

A photograph of a happy family of three. A man with glasses and a beard, a woman with long dark hair, and a young boy are all smiling and looking at a laptop screen. They are sitting on a light-colored sofa in a bright room with a large window in the background.

Statement of Accounts

2025-26

Great homes | Strong communities | Bright futures

South Liverpool Homes Limited Year ended 31 March 2026

South Liverpool Homes Limited

Registered Social Housing Provider – consolidated and entity Financial Statements

Year ended 31 March 2026

Registered Community Benefit Society No 31210R

Registered with the Regulator of Social Housing as a social landlord L4230

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South Liverpool Homes Limited Year ended 31 March 2026**Board members for the year ended 31 March 2026**

Debra Rees-Armstrong, Board Member and Chair of Customer Services Committee
Catherine Bett, Board Member
Paul Diggory, Chair of the Board
Paula Ellis, Board Member, Senior Independent Director and Member Responsible for Complaints
Yasmin Fearon, Board Member and Chair of Governance & Remuneration Committee
Bethany Hyams, Board Member and Equality, Diversity and Inclusion Champion
Ian Kelly, Board Co-opted Member
Yvonne McDermott, Board Member
Paul McGerty, Board Member and Chair of Audit & Risk Committee
Lee Payne, Board Member and Chair of Avela Board
Maggie Shannon, Board Member
Jamal Wahid, Board Co-opted Member (term ended 31 May 2025)

Executive officers for the year ended 31 March 2026

Anna Bishop, Chief Executive
Mark Chambers, Executive Director of Finance
Colin Gibson, Executive Director of Culture & Communications (retired 31 March 2026)
Angela Perry, Executive Director of Assets & Neighbourhoods

Company Secretary

Mark Chambers

South Liverpool Homes Limited Year ended 31 March 2026

Registered Office South Liverpool Homes
Parklands
Speke
Liverpool
L24 0TY

External Auditors Menzies LLP Manchester
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Manchester
M4 5DL

Principle Bankers Barclays Bank UK Plc
1st Floor
3 Hardman Street
Spinningfields
Manchester
M3 3HF

South Liverpool Homes Limited Year ended 31 March 2026**Statement from the Chair of the Board**

Welcome to the 2025/26 annual accounts for South Liverpool Homes. These accounts demonstrate a year of continued strength, stability and progress as we deliver against our corporate plan and prepare for the future.

The year ending March 2026 has been both busy and successful for SLH. We have continued to operate in a challenging economic environment, with ongoing cost pressures affecting both the organisation and the communities we serve. Despite this, we have remained focused on supporting our customers and investing in our homes and neighbourhoods, while maintaining a strong financial position to ensure our long-term sustainability.

The financial results presented in these statements show that we have continued to perform well, achieving an operating margin of 16.1% and a turnover of £24.7m. This reflects our disciplined approach to financial management and our ability to balance investment in services with maintaining a robust financial foundation.

A key highlight this year was our latest regulatory judgement, where we were awarded the highest possible ratings of G1 for governance, V1 for financial viability, and C1 for consumer standards. This is a significant achievement and reflects the commitment and hard work of colleagues across the organisation. It confirms that SLH is well-managed, financially strong, and delivering safe, high-quality services for our customers.

We have continued to invest significantly in our homes, with £13m spent on maintaining and improving homes across Speke and Garston. Ensuring our customers feel safe in their homes remains a top priority, with a continued focus on compliance, particularly in relation to damp and mould, fire safety and wider building safety requirements.

Our development programme has also made strong progress. We are working towards our long-term ambition to deliver 780 new homes by 2032, with a number of schemes underway across Speke, Garston and Aigburth. These new homes are being built to high environmental standards, supporting our commitment to sustainability and ensuring our customers benefit from energy-efficient, future-proofed homes.

Supporting our communities continues to be at the heart of what we do. We have invested over £0.4m in community initiatives, including projects that provide access to training and employment support, affordable food and household goods, and opportunities for local people to connect and thrive.

Customer feedback remains a key measure of our success. This year, 77% of customers told us they are satisfied with the services we provide. While we are proud of this, we remain ambitious and committed to improving further.

From a governance perspective, the Board has continued to strengthen its effectiveness. Our strategy sessions have provided valuable opportunities for open, forward-looking discussions, and we have continued to invest in board and committee development to ensure we have the right skills, experience and succession plans in place. An independent review of our governance arrangements is also underway to support this.

We have also placed a renewed emphasis on ensuring the tenant voice is central to our decision-making. This has included strengthening how feedback is considered at Board level and embedding reflection on tenant insight into our governance processes. This will remain a key focus as we move into the next financial year.

Risk management continues to be a core priority, with clear oversight of our strategic risks and regular reporting to the Board and committees. Our risk appetite is reviewed annually and used to inform decision-making across the organisation, ensuring we remain resilient in a changing environment.

South Liverpool Homes Limited Year ended 31 March 2026

During 2025/26 we have been delivering the final year (year five) of our current corporate plan, focused on our four priorities: People, Place, Planet and Pound. Alongside this, we have begun engaging with customers, colleagues and partners to shape our next corporate plan, setting our vision and priorities for 2027 and beyond.

Looking ahead, 2026/27 will be another important year as we respond to evolving regulatory and legislative requirements, continue delivering our development ambitions and finalise our future plans. The Board will play a key role in guiding this work, ensuring we remain focused on achieving the best outcomes for our customers and communities.

Finally, as I approach the end of my term as Chair in September 2026, having served the maximum time on the Board, I would like to take this opportunity to thank my fellow Board members, our executive team and all colleagues at SLH for their dedication and hard work. It has been a privilege to serve as Chair of such a committed and purpose-driven organisation. I look forward to supporting a smooth transition to the newly appointed Chair and to seeing SLH continue to go from strength to strength.



Paul Diggory
Chair of the Board

South Liverpool Homes Limited Year ended 31 March 2026

Report of the Board

Principal activities and review of business

South Liverpool Homes (SLH) principal activity is the provision of social and affordable rented accommodation for people in housing need. However, the Group has a wider remit to contribute to the overall sustainable regeneration of Speke and Garston through the development and support of appropriate activities and initiatives.

- Turnover for the year ended 31 March 2026 was £24.7m (2025: £24.1m)
- Operating costs were £20.2m for the year (2025: £20.2m).
- Cost of sales were £0.3m compared to (2025: £0.1m) in the previous year.
- Proceeds (after costs) from the sale of 16 properties through Right to Buy and Right to Acquire and two staircasing properties were £0.8m (2025: 13 properties, including one staircased and £0.6m).
- There were no shared ownership sales, no change to the previous year.
- Surplus for the Group was £3.4m (2025: £3.4m).
- Cash and investments £4.7m (2025: £26.2m).
- Borrowings totalling £45m were drawn (2025: £55m).

Group Structure

South Liverpool Homes Limited (SLH) is a charitable community benefit society limited by guarantee and a housing association registered with and regulated by the Regulator of Social Housing (RSH). SLH's primary activity is housing and property management.

SLH is the parent to Avela Services Limited (ASL) which is a company providing non-charity works including rental of commercial properties and income from photovoltaic solar panels. Avela owns 55% of Avela Home Service Limited Liability Partnership (LLP) and 51% of Avela Developments Limited Liability Partnership (LLP).

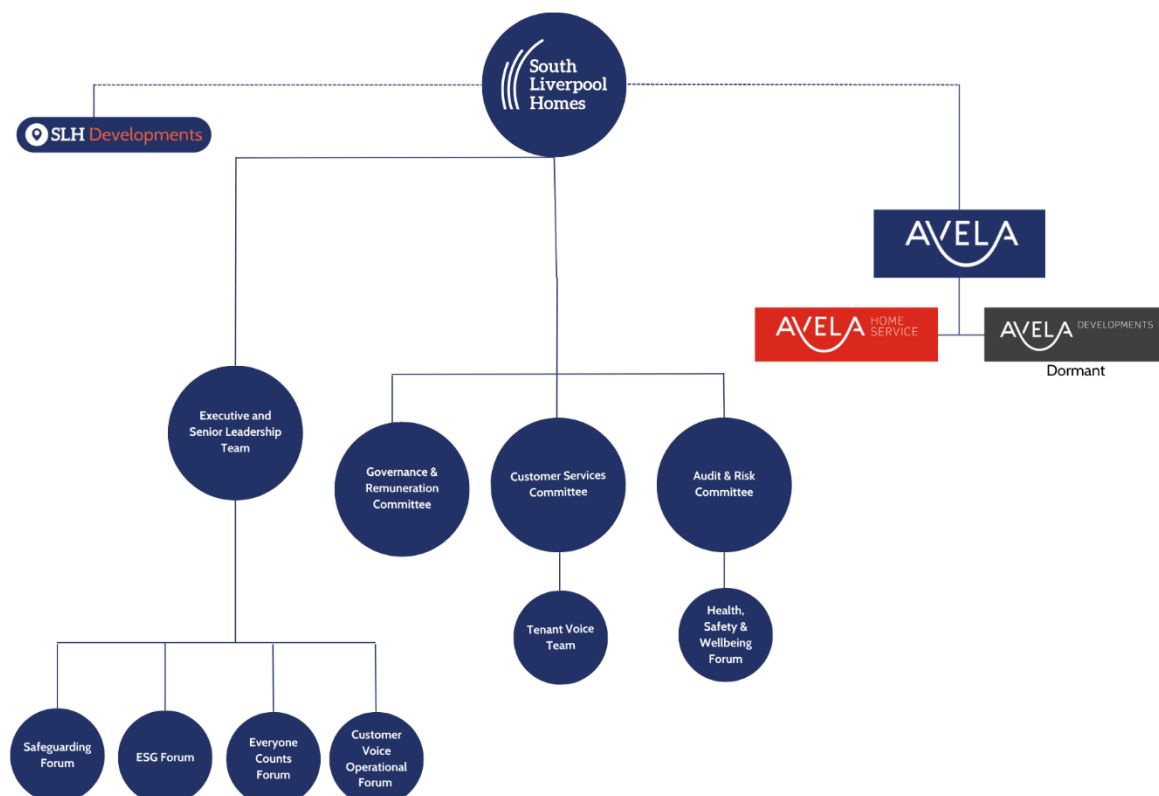
Avela Home Service LLP (AHS) is a partnership between ASL and Penny Lane Builders Limited which provides repairs and maintenance services, primarily to SLH.

Avela Developments LLP (AD) is a partnership between ASL and Penny Lane Builders Limited. It exists for the development and construction of affordable housing mainly for and on behalf of SLH. AD is currently dormant.

SLH is the parent to SLH Developments Limited (SLHDL) which is a company set up to provide the most effective way from a value for money perspective to manage the group's development programme.

South Liverpool Homes Limited Year ended 31 March 2026

Governance Structure



Going concern

The Board approves a 30-year business plan annually, considering the group's forecast financial performance, liquidity, debt repayment obligations and covenant compliance. The latest plan was approved in March 2026. Stress testing of severe but plausible scenarios confirms the group's financial resilience, with covenant compliance maintained throughout and headroom of over £6.0m against the tightest covenant (interest cover) in each of the next two years.

The group has a strong net asset position of £67.6m (2025: £64.2m). Cash collection in the year was positive and the bad debt position remained below budget despite the challenging economic conditions.

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

Assessment of the effectiveness of internal control

The Board has overall responsibility for establishing and maintaining the system of internal control and for reviewing its effectiveness. This responsibility applies for all organisations within SLH, including those not registered with the Regulator of Social Housing (RSH).

SLH's system of internal control is designed to manage, rather than eliminate the risk of failure to achieve aims and objectives, to comply with statutory requirements, and to safeguard and make best use of public

South Liverpool Homes Limited Year ended 31 March 2026

funds and assets. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The board has adopted a 'three lines of defence' model when establishing and maintaining internal controls, which are embedded within day-to-day management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the group is exposed and is consistent with the expectations of the RSH standard on governance and financial viability.

Assurance on the effectiveness of internal controls was provided across a number of specific areas by a series of internal audits and external reviews. The audit and risk committee received the annual report of the internal auditor at its meeting in March 2026 and has reported its findings to the board.

The system of internal control continues to be maintained through an ongoing process designed to:

- Identify and evaluate strategic, principal and operational risks to the achievement of SLH strategies, policies, aims and objectives.
- Evaluate the likelihood of those risks being realised.
- Mitigate the impact should they be realised.
- Manage these risks efficiently, effectively, economically, and as far as is reasonably practicable.

Effective Governance Arrangements

SLH is governed by a board of non-executive directors. The core purpose of the board is to determine vision and strategy whilst also directing, controlling and scrutinising SLH, and its subsidiaries, affairs and performance. Operational management is the responsibility of SLH's executive leadership team who remain accountable to the board.

The NHF code of governance stipulates that 'the membership of board and committees comprises of people with diverse backgrounds and attributes, having regard to the diversity of the communities the organisation serves and in line with the organisation's stated commitments to equality, diversity and inclusion'. SLH continue to collate EDI data for tenants and at the time of reporting, had 79.8% of known data. This has been collated via the 2022 SLH customer census and knowing our customer campaign.

Broadly, the SLH board composition does reflect the communities it serves. This will be monitored throughout all future recruitment to ensure the board is reflective of the customers it serves.

The Avela Services Limited Board comprises of non-executive directors nominated by the SLH board and SLH executive directors.

The SLH Developments Board comprises of two SLH executive directors.

The rules of SLH allow the board to delegate authority to sub-committees. SLH operate three sub-committees which have their own terms of reference setting out the powers and responsibilities delegated to them by SLH board.

- Audit and risk committee – The overall purpose of the committee is to ensure that SLH, ASL, AHS, AD and SLHDL internal control systems operate satisfactorily and that each organisation has adequate risk management arrangements in place. The committee has over the last 12 months:
 - Monitored the ongoing effectiveness of the internal reporting.
 - Considered reports from external audit including the annual financial statements before submission to the board.

South Liverpool Homes Limited Year ended 31 March 2026

- Reviewed internal audit reports and issues arising and sought assurance that action was taken through a mechanism of exception and follow up reporting.
 - Approved the internal auditor's annual plan for 2025/26 and monitored progress against this.
 - Ensured effective arrangements exist between internal and external audit and recommended the appointment of the internal and external auditors for the year.
 - Met with and considered the reports of external auditors, reviewed the financial statements, and monitored management action in response to issues raised.
 - Reviewed and obtained assurance on landlord compliance, health, safety and wellbeing and safeguarding.
 - Continued to review compliance with SLH's probity framework, signing off relevant returns such as fraud, speak up concerns, subject access requests, data protection, information security, declarations of interest and gifts and hospitality registers at each meeting.
 - Ensured that the company's assets are protected through regular reviews of the insurance arrangements.
 - Reviewed the asset and liability register.
 - Received assurance in relation to the use of the company seal.
 - Received comprehensive reporting on risks facing the organisation, risk management controls and areas of internal and external assurance. Providing board with assurance that risk is being managed effectively.
 - Received deep dives into risks.
 - Reviewed the group's risk appetite statement, for onward reporting and approval by the board.
 - Reviewed and obtained assurance that SLH is meeting the requirements of the regulator's economic standards (governance and financial viability, rent setting and value for money).
 - Approved and recommended to board for approval, a number of policies and procedures including the health, safety and wellbeing policy; data protection policy and data retention procedure.
 - Reviewed and approved SLH's pension strategy from a financial and viability perspective.
- Governance and Remuneration Committee – the overall purpose of the committee is to ensure effective governance arrangements are in place at SLH, ASL, AHS, AD, SLHDL and relevant assurance of this is provided to the SLH board. This includes ensuring the boards and committees have the appropriate balance of skills, experience, independence and knowledge to enable them to discharge their respective duties and responsibilities effectively. The committee has over the last 12 months:
 - Overseen the members appraisal process and received a detailed update on the skills and competency framework and members assessment against this.
 - Overseen the independent review of the skills and competency framework, including the member appraisal process.
 - Overseen the chairs recruitment campaign and made recommendations to board regarding the appointment of the new chair.
 - Reviewed a number of policies and procedures including:
 - SLH standing orders, including board emergency procedures
 - Modern slavery statement
 - Member performance procedure
 - Avela redeployment and redundancy policy
 - Board and committee member induction, appraisal and learning and development policy and procedure
 - Procedure for handling allegations against members
 - CEO appraisal procedure
 - Reviewed SLH's continued compliance with the NHF 2020 Code of Governance and progress against the governance improvement plan.
 - Reviewed remuneration for 2026/27 and pensions provision across the group.

South Liverpool Homes Limited Year ended 31 March 2026

- Approved the SLH pay principles.
 - Reviewed risks pertinent to remit of the committee.
 - Monitored board and committee member terms of service and supported Board succession planning through detailed reporting and planning.
 - Overseen the SLH board chair's completion of the chief executive's appraisal, including progress against objectives and setting objectives for the forthcoming year.
 - Overseen the SLH board chair's appraisal.
 - Received regular reports from the EDI board member lead.
 - Reviewed and recommended to board for approval, the EDI board statement.
- Customer Services Committee – the purpose of the committee is to provide a diverse cross-section of views and insight to the board from a tenant perspective. To influence board's decision-making on key tenant-related issues as defined by the board relating to the organisation's responsibilities as a landlord; and enable the customer voice to shape and continuously improve the homes and services that SLH provides. The committee has over the last 12 months:
 - Considered and influenced changes to SLH policies and procedures, from a customer perspective:
 - Anti-social behaviour policy
 - Customer voice framework
 - Hate crime policy
 - Adaptations policy and how to apply for major adaptations guidance/procedure
 - Asset management policy
 - Tenancy management policy
 - New home user guide
 - Reviewed deep dives into each of the consumer standards and provided assurance to board that SLH is compliant with these standards.
 - Reviewed on a quarterly basis, risks pertinent to tenants and the committee. A deep dive into one risk was carried out at each meeting.
 - Received the customer feedback report on a quarterly basis and made recommendations for improving the reporting information, to ensure it is focused on lessons learned.
 - Provided unique customer insight into a number of aspects of the business, including:
 - Reviewed the SLH performance dashboard and compliance on a quarterly basis
 - Received updates on performance against tenant satisfaction measures.
 - Instructed and supported the tenant voice team (formerly tenant scrutiny panel) to conduct service reviews in relation to: allocations and mystery shopping at the Market Place A number of recommendations were made following each review of which the committee monitors progress.
 - Quarterly reports are received from the tenant voice team (formerly tenant scrutiny panel).
 - Supported the development of the customer voice framework, enhancing processes to hear the customer voice throughout SLH's governance structure. The committee received regular customer voice updates.
 - Received updates on the 'knowing out customer' campaign and how SLH will continue to collate data and use this to deliver services.

Code of Governance

The board is pleased to have adopted the National Housing Federation (NHF) 2020 Code of Governance and can report compliance with the applicable principles and provisions of the adopted code. Compliance with the code is reviewed by the governance and remuneration committee at each quarterly meeting and assurance is reported to the board. The self-assessment against each element of the code is reported on annual basis to the board for approval.

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Regulatory Standards

SLH underwent a regulatory inspection during 2024/25 by the Regulator of Social Housing (RSH), resulting in a top-tier rating for compliance with the new consumer standards. The inspection assessed SLH's governance, financial viability, and adherence to consumer standards. The RSH found SLH to be well-managed, financially robust, and compliant with all relevant regulations.

Consumer Standards (C1): SLH was found to treat tenants fairly and respectfully and is actively increasing its understanding of tenant needs.

Governance (G1): SLH's board is rigorously monitoring performance against strategic targets and implementing clear improvement plans.

Viability (V1): SLH's financial plans are consistent with its financial strategy, demonstrating adequate funding, security, and financial capacity to manage various scenarios.

In November 2025, following a stability check, the RSH confirmed a governance grade of G1, a financial viability grade of V1 and a consumer grade of C1.

Compliance with Governance and Financial Viability Standard

SLH assess compliance with the governance and financial viability standard at least once a year and last certified compliance with the standard in July 2025. In addition, the board consider annually compliance with all the economic and consumer standards through self-assessments at least once a year. The value for money standard and rent standard were reviewed in July 2025 alongside the governance and financial viability standard.

The rent standard self-assessment identified one area of non-compliance following the discovery of a property that did not have the correct rent increase applied for 2024/25. Following a review a further five properties with the same issue were identified. As a result, additional rent increase checks focusing on relets was documented in the July 2025 internal audit into rent setting. Tenants were notified and the correct rent charge has now been applied to all six affected properties.

Each quarter, a deep dive into one of the consumer standards was reviewed at the customer services committee and then compliance confirmed at the following board meeting.

Board members' responsibilities and information for auditor

The board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations including the Statement of Recommended Practice (SORP): Accounting by registered social housing providers 2018.

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

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

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

South Liverpool Homes Limited Year ended 31 March 2026

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the group and association's transactions and disclose with reasonable accuracy at any time their financial position. The financial statements must comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the group and association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Paul Diggory
Chair of the Board
6 August 2026

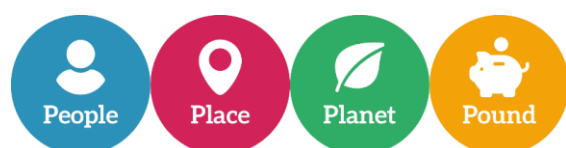
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Strategic Report for the year ended 31 March 2026

Vision: Great homes. Strong communities. Bright futures.

This vision supports our mission to provide homes and services to those in need. As a social landlord and a major stakeholder in the communities where we work, we see it as our duty to tackle societal issues. This plan will include closing the gap on the multiple inequalities that our communities face. Fundamental to this is the provision of good quality housing that people are proud to call their home.

We will achieve our vision through the delivery of four key objectives:



The vision is underpinned by our values, which run through everything we do, enabling us to run the business effectively to meet the objectives within the 4Ps as set out in the corporate plan.

Performance during the year

The Board and management have agreed a Performance Management Framework which is part of our approach to business assurance; it exists to manage performance across the group. Board consider performance quarterly, benchmarking against an agreed comparator group and also approve annual targets.

People (Residents)

Engaged and included residents who can access a range of services to support their health, wellbeing and economic aspirations.

Description	March 2025	March 2026			
		Target	Tolerance Level	Value	Status
% Overall satisfaction with new home / tenancy	85%	90%	85%	83%	🔴
% Overall satisfaction with repairs service	89%	90%	85%	83%	🔴
% Overall satisfaction with planned maintenance	100%	99%	90%	73%	🔴
% Satisfaction with anti-social behaviour case handling	96%	90%	80%	66%	🔴
% Satisfaction with formal complaint handling	50%	90%	85%	41%	🔴

Overall satisfaction with new home / tenancy has not achieved our target. Of 150 surveys sent, 72 responses were received (48% response rate). Dissatisfaction is mainly driven by issues with property condition and finish at handover. Actions to address performance include the introduction of a monthly voids strategic meeting, implementation of an enhanced sign-up process with face-to-face contact and home visits, additional plumbing checks within the void process and a review of the new tenant repairs process.

Overall satisfaction with repairs service is 83% against a target of 90%. In 2025/26, 16,403 repairs were completed, with 8,797 surveys sent and 1,671 responses received (19% response rate). Dissatisfaction is

South Liverpool Homes Limited Year ended 31 March 2026

mainly driven by incomplete repairs, delays, and incomplete repair solutions. Actions have focussed to improve the integrity of the measure to ensure all relevant repairs are surveyed, strengthening the feedback loop through clearer recording, regular review and weekly escalation with cross-service oversight and improving the customer experience through reinforcing follow-on works processes to operatives and undertaking customer journey mapping to identify the main trigger points for dissatisfaction.

Overall satisfaction with planned maintenance has not met target. Of 273 surveys issued, 41 responses were received (15% response rate). Dissatisfaction is primarily driven by incomplete works, communication issues, quality or damage concerns, and delays or attendance issues.

Satisfaction with anti-social behaviour case handling is 66% against a target of 90%. Of 253 closed applicable cases, 122 surveys were issued and 32 responses received (26% response rate). Dissatisfaction is mainly driven by perceived inaction, poor communication, cases not feeling resolved and tenants continuing to feel unsafe.

Satisfaction with formal complaint handling remains low at 41%. Of 179 surveys issued, 39 responses were received (22% response rate). Dissatisfaction is mainly driven by issues not being resolved, actions agreed not being completed, poor communication, delays, and dissatisfaction with complaint closure or decision-making. Actions taken to address performance issues include focused on confirming completion of outstanding complaint actions and following up with tenants where a repair forms part of the complaint solution.

Tenant satisfaction measures (TSM)

All registered providers are required to report TSMs using standardised satisfaction and management figures for the year to March 2026. There are 12 TSM perception measures and ten landlord management measures.

Our relationship-based Tenant Satisfaction Survey is conducted on our behalf by IFF Research, a social and market research agency. They complete 50 telephone surveys each month.

The table below shows SLH’s performance against the tenant perception TSMs for 2025/26, along with our position against IFF Research’s benchmarking group. Whilst 9 of the 12 measures are not achieving the SLH target (all are within our tolerance range), our annual performance remains strong relative to the 25 other housing providers IFF Research works with. For eight of the 12 TSM measures (including overall satisfaction), we are in the top (first) quartile. There has been an improvement in performance for 11 measures compared to 2024/25, and a one measure stayed the same - SLH make positive contribution to neighbourhood remained in line with 2024/25 at 79%.

TSM – perception measures 2025/26

TSM code	Satisfaction measure	2024/25 LCRA results	2025/26							IFF benchmarking group Apr - Mar 2025/2026 (LCRA only)
			Target	Tolerance level	LCHO	LCRA	Combined	Status	Trend comp. to 2024/25 (LCRA)	
TP01	Overall satisfaction	78%	82%	77%	50%	80%	79%		▲	2nd quartile
TP02	Overall repairs service (repair completed in last 12 months)	76%	82%	77%	N/A	77%	77%		▲	3rd quartile
TP03	Time taken to complete repair (repair in the last 12 months)	70%	78%	72%	N/A	75%	75%		▲	2nd quartile
TP04	Home is well-maintained	77%	82%	77%	N/A	80%	80%		▲	2nd quartile
TP05	Home is safe	82%	90%	85%	63%	86%	86%		▲	1st quartile

South Liverpool Homes Limited Year ended 31 March 2026

TSM code	Satisfaction measure	2024/25 LCRA results	Target	Tolerance level	LCHO	LCRA	Combined	2025/26		
								Status	Trend comp. to 2024/25 (LCRA)	IFF benchmarking group Apr - Mar 2025/2026 (LCRA only)
TP06	Listening to tenants views and acting upon them	70%	75%	70%	43%	73%	72%		▲	1st quartile
TP07	Keep informed	78%	80%	75%	75%	80%	80%		▲	1st quartile
TP08	Treat you fairly & with respect	85%	85%	80%	86%	86%	86%		▲	1st quartile
TP09	Approach to complaints handling (complaint made in last 12 months)	47%	60%	50%	100%	54%	55%		▲	1st quartile
TP10	Communal areas clean and well maintained	79%	80%	77%	50%	86%	84%		▲	1st quartile
TP11	SLH make positive contribution to neighbourhood	79%	80%	77%	40%	79%	78%		-	1st quartile
TP12	Approach to handling anti-social behaviour	73%	80%	75%	60%	76%	76%		▲	1st quartile

TSM – landlord management measures 2025/26

TSM code	TSMs generated from management information	Tenant Satisfaction Measure	2024/25 results	2025/26 results	Trend	Other housing associations (median score) 2025/26
CH01	Complaints relative to the size of the landlord	Number of: 1. stage one complaints and 2. stage two complaints received per 1,000 homes	76	61	▲	60
			6.4	4.5	▲	11.5
CH02	Complaints responded to within Complaint Handling Code timescales	Proportion of: 1. stage one complaints responded to and 2. stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales.	95%	90%	▼	98%
			88%	100%	▲	97%
NM01	Anti-social behaviour cases relative to the size of the landlord	Number of: 1. anti-social behaviour cases, of which 2. anti-social behaviour cases that involve hate incidents opened per 1,000 homes.	67	59	▲	39
			1.3	2.6	▼	0.8
RP01	Homes that do not meet the Decent Homes Standard	Proportion of homes that do not meet the Decent Homes Standard	0.00%	0.00%	-	0.09%
RP02	Repairs completed within target timescale	Proportion of: 1. non-emergency and 2. Emergency responsive repairs completed within the landlord's target timescale.	90%	86%	▼	85%
			94%	94%	-	97%
BS01	Gas safety checks	Proportion of homes for which all required gas safety checks have been carried out.	100%	99.95%	▼	100%
BS02	Fire safety checks	Proportion of homes for which all required fire risk assessments have been carried out.	100%	100%	-	100%
BS03	Asbestos safety checks	Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out.	100%	100%	-	100%
BS04	Water safety checks	Proportion of homes for which all required legionella risk assessments have been carried out.	100%	100%	-	100%
BS05	Lift safety checks	Proportion of homes for which all required communal passenger lift safety checks have been carried out.	100%	100%	-	100%

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People (Colleagues)

Colleagues who are engaged and empowered to deliver SLH's objectives.

Description	March 2025	March 2026			
		Target	Tolerance Level	Value	Status
% Short term absence	1.1%	2.0%	2.5%	0.9%	✓
% Overall sickness absence	3.3%	3.0%	3.5%	2.9%	✓
Description	March 2025	March 2026			
		Target	Tolerance Level	Value	Status
% Short term absence	1.1%	2.0%	2.5%	0.9%	✓
% Overall sickness absence	3.3%	3.0%	3.5%	2.9%	✓

Short term and overall sickness absence are performing within target, indicating stable attendance levels.

Place

Building homes to meet current and future needs whilst investing in existing homes. Building strong communities, places where people choose to live and stay. A good quality home will be the foundation to tackling social inequality.

Description	March 2025	March 2026			
		Target	Tolerance Level	Value	Status
% Repairs appointments kept	96.8%	97%	94%	94.3%	⚠
Average number of days to re-let empty homes	32 days	28 days	32 days	25 days	✓
% Tenancy turnover	4.6%	4%	5%	3.1%	✓
% Stock condition surveys completed	26.4%	20.0%	20.0%	31.6%	✓
% Follow on repairs completed within target	98%	98%	93%	82%	✗
Homes empty and not available	0.40%	0.13%	0.15%	0.29%	✗

Follow on repairs completed within target remains below target at year-end. In 2025/26, 97 FOWs were completed, of which 80 were completed in target, representing just 0.6% of all repairs completed. A review of the raising and reporting of FOW has been completed: training has been delivered to front-facing staff to ensure consistent identification, reporting and communication of FOWs, alongside a review and update of Avela's end-to-end FOW process, with improvements embedded into operational procedures.

Planet

Preparing our business, our homes and our communities to meet net-zero carbon targets; going a step further by providing cleaner, greener neighbourhoods and helping our customers navigate the energy challenges they face.

Economic, Social and Governance (ESG)

As part of our £40m loan refinancing in September 2022, the loan facilities agreement included three ESG metrics which, if achieved would save 0.05% of interest payable each year.

South Liverpool Homes Limited Year ended 31 March 2026

The three metrics are:

- The percentage of new developments (which have reached practical completion during the relevant Financial Year) that have an Energy Performance Certificate rating of “A” and “B” or above.
- SHIFT accreditation of minimum SILVER (57.5%) which measures the energy efficiency of all our housing stock.
- The percentage of existing stock that have an Energy Performance Certificate of “C” or above.

Description	March 2025	March 2026		
		Target	Value	Status
Properties practically complete	-	59	29	
New developments EPC-B or above	100%	100%	100%	
New developments EPC-A or above	N/A	50%	100%	
SHIFT Assessment	Silver (55.5%)	Silver (57.5%)	Gold (60.49%)	
Existing stock EPC-C or above	N/A	79.1%	80%	
Avoided carbon emissions	68 tonnes	No longer applicable		

Pound

Creating a sound financial platform to deliver our vision, maximising investment opportunities and working together with others to deliver more.

Description	March 2025	March 2026			
		Target	Tolerance Level	Value	Status
VFM Gains	£200,579	£200,000	£200,000	£217,000	
% Void loss	0.74%	0.75%	0.75%	0.55%	
% Income collected	100.4%	99.3%	98.0%	98.19%	
% Current tenants rent arrears	3.45%	3.84%	4.10%	4.01%	
% Former tenant rent arrears	0.35%	0.40%	0.60%	0.36%	
% Total arrears	4.94%	5.51%	6.10%	5.56%	

Risks and uncertainties

SLH's Risk Management Framework (RMF) forms part of the approach to business assurance; it exists to identify, manage and mitigate risk across the group to support delivery of our corporate plan. The RMF:

- Provides a systematic process of understanding, evaluating and reducing risks in order to maximise our chances of achieving our objectives;
- Provides Board with the necessary assurance that risk is being managed effectively;
- Identifies risk in relation to the business planning process and defines the Board risk appetite and tolerance against each strategic risk;
- Produces real time, accurate and relevant risk information;
- Ensures compliance with the Regulator of Social Housing Governance and Financial Viability Standard;

South Liverpool Homes Limited Year ended 31 March 2026

- Ensures that the control framework is operating effectively.

Board retains overall responsibility for risk. However, the framework is managed by the audit and risk committee and the leadership team. The leadership team reviews quarterly, the risk registers and consider other items such as changes in legislation, data protection, insurance, procurement and business continuity.

Risk management is a standard item in all board and committee papers and agendas.

The risk register is reviewed in detail, as a minimum, on a quarterly basis by lead risk owners. The risk register is reviewed by the leadership team and approved by the audit and risk committee on a quarterly basis. Board receives the risk register on a quarterly basis and specific attention is focused on strategic risks and those within the reporting scoring threshold.

During 2025/26 the risks within the risk register have evolved with the changing requirements of the sector. Alongside a review of risk scores, the reviews show that internal controls are in place and assurance is adequately evidenced and an action plan is in place to address any gaps.

As part of the business plan approval process, Board conducted a number of stress tests. The exercise detailed the board's response to the crystallisation of multiple risks together. This ensures that board understand what stresses and combinations of stresses could put our business at risk, that they have rehearsed a range of difficult decisions, and have developed a detailed contingency plan. As part of this process, board set the risk appetite and tolerance against each of the key strategic, principal and operational risks.

Risk Appetite – the Risk Appetite Statement represents the agreed view of the board of South Liverpool Homes, it provides direction, guidance, and parameters on the risk appetite for all SLH's activities.

Risk theme	AVERSE	CAUTIOUS	BALANCED	OPEN	HUNGRY
	<i>Prepared only to accept the very lowest level of risk</i>	<i>Willing to accept some low risks, while maintaining an overall preference for safe delivery options</i>	<i>Tending always towards exposure to only modest levels of risk</i>	<i>Prepared to consider all delivery options, selecting those with the highest probability of productive outcomes</i>	<i>Eager to seek original, creative, pioneering delivery options and to accept the associated substantial risk levels</i>
Repairs and maintenance	The board recognises that the repairs and maintenance service is at the core of what SLH does as a Registered Provider. The board considers that SLH's tenants must be able to expect good quality services. The board recognises that SLH must meet and avoid any breaches of regulatory and statutory standards. The board considers that in delivering these priorities that some cautious risks might need to be taken. The board requires that such exposures must be properly appraised and assessed before they are taken. Members agreed for the risk response to be noted as CAUTIOUS .				
Compliance / Regulatory	The board feels that SLH must adopt an averse approach to this risk, as it will not take any risks which will impact on its ability to meet regulatory requirements. The board has an AVERSE appetite in relation to regulatory compliance.				
Finance / Value for Money	The board recognises the need for measured risk taking and has a CAUTIOUS approach to support growth whilst making best use of resources, delivering value for money and minimising the possibility of financial loss allowing SLH to develop and provide the highest standards of housing. However, the board will not take any financial risks which will have a negative impact on the overall sustainability of the organisation and has an AVERSE appetite.				
Health and Safety Obligations	The board considered that this risk is of the highest priority and that all necessary measures are adopted to manage this risk to ensure that breaches are avoided. The board has an AVERSE appetite in relation to the health and safety of tenants, colleagues and members.				
Environmental management / energy	The board has a CAUTIOUS appetite as SLH adheres to statutory targets associated with environmental and energy management, whilst also listening to and prioritising the interests of its tenants in such matters. The board recognises that the timeline for meeting statutory targets will enable SLH to prepare well informed plans to address these challenges. The board accepts that in working towards these objectives it should be able to accept a cautious approach to such risks. The board requires that such exposures must be properly appraised and assessed before they are taken.				

South Liverpool Homes Limited Year ended 31 March 2026

Development programme	The board considers that if SLH is unable to deliver the planned development programme this would present significant risks to its reputation generally and specific risks regarding SLH's relationship with Homes England. The board accepts that pursuing a development programme brings certain risks and that the delivery of a programme relies on many factors, many of which will be outside the control of SLH. The board accepts that a cautious approach to risk is appropriate. The board expects that appropriate mitigations are established and that these will be deployed as necessary. The board has a CAUTIOUS appetite in relation to the development programme.
Quality Improvement	SLH has an OPEN appetite for innovation and will take measured risks to maximise innovation, quality improvement and commercial opportunities to improve and transform services and ensure value for money.
Information technology	The board recognises that information technology is a key enabler to the delivery of SLH services. The board has an AVERSE appetite for risks relating to the availability of systems, including prolonged outage of core systems that impact service delivery. It also has an AVERSE appetite for security related risks, in terms of cyber-attacks. However, the board understands that information technology can create opportunities and therefore has an OPEN appetite for innovation, to maximise technological solutions to improve customer experience, transform services and ensure value for money.
Workforce	The board values our people and aims to engage and empower colleagues to deliver the SLH objectives. The board recognises that to achieve the necessary workforce objectives in terms of recruitment, training and culture, equality, diversity and inclusion and creating an agile workforce, we need to have a CAUTIOUS approach to risk.
Customers	The board is committed to engage and include residents, to enable them to access a range of services to support their health, wellbeing and economic aspirations. The board is prepared to consider all delivery options in terms of tenant engagement. The board has a CAUTIOUS appetite.

Value for Money

SLH aim to deliver Value for Money (VFM) through our 'Pound' strategy. We seek to strike the right balance between relatively low costs, high productivity and successful outcomes.

Comparing our costs with others is an integral part of managing our performance and ensuring delivery of this strategy. We report our value for money performance using the Regulator of Social Housing's national VFM Metrics. Performance is reported to Board quarterly. Comparison of value for money metrics is made by analysing the Regulator's global accounts of all housing associations.

We compare ourselves with organisations of a similar size (statistical neighbours) or those that operate in similar geographical areas who will experience the same issues such as deprivation, crime and unemployment. We know some of the services we deliver are higher cost compared to similar organisations or indeed are services that are not delivered by other landlords. However, decisions to deliver these services have been taken in an informed way, based upon the needs of our customers and our business. For example, our employability and benefits advice service supports customers to become more financially resilient and helps protect our income from increasing exposure and volatility. The impact of these services is monitored so that decisions regarding service levels can be kept under review to ensure they continue to be relevant and based on the needs of our customers and neighbourhoods.

The Board understand that investment in these areas will complement other areas of the business, like rent collection and the development programme. Investment in new supply offers less value without continued community investment. Our costs are reflective of a community-based landlord and the Board is clear on the cost base and continue to provide challenge through their quarterly review of performance against both the value for money and corporate plan performance metrics.

The Board also understand that if we were to move to a median or lower cost organisation, it would compromise our ability to deliver our vision. We stress test our capacity and risks and have mitigations in place to respond to adverse social and economic conditions.

The following tables show SLH's performance for the last two years against the national VFM metrics, together with a comparison to sector and peer results for 2024/25 (which is the latest comparative data available).

South Liverpool Homes Limited Year ended 31 March 2026

VFM metrics – backward look (group)

	Measure	2024/25				2025/26			
		Sector average	Peer average	SLH	Sector Quartile	SLH Budget	SLH Actual	Variance to budget	Variance to 2024/25
1	Reinvestment %	7.5%	9.3%	12.4%	Q1	23.3%	20.0%	-3.3%	7.6%
2a	Units developed (% of units social housing)	1.3%	1.0%	0.1%	Q4	2.8%	0.6%	-2.2%	0.6%
2b	Units developed (% of units non-social)			0.0%	Q1	0.0%	0.0%	0.0%	0.0%
3	Gearing	45.5%	41.8%	23.3%	Q1	34.4%	48.4%	14.0%	25.1%
4	EBITDA-MRI (as a % of interest)	112.9%	100.8%	152.7%	Q1	154.5%	134.3%	-20.2%	-18.3%
5	Social housing cost per unit	5,688	5,643	5,223	Q2	5,074	5,227	3.0%	0.1%
5a	Management cost per unit	N/A	N/A	1,519	N/A	1,634	1,629	-0.3%	7.2%
5b	Service charge cost per unit	N/A	N/A	194	N/A	188	218	16.1%	12.5%
5c	Maintenance cost per unit	N/A	N/A	1,668	N/A	1,661	1,791	7.9%	7.4%
5d	Major Repairs cost per unit	N/A	N/A	1,674	N/A	1,471	1,476	0.3%	-11.8%
5e	Other social housing cost per unit	N/A	N/A	168	N/A	119	113	-5.3%	-32.8%
6a	Operating Margin (social housing lettings)	20.0%	18.2%	19.0%	Q3	18.7%	19.4%	0.7%	0.5%
6b	Operating Margin overall	17.4%	14.7%	16.1%	Q3	17.9%	16.1%	-1.8%	0.0%
7	Return on Capital Employed	3.0%	3.0%	3.3%	Q2	3.4%	3.2%	-0.2%	-0.1%

VFM metrics – backward look (association)

	Measure	2024/25				2025/26			
		Sector average	Peer average	SLH	Sector Quartile	SLH Budget	SLH Actual	Variance to budget	Variance to 2023/25
1	Reinvestment %	7.3%	9.6%	12.8%	Q1	21.7%	20.0%	-1.7%	7.2%
2a	Units developed (% of units social housing)	1.9%	1.0%	0.1%	Q4	3.1%	0.6%	-2.5%	0.6%
2b	Units developed (% of units non-social)			0.1%	Q1	3.1%	0.6%	-2.5%	0.6%
3	Gearing	50.1%	41.8%	24.1%	Q1	34.7%	48.2%	13.5%	24.1%
4	EBITDA-MRI (as a % of interest)	84.9%	100.7%	140.7%	Q2	133.9%	124.3%	-9.6%	-16.3%
5	Social housing cost per unit	6,447	5,664	5,351	Q3	5,123	5,269	2.9%	-1.5%
5a	Management cost per unit	N/A	N/A	1,594	N/A	1,517	1,629	7.3%	2.2%
5b	Service charge cost per unit	N/A	N/A	194	N/A	187	218	16.9%	12.5%
5c	Maintenance cost per unit	N/A	N/A	1,666	N/A	1,770	1,814	2.5%	8.9%
5d	Major Repairs cost per unit	N/A	N/A	1,732	N/A	1,530	1,498	-2.1%	-13.5%
5e	Other social housing cost per unit	N/A	N/A	165	N/A	118	110	-7.6%	-33.6%
6a	Operating Margin (social housing lettings)	21.7%	18.2%	19.6%	Q3	19.3%	19.0%	-0.4%	-0.7%
6b	Operating Margin overall	17.2%	14.5%	16.6%	Q3	17.5%	16.0%	-1.6%	-0.7%
7	Return on Capital Employed	2.7%	3.0%	3.3%	Q2	3.1%	3.1%	0.0%	0.3%

Reinvestment: Investment in new development and current stock is higher than the sector and peer average. It has increased by 7.6% compared to last year as a result of more development activity. During the year £23.7m was spent on new developments, the majority of which was on works at the Garston Baths, South Parade, Tramway Road, Alexandra Drive, Church Road and Window Lane sites. We also invested £4.8m in our current homes.

Gearing and EBITDA-MRI metrics both continue to perform and compare well to sector and peer averages. There is comfortable headroom above funders' covenants and the opportunity to invest in new developments.

SLH cost per unit overall has increased slightly from £5,223 to £5,227 during the year and reflects SLH's effective response to the pressures from the rising volume and cost of repairs and maintenance in particular.

Management costs have increased by 7.2% (group) compared to the previous year. This is due increased overheads, particularly additional ICT costs and Asset Management legal and compensation payments.

South Liverpool Homes Limited Year ended 31 March 2026

Colleagues received a 2% pay award during the year. There has been a concerted effort to control expenditure and find in-year efficiencies which have delivered £200k in value for money efficiencies.

SLH continue to invest in our homes through an ongoing programme of major repairs and capital investment, £6.9m spent during the year. This represents a cost per unit of £1,476 for 2025/26, an decrease of 11.8% on the previous year.

Service charge costs have increased following the 2.7% increase to fixed charges, in line with Government guidance, and increases on variable charges to ensure contributions meet the cost of providing the services provided.

Other social housing expenditure, which includes community investments, the environmental team and new development programme design and feasibility, has decreased due to less salary costs as a result of an operational restructure.

Operating margins: 2025/26 has seen an increase in the social housing lettings (SHL) operating margin to 19.4% from 19.0% last year. This is due to the increased rental income and savings on overhead salaries, which was offset by overspends on overheads and service charge expenditure.

The overall operating margin remains at 16.1% compared to 2024/25. The budget and target for 2026/27 is to achieve a margin of 15.3%. The association and group is performing well. The “net surplus” is comparable to previous years and includes right to buy and right to acquire sales which contribute to the net surplus (or bottom line) but are excluded from the “operating surplus” figure used to calculate this metric.

Another factor identified which impacts on overall margins is that SLH invests heavily in community activity and Board appreciate that this has an associated cost. In 2025/26, £370k was invested in local projects such as Reach employability hub, our local Market Place, Grow Speke and investment in financial inclusion.

Return on Capital is 3.2% which was marginally lower than the budgeted 3.4%.

Other VFM measures from the Sector Scorecard

Theme	Measure	2024/25	Budget 2025/26	2025/26
Development	Units developed (absolute)	2	123	24
Outcomes	Satisfaction with the service provided by the social housing provider	77.9%	82.0%	80%
Delivered	Investment in community activities	567,241	357,094	368,945
Effective	Occupancy	99.2%	99.5%	99.6%
Asset	Ratio of responsive repairs to planned maintenance	0.44	0.52	0.55
Operating	Rent collected (Net rental income/gross rental income)	100.0%	99.3%	99.9%
efficiencies	Overheads as a percentage of social housing turnover	16.7%	16.7%	17.2%

Headlines from the other VFM indicators are as follows:

- Customer satisfaction was measured throughout the year by IFF Research who conducted telephone interviews with 601 representative tenants between April 2025 and March 2026.
- Investment in communities decreased during 2025/26 and in addition to the expenditure is the staff time spent supporting our most vulnerable tenants throughout the year.
- Occupancy is above the sector median.
- Overhead costs as a percentage of turnover increased due increased management costs, which includes overheads.

The following table sets out the VFM metrics for the next three years taken from SLH’s 30-year Business Plan.

South Liverpool Homes Limited Year ended 31 March 2026

VFM metrics – forward look (group)

	Measure	Actuals		Forecast				
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
1	Reinvestment %	12.4%	20.0%	18.8%	23.4%	15.0%	9.9%	8.8%
2a	Units developed (% of units social housing)	0.1%	0.6%	3.9%	3.8%	5.6%	1.5%	1.4%
2b	Units developed (% of units non-social housing)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Gearing	23.3%	48.4%	28.0%	37.6%	38.7%	39.7%	40.1%
4	EBITDA-MRI (as a % of interest)	152.7%	134.3%	137.0%	160.6%	144.2%	133.3%	136.5%
5	Social housing cost per unit	5,223	5,227	5,329	5,087	4,914	5,272	5,319
5a	Management cost per unit	1,519	1,629	1,715	1,694	1,639	1,655	1,673
5b	Service charge cost per unit	194	218	213	211	204	206	208
5c	Maintenance cost per unit	1,668	1,791	1,701	1,636	1,579	1,591	1,603
5d	Major Repairs cost per unit	1,674	1,476	1,569	1,416	1,366	1,694	1,706
5e	Other social housing cost per unit	168	113	130	129	125	127	129
6a	Operating Margin (social housing lettings)	19.0%	19.4%	17.6%	20.9%	21.5%	23.3%	24.1%
6b	Operating Margin overall	16.1%	16.1%	15.6%	19.5%	18.7%	22.1%	23.0%
7	Return on Capital Employed	3.3%	3.2%	3.0%	3.0%	3.0%	3.1%	3.2%

VFM metrics – forward look (association)

	Measure	Actuals		Forecast				
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
1	Reinvestment %	12.8%	20.0%	17.8%	23.2%	15.1%	10.0%	8.8%
2a	Units developed (% of units social housing)	0.1%	0.6%	3.9%	3.8%	5.6%	1.5%	1.4%
2b	Units developed (% of units non-social housing)	0.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Gearing	24.1%	48.2%	29.2%	38.1%	38.7%	39.4%	39.5%
4	EBITDA-MRI (as a % of interest)	140.7%	124.3%	129.7%	149.2%	136.9%	127.2%	131.5%
5	Social housing cost per unit	5,351	5,269	5,329	5,087	4,914	5,272	5,319
5a	Management cost per unit	1,594	1,629	1,715	1,694	1,639	1,655	1,673
5b	Service charge cost per unit	194	218	213	211	204	206	208
5c	Maintenance cost per unit	1,666	1,814	1,701	1,636	1,579	1,591	1,603
5d	Major Repairs cost per unit	1,732	1,498	1,569	1,416	1,366	1,694	1,706
5e	Other social housing cost per unit	165	110	130	129	125	127	129
6a	Operating Margin (social housing lettings)	19.6%	19.0%	18.1%	21.4%	21.9%	23.8%	24.5%
6b	Operating Margin overall	16.6%	16.0%	15.3%	18.8%	18.1%	21.5%	22.3%
7	Return on Capital Employed	3.3%	3.1%	2.9%	2.8%	2.8%	3.0%	3.0%

To achieve our 2026/27 targets above we aim to:

- Deliver on a budget which achieves an overall operating margin over 15%.
- Continuously review and improve how we operate, seeking opportunities to work in partnership with others in our communities, and giving customers a voice in decision-making.
- Update our Treasury Management Strategy to maintain the most effective approach to management of cash flows.
- Continue to use all entities in the group to provide the most efficient and effective way to maintain existing homes, build new homes and support tenants and local communities through community investment services.
- Complete four schemes to deliver new homes in Speke and Garston.

Resident involvement

SLH is committed to involving tenants and the community in how our homes and neighbourhoods are managed. Community involvement is vital to delivering better services and providing South Liverpool with great homes, strong communities and bright futures. There are a variety of ways to get involved with SLH:

- Tenant voice team (formerly tenant scrutiny panel) – the tenant voice team is a group of tenants who work on behalf of all tenants to ensure that the services provided are achieving high levels of customer

South Liverpool Homes Limited Year ended 31 March 2026

satisfaction and represent good value for money.

- Customer Services Committee – reviews strategic performance and how we are performing against the consumer standards. It provides recommendations to the SLH board (the customer services committee chair is a member of the SLH board).
- Satisfaction surveys – SLH actively seek customer views through surveys. The Satisfaction Framework exists to both test the feelings of customers about SLH (relationship surveys) and their views after they have received services (transactional surveys). During 2025/26, this approach has been enhanced through the roll out of CX Feedback to complete transactional surveys, improving survey automation, enabling timely capture of customer feedback, strengthening follow up on dissatisfaction through immediate alerts and provided a more consistent approach to managing survey data and insights. This ensures customer feedback is not only captured but used effectively to inform and improve future service delivery.
- Grow Speke is delivered through a partnership between South Liverpool Homes and the environmental charity Groundwork. It provides a vibrant, safe, and inclusive environment where people of all ages can connect with nature, develop new skills, and improve their wellbeing. The space includes food-growing areas, wildlife zones, and an outdoor classroom, and regularly hosts educational workshops, volunteer sessions, and community events. Grow Speke engages local schools, youth groups, and partner organisations to support learning, confidence, and resilience through hands-on experiences in a natural setting.
- PSS runs a similar project in Garston, based at the Dutch Barn. We work closely with PSS, supporting and promoting their service to our residents in Garston.
- The Market Place Social is a shared space within The Market Place where people can come together to chat, relax, create, and connect. We collaborate with over 15 partners to deliver a wide range of activities, including Coffee & Chat sessions, chair-based exercise, mental health workshops, arts and crafts, and cancer support groups.
- Each month, we distribute a Get Involved newsletter to over 680 residents and partners, highlighting community activities and customer voice initiatives that residents can take part in. We also maintain a register of over 120 engaged tenants, whom we contact for feedback and input on surveys, workshops, and focus groups.

Approval

This Strategic Report was approved by order of the Board on 6 August 2026.



Paul Diggory
Chair of the Board

South Liverpool Homes Limited Year ended 31 March 2026**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF SOUTH LIVERPOOL HOMES LIMITED****Opinion**

We have audited the financial statements of South Liverpool Homes Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2026 which comprise the Consolidated and Association Statement of Comprehensive Income, Consolidated and Association Statement of Financial Position, Consolidated Statement of Changes in Equity (Reserves), Association Statement of Changes in Equity (Reserves), Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

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 are independent of the Group and Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Strategic Report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

South Liverpool Homes Limited Year ended 31 March 2026

In connection with our audit of the financial statements 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 12 & 13, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities 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.

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

Extent to which the audit was considered 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:

South Liverpool Homes Limited Year ended 31 March 2026

- We obtained an understanding of laws, regulations and guidance that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation and health and safety legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of noncompliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and Regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

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

Signed by:



83F726A2B19F426

Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

Menzies LLP

Statutory Auditor

One Express

1 George Leigh Street

Manchester

M4 5DL

Date: 16-Sep-2026

South Liverpool Homes Limited Year ended 31 March 2026

Consolidated statement of comprehensive income

	Note	2026 £'000	2025 £'000
Turnover	4	24,654	24,066
Cost of sales	20	(283)	(53)
Operating costs	4	(20,201)	(20,184)
Surplus on disposal of housing properties	12	800	593
Operating surplus		4,970	4,422
Surplus on disposal of fixed assets		-	-
Other interest receivable and similar income	13	551	703
Interest and financing costs	14	(2,152)	(1,952)
Change in fair value of investment properties	18	-	-
Surplus before taxation		3,369	3,173
Taxation on surplus	15	13	19
Surplus for the financial year		3,382	3,192
Other comprehensive income			
Actuarial gain/(loss) on defined benefit pension scheme	28	58	206
Total comprehensive income for year		3,440	3,398
Surplus for the financial year attributable to:			
Non-controlling interest	19	181	(35)
Parent company		3,259	3,433
Surplus for the financial year		3,440	3,398
Total comprehensive income attributable to:			
Parent company		3,259	3,433
Non controlling interest		181	(35)
Total comprehensive income for year		3,440	3,398

Association statement of comprehensive income

	Note	2026 £'000	2025 £'000
Turnover	4	24,163	23,663
Cost of sales	4/20	(283)	(53)
Operating costs	4	(20,026)	(19,736)
Surplus on disposal of housing properties	12	800	593
Operating surplus		4,654	4,467
Gift aid receipt from subsidiary		79	76
Surplus on disposal of fixed assets		-	-
Other interest receivable and similar income	13	619	791
Interest and financing costs	14	(2,152)	(1,952)
Surplus before taxation		3,200	3,382
Taxation on surplus	15	-	-
Surplus for the financial year		3,200	3,382
Other comprehensive income			
Actuarial gain/(loss) on defined benefit pension scheme	28	58	206
Total comprehensive income for year		3,258	3,588

The notes on pages 33 to 61 form part of these financial statements.

South Liverpool Homes Limited Year ended 31 March 2026

Consolidated and association statement of financial position

	Note	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Fixed assets					
Tangible fixed assets – housing properties	16	145,258	120,904	146,742	121,985
Tangible fixed assets - other	17	1,741	2,018	421	553
Properties held for sale	20	-	-	-	-
Investment properties	18	305	305	-	-
		147,304	123,227	147,163	122,538
Current assets					
Properties held for sale	20	2,415	451	2,447	451
Stocks	20	314	501	-	-
Debtors receivable within one year	21	2,152	2,016	2,012	2,246
Debtors receivable after one year	21	-	-	1,356	1,285
Cash and cash equivalents		4,709	26,156	4,299	25,802
		9,590	29,124	10,114	29,784
Creditors: amounts falling due within one year	22	(7,586)	(15,611)	(7,458)	(14,910)
Net current assets		2,004	13,513	2,656	14,874
Total assets less current liabilities		149,308	136,740	149,819	137,412
Creditors: amounts falling due after more than one year	23	(81,160)	(71,687)	(81,128)	(71,634)
Net assets excluding pension liability		68,148	65,053	68,691	65,778
Pension liability	28	(513)	(858)	(513)	(858)
Net assets		67,635	64,195	68,178	64,920
Capital and reserves					
Income and expenditure reserve		67,489	64,230	68,178	64,920
Revaluation reserve		-	-	-	-
Equity attributable to owners of the parent company		67,489	64,230	-	-
Non-controlling interest	19	146	(35)	-	-
		67,635	64,195	68,178	64,920

The financial statements were approved by the Board of Directors and authorised for issue on 6 August 2026.

Paul Diggory
Chair



Paul McGerty
Director



Mark Chambers
Company Secretary



South Liverpool Homes Limited Year ended 31 March 2026

Group statement of changes in reserves

	Income and expenditure reserve	Equity attributable to owners of the parent company	Non- controlling interest	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2024	60,816	60,816	143	60,959
Surplus for the year	3,208	3,208	(35)	3,173
Actuarial gain/(loss) on defined benefit pension scheme	206	206	-	206
Drawings by non- controlling interests	-	-	(143)	(143)
Balance at 31 March 2025	64,230	64,230	(35)	64,195
Surplus for the year	3,201	3,201	181	3,382
Actuarial gain/(loss) on defined benefit pension scheme	58	58	-	58
Drawings by non- controlling interests	-	-	-	-
Other	-	-	-	-
Balance at 31 March 2026	67,489	67,489	146	67,635

Association statement of changes in reserves

	Income and expenditure reserve £'000
Balance at 1 April 2024	61,332
Surplus for the year	3,382
Actuarial gain/(loss) on defined benefit pension scheme	206
Balance at 31 March 2025	64,920
Surplus for the year	3,200
Actuarial gain/(loss) on defined benefit pension scheme	58
Balance at 31 March 2026	68,178

South Liverpool Homes Limited Year ended 31 March 2026

Consolidated statement of cash flows

	Note	2026 £'000	2025 £'000
Cash flows from operating activities			
Surplus for the financial year before tax		3,369	3,173
Depreciation of fixed assets - housing properties	16	4,257	4,211
Depreciation of fixed assets - other	17	326	317
Amortised grant	24	(688)	(685)
Interest payable and finance costs	14	2,152	1,952
Interest received	13	(551)	(703)
Pension costs less contributions paid	28	(339)	(451)
Impairment/(gain)	20	283	53
Surplus on the sale of fixed assets	12	(800)	(593)
Decrease / (increase) in property for resale		(1,963)	(248)
Decrease / (increase) in trade and other debtors		(125)	(290)
Decrease / (increase) in stocks		187	(135)
Increase / (decrease) in trade creditors and accruals		926	299
Cash from operations		7,034	6,900
Taxation paid		-	-
Net cash generated from operating activities		7,034	6,900
Cash flows from investing activities			
Proceeds from sale of fixed assets – housing properties	12	1,085	875
Purchase of fixed assets – housing properties	16	(27,857)	(14,006)
Purchases of fixed assets – other	17	(66)	(420)
Receipt of grant	24	11,151	2,287
Interest received	13	619	625
Net cash from investing activities		(15,068)	(10,639)
Cash flows from financing activities			
New loans – bank	26	-	30,000
Debt issue costs incurred	26	(878)	-
Interest paid		(2,535)	(1,898)
Repayment of loans - bank	26	(10,000)	(1,250)
Net cash used in financing activities		(13,413)	26,852
Net increase / (decrease) in cash and cash equivalents		(21,447)	23,113
Cash and cash equivalents at beginning of year		26,156	3,043
Cash and cash equivalents at end of year		4,709	26,156

South Liverpool Homes Limited Year ended 31 March 2026

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South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

1 Legal Status

South Liverpool Homes is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider. The registered office is Parklands, Speke, Liverpool, L24 0TY.

The Group comprises of the following entities:

Name	Incorporation	Registered / Non-registered
South Liverpool Homes	Co-operative and Community Benefit	Registered
Avela Services Limited	Companies Act 2006	Non-registered
Avela Home Service LLP	Limited Liability Act 2000	Non-registered
Avela Development LLP	Limited Liability Act 2000	Non-registered
SLH Developments Limited	Companies Act 2006	Non-registered

2 Principal Accounting Policies

Basis of accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

The financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of financial instruments and are presented in sterling £'000 for the year ended 31 March 2026.

Parent company disclosure exemptions

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

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and parent company would be identical;
- No cash flow statement has been presented for the parent company.

Basis of consolidation

The consolidated financial statements incorporate the results of South Liverpool Homes and all of its subsidiary undertakings as at 31 March 2026 as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Going Concern

The Board approves a 30 year business plan at least annually giving consideration to the Group's ability to repay debts and comply with financial covenants. The plan is subject to stress testing which demonstrates the ability to withstand significant risks, both in isolation and combined. The business plan was last approved in March 2026. Stress testing demonstrated that the Group has adequate resources available to withstand considerable economic challenges.

After making enquiries, the Board has a reasonable expectation that the Group has adequate resources to continue in existence for the foreseeable future, being a period of at least twelve months after the date on which the financial statements are signed. Therefore, it continues to adopt the going concern basis in the financial statements.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Income

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

- Rental income receivable (after deducting lost rent from void properties available for letting).
- Service charges receivable (after deducting lost service charges from void properties available for letting).
- Revenue grants and proceeds from the sale of land and property.
- First tranche sales of shared ownership housing properties developed for sale.
- Sales of properties developed for outright sales.
- Revenue from third party contracts with other housing associations to provide outsourced services and consultancy.
- Feed in tariff (FIT) from the energy generated from solar photovoltaic panels.
- Rental income is recognised from the point when properties under development reach practical completion and are formally let, income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Service charges

SLH adopts both the fixed and variable method for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Value Added Tax

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

Loan Finance costs

Loan interest costs are charged to the Statement of Comprehensive Income over the term of the loan using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Loan issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Pension costs

The Group participate in a number of defined contribution pension schemes.

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

Holiday pay accrual

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

Tangible fixed assets – Housing Properties

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

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

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

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

South Liverpool Homes Limited Year ended 31 March 2026**Notes to the financial statements****Capitalised Interest**

Interest on borrowings is capitalised to housing properties during the course of construction up to the date of completion of each scheme. The interest capitalised is either on borrowing specifically taken to finance a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. Interest is capitalised at the weighted average effective interest rate in the period.

Low cost home ownership (including shared ownership properties)

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

Shared ownership properties, including those under construction, are split between fixed assets and current assets. The split is determined by the percentage of the property sold under the first tranche disposal which is shown on initial recognition as a current asset, with the remainder classified as a fixed asset within property, plant and equipment (fixed assets) in the Statement of Financial Position. The exception to this is where this would result in a surplus on the disposal of the current asset that exceeds the anticipated overall surplus. In this circumstance any surplus on disposal of the first tranche is limited to the overall surplus by adjusting the costs allocated to current or fixed assets.

Sales of subsequent tranches are treated as a part disposal of housing properties. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Depreciation of housing property

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

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

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

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

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Description	Economic useful life (years)
Structure	50-100
Kitchen	20
Bathroom	35
Roofs (pitched)	55
Roofs (flat)	55
External doors	30
Boilers domestic	15
Specialist electrical	10
Rewires	35
Windows	30
External boundaries work	50
Boiler commercial	30
Adaptations	15
Tile flooring	30
Central heating	30
Lifts	30
Solar photovoltaic panels	25
Garden pump	10
Heat pump	20
Decarbonisation works	25
Electrical heating system	10
Groundworks and resurfacing	20

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

Tangible fixed assets – Other

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

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

Depreciation of other tangible fixed assets

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

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Description	Economic useful life (years)
Plant, machinery and vehicles	3
Fixtures, fittings, tools and equipment	3 - 8
IT Hardware	3 - 5
IT Software	5
Office Improvements	3
FIT generating Solar Photovoltaic Panels	20

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

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

Government grants

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

Description	Economic useful life (years)
Structure	100

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

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

Investment properties

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

Stock

Stocks of materials are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

Properties held for sale

Properties developed for outright sale, including the share of unsold shared ownership, are classified as current assets as they are intended for sale, and are measured at the higher of fair value less costs to sell and value in use.

South Liverpool Homes Limited Year ended 31 March 2026**Notes to the financial statements****Debtors and creditors**

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

Recoverable amount of rental and other trade receivables

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

Rent and service charge agreements

The Group has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

Loans, investments and short term deposits

All loans, investments and short term deposits held by the Group, are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Group has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instrument are stated on the Statement of Financial Position at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Financial liabilities and equity

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

Cash and cash equivalents

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

Leasehold Sinking Funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors.

Financial Instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. All financial assets and liabilities are measured at historic cost.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Reserves

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

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that

Significant judgements

Capitalisation of property development costs

The Group capitalises development expenditure in accordance with the accounting policy on housing properties. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

Estimation Uncertainty

Impairment

The Group considers whether indicators of impairment exist in relation to tangible assets at each reporting date. Indicators considered include external sources of information such as market value, market interest rates and returns on investment, actual or proposed changes to the technological, economic or legal environment, obsolescence or damage to the asset, operational changes or internal reporting which indicates that the asset is performing worse than expected. The Group also considers expected future performance of the asset. Any impairment loss is charged to the Statement of Comprehensive Income.

Following a trigger for impairment, the Group perform impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Group as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the assets' performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value less costs to sell or its value in use. The Group has identified a cash generating unit for impairment assessment purposes at a scheme level for completed properties and schemes for properties in developments.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Tangible fixed assets

Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components. The Group has recorded a depreciation charge of £4.3m (2025: £4.2m).

Revaluation of investment properties

Housing properties are categorised as either investment properties or property, plant and equipment based on their use. Investment properties are subsequently measured at fair value. The commercial properties held within Avela Services were independently valued at the reporting date, with no change in fair value recognised, consistent with the prior year.

Defined benefit obligation

In the year ended 31 March 2026, the Group recognised actuarial gain of £0.1m on the defined benefit pension schemes (2025: gain of £0.2m). The critical underlying assumptions in relation to the pension scheme valuations are the standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions can significantly influence the value of the liability recorded and annual gains or losses. Independent advisors have reviewed the assumptions and confirmed that they are reasonable and within normal expected ranges.

Bad debt provision

The estimate for rental and other receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable. As at 31 March 2026, a provision of £412k is held against current tenant arrears balances of £1.3m (33% compared to 39% in 2025). The charge in the year related to bad debt provision and write offs is £104k (2025: £111k).

Shared ownership first tranche percentage

Income from shared ownership sales is recognised on legal completion. Development costs are apportioned between current and fixed assets using the estimated first tranche sales percentages contained within scheme investment appraisals. An average first tranche sales percentage of 40% has been applied in determining the current asset allocation.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

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

GROUP	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	23,710	-	(19,103)	4,607
Other social housing activities				
First tranche shared ownership sales	-	(243)	-	(243)
Community investment activity	47	-	(369)	(322)
Other (including development costs)	7	(40)	(62)	(95)
	23,764	(283)	(19,534)	3,947
Activities other than social housing				
Properties developed for outright sales	-	-	-	-
Commercial & market rental	34	-	(9)	25
Other*	856	-	(658)	198
	24,654	(283)	(20,201)	4,170

GROUP	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	22,999	-	(18,635)	4,364
Other social housing activities				
First tranche shared ownership sales	-	-	-	-
Community investment activity	153	-	(567)	(414)
Other (including development costs)	19	(53)	(73)	(107)
	23,171	(53)	(19,275)	3,843
Activities other than social housing				
Properties developed for outright sales	-	-	-	-
Commercial & market rental	29	-	(6)	23
Other*	866	-	(903)	(37)
	24,066	(53)	(20,184)	3,829

* Other activities include outsourcing of back office services to other organisations and external income in subsidiaries.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

4 Particulars of turnover, cost of sales, operating costs and operating surplus (cont.)

ASSOCIATION	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2026 £'000	2026 £'000	2026 £'000	2026 £'000
Social housing lettings (Note 5)	23,710	-	(19,208)	4,502
Other social housing activities				
First tranche shared ownership sales	-	(243)	-	(243)
Community investment activity	47	-	(369)	(322)
Other (including development costs)	7	(40)	(50)	(83)
	23,764	(283)	(19,627)	3,854
Activities other than social housing				
Properties developed for outright sales	-	-	-	-
Other**	399	-	(399)	-
	24,163	(283)	(20,026)	3,854

ASSOCIATION	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	2025 £'000	2025 £'000	2025 £'000	2025 £'000
Social housing lettings (Note 5)	22,999	-	(18,615)	4,384
Other social housing activities				
First tranche shared ownership sales	-	-	-	-
Community investment activity	153	-	(567)	(414)
Other (including development costs)	19	(53)	(62)	(96)
	23,171	(53)	(19,244)	3,874
Activities other than social housing				
Properties developed for outright sales	-	-	-	-
Other**	492	-	(492)	-
	23,663	(53)	(19,736)	3,874

** Other activities include outsourcing of back office services to other organisations.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

5 Income and expenditure from social housing lettings

	General needs	Supported and Housing for older people	Shared Ownership	Total	Total
GROUP	£'000	£'000	£'000	2026 £'000	2025 £'000
Income					
Rents receivable net of identifiable service charges	21,381	679	110	22,170	21,483
Service charge income	411	379	62	852	831
Amortised government grants	677	-	11	688	685
Turnover from social housing lettings	22,469	1,058	183	23,710	22,999
Expenditure					
Management	(5,720)	(170)	(29)	(5,919)	(5,796)
Service charge costs	(431)	(356)	(48)	(835)	(740)
Routine maintenance	(4,304)	(130)	(26)	(4,460)	(3,948)
Planned maintenance	(2,298)	(83)	(5)	(2,386)	(2,417)
Major repairs expenditure	(813)	(11)	(6)	(830)	(1,099)
Bad debts	(104)	-	-	(104)	(111)
Depreciation of housing properties	(4,022)	(27)	(207)	(4,256)	(4,211)
Lease costs	(311)	(2)	-	(313)	(313)
Operating expenditure on social housing lettings	(18,003)	(779)	(321)	(19,103)	(18,635)
Operating surplus on social housing lettings	4,466	279	(138)	4,607	4,364
Void losses (being rental income lost as a result of property not being let although it is available for letting)	(116)	(6)	-	(122)	(161)

	General needs	Supported and Housing for older people	Shared Ownership	Total	Total
ASSOCIATION	£'000	£'000	£'000	2026 £'000	2025 £'000
Income					
Rents receivable net of identifiable service charges	21,381	679	110	22,170	21,483
Service charge income	411	379	62	852	831
Amortised government grants	677	-	11	688	685
Turnover from social housing lettings	22,469	1,058	183	23,710	22,999
Expenditure					
Management	(5,720)	(170)	(29)	(5,919)	(5,796)
Service charge costs	(431)	(356)	(48)	(835)	(740)
Routine maintenance	(4,366)	(130)	(26)	(4,522)	(3,937)
Planned maintenance	(2,331)	(83)	(5)	(2,419)	(2,411)
Major repairs expenditure	(823)	(11)	(6)	(840)	(1,096)
Bad debts	(104)	-	-	(104)	(111)
Depreciation of housing properties	(4,022)	(27)	(207)	(4,256)	(4,211)
Lease costs	(311)	(2)	-	(313)	(313)
Operating expenditure on social housing lettings	(18,108)	(779)	(321)	(19,208)	(18,615)
Operating surplus on social housing lettings	4,361	279	(138)	4,502	4,384
Void losses (being rental income lost as a result of property not being let although it is available for letting)	(116)	(6)	-	(122)	(161)

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

6 Particulars of turnover from non-social housing lettings

Commercial rented properties

Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
34	29	-	-
34	29	-	-

7 Units of housing stock

Rent type	General needs housing			Supported	Housing for Older People	Shared Ownership	Total
	Social	Affordable	Rent to Buy	Social	Social	% equity	
At 1 April 2025	3,247	387	18	3	120	40	3,815
Additions:							
New developments	-	18	6	-	-	-	24
Open market purchase	-	2	-	-	-	-	2
Market purchase	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
RTB/RTA disposals	(16)	-	-	-	-	-	(16)
Other disposals	-	-	-	-	-	(2)	(2)
Conversions	-	-	-	-	-	-	-
At 31 March 2026	3,231	407	24	3	120	38	3,823

Units under development:

At 1 April 2025	62	58	58	-	-	20	198
Completed	-	(18)	(6)	-	-	-	(24)
Start on site	-	35	-	-	-	-	35
At 31 March 2026	62	75	52	-	-	20	209

All units are owned and managed.

8 Operating surplus/(deficit)

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
This is arrived at after charging/(crediting):				
Depreciation of housing properties:				
- annual charge	4,092	3,906	4,092	3,906
- accelerated depreciation on replaced components	165	305	165	305
Depreciation of other tangible fixed assets	326	316	191	177
Amortised government grants	(688)	(685)	(688)	(685)
Operating lease charges – land & building	276	279	276	279
Operating lease charges – other	53	45	37	34
Surplus on sale of fixed assets	800	593	800	593
Auditors' remuneration (excluding VAT):				
- fees payable to the Group's auditor for the audit of the Group's	32	32	32	32
- fees payable to the Group's auditor for the audit of the subsidiary	24	24	-	-
- fees for tax computations and advice	9	6	2	2
- fees for other services	4	6	5	2

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

9 Employees

Staff costs (including Executive Leadership Team) consist of:

	Group 2026 £'000	Group 2025 (revised) £'000	Association 2026 £'000	Association 2025 £'000
Wages and salaries	7,425	7,111	4,291	4,367
Social security costs	964	736	560	465
Pension contributions	711	665	624	608
Other pension costs	16	(37)	16	(37)
	9,116	8,475	5,491	5,403

The association's employees were members of the Social Housing Pension scheme (SHPS). The employees of other group members are members of a NEST defined contribution scheme. Further information on each scheme is given in note 28.

The average number of employees (including Executive Leadership Team) expressed as full time equivalents (calculated based on a standard working week of 35-40 hours) during the year was as follows:

	Group 2026 No.	Group 2025 No.	Association 2026 No.	Association 2025 No.
Administration	61	62	48	48
Development	3	3	3	3
Housing, Support and Care	46	50	46	50
Maintenance operatives	81	73	6	6
	191	188	103	107

10 Directors' and senior executive remuneration

The key management personnel are defined as the members of the Board of Management, the Chief Executive and the Executive Leadership Team disclosed on page 3.

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Executive and Senior Leadership Team				
Wages and salaries (including performance related pay for the period)	509	664	509	664
Employer pension contributions	51	60	51	60
	560	724	560	724

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Board Members				
Gross salary	102	110	96	104
	102	110	96	104

The Chief Executive was the highest paid director, receiving emoluments of £134,192 (2025: £147,917, which reflects Executive Director of Operations emoluments).

Pension contributions of £29,820 were made to a defined benefit pension on their behalf (2025: £23,005, which reflects Executive Director of Operations pension contributions). This included £14,910 of employer contributions and £14,910 of additional pension costs to reflect salary sacrifice.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

10 Directors' and senior executive remuneration (cont.)

As a member of the Social Housing Pension scheme, the Chief Executive is an ordinary member of the pension scheme and no special terms apply. The Association does not make any further contribution to an individual pension arrangement for the Chief Executive.

The remuneration (including pension costs) paid to staff (including Executive Leadership Team) earning £60,000 upwards:

	Group 2026 No.	Group 2025 No.	Association 2026 No.	Association 2025 No.
Salary				
£60,000 - £69,999	3	5	3	1
£70,000 - £79,999	1	-	1	1
£80,000 - £89,999	5	1	2	4
£90,000 - £99,999	-	-	3	-
£100,000 - £109,999	-	-	-	-
£110,000 - £119,999	1	1	1	1
£120,000 - £129,999	1	1	-	-
£130,000 - £139,999	-	-	1	2
£140,000 - £149,999	1	1	1	-
£150,000 - £159,999	-	1	-	-
£160,000 - £169,999	-	-	1	1
£170,000 - £179,999	-	-	-	1
£180,000 +	-	-	-	-

11 Board and committee members

	Remuneration 2026 £	Remuneration 2025 £
Board members		
Paul Diggory	12,512	9,243
Elaine Eades	5,224	5,122
Yasmin Fearon	6,193	6,071
David Jepson	-	6,036
Karen Lowe	1,752	5,122
Derek Gibbon	427	5,122
Jamal Wahid	854	5,122
Catherine Bett	5,224	5,122
Peter Johnson	427	5,122
Paul McGerty	6,194	6,072
Bethany Hyams (McKeown)	5,224	5,122
Lee Payne	8,311	6,635
Paula Ellis	6,194	5,604
Debra Rees-Armstrong	6,194	6,072
Adenson Gumbo	5,224	5,122
Michael Gore	213	5,122
Michael Rickett	5,224	5,122
Tracy Hindley	5,224	5,122
Maggie Shannon	5,224	2,988
Ian Kelly	5,224	2,601
Yvonne McDermott	5,224	2,601
Diana Clarke	2,612	-
Hadyn Hansford	2,628	-
Total	101,527	110,265

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

11 Board and committee members (cont.)

Board members	Audit & Risk Committee	Governance & Remuneration Committee	Customer Service Committee	SLH Board	Avela Board
Paul Diggory				Y	Y
Elaine Eades		Y			
Yasmin Fearon		Y		Y	
Karen Lowe	L				L
Derek Gibbon	L				
Jamal Wahid				L	
Catherine Bett	Y			Y	
Peter Johnson	L				
Paul McGerty	Y			Y	
Bethany Hyams (McKeown)		Y		Y	
Lee Payne				Y	Y
Paula Ellis			Y	Y	
Debra Rees-Armstrong			Y	Y	
Adenson Gumbo			Y		
Michael Gore			L		
Michael Rickett			Y		
Tracy Hindley			Y		
Maggie Shannon		Y		Y	
Ian Kelly	Y			Y	
Yvonne McDermott	Y			Y	
Diana Clarke			J		
Hadyn Hansford	J				J

Y = member all year

J = joined during the year

L = left during the year

12 Surplus on disposal of housing properties

GROUP AND ASSOCIATION	Right to Buy/Right to Acquire 2026 £'000	Low Cost Home Ownership 2026 £'000	Total 2026 £'000	Total 2025 £'000
Disposal proceeds	1,134	193	1,327	982
Cost of disposals	(327)	(173)	(500)	(372)
Selling costs	(25)	(2)	(27)	(17)
	782	18	800	593

13 Interest receivable and income from investments

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Interest receivable from Group undertakings	-	-	87	108
Interest receivable and similar income	551	703	532	683
	551	703	619	791

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

14 Interest payable and similar charges

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
All other loans (excluding loans from Group entities)	2,559	1,913	2,559	1,913
Amortisation of loan fees	100	77	100	77
Interest on pension schemes	52	70	52	70
Interest capitalised	(573)	(117)	(573)	(117)
Other fees	14	9	14	9
	2,152	1,952	2,152	1,952

The weighted average interest on borrowings of 5.57% (2025: 4.70%) was used for calculating capitalised finance costs.

15 Taxation on surplus/(deficit) on ordinary activities

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
UK corporation tax				
Current tax on surplus for the year	-	-	-	-
Adjustment to current tax charge in relation to prior	-	-	-	-
Total current tax	-	-	-	-
Deferred tax				
Timing differences	(13)	(12)	-	-
Investment property revaluation	-	(7)	-	-
Taxation on charge on ordinary activities	(13)	(19)	-	-

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to surplus/(deficit) before tax.

The differences are explained below:

	Group 2026 £'000	Group 2025 £'000
Surplus/(deficit) on ordinary activities before tax	3,361	2,932
Surplus/(deficit) on ordinary activities at the standard rate of corporation tax in the UK of 25% (2022: 19%)	840	733
Effects of:		
Surplus not within the charge to corporation tax	(840)	(733)
Deferred tax charge/(credit)	(13)	(19)
Adjustment to current tax charge in relation to prior periods	-	-
Total tax charge for period	(13)	(19)

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

South Liverpool Homes Limited Year ended 31 March 2026
Notes to the financial statements

16 Tangible fixed assets - housing properties

GROUP	General needs completed	General needs under construction	Shared Ownership completed	Shared Ownership under construction	Supported and Housing for older people completed	Supported and Housing for older people under construction	Land & Freehold Buildings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost:								
At 1 April 2025	148,372	12,094	3,723	-	7,920	-	2,068	174,177
Additions: completed scheme transfers	5,504	(5,759)	-	255	24	(24)	-	-
ongoing scheme costs	-	17,583	-	1,726	-	24	4,332	23,665
capitalised interest	-	514	-	20	-	-	-	534
components capitalised	4,169	-	6	-	642	-	-	4,817
Disposals: RTB & RTA	(467)	-	(175)	-	-	-	-	(642)
components capitalised	(1,104)	-	-	-	-	-	-	(1,104)
other	-	-	-	-	-	-	-	-
At 31 March 2026	156,474	24,432	3,554	2,001	8,586	-	6,400	201,447
Depreciation:								
At 1 April 2025	(50,053)	-	(304)	-	(2,916)	-	-	(53,273)
Charge for the year	(4,023)	-	(27)	-	(207)	-	-	(4,257)
Eliminated on disposals:								
- RTB & RTA disposals	231	-	6	-	-	-	-	237
- components capitalised	1,104	-	-	-	-	-	-	1,104
- other	-	-	-	-	-	-	-	-
At 31 March 2026	(52,741)	-	(325)	-	(3,123)	-	-	(56,189)
Net book value at 31 March 2026	103,733	24,432	3,229	2,001	5,463	-	6,400	145,258
Net book value at 31 March 2025	98,318	12,094	3,419	-	5,005	-	2,068	120,904

South Liverpool Homes Limited Year ended 31 March 2026
Notes to the financial statements

16 Tangible fixed assets - housing properties (cont.)

ASSOCIATION	General needs completed	General needs under construction	Shared Ownership completed	Shared Ownership under construction	Supported and Housing for older people completed	Supported and Housing for older people under construction	Land & Freehold Buildings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost:								
At 1 April 2025	149,414	12,108	3,724	-	7,920	-	2,092	175,258
Additions: completed scheme transfers	5,504	(5,759)	-	255	24	(24)	-	-
ongoing scheme costs	-	17,878	-	1,758	-	24	4,332	23,992
capitalised interest	-	514	-	20	-	-	-	534
components capitalised	4,245	-	6	-	642	-	-	4,893
Disposals: RTB & RTA	(467)	-	(175)	-	-	-	-	(642)
components capitalised	(1,104)	-	-	-	-	-	-	(1,104)
other	-	-	-	-	-	-	-	-
At 31 March 2026	157,592	24,741	3,555	2,033	8,586	-	6,424	202,931
Depreciation:								
At 1 April 2025	(50,053)	-	(304)	-	(2,916)	-	-	(53,273)
Charge for the year	(4,023)	-	(27)	-	(207)	-	-	(4,257)
Eliminated on disposals:								
- RTB & RTA disposals	231	-	6	-	-	-	-	237
- components capitalised	1,104	-	-	-	-	-	-	1,104
- other	-	-	-	-	-	-	-	-
At 31 March 2026	(52,741)	-	(325)	-	(3,123)	-	-	(56,189)
Net book value at 31 March 2026	104,851	24,741	3,230	2,033	5,463	-	6,424	146,742
Net book value at 31 March 2025	99,361	12,108	3,420	-	5,004	-	2,092	121,985

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

17 Other tangible fixed assets

GROUP	Plant, machinery and vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 April 2025	2,826	1,518	4,344
Additions	7	59	66
Disposals	(19)	(473)	(492)
At 31 March 2026	2,814	1,104	3,918
Depreciation			
At 1 April 2025	(1,356)	(970)	(2,326)
Charge for year	(138)	(188)	(326)
Disposals	9	466	475
At 31 March 2026	(1,485)	(692)	(2,177)
Net book value			
At 31 March 2026	1,329	412	1,741
At 31 March 2025	1,470	548	2,018

In the year plant and machinery was disposed of resulting in surplus of £Nil (2025: £Nil).

ASSOCIATION	Plant, machinery and vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 April 2025	96	1,518	1,614
Additions	7	59	66
Disposals	-	(473)	(473)
At 31 March 2026	103	1,104	1,207
Depreciation			
At 1 April 2025	(92)	(969)	(1,061)
Charge for year	(2)	(189)	(191)
Disposals	-	466	466
At 31 March 2026	(94)	(692)	(786)
Net book value			
At 31 March 2026	9	412	421
At 31 March 2025	4	549	553

18 Investment properties

GROUP	Commercial £'000
At 1 April 2025	305
(Impairment)/ valuation gain	-
At 31 March 2026	305

The Group's investment properties are valued annually at fair value. The valuations for the year ended were determined by Thomson Associates Ltd, an independent, professionally qualified valuers. There are no completed investments in the Association accounts.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

19 Fixed asset investments

There was no premium on acquisition relating to the associated undertakings or joint venture.

As required by statute, the financial statements consolidate the results of Avela Services Limited, SLH Developments Limited, Avela Home Service LLP and Avela Development LLP which were subsidiaries of South Liverpool Homes Limited at the end of the year.

SLH Developments Limited is a development company 100% owned by South Liverpool Homes Limited and was formed in the year ending 31 March 2024 to undertake development activities for construction of new properties.

Avela Services Limited activity includes the rental of commercial properties and income from photovoltaic solar panels.

Avela Home Service LLP is a repairs and maintenance business which is 55% owned by Avela Services Limited and 45% owned by Penny Lane builders Limited. Avela Home Service LLP performs repairs for South Liverpool Homes Limited and third party customers. The minority interest is £146k (2025: -£35k).

Avela Development LLP is a development company which is 51% owned by Avela Services Limited and 49% owned by Penny Lane builders Limited. As development activity ceased and the company became dormant in the year ending 31 March 2025, the entity's operations are reported as discontinued operations as required by FRS 102. Prior to the current financial year, Avela Development LLP carried out development activity for South Liverpool Homes. The minority interest is £Nil (2025: £Nil).

South Liverpool Homes Limited has the right to appoint members to the Board of the subsidiaries and thereby exercises control over them. The subsidiaries are not registered social landlords and South Liverpool Homes Limited is the ultimate parent undertaking.

Details of Subsidiary undertakings, associated undertakings and other investments

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

Name	Country of incorporation or registration	Proportion of voting rights / ordinary share capital held	Nature of business	Nature of entity
Avela Services Limited	England	100%	Non charity works	Commercial company limited by shares
Avela Home Service LLP	England	55%	Repairs and maintenance activities	Limited Liability Partnership
Avela Development LLP	England	51%	Development activities	Limited Liability Partnership
SLH Developments Limited	England	100%	Development activities	Commercial Company Limited by shares

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

20 Stock and work in progress

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Shared ownership properties:				
Completed	-	-	-	-
Under construction	1,499	-	1,520	-
Less: write down	(243)	-	(243)	-
Other properties held for sale:				
Completed	-	-	-	-
Under construction	1,198	504	1,210	504
Less: write down	(40)	(53)	(40)	(53)
Material stock	314	501	-	-
Total	2,728	952	2,447	451

An impairment charge of £283k has been recognised in respect of development schemes where forecast development costs and expected future cash flows indicate that the carrying value of the schemes is not fully recoverable. The charge reflects revised assumptions relating to build costs, sales values, grant funding, rental income and scheme viability. The impairment has been recognised within operating expenditure in the Statement of Comprehensive Income.

21 Debtors

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Due within one year				
Rent and service charge arrears	1,307	1,186	1,307	1,186
Less: Provision for doubtful debts	(412)	(365)	(412)	(365)
	895	821	895	821
Other debtors	752	525	430	376
Prepayments and accrued income	523	670	513	639
Amounts owed by Group undertakings	(18)	-	174	410
	2,152	2,016	2,012	2,246
Due after one year				
Amounts owed by Group undertakings	-	-	1,356	1,285
Total	2,152	2,016	3,368	3,531

22 Creditors: amounts falling due within one year

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Loans and borrowings	1,397	10,697	1,397	10,697
Trade creditors	1,429	1,218	474	347
Rent and service charges received in advance	467	398	467	398
Amounts owed to Group undertakings	(158)	-	3,333	1,413
Taxation and social security	95	97	(5)	35
Deferred capital grant (Note 24)	779	712	779	712
Recycled capital grant fund (Note 25)	114	36	114	36
Accruals and deferred income	3,463	2,363	899	1,182
Other provisions	-	90	-	90
Total	7,586	15,611	7,458	14,910

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

23 Creditors: amounts falling due after more than one year

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Loans and borrowings	42,567	43,675	42,567	43,675
Deferred capital grant (Note 24)	37,462	27,181	37,462	27,181
Recycled capital grant fund (Note 25)	388	307	388	307
Deferred taxation (Note 29)	44	57	-	-
Leaseholders sinking fund	214	179	214	179
Other Creditors	378	181	-	-
Other provisions	107	107	107	107
Amounts owed to Group undertakings	-	-	390	185
Total	81,160	71,687	81,128	71,634

24 Deferred capital grant

GROUP AND ASSOCIATION	2026 £'000	2025 £'000
At 1 April	27,893	26,115
Grants received during the year	11,151	2,576
Disposal of grant during the year	(115)	(113)
Released to income during the year	(688)	(685)
At 31 March	38,241	27,893
Amount due in less than one year	779	712
Amount due in more than one year	37,462	27,181

25 Recycled capital grant fund

GROUP AND ASSOCIATION	2026 £'000	2025 £'000
At 1 April	343	446
Grants recycled	193	176
Interest accrued	14	9
Recycling: investment in new build stock	(48)	(288)
At 31 March	502	343
Amounts due to be utilised < 1 year	(110)	(36)
Amounts due to be utilised > 1 year	(392)	307

Grants recycled relate to Right to Buy, Right to Acquire and Staircasing sales.

26 Loans and borrowings

GROUP AND ASSOCIATION	Bank loans 2026 £'000	Other loans 2026 £'000	Total 2026 £'000
In one year or less, or on demand	-	(1,500)	(1,500)
In more than one year but not more than two years	-	(750)	(750)
In more than two years but not more than five years	-	(2,250)	(2,250)
In more than five years	(60,000)	(10,500)	(70,500)
Loans payable at maturity	(60,000)	(15,000)	(75,000)
Less loan issue costs	694	184	878
As at 31 March 2026	(59,306)	(14,816)	(74,122)

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

26 Loans and borrowings (cont.)

GROUP AND ASSOCIATION	Bank loans 2025 £'000	Other loans 2025 £'000	Total 2025 £'000
In one year or less, or on demand	(10,000)	(750)	(10,750)
In more than one year but not more than two years	-	(750)	(750)
In more than two years but not more than five years	-	(2,250)	(2,250)
In more than five years	(30,000)	(11,250)	(41,250)
Loans payable at maturity	(40,000)	(15,000)	(55,000)
Less loan issue costs	434	194	628
As at 31 March 2025	(39,566)	(14,806)	(54,372)

Security – bank and other loans are secured by fixed charges on individual properties.

Undrawn facilities

A new £30m facility agreement was entered into in January 2026. The related security arrangements are in progress and, as at 31 March 2026, the facility remained undrawn.

As at 31 March 2026, the association had an undrawn revolving credit facility of £30m available.

27 Financial instruments

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

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Financial assets				
Investment properties measured at fair value	305	305	-	-
Financial assets measured at historical cost				
- Trade receivables	895	821	895	821
- Other receivables	1,257	1,195	757	1,065
- Cash and cash equivalents	4,709	26,156	4,299	25,802
Loans receivable	-	-	1,716	1,645
Total financial assets	7,166	28,477	7,667	29,333
Financial liabilities				
Financial liabilities measured at historical cost				
- Loans payable	(43,964)	(54,372)	(43,964)	(54,372)
Financial liabilities measured at historical cost				
- Trade creditors	(1,095)	(1,218)	(140)	(347)
- Other creditors	(4,539)	(3,482)	(1,975)	(2,120)
Total financial liabilities	(49,598)	(59,072)	(46,079)	(56,839)

28 Pensions

Up to 31 March 2025, SLH participated in the Social Housing Pension Scheme (SHPS) defined benefit arrangement. This scheme was subsequently closed to further accrual, and with effect from 1 April 2025, all employees were moved to an SHPS defined contribution scheme.

Social Housing Pension Scheme (SHPS)

The SHPS defined benefit scheme is a multi-employer scheme which provides benefits to non-associated participating employers. The scheme is classified as a 'last man standing arrangement', which means the association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

The most recent actuarial valuation of SHPS was carried out as at 30 September 2023. Following that valuation, a revised deficit recovery plan was agreed under which the group will make deficit reduction contributions until 31 March 2028. Deficit recovery contributions recognised during the year amounted to £315,000 (2025: £355,000). Contributions under the recovery plan are subject to annual increases and are expected to be £321,787 for the year commencing 1 April 2026.

The Trustee of the Scheme has performed a review of certain historic amendments made to the scheme benefits and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before autumn/winter 2026. It is recognised that this could potentially impact the value of scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

	2026 £'000	2025 £'000
Reconciliation of present value of plan liabilities		
At the beginning of the year	(6,812)	(7,460)
Current service cost	-	(75)
Administration expense	(11)	(9)
Interest cost	(396)	(363)
Contributions by plan participants	-	(2)
Actuarial (losses)/gains due to scheme experience	108	(334)
Actuarial (losses)/gains due to changes in demographic assumptions	(49)	-
Actuarial (losses)/gains due to changes in financial assumptions	136	1,182
Benefits paid and expenses	237	249
At the end of the year	(6,787)	(6,812)

	2026 £'000	2025 £'000
Reconciliation of fair value of plan assets		
At the beginning of the year	5,954	6,014
Interest income	355	302
Experience on plan assets	(137)	(642)
Employer contributions	339	527
Contributions by plan participants	-	2
Benefits paid and expenses	(237)	(249)
At the end of the year	6,274	5,954
Fair value of plan assets	6,274	5,954
Present value of plan liabilities	(6,787)	(6,812)
Net pension scheme liability	(513)	(858)

Amounts recognised in other comprehensive income are as follows:

	2026 £'000	2025 £'000
Current service cost	-	(75)
Administration expense	(11)	(9)
Amounts charged to operating costs	(11)	(84)
Net interest cost	(41)	(61)
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	(52)	(145)
Non cash net benefit asset/(liability) arising from current service cost	13	87

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Analysis of actuarial (loss)/gain recognised in other comprehensive income

Experience on plan assets	(137)	(642)
Experience on plan liabilities	108	(334)
Changes in demographic assumptions	(49)	-
Changes in financial assumptions	136	1,182
	58	206

	2026	2025
	£'000	£'000

Composition of plan assets

Global equities	695	667
Absolute return	-	-
Alternative risk premia	-	-
Liquid alternatives	1,117	1,104
Infrastructure	-	1
Liability driven investment	1,913	1,803
Other	2,549	2,379

Total plan assets	6,274	5,954
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Actual return on plan assets	198	(340)
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	2026	2025
	£'000	£'000

Principal actuarial assumptions used at the balance sheet date

	%	%
Discount rates	6.22	5.92
Future salary increases	4.04	3.80
Future pension increases	3.04	2.80
Inflation assumption	3.27	3.05

Mortality rates

	No. of years	No. of years
for a male aged 65 now	20.9	20.5
at 65 for a male member aged 45 now	22.2	21.7
for a female aged 65 now	23.2	23.0
at 65 for a female member aged 45 now	24.6	24.5

Defined contribution schemes

The Pensions Trust

South Liverpool Homes operated SHPS defined contribution scheme during the year.

NEST

Avela Services Ltd and Avela Home Service LLP operate the NEST defined contribution scheme.

29 Deferred taxation

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Fixed asset timing differences	(44)	(57)	-	-
Unutilised losses	-	-	-	-
Capital gains on revaluation	-	-	-	-
Deferred tax (liability)	(44)	(57)	-	-

30 Contingent liabilities

The Group and Association had £Nil contingent assets at March 2026 (2025: £Nil).

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

The Association received capital grant from Homes England, which is used to fund the acquisition and development of new housing properties and their components. In certain circumstances upon disposal of grant funded properties the group is required to recycle this grant by crediting the Recycled Capital Grant Fund. As the timing of any future disposal is uncertain, no provision has been recognised in these financial statements. See note 32 for details of grants received and recognised as income.

The Association has been notified by the Pension Trust of the estimated employer debt on withdrawal from the Social Housing Pension Scheme based on the financial position of the Scheme at 30 September 2025. The amount of employer debt on withdrawal for SLH has been calculated as £5,711.

The Group and Association had £Nil other contingent liabilities at March 2026 (2025: £Nil).

31 Operating leases

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

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Land and buildings				
Not later than 1 year	275	273	275	273
Between 2 and 5 years	81	354	81	354
Later than 5 years	-	-	-	-
Others:				
Not later than 1 year	11	18	2	2
Between 2 and 5 years	-	9	-	-
Later than 5 years	-	-	-	-
Total	367	654	358	629

32 Grant and financial assistance

GROUP AND ASSOCIATION	2026 £'000	2025 £'000
The total accumulated government grant and financial assistance received or receivable at 31 March:		
Held as deferred capital grant	38,241	27,893
Recognised as income in statement of comprehensive Income	14,788	14,178
Total	53,029	42,071

33 Capital commitments

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Commitments contracted but not provided for	(16,414)	(31,013)	(16,414)	(31,013)
Commitments approved by the Board but not contracted for	(15,905)	(23,131)	(15,905)	(23,131)
	(32,319)	(54,144)	(32,319)	(54,144)

Capital commitments for the Group and association will be funded as follows:

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Social housing grant	8,489	14,210	8,489	14,210
Sale proceeds	3,209	1,608	4,159	3,533
Drawdown of existing facilities	16,139	12,518	15,501	10,946
Utilisation of cash reserves	4,482	25,808	4,170	25,455
	32,319	54,144	32,319	54,144

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

34 Non-equity share capital

GROUP AND ASSOCIATION	2026 No.	2025 No.
Allotted issued and fully paid:		
At the start of the year	10	9
Issued during the year	0	2
Repaid during the year	0	(1)
At the end of the year	10	10

The par value of each share is £1. The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights. All shares are fully paid.

35 Related party disclosures

During the year the Group had a co-optee on the Board and a Board member who are tenants. It is the Company's policy that board members who are tenants hold their tenancies and tenancy agreements on normal Association terms and they are not able to use their position to their advantage, the same applies to co-optees. Total rent charged to the co-optee and Board member was £7k (2025: £13k). There are £Nil of arrears on their tenancies at the reporting period end attributable to timing of receipts (2025: £130).

Transactions between South Liverpool Homes (SLH) and its subsidiary Avela Services Limited (ASL):

- Intra-group management fees are receivable by the association from its subsidiary to cover the running costs the association incurs relating to the subsidiary. The management fee includes Company Secretarial, Executive Management, Governance, Asset Management, Developments, Finance, Payroll, HR, and Business Assurance and is allocated based on a proportion of staff time. The total charge for the year ended March 2026 was £117k (2025: £107k).
- An intra-group loan has been granted by SLH to ASL. The balance at 31 March 2026 was £1.1m (2025: £1.2m). Interest was charged in the year of £62k (2025: £80k). Interest is charged at SONIA + 1.25%.
- In the year ended 31 March 2026, ASL paid gift aid of £79k to SLH (2025: £76k).
- As at 31 March 2026, ASL owed SLH £7k from trading balances (2025: £19k).

Transactions between SLH and a Group subsidiary, Avela Home Service (AHS)

- AHS carried out work on behalf of SLH with a value of £10.8m in the year ended March 2026 (2025: £11m). This work included repairs, voids, gas servicing, planned works, scheduling team and refurbishment work.
- As at 31 March 2026, SLH owed AHS £920k (2025: £359k).

Transactions between SLH and a Group subsidiary, Avela Development (AD)

- AD carried out construction work with a value of £Nil in the year (2025: £Nil).
- As at 31 March 2026, SLH owed AD £Nil (2025: £Nil).

Transactions between Avela Services Limited (ASL) and Avela Home Service (AHS)

- AHS carried out maintenance work on the PV panels in ASL with costs in the year of £84k (2025: £82k). AHS also carried out repairs and servicing to the commercial properties with costs in the year of £Nil (2025: £3k).
- In the year, AHS paid £Nil of profit share to AS relating to the year ended March 2026 (2025: £143k).
- As at 31 March 2026, ASL owed AHS £Nil (2025: £Nil).

South Liverpool Homes Limited Year ended 31 March 2026

Notes to the financial statements

Transactions between Avela Services Limited (ASL) and Avela Developments (AD)

- In the year, AD paid profit share with value of £Nil to ASL relating to the year ended March 2025 (2025: £Nil).
- As at 31 March 2026, AS owed AHS £Nil (2025: £Nil).

Transactions between Avela Home Service (AHS) and Avela Developments (AD)

- As at 31 March 2026, AD owed AHS £Nil (2025: £Nil).

Transactions between SLH and a Group subsidiary, SLH Developments (SLHDL)

- SLHD carried out construction work with a value of £22m which was invoiced to SLH (2025: £8.8m).
- Intra-group salary recharges are receivable by the association from its subsidiary to cover the Development team's time. Management fees are also receivable by the association from its subsidiary to cover the running costs the association incurs relating to the subsidiary. The management fee includes Finance and Business Assurance and is allocated based on a proportion of staff time. The total charge for the year ended March 2026 was £289k (2025: £239k).
- An intra-group loan has been granted by SLH to SLHD. The balance at 31 March 2026 was £385k (2025: £485k). Interest was charged in the year of £26k (2025: £28k). Interest is charged at SONIA +1.25%.
- As at 31 March 2026, SLH owed SLHD £2.8m (2025: £1.2m).

36 Capital and reserves

The valuation of commercial property conducted by Thomson Associates Limited in 2026 resulted in no change.

37 Post balance sheet events

There are no post balance sheet events to report.