	-	1,461
RBKC defined benefit deficit	-	-	-	-
	9,863	**14,258**	**-**	**1,467**

Main financial assumptions adopted for ongoing schemes for FRS 102 purposes:

	AGPS		SHPS		RBKC	
	2026	2025	2026	2025	2026	2025
	%	%	%	%	%	%
CPI inflation	3.0	2.9	-	2.8	2.9	2.8
Salary increases	-	-	-	3.8	3.9	3.8
Discount rate	6.3	5.9	-	5.7	5.8	5.8

Where schemes have settled cessation liabilities or closed to future accrual, certain financial assumptions have not been provided as they are not relevant at the reporting date.

Post retirement mortality assumptions:

	AGPS		RBKC	
	Male	Female	Male	Female
Retiring today	22.3	24.4	22.1	23.3
Retiring in 20 years	23.9	25.8	19.3	25.1

The assets in the schemes, none of which are held directly by the Group or Society, were:

Group	2026				2025			
	AGPS	RBKC	SHPS	Total	AGPS	RBKC	SHPS	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Equities	4,200	-	-	**4,200**	3,505	1,445	915	**5,865**
Bonds	28,759	-	-	**28,759**	27,775	70	2,454	**30,299**
Property	1,748	-	-	**1,748**	2,323	229	408	**2,960**
Cash	1,265	-	-	**1,265**	1,029	18	110	**1,157**
Alternative assets	13,296	-	-	**13,296**	11,774	-	3,225	**14,999**
Private credit	4,141	-	-	**4,141**	3,968	-	992	**4,952**
Total market value	**53,409**	**-**	**-**	**53,409**	**50,374**	**1,762**	**8,104**	**60,240**

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Society		**2026**				**Combined 2025**		
	AGPS £'000	**RBKC £'000**	**SHPS £'000**	**Total £'000**	**AGPS £'000**	**RBKC £'000**	**SHPS £'000**	**Total £'000**
Equities	-	-	-	-	3	915	1,445	**2,363**
Bonds	-	-	-	-	32	2,454	70	**2,556**
Property	-	-	-	-	3	408	229	**640**
Cash	-	-	-	-	1	110	18	**129**
Alternative assets	-	-	-	-	15	3,225	-	**3,240**
Private credit	-	-	-	-	5	992	-	**997**
Total market value	**-**	**-**	**-**	**-**	**59**	**8,104**	**1,762**	**9,925**

Group		**2026**		
	AGPS £'000	**RBKC £'000**	**SHPS £'000**	**Total £'000**
Fair value of scheme assets	53,409	-	-	**53,409**
Present value of obligation	(63,272)	-	-	**(63,272)**
Group share of deficit in the scheme	**(9.863)**	**-**	**-**	**(9.863)**
Movements in fair value of assets				
Opening fair value of scheme assets	50,374	970	8,104	**59,448**
Reverse of prior year asset ceiling	-	792	-	**792**
Interest income on scheme assets	2,998	85	386	**3,469**
Actuarial (losses)/gains	(857)	193	194	**(470)**
Expenses	(183)	-	-	**(183)**
Contributions from employers	3,496	11	376	**3,883**
Contributions from scheme members	-	3		**3**
Benefits paid	(2,419)	(25)	(428)	**(2,872)**
Assets extinguished on settlement	-	(2,029)	(8,632)	**(10,661)**
Closing fair value of scheme assets	**53,409**	-	-	**53,409**
Movements in value of obligations				
Opening defined benefit obligation	(63,171)	(970)	(9,565)	**(73,706)**
Service cost	-	(13)	-	**(13)**
Interest cost	(3,657)	(47)	(447)	**(4,151)**
Expenses	-	-	(7)	**(7)**
Actuarial gains/(losses)	1,137	(40)	(126)	**971**
Benefits paid	2,419	25	428	**2,872**
Contributions by scheme members	-	(3)	-	**(3)**
Liabilities extinguished on settlement	-	1,048	9,717	**10,765**
				-
Closing defined benefit obligation	**(63,272)**	**-**	**-**	**(63,272)**

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Group			**2025**		
	AGPS	**RCB**	**RBKC**	**SHPS**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Fair value of scheme assets	50,374	-	1,762	8,104	**60,240**
Present value of obligation	(63,171)	-	(970)	(9,565)	**(73,706)**
Application of asset ceiling	-	-	(792)	-	**(792)**
Group share of deficit in the scheme	**(12,797)**	**-**	**-**	**(1,461)**	**(14,258)**
Movements in fair value of assets					
Opening fair value of scheme assets	54,247	26,514	-	-	**80,761**
Arising on combination	-	-	1,722	8,429	**10,151**
Interest income on scheme assets	2,692	590	83	412	**3,777**
Actuarial (losses)/gains	(7,738)	416	(45)	(743)	**(8,110)**
Expenses	(241)	(26)	-	-	**(267)**
Contributions from employers	3,410	98	4	105	**3,617**
Contributions from scheme members	-	33	1	-	**34**
Benefits paid	(1,996)	(721)	(3)	(99)	**(2,819)**
Assets extinguished on settlement	-	(26,904)	-	-	**(26,904)**
Closing fair value of scheme assets	**50,374**	**-**	**1,762**	**8,104**	**60,240**
Movements in value of obligations					
Opening defined benefit obligation	(73,542)	(26,514)	-	-	**(100,056)**
Arising on combination	-	-	(1,103)	(10,058)	**(11,161)**
Service cost	-	(114)	(6)	-	**(120)**
Expenses	-	-	-	(2)	**(2)**
Interest cost	(3,562)	(582)	(53)	(496)	**(4,693)**
Actuarial gains	11,937	2,203	190	892	**15,222**
Benefits paid	1,996	721	3	99	**2,819**
Contributions by scheme members	-	(33)	(1)	-	**(34)**
Liabilities extinguished on settlement	-	24,319	-	-	**24,319**
Closing defined benefit obligation	**(63,171)**	**-**	**(970)**	**(9,565)**	**(73,706)**

Where applicable, the opening fair value of scheme assets has been adjusted from the prior year closing fair value to reflect the application of an asset ceiling.

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Society	**2026**			
	AGPS	**RBKC**	**SHPS**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Fair value of scheme assets	-	-	-	-
Present value of obligation	-	-	-	-
Group share of deficit in the scheme	-	-	-	-
Movements in fair value of assets				
Opening fair value of scheme assets - combined	59	970	8,104	**9,133**
Reverse of prior year asset ceiling		792		**792**
Scheme transfers	(59)			**(59)**
Interest income on scheme assets		85	386	**471**
Actuarial gains		193	194	**387**
Contributions from employers		11	376	**387**
Contributions from scheme members		3		**3**
Benefits paid		(25)	(428)	**(453)**
Assets extinguished on settlement		(2,029)	(8,632)	**(10,661)**
Closing fair value of scheme assets	-	-	-	-
Movements in value of obligations				
Opening defined benefit obligation - combined	(65)	(970)	(9,565)	**(10,600)**
Scheme transfers	65			**65**
Service cost		(13)		**(13)**
Expenses			(7)	**(7)**
Interest cost		(47)	(447)	**(494)**
Actuarial losses		(40)	(126)	**(166)**
Benefits paid		25	428	**453**
Contributions by scheme members		(3)		**(3)**
Liabilities extinguished on settlement		1,048	9,717	**10,765**
Closing defined benefit obligation	-	-	-	-

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Society	**Combined 2025**				
	AGPS	**RCB**	**RBKC**	**SHPS**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Fair value of scheme assets	59	-	1,762	8,104	**9,925**
Present value of obligation	(65)	-	(970)	(9,565)	**(10,600)**
Application of asset ceiling	-	-	(792)	-	**(792)**
Group share of deficit in the scheme	**(6)**	**-**	**-**	**(1,461)**	**(1,467)**
Movements in fair value of assets					
Opening fair value of scheme assets - combined	61	26,514	1,714	8,412	**36,701**
Interest income on scheme assets	3	590	83	412	**1,088**
Actuarial gains/(losses)	(3)	416	(45)	(743)	**(375)**
Expenses	-	(26)	-	-	**(26)**
Contributions from employers	-	98	16	418	**532**
Contributions from scheme members	-	33	5	-	**38**
Benefits paid	(2)	(721)	(11)	(395)	**(1,129)**
Assets extinguished on settlement	-	(26,904)	-	-	**(26,904)**
Closing fair value of scheme assets	**59**	**-**	**1,762**	**8,104**	**9,925**
Movements in value of obligations					
Opening defined benefit obligation - combined	(85)	(26,514)	(1,091)	(10,349)	**(38,039)**
Service cost	-	(106)	(22)	-	**(128)**
Expenses	-	-	-	(7)	**(7)**
Interest cost	(4)	(582)	(53)	(496)	**(1,135)**
Actuarial gains	22	2,195	190	892	**3,299**
Benefits paid	2	721	11	395	**1,129**
Contributions by scheme members	-	(33)	(5)	-	**(38)**
Liabilities extinguished on settlement	-	24,319	-	-	**24,319**
Closing defined benefit obligation	**(65)**	**-**	**(970)**	**(9,565)**	**(10,600)**

Where applicable, the opening fair value of scheme assets has been adjusted from the prior year closing fair value to reflect the application of an asset ceiling.

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Analysis of amounts charged to the Statement of Comprehensive Income:

Group	2026			
	AGPS	RBKC	SHPS	Total
	£'000	£'000	£'000	£'000
SOCI - Operating and Finance Costs				
Service costs	-	13	-	**13**
Expenses	183	-	7	**190**
Net finance charge	659	(38)	61	**682**
(Gains)/Losses on cessation	-	(35)	1,474	**1,439**
	842	**(60)**	**1,542**	**2,324**
OCI – Actuarial (Gains)/Losses				
Actual less expected return on assets	857	(193)	(194)	**470**
(Gains)/losses from changes in assumptions	(2,547)	40	71	**(2,436)**
Experience (gains)/losses on liabilities	1,410	-	55	**1,465**
Decrease in asset ceiling	-	(792)	-	**(792)**
	(280)	**(945)**	**(68)**	**(1,293)**

Group	2025				
	AGPS	RCB	RBKC	SHPS	Total
	£'000	£'000	£'000	£'000	£'000
SOCI - Operating and Finance Costs					
Service costs	-	114	6	-	**120**
Expenses	241	26	-	2	**269**
Net finance charge	870	(8)	(30)	84	**916**
Exit payment	-	2,157	-	-	**2,157**
Subsumption payment	-	5,000	-	-	**5,000**
	1,111	**7,289**	**(24)**	**86**	**8,462**
OCI – Actuarial (Gains)/Losses					
Actual less expected return on assets	7,738	(416)	45	743	**8,110**
Gains from changes in assumptions	(12,045)	(3,518)	(181)	(956)	**(16,700)**
Experience (gains)/losses on liabilities	108	1,315	(9)	64	**1,478**
Increase in asset ceiling	-	2,585	169	-	**2,754**
	(4,199)	**(34)**	**24**	**(149)**	**(4,358)**

26. PENSIONS (CONTINUED)

Defined benefit schemes (continued)

Society	2026			
	AGPS	RBKC	SHPS	Total
	£'000	£'000	£'000	£'000
SOCI - Operating and Finance Costs				
Service costs	-	13	**-**	**13**
Expenses	-	**-**	7	**7**
Net finance charge	-	(38)	61	**23**
(Gains)/losses on cessation	-	(35)	1,474	**1,439**
	-	**(60)**	**1,542**	**1,482**
OCI – Actuarial (Gains)/Losses				
Actual less expected return on assets	-	(193)	(194)	**(387)**
Losses from changes in assumptions	-	40	71	**111**
Experience (gains)/losses on liabilities	-		55	**55**
Decrease in asset ceiling	-	(792)		**(792)**
	-	**(945)**	**(68)**	**(1,013)**

Society	Combined 2025				
	AGPS	RCB	RBKC	SHPS	Total
	£'000	£'000	£'000	£'000	£'000
SOCI - Operating and Finance Costs					
Service costs	-	106	22	-	**128**
Expenses	-	26	-	7	**33**
Net finance charge	1	(7)	(30)	84	**48**
Exit payment	-	2,157	**-**	**-**	**2,157**
Subsumption payment	-	5,000	**-**	**-**	**5,000**
	1	**7,282**	**(8)**	**91**	**7,366**
OCI – Actuarial (Gains)/Losses					
Actual less expected return on assets	3	(416)	45	743	**375**
Gains from changes in assumptions	(22)	(3,510)	(181)	(956)	**(4,669)**
Experience (gains)/losses on liabilities	-	1,315	(9)	64	**1,370**
Increase in asset ceiling	-	2,585	169	-	**2,754**
	(19)	**(26)**	**24**	**(149)**	**(170)**

27. GIFT AID

The Society received Gift Aid payments from the following contributors:

	2026 £'000	Combined 2025 £'000
The Swaythling Housing Society Limited	3,178	16,500
Yarlington Homes Limited	3,613	1,280
Radian Developments Limited	185	4,700
Oriel Housing Limited	3,008	109
Yarlington Property Management Limited	-	55
Forest Future Homes Limited	902	649
Octavia Living Limited	-	(40)
	10,886	**23,253**

28. SHARE CAPITAL

Group and Society	**2026 £'000**	**2025 £'000**
Shares of £1 each		
Issued on 1 April	16	24
Shares issued during the year	2	1
Shares cancelled during the year	(1)	(9)
Shares issued and fully paid on 31 March	**17**	**16**

The share capital of the Society consists of three classes of shares; ordinary, resident and parent, with a nominal value of £1 each, which carry no rights to dividends or other income. Shares are called up but unpaid, with the members' agreement stating that; should the society ever be wound-up, the shares must be paid. Shares in issue are not capable of being repaid or transferred. On ceasing to be a shareholder, the relevant share is cancelled.

29. CAPITAL AND OTHER COMMITMENTS

	Group		Society	
	2026 £'000	2025 £'000	2026 £'000	Combined 2025 £'000
In contract	415,541	313,543	456,113	314,372
Approved but not contracted	189,058	132,789	179,539	130,719
Total capital commitments	**604,599**	**446,332**	**635,652**	**445,091**
Other commitments	260,247	432,725	97,505	289,556
Total commitments	**864,846**	**879,057**	**733,157**	**734,647**

29. CAPITAL AND OTHER COMMITMENTS (CONTINUED)

Capital commitments represent expenditure on housing properties and other fixed assets not provided for in the financial statements. Other commitments represent expenditure on properties developed for sale. Within the Group, other commitments include the Group's share of commitments in relation to jointly controlled entities, as outlined below:

Joint ventures	Holding	2026 £'000	2025 £'000
Thakeham Pease Pottage LLP	50%	310	1,562
Linden (Sayers Common) LLP	50%	166	-
Lovell/Abri Weymouth LLP	50%	26,840	35,520
Thakeham West Horsley LLP	50%	1,318	4,490
Countryside Abri Ford North LLP	50%	124,665	113,388
Templecombe Bowden RD LLP	50%	16,977	-
		170,276	**154,960**

Capital commitments at the reporting date will be funded as outlined below:

	Group		Society	Combined
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cash at bank	84,065	103,160	71,704	67,525
Undrawn revolving credit facilities	392,890	248,149	387,890	236,530
Retained bond sales	70,000	95,000	70,000	95,000
Amounts due from group undertakings	-	-	24,328	28,569
Social Housing Grant	36,745	-	36,745	-
Cash generated from operating activities	20,899	23	44,985	17,467
	604,599	**446,332**	**635,652**	**445,091**

In practice, cash generated from operations, including the sale of properties in the normal course of business, will reduce the requirement to draw down on available borrowings.

30. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

Group	Land and buildings		Other	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Within one year	1,439	1,407	2,116	2,004
Within two to five years	1,939	2,568	2,187	2,187
More than five years	1,053	1,236	-	-
	4,431	**5,211**	**4,303**	**4,191**

30. OPERATING LEASES (CONTINUED)

Society	**Land and buildings**		**Other**	
		Combined		**Combined**
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Within one year	1,263	666	48	30
Within two to five years	1,640	1,253	103	59
More than five years	960	246	-	-
	3,863	**2,165**	**151**	**89**

Amounts committed to be received in the next year under operating leases are as follows:

Group	**Commercial properties**		**Leases with partnership agencies**		**Tenancy leases**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Within one year	1,067	1,013	1,562	1,489	31,090	23,762
Within two to five years	3,304	3,484	4,967	5,088	-	-
More than five years	4,107	4,774	1,322	1,777	-	-
	8,478	**9,271**	**7,851**	**8,354**	**31,090**	**23,762**

Society	**Commercial properties**		**Leases with partnership agencies**		**Tenancy leases**	
		Combined		**Combined**		**Combined**
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Within one year	1,035	943	1,207	1,229	25,926	19,102
Within two to five years	3,234	3,348	4,003	4,426	-	-
More than five years	4,063	4,690	1,190	1,670	-	-
	8,332	**8,981**	**6,400**	**7,325**	**25,926**	**19,102**

Where a tenancy lease has no fixed end date, it has been assumed that the Group and Society is committed to receive one month's rent, equal to the default notice period on tenancy agreements.

31. FINANCIAL INSTRUMENTS

Included below are financial assets and liabilities held at fair value:

	Group		Society	Combined
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Financial assets				
Investments	101	710	-	-
Receivables	3,485	2,367	3,485	2,367
Fair value gains/(losses)				
On current asset listed investments	(11)	(69)	(11)	(50)
On interest rate swap	1,129	2,108	1,129	2,595

32. DERIVATIVE FINANCIAL INSTRUMENTS

Within the Group, the Society uses a fixed interest rate swap to manage interest rate risk on variable rate borrowings by receiving variable interest income. Both the hedged item and hedging instrument are priced with reference to SONIA. The swap carries a nominal value of £15.0m and matures in 2038, with an impact on the Statement of Comprehensive Income in the intervening period. The Society expects to retain an exposure to variable rate borrowings over the term of the swap and the instrument is deemed to be fully effective.

To hedge the potential volatility in future interest cash flows arising from movements in SONIA, the Society uses a stand-alone variable to fixed interest rate swap with a nominal value of £12.0m, with the similar term as certain underlying variable rate loans and with interest re-pricing dates similar to those of the variable rate loans. These result in Octavia paying 3.39% and receiving SONIA (cash flows are settled on a net basis) and effectively fixing the total interest cost on loans and the interest rates swap at 4.05% per annum. The cash flows arising from the interest rate swaps will continue until their maturity in November 2037.

The fair value of the swap at the reporting date is shown below:

Group and Society (Combined 2025)	2026	2025
	£'000	£'000
Asset		
Interest rate swaps	**2,906**	**1,777**

The change in fair value of the hedging instrument in the Society was recognised in other comprehensive income during the year as a gain of £1,129k (2025: Group: £2,108k and Society: combined £2,595k).

33. RELATED PARTY TRANSACTIONS

Pension schemes

All defined benefit schemes in which the colleagues of the Group and Society participate are deemed to be related parties. Full disclosure on these can be found in note 26.

Transactions with other entities

The Group accounts are prepared on a consolidated basis; all intercompany transactions are eliminated on consolidation. The following disclosure has been included to comply with the Accounting Direction for social housing, which requires transactions between registered providers and other entities in the Group to be disclosed.

Registered providers of social housing:

- Abri Group Limited (AGL)
- The Swaythling Housing Society Limited (SHS)
- Oriel Housing Limited (OHL)
- Octavia Housing (OH)

Other Group entities:

Abri Group Subsidiaries

- Radian Developments Limited (RDL)
- Yarlington Homes Limited (YHL)
- Forest Future Homes Limited (FFH)
- Octavia Foundation (OF)
- Octavia Hill Housing Trust Gift Fund (OHHTGF)
- Radian Capital plc (RC)
- Yarlington Treasury Services plc (YTS)
- Swaythling Assured Homes plc (SAH)

Jointly Controlled Entities

- *Thakeham Pease Pottage LLP (TPP)*
- *Linden (Sayers Common) LLP (LSC)*
- *Lovell/Abri Weymouth LLP (LAW)*
- *Thakeham West Horsley LLP (TWH)*
- *Countryside Abri Ford North LLP (CAFN)*
- *Templecombe Bowden RD LLP (TBRD)*
- *Affinity (Reading) Holdings Limited (ARHL)*
- *Affinity (Reading) Limited (ARL)*
- *Affinity Housing Services (AHS)*

33. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with other entities (continued)

The following transactions and balances are shown prior to any group level consolidation and from the perspective of the Group/Society:

	Group		Society	
				Combined
	2026	2025	2026	2025
Transactions - Income	£'000	£'000	£'000	£'000
SHS recharge to YHL for corporate overhead charges	42	41	-	-
SHS recharge to RDL for corporate overhead charges	16	19	-	-
SHS recharge to FFH for corporate overhead charges	26	13	-	-
SHS recharge to OHHTGF for audit fees	12	-	-	-
AGL recharge to OHHTGF for repairs	13	-	13	-
AGL interest income from FFH on loans	38	1	*38*	1
AGL interest income from TPP on loans	*197*	*621*	*197*	*621*
AGL interest income from TWH on loans	*1,198*	*639*	*1,198*	*639*
AGL interest income from LSC on loans	-	*11*	-	*11*
AGL interest income from LAW on loans	*1,702*	*1,719*	*1,702*	*1,719*
AGL interest income from CAFN on loans	*2,260*	*1,969*	*2,260*	*1,969*
AGL interest income from TBRD on loans	*86*	-	*86*	-
AGL interest income from ARHL on loan notes	*402*	*356*	*402*	*356*
AGL Gift Aid receipt from YPM	-	55	-	55
AGL Gift Aid receipt from RDL	185	-	185	1,280
AGL Gift Aid receipt from YHL	3,613	-	3,613	4,700
AGL Gift Aid receipt from FFH	902	-	902	649
OH Gift Aid receipt from YHL	-	1,280	-	-
OH Gift Aid receipt from RDL	-	4,700	-	-
OH Gift Aid receipt from FFH	-	649	-	-
OH Gift Aid return to OL for overpayment	-	(40)	-	(40)

- Recharges for corporate overheads are made with reference to legal agreements, based on services provided costed on an arm’s length basis.
- Interest income is earned on amounts loaned to subsidiaries, supported by formal agreements with charges included on an arm’s length basis.
- The Society receives amounts of Gift Aid from subsidiaries, ensuring corporation tax liabilities are mitigated as fully as possible and minimising the amount of cash leaving the Group.

33. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with other entities (continued)

	Group		Society Combined	
Transactions - expenditure	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**
SHS purchase of properties developed from YHL	43	77	-	-
AGL purchase of properties developed from YHL	(100,906)	(88,323)	(100,906)	(88,323)
AGL purchase of properties developed from FFH	(16,094)	(19,051)	(16,094)	(19,051)
SHS purchase of properties developed from LSC	-	*(67)*	-	-
AGL purchase of properties developed from TWH	(1,000)	*(4,268)*	(1,000)	*(4,268)*
YHL purchase of developments from TWH	(1,443)	(1,644)	-	-
YHL purchase of developments from LAW	(6,787)	(5,703)	-	-
AGL write off of loan principal to TWH	-	*(1,516)*	-	*(1,516)*
AGL write off of loan interest to TWH	*(142)*	*(1,753)*	*(142)*	*(1,753)*
AGL charge for servicing fees from RC	(91)	(74)	(91)	(74)
AGL interest cost from YTS for intercompany loans	(3,905)	(3,911)	(3,905)	(3,911)
AGL interest cost from RC for intercompany loans	(16,625)	(16,643)	(16,625)	(16,643)

- Properties are purchased from entities developing housing properties under appropriate contractual agreements, covering all appropriate costs. Services are supported by formal agreements where appropriate.
- Intercompany loans to subsidiaries are supported by formal agreements.

	Group		Society Combined	
Balances – Assets	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**
AGL shareholding in YTS	50	50	50	50
AGL shareholding in RC	50	50	50	50
AGL shareholding in OL	10	-	10	10
OH shareholding in OL	-	10	-	-
AGL shareholding in YHL	1	1	1	1
AGL shareholding in RDL	1	1	1	1
AGL shareholding in FFH	1	1	1	1
AGL investment in ARHL	1,170	1,170	1,170	1,170
AGL investment in AHS	25	25	25	25

AGL also holds a £1 investment, for which it owes £1, to Thakeham Pease Pottage LLP, Linden (Sayers Common) LLP, Lovell/Abri Weymouth LLP, Thakeham West Horsley LLP, Countryside Abri Ford North LLP and Templecombe Bowden RD LLP.

33. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with other entities (continued)

	Group		Society	Combined
Balances – Assets (continued)	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**
AGL receivable from YTS from 2057 bond charges	-	1	-	1
AGL receivable from RDL for interest	-	1,772	-	1,772
SHS receivable from OHHTGF for audit fee	12	-	-	-
AGL receivable from OHHTGF for repairs	13	-	13	-
AGL receivable from ARL for directors' fees	*33*	*33*	*33*	*33*
SHS receivable from AHS for transactional services	*15*	*15*	-	-
AGL receivable from TPP for unpaid interest	*100*	-	*100*	-
AGL receivable from TWH for unpaid interest	*471*	-	*471*	-
AGL receivable from FFH on intercompany loan	-	500	-	500
AGL receivable from TPP for loans	-	*3,679*	-	*3,679*
AGL receivable from TWH for loans	*14,600*	*16,681*	*14,600*	*16,681*
AGL receivable from LAW for loans	*15,102*	*17,774*	*15,102*	*17,774*
AGL receivable from CAFN for loans	*24,848*	*20,648*	*24,848*	*20,648*
AGL receivable from TBRD for loans	*3,160*	-	*3,160*	-
AGL receivable from ARHL for loan notes	*3,523*	*3,121*	*3,523*	*3,121*
AGL receivable from TPP for accrued loan interest	-	*2,613*	-	*2,613*
AGL receivable from TWH for accrued loan interest	*96*	*124*	*96*	*124*
AGL receivable from LAW for accrued loan interest	*3,742*	*2,195*	*3,742*	*2,195*
AGL receivable from CAFN for accrued loan interest	*4,292*	*2,032*	*4,292*	*2,032*
AGL receivable from TBRD for accrued loan interest	*86*	-	*86*	-

	Group		Society	Combined
Balances - Liabilities	**2026 £'000**	**2025 £'000**	**2026 £'000**	**2025 £'000**
AGL payable to FFH for purchase of developments	(2,024)	(3,174)	(2,024)	(3,174)
AGL payable to YHL for purchase of developments	(10,339)	(1,896)	(10,339)	(1,896)
AGL payable to RDL for VAT and distributions	(745)	-	(745)	-
AGL transfer to OHHTGF	(359)	-	(359)	-
AGL payable to RC for intercompany loans	(330,000)	(330,000)	(330,000)	(330,000)
AGL payable to YTS for intercompany loans	(120,000)	(120,000)	(120,000)	(120,000)
AGL payable to SAH for intercompany loans	(4,000)	(4,000)	(4,000)	(4,000)
AGL payable to RC for unpaid share capital	(38)	(38)	(38)	(38)
AGL payable to YTS for unpaid share capital	(38)	(38)	(38)	(38)
AGL payable to FFH for unpaid share capital	(1)	(1)	(1)	(1)

34. POST BALANCE SHEET EVENTS

On 26 June 2026, a commitment letter for additional borrowing was executed with an initial period of three months, providing Abri Group Limited with access to an additional £300m of liquidity; access to funds is contingent on the signing of a Senior Finance Agreement.

On 1 July 2026, Abri Group Limited and Curo Group (Albion) Limited announced that they are exploring options to form a new partnership. A final decision is expected later in the year, following a formal consultation with customers and the agreement of both Boards to the final business case.

35. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Abri Group Limited is the ultimate parent company, with a registered office at Collins House, Bishopstoke Road, Eastleigh, Hampshire, SO50 6AD.

Below is a list of all entities which make up the Group:

Type	Subsidiary	Registration status	Holding
Registered providers	The Swaythling Housing Society Limited	Registered Society	100%
	Oriel Housing Limited	Registered Society	100%
Development company	Radian Developments Limited	Limited Company	100%
	Yarlington Homes Limited	Limited Company	100%
	Forest Future Homes Limited	Limited Company	100%
Funding vehicle	Radian Capital plc	Public limited company	100%
	Yarlington Treasury Services plc	Public limited company	100%
Charity	Octavia Foundation Limited	Registered Charity	100%
	Octavia Hill Housing Trust Gift Fund	Registered Charity	100%
Dormant companies	Swaythling Assured Homes plc	Public limited company	100%
	Octavia Living Limited	Limited company	100%
	Octavia Hill Limited	Limited company	100%
	Octavia Development Service Limited	Limited company	100%
	Wayfarer Limited	Limited company	100%
	Charlotte Court Management Company (Yeovil) Limited	Limited company	81%
Jointly controlled entities	Affinity (Reading) Holdings Limited	Limited company	50%
	Affinity (Reading) Limited	Limited company	50%
	Affinity Housing Services	Unincorporated	50%
	Thakeham Pease Pottage LLP	Limited liability partnership	50%
	Linden (Sayers Common) LLP	Limited liability partnership	50%
	Lovell/Abri Weymouth LLP	Limited liability partnership	50%
	Thakeham West Horsley LLP	Limited liability partnership	50%
	Abri Countryside Ford North LLP	Limited liability partnership	50%
	Templecombe Bowden RD LLP	Limited liability partnership	50%

36. BUSINESS COMBINATIONS

On 16 February 2026, Octavia Housing completed a Transfer of Engagements (ToE) to Abri Group Limited, having previously joined the Group as a subsidiary of Abri in December 2024. The transfer is considered to be a group reconstruction, with merger accounting principles adopted. As Octavia was already a member of the Group, no merger adjustments in respect of accounting policies are required.

	2026			
	Pre-ToE Abri £'000	Pre-ToE Octavia £'000	Post-ToE £'000	Total £'000
Turnover	253,418	55,964	69,096	**378,478**
Cost of sales	(30,512)	(1,900)	(15,567)	**(47,979)**
Operating costs	(165,599)	(63,367)	(36,193)	**(265,159)**
Surplus from disposal of fixed assets	16,206	8,896	11,372	**36,474**
Operating surplus/(deficit)	**73,513**	**(407)**	**28,708**	**101,814**
Finance income	11,005	548	2,448	**14,001**
Finance costs	(47,079)	(10,356)	(11,968)	**(69,403)**
Loans written off	(141)	-	-	**(141)**
FV movement on financial instruments	9	-	(164)	**(155)**
FV movement on investment properties	-	-	(1,190)	**(1,190)**
Distributions from jointly controlled entities	250	-	374	**624**
Gift Aid	150	10,736	-	**10,886**
Surplus on ordinary activities before tax	**37,707**	**521**	**18,208**	**56,436**

	2025		
	Abri £'000	Octavia £'000	Total £'000
Turnover	290,068	69,673	**359,741**
Cost of sales	(39,215)	(5,695)	**(44,910)**
Operating costs	(193,933)	(78,236)	**(272,169)**
Surplus from disposal of fixed assets	17,975	4,823	**22,798**
Operating surplus/(deficit)	**74,895**	**(9,435)**	**65,460**
Finance income	9,481	1,010	**10,491**
Finance costs	(48,005)	(13,840)	**(61,845)**
Loans written off	(1,753)	-	**(1,753)**
FV movement on investment properties	(39)	(506)	**(545)**
Distributions from jointly controlled entities	444	-	**444**
Return of donor properties	-	(9,033)	**(9,033)**
Gift Aid	55	23,198	**23,253**
Surplus/(deficit) on ordinary activities before tax	**35,078**	**(8,606)**	**26,472**