

Annual Report and Accounts

31 March 2026



**Connection,
confidence and
community**

Creating better lives
for older people

“It’s an environment in which we feel safe and happy. We wouldn’t live anywhere else, and we genuinely mean that.”

Eddie and Sue
Solihull Village



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Key facts

3,778

Homes for older people



1,213

Colleagues working to a shared goal



14

Villages



4,319

Residents living better lives



3

More award wins this financial year



Fitness Facility UK
Heart & Soul Awards

South-West region
Regional Home Care Registered
Manager Awards

West Midlands and Warwickshire
Excellence in Skills Partnership

4

Schemes



£70.4m

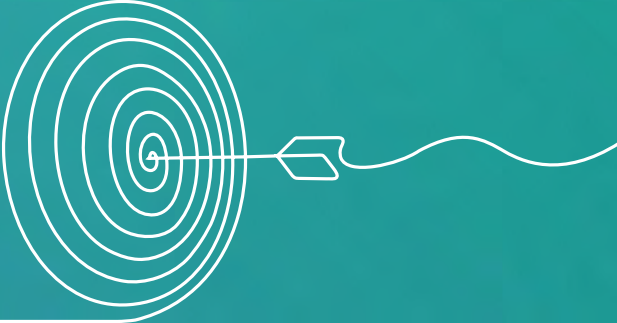
Turnover

£11.4m

Total comprehensive income

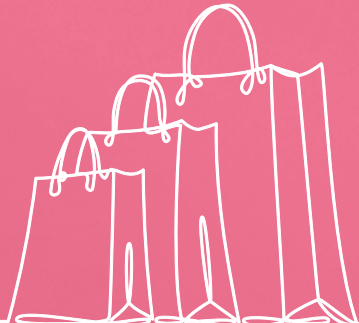
£366.5m

Reserves



36

Charity retail shops



82

The average age of our residents



1,762

Volunteers supporting our Charity



I am pleased to present our Annual Report for 2025/26.

During my time as a Trustee, I have had the opportunity to see firsthand the difference our communities make to people's lives.

I was delighted to be appointed Chair in December 2025 and consider it a privilege to take on this role. I would like to pay tribute to my predecessor, Nick Baldwin CBE, whose leadership over the last five years helped strengthen the Charity and position it well for the future. I have greatly appreciated the support I have received from fellow Trustees, colleagues, residents and volunteers as I begin my tenure as Chair.

As a charity and registered provider of social housing, our focus is first and foremost on the people who live and work within our villages and schemes. During the year, we have continued to invest in our homes, our people and our services, strengthening the everyday experience of residents and ensuring our communities remain welcoming and supportive.

A strong sense of community lies at the heart of ExtraCare, and this is reflected in the continued embedding of our Belonging at ExtraCare Strategy. This shapes how we work day to day, influencing how we communicate, how services are delivered and how people experience life within our communities. Alongside this, we have continued to invest in the development of our people, including the introduction of the ExtraCare Leadership Pathway. This programme supports our managers to develop the skills and behaviours needed to lead effectively, helping to build consistency across the organisation and support the retention and development of our workforce.

At our Hughenden Gardens Village, activity inspired by residents learning British Sign Language has continued to develop, including inclusive events that bring residents and the wider community together. These initiatives help people build confidence, reduce isolation and connect with others in new ways. More broadly, volunteering continues to play a vital role across our locations, with residents contributing their time and skills to support activities and services, creating a strong sense of purpose and connection.

We have continued to invest in our villages through our modernisation programme, improving shared spaces and ensuring our communities remain welcoming, accessible and fit for the future. Digital transformation also remains an important priority, with investment in systems and technology helping to improve service delivery, strengthen communication and support more efficient ways of working, enhancing both the resident and colleague experience.

Financially, the Charity remains in a stable position, enabling reinvestment in our communities while maintaining a prudent and considered approach to future growth. We continue to explore development opportunities, recognising the importance of expanding our model over the longer term, while remaining mindful of current market conditions.

I would like to thank my fellow Trustees for their ongoing commitment and oversight, and to recognise the professionalism and dedication of colleagues and volunteers across the Charity. I am also grateful to our supporters and donors, whose generosity enables us to extend the support we provide.

Above all, I would like to thank our residents. Their involvement, feedback and spirit shape our communities and ensure they remain places where people feel valued, connected and able to live fulfilling lives.

Looking ahead, I am confident in the future of the Charity. By continuing to invest in the homes older people want, the lifestyles they enjoy and the care and support they need, we will remain focused on improving lives and strengthening the communities people call home.

‘ We remain focused on improving lives and strengthening communities. ’

Nick Towe
Chair



‘ As I write my final Annual Report, I do so with a deep sense of pride in what we have achieved together over the past decade. ’

Mick Laverty
Chief Executive



It has been a successful and productive year for the Charity, made possible by the dedication and commitment of our colleagues, residents, volunteers and partners. I would like to extend my sincere thanks to everyone who contributes to our work and supports our communities.

Throughout the year, we have continued to build on the ambitions set out in our 2022-27 Corporate Plan, with a focus on improving the lives of residents, maintaining high standards and ensuring the long-term sustainability of the Charity. Six priorities have been identified as key measures of success within the Corporate Plan. The progress reported below reflects delivery against the annual objectives established to support these priorities.

Develop one new village and undertake two village extensions, delivering 400 new homes.

- Development activity has remained under review and, following consideration the Board agreed not to proceed with the proposed extensions at Shenley Wood and Bedford Wixams Villages, as neither were currently financially viable. However, landscaping works at Bedford Wixams Village were completed during the year, and the potential new village opportunity in Peterborough continues to be actively explored.

Achieve a resident experience rating of 80% or above in all villages and 90% or above in all schemes by the end of the corporate plan period.

- Targets were met across all locations, with satisfaction levels exceeding expectations.

Each location will achieve a minimum CQC 'good' rating overall, with at least a third of our locations achieving 'outstanding' overall by the end of the corporate plan period.

- All locations remained compliant with regulatory requirements. Whilst no CQC inspections took place during the year, internal assurance processes continued to confirm the quality of services provided.

Maintain colleague satisfaction scores: 75% of our employees will be satisfied with ExtraCare as an employer, and 90% of our employees will be fully committed to our vision.

- These targets were exceeded, with 82% of employees satisfied with ExtraCare as an employer and 92% confirming their commitment to our vision and values.

Ensure we are capable of achieving a G1, V2 rating from the Regulator of Social Housing (RSH).

- Work continues to strengthen compliance with both Economic and Consumer Standards, with regular monitoring and reporting to the Board ensuring ongoing oversight.

Generate a total surplus in excess of £10 million each year, with our operating deficit progressively reducing, reaching break-even in year 4.

- Financial performance exceeded budget, with total surplus and operational performance surpassing expectations in the year. Whilst our operations did not break even this year, we have continued to make strong steps forward in support of the ongoing financial resilience of the Charity.

I am very pleased with the progress we have made across these priorities, reflecting our continued focus on delivering the ambitions set out in our Corporate Plan. On behalf of the Executive Leadership Team, I would like to thank our residents, colleagues and volunteers for their continued commitment and contribution.

As I write my final Annual Report as Chief Executive, I do so with a deep sense of pride in what we have achieved together over the past decade. It has been a privilege to lead ExtraCare and to work alongside such dedicated colleagues, Trustees, residents and volunteers.

During this time, we have grown and strengthened the Charity, opening new villages, evolving our model and continuing to demonstrate the value of supporting older people to live independently and well.

I am particularly proud of the way we have responded to challenging periods such as the pandemic, always remaining focused on the needs of our residents.

As I prepare to step down later this year, I do so with confidence in the future of ExtraCare. The strength of our purpose, the dedication of our people and the continued relevance of our model provide a strong foundation for the next phase of the Charity's journey.

Charity Name	The ExtraCare Charitable Trust
Governing Instrument	The Charity is a company limited by guarantee and not having share capital. As such it is governed by its Memorandum and Articles of Association, which were last amended on 8 December 2025. It was incorporated on 11 December 1987.
Registered Charity Number	327816
Registered Social Landlord	4706
Company Registered Number	2205136
Members	Made up of the Directors of the Charity and other such persons admitted to membership of the company under the Articles. There are currently 26 members (the permitted number of members is unlimited).

Board of Trustees		Formally appointed	Retired/Resigned
(also referred to as a Directors of the Company for the purpose of Company law):	Nick Baldwin CBE (Chair until 8 December 2025)	11 November 2020	8 December 2025
	Saqhib Ali	1 March 2026	-
	Richard Byrne	21 June 2021	-
	Mark Chamberlain (SID+ from 16 March 2026)	30 January 2023	-
	Richard Clarke (SID+ until 16 March 2026)	14 November 2018	23 March 2026
	Gemma De Brito	11 March 2024	-
	Adrian Eggington	1 March 2020	28 February 2026
	Andy Hardy	21 June 2021	23 January 2026
	Janet Houlis	30 January 2023	-
	Mark Jeffery	6 November 2024	-
	Yvonne Leishman	1 June 2026	-
	Pamela Stacey	1 March 2026	-
	Gary Swabel	30 January 2023	-
	Nick Towe (Chair from 8 December 2025)	11 March 2024	-
	Kim Wootton	10 November 2021	-
+Senior Independent Director			

Committee Memberships at 31 March 2026	(Includes all Trustee members - current ● and former ○)			
Trustees	Audit & Assurance	Development	Nominations & Remuneration	Operations
Nick Baldwin CBE (Chair, retired)		○	○	
Saqhib Ali	●	●		
Richard Byrne	●			● Chair
Mark Chamberlain	●		●	○
Richard Clarke	○ Chair*		○	
Gemma De Brito	○		●	●
Adrian Eggington	○			○ Former Chair
Andy Hardy	○	○		
Janet Houlis			Chair	●
Mark Jeffery		●		●
Gary Swabel**				●
Pamela Stacey	● Chair***	●		
Nick Towe	○	● Chair	●	
Kim Wootton		●		●

* Until 16th March 2026.
** Gary Swabel is also the Trust representative on the Board of ExtraCare Retail Limited.
*** From 16th March 2026.

Company Secretary	Angela Carpenter
Executive Leadership Team (principal members of staff and key management personnel as defined by the Companies Act)	Mick Lavery Chief Executive Angela Carpenter Executive Director Governance and Compliance Matt Rickards Executive Director Operations Chris Skelton Executive Director Corporate Resources
Registered and principal office	7 Harry Weston Road, Binley Business Park, Coventry CV3 2SN
Principal Bankers	Lloyds Banking Group Plc
Primary Solicitors	Shakespeare Martineau, Towers & Hamlin
Auditor	RSM UK Audit LLP

Our Board of Trustees



Nick Baldwin CBE
(Chair until 8 December 2025)



Saqhib Ali



Richard Byrne



Mark Chamberlain
(SID from 16 March 2026)



Richard Clarke
(SID until 16 March 2026)



Gemma De Brito



Adrian Eggington
(Trustee until 28 February 2026)



Andy Hardy
(Trustee until 23 January 2026)



Janet Houlis



Mark Jeffery



Yvonne Leishman



Pamela Stacey



Gary Swabel



Nick Towe
(Chair from 8 December 2025)



Kim Wootton

The Board presents The ExtraCare Charitable Trust's ('ExtraCare') Annual Report and the audited financial statements for the year ended 31 March 2026.

Charitable Objectives and Public Benefit

ExtraCare was incorporated in 1987 to provide services to older people. This is explicit in our vision to deliver 'Better Lives for Older People' and our mission 'Creating sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it's needed.'

We are a registered charity and as such must carry out charitable purposes for the public benefit. Our charitable purposes ('Objects') are set out in our Articles of Association and include:

- The provision of care, welfare, medical, nursing, community and other services, and associated facilities and amenities, for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness;
- The relief of financial hardship amongst elderly people;
- The relief of sickness and the preservation and promotion of health of people who are poor, or of people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness;
- Any other charitable object not prohibited for a company registered with the Regulator as a non-profit, private, registered provider; and
- The business of providing (directly or indirectly) and managing the provision of housing, social housing and other accommodation (including, without limitation, nursing homes, sheltered homes, hostels and care homes), and assistance to help house people, and associated facilities and amenities or services, for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness.

Our public benefit is reflected in the strands of our model. As a charity which pioneered retirement communities, we still believe our model is unique by virtue of:



We are a charity, and our surpluses are all re-invested in the charitable activities.



Our diverse tenure mix, which makes us affordable for people from a range of backgrounds and circumstances and reflects and supports the diversity of our communities.



Our villages are typically made up of 260+ apartments, housing 300-400 residents. We offer an array of communal facilities (such as restaurants and gyms) at an affordable price to residents.



Our model of Homes, Lifestyle and Care is proven to benefit residents' physical and mental health and reduce pressure on the health and social care system.

Equality Act

The Equality Act 2010 generally prohibits discrimination on the grounds of a characteristic such as age. It does, however, allow charities to limit the group of people they help to those with a protected characteristic. This is provided the limitation is clearly stated in their objects and the benefits are provided in a proportionate way.

Our Board, having considered the governing documents of our Charity, is satisfied that the activities of our Charity fall within this exemption due to the following factors:

- The provision of quality one and two-bedroom homes for older people releases their previous homes for families;
- The provision of safe and secure communities with a wide range of activities reduces loneliness and isolation increasingly faced by older people; and
- The promotion of wellbeing and healthy lifestyles improves the health of the individual and reduces their impact on the NHS and other publicly funded services.

In making these statements, the Trustees have had due regard to the Equality Act guidance published by the Charity Commission.

Homes older people want

We continue to develop and refine our housing offer to reflect changing expectations, sector trends and environmental considerations. This ongoing work informs both the way we manage our existing locations and how we plan for the future.

We operate 14 retirement villages and four smaller housing schemes, including two delivered in partnership with Rooftop Housing Group. Across our communities, we provide a range of one and two bedroom homes through leasehold, shared ownership and social rent, supporting access for people from a variety of backgrounds.

Our homes are designed to be attractive, safe and adaptable, recognising that needs can change over time. Alongside this, we are continuing to introduce improvements in design and technology that help residents maintain independence, feel secure, and enjoy day to day life in their own homes.

Lifestyles they can enjoy

Life in our communities is shaped by opportunities to stay active, connected and involved. Our locations provide a range of shared facilities including restaurants, gyms and social spaces, alongside a varied programme of activities designed around residents' interests.

A strong sense of community is central to the ExtraCare model. Volunteering plays a key role, with over 950 residents contributing their time to support activities and services. This not only enhances what we are able to offer, but also helps create meaningful connections, a sense of purpose, and a feeling of belonging within our communities.

Our wellbeing service continues to support residents to remain independent and confident in later life. Through regular engagement and tailored support, residents are encouraged to stay active and socially connected. This is complemented by our healthcare student placement programme, which brings additional expertise into our locations while supporting valuable intergenerational learning experiences.

We also use a resilience tool, developed in partnership with leading academic institutions, to identify where additional support may be needed. This allows early intervention and helps residents maintain their health, wellbeing and independence for longer.

Care if it's needed

Care and support are available across all our communities and are tailored to individual needs. Residents can access services as their circumstances change, ensuring they can continue to live independently with the reassurance that support is available when required.

Our Dementia and Mental Wellbeing Programme provides targeted support for residents living with dementia and related conditions. This service plays an important role in helping individuals maintain confidence, connection and quality of life.

We continue to deliver high standards of care, including at the end of life. Many of our locations are accredited under the Gold Standards Framework, providing reassurance that residents will receive compassionate and well-coordinated care that reflects their individual wishes.

Sustainable financial model

Our approach brings together homes, lifestyle and care in a way that supports both individual wellbeing and long-term sustainability. By creating environments where people want to live, we maintain strong demand and vibrant communities.

Our lease buyback model is an important part of this approach. By retaining control of properties and limiting long periods of vacancy, we can protect the continuity and strength of our communities, ensuring they remain active, inclusive and sustainable over time.

Corporate Governance

ExtraCare is a registered provider of social housing, a charity and a private company limited by guarantee. We have no shareholders, and any surpluses are reinvested back into the Charity. We are led by a Board of Trustees, all of whom are directors for the purposes of the Companies Act 2006. We are monitored and supervised by external regulators including the Regulator of Social Housing (RSH), the Care Quality Commission (CQC), the Charity Commission, the Health and Safety Executive, the Building Safety Regulator, the Fundraising Regulator and the Information Commissioner’s Office. We are members of relevant trade associations including the National Housing Federation and the Associated Retirement Community Operators (ARCO).

ExtraCare Members and our Board of Trustees

The Board of Trustees is collectively responsible for the long-term success of the Charity and is accountable to Members and other stakeholders. It sets the strategic direction of ExtraCare, including defining our vision, mission and values, and holds the Chief Executive and Executive Leadership Team to account for performance, governance and standards of conduct. The Board also ensures that the Charity complies with all relevant legal and regulatory requirements.

ExtraCare’s Members include current and former Trustees, some former Executive Directors, and the Chair and Vice Chair of the Residents’ Forum.

Trustees serve in a non-executive capacity. In line with our Articles of Association, they do not receive payment for their services and cannot be employees of the Charity.

Board Composition, Tenure, and Renewal

The number of Trustees is limited to 12 in accordance with the Articles of Association. Trustees are appointed through a structured process set out in our Board Recruitment and Succession Policy, ensuring an appropriate balance of skills, experience and perspectives.

Trustees are typically appointed for an initial term of three years and normally serve up to two consecutive terms but may serve up to nine years if determined to be in ExtraCare’s best interest. The Board benefits from a broad range of experience, including in charities, public bodies, housing and the private sector.

Full details of Trustees and their backgrounds are available on our website (<https://www.extracare.org.uk/our-charity/trustees-directors/>), with further information on appointments included within this report.

Chair of Trustees

Following five years as Chair, Nick Baldwin CBE stepped down at the 2025 Annual General Meeting. Nick Towe has since been appointed as Chair and brings valuable experience from his previous role as a Trustee, ensuring continuity of leadership and governance.

Board Meetings

The powers of the Trustees are defined in the Charity’s Articles of Association. The Board is authorised to exercise all powers granted by the Articles, in compliance with the Companies Act 2006, the Charities Act 2011, and other relevant legislation. During the 2025/26 financial year, our Board held four scheduled meetings.

Board Committees

Throughout the year, the work of our Board was supported by four Board Committees:

- Audit & Assurance Committee;
- Development Committee;
- Nominations and Remuneration Committee; and
- Operations Committee.

In the 2025/26 financial year, the Audit & Assurance and Operations Committees convened four times, the Nominations and Remuneration Committee three times and the Development Committee twice.

Committees are composed of four to eight Trustees, including Committee Chairs, with membership determined based on individual skills and experience. Committee Chairs submit written assurance reports to the Board detailing their activities, and committee minutes are available to all Board members.

The Board maintains a formal schedule of matters reserved exclusively for its approval, which cannot be delegated. Specific responsibilities have been assigned to Committees, and these are clearly defined within each Committee’s Terms of Reference.

Trustee attendance at Board and Committee meetings is detailed below:

Trustee	Board meetings	Committee meetings	AGM
Nick Baldwin CBE (Chair) ¹	2 of 2	3 of 3	1 of 1
Saqhib Ali ²	1 of 1	0 of 0	0 of 0
Richard Byrne	2 of 4	6 of 8	1 of 1
Mark Chamberlain	4 of 4	5 of 7	1 of 1
Richard Clarke ³	4 of 4	7 of 7	1 of 1
Gemma De Brito	3 of 4	7 of 8	1 of 1
Adrian Eggington ⁴	2 of 3	4 of 8	0 of 1
Andy Hardy ⁵	0 of 3	0 of 4	0 of 1
Janet Houlis	4 of 4	6 of 7	0 of 1
Mark Jeffery	4 of 4	6 of 6	1 of 1
Pamela Stacey ⁶	1 of 1	0 of 0	0 of 0
Gary Swabel	3 of 4	4 of 4	0 of 1
Nick Towe	4 of 4	6 of 6	1 of 1
Kim Wootton	3 of 4	6 of 6	1 of 1

¹ Stepped down 8 December 2025
² Appointed 1 March 2026
³ Stepped down 23 March 2026
⁴ Stepped down 28 February 2026
⁵ Stepped down 23 January 2026
⁶ Appointed 1 March 2026

Audit & Assurance Committee

The Committee provides assurance to the Board on the effectiveness of the Charity’s systems of internal control, risk management, financial reporting and regulatory compliance. It plays a key role in ensuring that these areas are appropriately managed and subject to robust oversight.

As part of its responsibilities, the Committee meets regularly with both internal and external auditors, including holding private sessions to support open and transparent discussion.

Development Committee

The Development Committee oversees the identification and assessment of development opportunities, including new schemes, extensions and modernisation projects, before making recommendations to the Board.

The Committee also ensures that the frameworks used to appraise new opportunities remain effective and fit for purpose. In addition, it provides oversight of construction procurement processes and monitors performance relating to sales and resales activity.

Nominations & Remuneration Committee

The Committee leads on Board and Executive succession planning, including recruitment, skills assessment and performance review.

It ensures that the Charity has the leadership capability required to deliver its strategy now and in the future.

It also provides oversight of remuneration arrangements for the Executive Team, helping to ensure they are fair, aligned to performance and support the recruitment and retention of high calibre leaders.



Operations Committee

The Operations Committee provides assurance to the Board on the delivery of the Charity’s core model across all communities, including housing, lifestyle and care. It monitors operational performance, resource management and key risks.

The Committee also supports the development and approval of operational policies and strategies, with particular focus on areas such as consumer standards and complaints, helping to ensure that services remain effective, responsive and resident focused.

Governance Arrangements

In 2021 ExtraCare adopted the National Housing Federation’s updated Code of Governance 2020. The Board annually assesses compliance with its Code of Governance to gain assurance that the Charity remains compliant and to identify areas for improvement.

The code adopts a ‘comply or explain’ approach, recognising that there may be instances with sound reasons for non-compliance. We comply with all provisions of the Code except as detailed below where the Board has agreed to provide an explanation:

Code of governance standard	Explanation
Where an organisation has subsidiaries, which have not adopted this Code, the reasons for this are given.	The Code is not applicable to the retail subsidiary as it is not a registered provider nor a registered charity. Nominee 1 Limited and Nominee 2 Limited are not relevant as they are both dormant subsidiaries related to loan agreements.
There is a policy and procedure setting out how disputes and grievances involving members of the Board can be raised and responded to.	An additional policy is not required as escalation to the Chair or Senior Independent Director or via the Whistleblowing policy are sufficient.

We have evaluated our Charity against all Standards set by the Regulator of Social Housing (RSH) and confirm our full compliance. This includes the Consumer Standard and RSH Governance and Financial Viability Standard, which require an annual self-assessment and certification of compliance with the standard to be cited within our annual accounts.

As part of this Standard, registered providers must have governance structures that guarantee conformity with all pertinent laws.

Our Charity is satisfied it possesses the necessary measures for legislative and regulatory compliance, and the Board takes suitable steps to gain assurance in this area.

Future Developments

While current construction costs continue to present challenges for new developments, we remain committed to identifying and pursuing opportunities for growth. Our approach balances investment in our existing communities with carefully considered expansion, ensuring we continue to meet the needs of older people.

The Charity’s financial position remains strong, supported by healthy cash reserves and established funding arrangements, which provide a solid platform for both development and ongoing modernisation.



“ Many a time I’ve tapped myself on the shoulder, thinking how lucky I am. I can’t believe I’m here. ”

Val
New Oscott Village



Going Concern

The Charity’s financial statements are prepared in accordance with all relevant statutory requirements and the Articles of Association. Our approach to financial reporting is designed to ensure clarity, accuracy and transparency, enabling stakeholders to clearly understand our financial position and performance.

As part of our commitment to good financial management, we carry out regular stress testing to assess our resilience under a range of scenarios. These exercises consider the potential impact of external factors such as changes in the housing market, inflationary pressures and wider economic or operational risks. The insights gained are used to inform decision making and ensure we are well prepared to respond to uncertainty while maintaining long term sustainability.

We continue to monitor developments relating to the Leasehold and Freehold Reform Act 2024, recognising its potential implications for both ExtraCare and the wider sector.

Our long-term financial plan is based on prudent assumptions and incorporates scenario planning to support effective decision making in a changing environment. It includes a requirement to maintain a minimum level of liquid assets, providing stability and flexibility to respond to risks while continuing to invest in our communities. This underpins our ability to support ongoing operations, deliver modernisation programmes and pursue development opportunities where appropriate.

The Board plays a central role in financial oversight, reviewing and approving the annual budget and ensuring alignment with our strategic priorities. Development activity is only progressed where there is sufficient funding in place to support both capital investment and ongoing operational costs, ensuring a balanced and sustainable approach.

Having considered financial performance, risk exposure and the outcome of stress testing, the Board is satisfied that the Charity remains a going concern. We have sufficient resources to operate effectively for the foreseeable future, supported by a strong financial position and a robust framework for managing risk and maintaining long term sustainability.

Financial Viability

The Charity’s financial position remains strong, providing a stable and resilient foundation to support both current operations and future development opportunities. Our funding structure is well established, with term and revolving credit facilities in place with Lloyds Bank plc.

We adopt a prudent approach to treasury and investment management. Surplus funds are held across a mix of accessible investment portfolios managed by external fund managers, alongside instant access and fixed term deposit accounts. This diversified approach supports an appropriate balance between liquidity, risk and return. While investment valuations are subject to market conditions, our strategy remains focused on preserving capital, maintaining sufficient liquidity and supporting long term financial sustainability.

Demand for our properties remains robust across both initial sales and the resale market. This sustained demand reflects the strength and relevance of our model and underpins the ongoing financial resilience of the Charity.

The Board continues to monitor compliance with all financial covenants and is satisfied that the Charity has met its obligations throughout the year. A disciplined approach to development is maintained, with new projects only proceeding where funding is fully secured for both capital expenditure and ongoing operational costs. This ensures that growth is delivered in a controlled and sustainable manner.

At the year end, the Charity held £49 million in cash and liquid investments (2024/25: £51 million), which provides a strong buffer against potential risks and supports the Charity’s ability to respond to changing economic conditions while continuing to invest in its communities.



Health and Safety Management

Our approach to health and safety is embedded within our wider risk management framework, with health and safety, including fire safety, identified as key strategic risks. These are subject to ongoing oversight and scrutiny by the Audit and Assurance Committee. We maintain a comprehensive policy framework to support compliance with all relevant legislation, with a designated Health and Safety Manager fulfilling the role of competent person in accordance with statutory requirements.

We operate a structured approach to property compliance to ensure that our buildings remain safe and meet all regulatory standards. Responsibility for compliance sits with our Head of Property and Environment, with a focus on key areas including gas safety, lift maintenance, water hygiene, fire safety servicing and fire risk assessments, and asbestos management. We have maintained full compliance across these core areas throughout the year, providing assurance to the Board and other stakeholders.

A planned programme of inspection and review supports ongoing compliance and risk mitigation. Fire risk assessments are undertaken at all locations on a cyclical basis, with higher risk locations subject to more frequent review in line with current building safety requirements. Our retail properties are also subject to regular inspection to ensure appropriate standards are maintained.

We continue to work in partnership with the West Midlands Fire Service Primary Authority Scheme, which provides access to specialist advice and supports our compliance with evolving legislation and regulatory expectations. This includes changes arising from recent building safety reforms and wider sector developments.

Oversight is further strengthened through formal governance arrangements, including our Corporate Health and Safety Committee, Building Safety Group and Fire Focus Group. These provide structured monitoring, reporting and assurance to the Board, ensuring that risks are identified, managed and mitigated effectively, and that the Charity continues to provide safe environments for residents, colleagues and visitors.

Colleague Engagement

We recognise that our people are central to delivering high quality services and creating strong, inclusive communities. We are committed to providing a positive and supportive working environment that promotes wellbeing, engagement and professional development.

Our annual colleague survey remains a key mechanism for understanding colleague experience and engagement. This year’s results exceeded expectations, with a response rate of 75%. The survey results showed 82% of employees expressing satisfaction with ExtraCare as an employer, and 92% confirming their commitment to our vision and values. Feedback from the survey is used to inform decision making and to develop targeted action plans to drive continuous improvement. As an Investors in People Gold employer, having successfully achieved reaccreditation during the year, we remain committed to maintaining high standards of people management and development.

We maintain a structured approach to communication to ensure colleagues are informed and engaged. This includes regular team briefings, weekly corporate updates, and planned one to one discussions between colleagues and managers. In addition, members of the Executive Leadership Team engage directly with colleagues through annual roadshows, providing opportunities to share updates and gather feedback across our locations.

Digital platforms continue to support effective communication and collaboration. Our colleague intranet provides a central space for updates, resources and organisational information, accessible to colleagues across all locations, and work continues to enhance these systems to further improve accessibility and connectivity.

We have established a range of formal and informal feedback mechanisms to ensure colleagues can contribute to decision making and continuous improvement. These include team meetings, colleague forums, suggestion scheme and regular engagement with senior managers, helping to ensure that employee voice is reflected in how we operate and develop.

As an Investors in People Gold employer, we remain committed to maintaining high standards of people management and development.

We also recognise the importance of celebrating the contribution of our colleagues and volunteers. During the year, we were pleased to host our first ExtraCare Staff Awards event in March 2026, bringing colleagues together to recognise and celebrate outstanding contribution across the Charity.

Employees who have a disability

We are committed to creating an inclusive and supportive working environment where diversity is valued and equal opportunity is promoted for all employees. We recognise that disability can take many forms, including physical, mental, sensory and cognitive, and that not all disabilities are visible. Our aim is to create a culture where individuals feel respected, supported and able to contribute fully, underpinned by flexibility, understanding and practical adjustments.

We aim to ensure that our recruitment processes are accessible, fair and inclusive. Candidates are offered appropriate support and reasonable adjustments throughout the recruitment process, including accessible facilities and assistance where required, to ensure all applicants have an equal opportunity to succeed.

We are equally committed to supporting employees who may become disabled during their employment. Where possible, we provide training, adjustments or adaptations to enable individuals to continue in their roles. Where this is not feasible, we work with colleagues to identify suitable alternative opportunities within the organisation, including reskilling where appropriate.

We also support employees through access to external schemes such as Access to Work, which provides specialist equipment and resources where needed. The Charity contributes to the cost of this support, reinforcing our commitment to enabling colleagues to thrive in their roles.

At present, 3.4% of our workforce has declared a disability. We recognise that this may underrepresent the true position, as disclosure is voluntary. We remain committed to strengthening our inclusive approach, ensuring all colleagues feel supported to achieve their potential and contribute to the ongoing success of the Charity.

Fundraising

Our Charity is supported by the generosity of residents, volunteers, donors, corporate partners and local communities who contribute their time, resources and financial support to help us deliver services that enhance the lives of older people. This support enables us to fund a range of wellbeing, dementia, community and charitable initiatives that help residents live independently and well.

Fundraising income is generated through a variety of sources, including our wholly owned subsidiary, ExtraCare Retail Limited, alongside support from trusts, foundations, legacies, corporate partners and community-based fundraising activities. Residents, colleagues and volunteers continue to play an important role in fundraising across our communities, reflecting the strong spirit of volunteering and collaboration that is central to ExtraCare. During the year, volunteers contributed more than 532,000 hours in support of the Charity, demonstrating the scale of their contribution and the vital role they play in helping us deliver our charitable objectives.



The Charity is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We did not engage any professional fundraisers or commercial participators during the year and are not aware of any material failure to comply with the Code. The Board receives regular reports on fundraising performance and compliance, ensuring fundraising activity remains aligned with our charitable objectives and values.

We are committed to conducting fundraising in an ethical, transparent and responsible manner. Our Fundraising and Donations Management Policy includes safeguards to protect vulnerable people and ensure that support is given freely and without undue influence. Appropriate due diligence processes are applied where required, and corporate fundraising arrangements are governed through formal agreements consistent with the Code of Fundraising Practice.

We are pleased to report that no complaints were received in relation to fundraising activities during the year (2024/25: nil).

Capital Structure

Incorporated on 11 December 1987, our Charity is a company limited by guarantee and does not have share capital. As such it is governed by its Memorandum and Articles of Association, most recently amended in December 2025. At 31 March 2026, the Charity had £366.5 million (2024/25: £355.1 million) of legally undistributable reserves which create a permanent capital base which is equivalent in quality to shares in a company limited by shares.

Treasury Policy

Our Treasury Management Policy sets the framework for managing investments and borrowings and supports the delivery of our Treasury Management Strategy, which is aligned with our Corporate Plan objectives.

We maintain a £30 million revolving credit facility with Lloyds Bank plc, our principal lender, which remains undrawn at year end. This facility provides flexibility and ensures we are well positioned to progress development opportunities when appropriate conditions arise.

Our approach to treasury management is focused on maintaining resilience and managing risk. This includes building and maintaining appropriate levels of liquidity, primarily through holding accessible and highly liquid assets, to ensure we are well placed to respond to unexpected events and changing economic conditions.

Surplus funds are managed through a combination of liquid investments and cash deposits, balancing the need for accessibility with the objective of achieving an appropriate return. In doing so, we also recognise the growing importance of environmental, social and governance considerations in investment decision making. While our primary objectives remain capital preservation, liquidity and financial resilience, we are mindful of incorporating responsible investment principles where appropriate.

This approach enables us to maintain financial flexibility while supporting long term sustainability. Through strong cash flow management and a disciplined approach to treasury activity, we are well positioned to meet our strategic objectives and continue delivering value for our residents and stakeholders.



Internal Financial control

Our Charity operates a well-established system of internal control designed to support the effective identification and management of financial, governance and operational risks. The Board receives an Annual Assurance Statement, signed by the Chief Executive and Executive Director Corporate Resources, providing assurance that these systems remain appropriate, effective and embedded across the organisation.

The Audit and Assurance Committee has delegated responsibility for overseeing the effectiveness of the control framework. This includes reviewing the adequacy of risk management arrangements, monitoring the implementation of agreed actions, and ensuring that appropriate assurance mechanisms are in place. The Committee is supported by a risk based internal audit programme, delivered by Forvis Mazars LLP, which provides independent assessment of key areas of control.

The annual internal audit opinion provided by Forvis Mazars LLP concluded that the Charity’s framework for governance, risk management and control offers a moderate level of assurance in terms of its adequacy and effectiveness. This indicates a generally sound control environment, with identified areas for improvement actively monitored and addressed through the Charity’s established governance arrangements.

External assurance is provided by the Charity’s auditor, RSM, through their audit procedures, accompanied by formal reporting to the Board and its Committees. Ongoing engagement with external audit supports effective oversight of financial reporting and ensures that emerging risks and technical matters are appropriately considered.

Performance against strategic priorities is monitored through a corporate balanced scorecard, which is regularly reviewed by the Board and its Committees. This provides a structured framework for tracking delivery of the Annual Business Plan and supports informed decision making and effective governance oversight.

Statement as to disclosure of information to Auditors

In so far as each of the Directors is aware:

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

On behalf of the Trustees:

Nick Towe
Chair

23 September 2026



Section 172(1) Statement

S172(1) of the Companies Act 2006 requires a director of a company to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard, amongst other matters, to:

A) The impact of the company’s operations on the community and the environment:

Our Charity invests in technology to help improve our residents’ quality of life and we also consider the impact of our operations on the environment and wider communities. See pages 41-43 for further information on environmental considerations and actions taken in the year, and pages 46-47 for People, Processes and Technology. Our Trustees consider both short-term and long-term implications of decisions made, along with the impact we have on the community and environment in the way we build and operate our locations.

B) The interests of the company’s employees:

For further information on how we as a charity have engaged with our employees during the year, please see section ‘Colleague Engagement’ on pages 19-20.

C) The need to develop the company’s business relationships with suppliers, customers and others:

Our residents are our key customers. Engagement with residents is overseen by a quarterly Resident Forum, offering residents an opportunity to challenge and engage with us to build trust and encourage transparency. Relationships with our other stakeholders, such as our lenders, are developed through regular meetings and communications, and with suppliers through engagement from our procurement team, and wider colleague base. For further information on how we engage with our stakeholders, please see the ‘Social Value’ section on page 33.

D) The likely consequences of any decision in the long-term:

Our residents are our key stakeholders. Reports submitted to our Board for consideration include the requirement to outline any impact on our residents and any consultation that has taken place or is planned; this includes consultation requirements on the short-term impact and the longer-term implications of decisions. The consultation then informs the decisions and business planning.

E) The desirability of the company maintaining a reputation for high standards of business conduct:

We remain an accredited ‘Investors in People’ Gold Award employer, having been reaccredited in the year. Our attitude to creating the right culture is reflected in the results of our annual colleague survey. In addition, we operate within a risk management and control framework, which includes whistleblowing, to ensure the highest levels of conduct and standards.

F) The need to act fairly between members of the company:

We hold an Annual General Meeting (AGM), where our Members come together and receive updates on the Charity’s performance, activities and any necessary voting matters. As a charity, all our Members are treated equally and fairly.

Our Trustees believe that, individually and together, they have acted in the way that they consider, in good faith, would be most likely to promote the success of the Charity for the benefit of its beneficiaries, having regard to the stakeholders and matters set out in Section 172(1) (a-f) of the Companies Act 2006 in the decisions taken during the year.

Creating sustainable communities for an ageing population.

Sector outlook

The Integrated Retirement Community sector continues to evolve in response to long term demographic trends. The United Kingdom has an ageing population, with life expectancy increasing over time, and a growing number of older people seeking housing options that support independence, wellbeing and access to care. This underpins sustained demand for integrated models such as that offered by ExtraCare.

Against this backdrop, the sector is well positioned for growth. Our model, which combines quality homes, opportunities for an active and connected lifestyle, and access to care where required, remains highly relevant. Demand for our properties continues to be strong, supported by consistent sales activity and interest in both new and existing communities.

However, the operating environment remains challenging. Workforce pressures across the health and social care sector continue to impact recruitment and retention, particularly within care roles.

In response, we remain focused on supporting, developing and retaining our colleagues, ensuring that pay, wellbeing and career development continue to be prioritised.

The regulatory and policy environment continues to develop. The Leasehold and Freehold Reform Act 2024 is expected to have implications for both ExtraCare and the wider sector, and we are closely monitoring its progression while engaging with sector bodies to assess its potential impact and inform our response.

Maintaining the attractiveness of our offer remains critical to sustaining our model. Waiting lists across our locations, along with strong levels of interest from prospective residents, demonstrate the continued appeal of our communities.

We will continue to invest in our existing portfolio and refine our offer to ensure it meets the changing expectations of both our current and prospective residents.

By continuing to evolve our model, we aim to ensure that our communities remain desirable, sustainable and capable of delivering positive outcomes for older people over the long term.



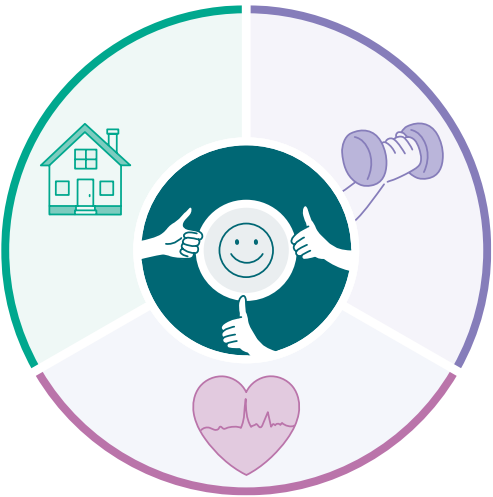
“ My son can relax now that he knows I am not on my own, and I am safe. ”

Bibi
Solihull Village

Our Integrated Model

Our mission is to create sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it is needed. This is delivered through an integrated model that supports people to live independently, remain connected and feel confident as their needs change over time.

At the heart of our approach is a belief that Homes, Lifestyle and Care should not be delivered in isolation. By bringing these elements together, we create communities where people can live well, maintain their independence and experience a strong sense of belonging.



Homes

We provide high quality, accessible homes designed to support independent living. Our apartments are carefully planned to meet the needs of older people, offering comfortable and adaptable spaces that can respond to changing circumstances. Properties include one or two bedrooms, well designed living areas and, in many cases, private outdoor space.

We continue to refine our approach through learning from both development and modernisation activity. This ensures our properties remain fit for the future, with ongoing consideration given to accessibility, design quality and environmental impact.

Our tenure mix has evolved in response to changing demand and the need to support a sustainable model. We offer a blend of social rent, market rent, shared ownership and leasehold properties, enabling access to our communities for people from a wide range of backgrounds while supporting long-term financial resilience.



Lifestyle

A defining feature of ExtraCare is the lifestyle offered within our communities. Our locations are designed to support active, connected and fulfilling lives, with shared spaces and facilities that encourage social interaction, participation and wellbeing.

We provide a wide range of activities and opportunities, reflecting the diverse interests of our residents. From physical activity and creative pursuits to learning and social events, these play an important role in helping people build relationships, maintain confidence and stay engaged in later life.

Creating a sense of belonging is central to our approach. We continue to develop this through our Belonging at ExtraCare Strategy, which aims to create an environment where everyone who lives, works or volunteers within our communities feels included, respected and able to be themselves.

Volunteering remains a key part of community life, with residents and external volunteers making a significant contribution to activities, services and fundraising. This not only strengthens our communities but also provides individuals with purpose, connection and the opportunity to give something back.

We also maintain strong links with local communities through partnerships and shared activities, ensuring our locations remain open, inclusive and connected to the wider area.

Care

Care is available across all our communities and can be accessed as needs change, providing reassurance and flexibility for residents. Services are delivered by on-site teams and are regulated, ensuring high standards of quality and safety. Residents also retain the choice to access alternative providers if they wish.

Alongside care, our Wellbeing Service focuses on prevention and early support, helping residents to remain independent, active and confident. Through regular engagement, including wellbeing drop-in sessions and individual assessments, residents are supported to manage their health and maintain their quality of life.

We also use a resilience-based approach to support individuals who may be more vulnerable, helping them to maintain independence and avoid unnecessary escalation of care needs.

Our Dementia and Mental Wellbeing Service provides specialist support for residents living with cognitive or mental health conditions. This service is designed to help individuals remain connected and supported within their community, promoting dignity, confidence and quality of life.

We continue to develop our approach through research and innovation, including work to better understand changes in care needs over time. This will help ensure that any transitions are planned, timely and centred on the individual, supporting positive outcomes for residents.



Progress against our Annual Business Plan key targets

Our 2025/26 Annual Business Plan contained several targets for the financial year with progress for each of these targets being included in our corporate Balanced Scorecard reported to our Board and Committees. Targets are set alongside our 5-year Corporate Plan (2022-27), of which this year marks year four of the plan.

Six of the Corporate Plan targets are considered key targets, and we achieved the Annual Business Plan targets associated with each of these key targets during the year. Our self-assessed performance against them is shown below:

Corporate Plan: Key target Develop one new village and undertake two village extensions during the life of this corporate plan* delivering 400 new homes. (*subject to funding)	
2025/26 Annual Business Plan Target: - Continue value engineering the extension to Shenley Wood, and then the Board to decide to proceed or defer; - Undertake landscaping works at Bedford Wixams, following the deferral of the extension; and - Continue to explore Peterborough (new village site), then the Board to decide to proceed or not.	2025/26 Progress: ✓ ACHIEVED - The Development Committee agreed not to proceed with the Shenley Wood extension, given project is not currently financially viable; - The landscaping works at Bedford Wixams were completed in Q4 2026; and - The development opportunity in Peterborough is being actively pursued.
Corporate Plan: Key target Achieve a resident experience rating of 80% or above in all villages and 90% or above in all schemes by the end of the corporate plan period.	
2025/26 Annual Business Plan Target: - Achieve or exceed the Corporate Plan target; and - Review and benchmark 2024/25 TSM scores and set improvement targets for 2025/26.	2025/26 Progress: ✓ ACHIEVED - All villages achieved 80%+ and all schemes achieved 90%+; - TSM action plans for each location were created following the 2024/25 Annual Resident Survey and were actioned ahead of 2025/26 Annual Resident Survey; and - TSM improvement targets were set for 2025/26 and scores improved across the board.

Corporate Plan: Key target Each location will achieve a minimum CQC ‘good’ rating overall – with at least a third of our locations, by the end of this corporate plan period, having achieved ‘outstanding’ overall.	
2025/26 Annual Business Plan Target: - Maintain or achieve CQC ‘good’ or outstanding for all locations inspected during the year; and - Maintain or achieve internal audit scores of ‘good’ or ‘outstanding’ for all locations inspected, with any assessed below ‘good’, improved and then reaudited within three months.	2025/26 Progress: ✓ ACHIEVED - No CQC inspections were carried out in the year; and - All internal audits completed throughout the year achieved a rating of ‘good’ or ‘outstanding’.
Corporate Plan: Key target Maintain the following colleague satisfaction scores: 75% of our employees will be satisfied with ExtraCare as an employer and 90% of our employees will be fully committed to our vision.	
2025/26 Annual Business Plan Target: Achieve or exceed the Corporate Plan target.	2025/26 Progress: ✓ ACHIEVED - Colleagues satisfied with ExtraCare: Target was 75%, score was 82%; and - Committed to our vision: Target was 90%, score was 92%. Our colleague survey response rate was 75%, up from 72% in 2024 and 61% in 2023.
Corporate Plan: Key target Ensure we are capable of achieving a G1, V2 rating from the Regulator of Social Housing (RSH).	
2025/26 Annual Business Plan Target: - Create a repository of evidence to support compliance with RSH standards to be IDA ready; and - Implement Economic and Consumer actions from the 2024/25 self assessment.	2025/26 Progress: ✓ ACHIEVED - Repository of evidence created for the 2025/26 self-assessment; and - All due actions were completed in year.
Corporate Plan: Key target Generate a total surplus in excess of £10 million each year and our operating deficit will progressively reduce, reaching break-even in year 4.	
2025/26 Annual Business Plan Target: Achieve or exceed the Board-approved total surplus budget and operational budget.	2025/26 Progress: ✓ ACHIEVED - Total surplus exceeded budget; and - Operational surplus exceeded budget.

Financial Performance

Our financial performance for this year, and the previous three years is reflected below. These ratios are our financial Key Performance Indicators (KPIs), with operational performance indicators being shown within the 'ExtraCare VfM metrics, targets, & performance indicators' section on pages 31-32.

	2025/26	2024/25	2023/24	2022/23
Operating deficit	(£1.1M)	(£0.3M)	(£12.3M)	(£8.0M)
Total comprehensive income	£11.4M	£20.7M	£22.8M	£28.7M
Turnover	£70.4M	£68.9M	£65.1M	£53.7M
Reserves	£366.5M	£355.1M	£334.4M	£311.6M

The Charity has maintained a strong overall financial position during the year. Turnover increased to £70.4 million, reflecting continued demand for our services and the resilience of our model.

An operating deficit of £1.1 million has been reported, increasing from £0.3 million in the prior year. This reflects ongoing cost pressures, although performance remains significantly improved compared to earlier years, where deficits were materially higher. We continue to focus on cost control and operational efficiency to support further improvement over time. Staff costs remain an area of cost challenge, increasing to £33.8 million from £32.9 million in the prior year, primarily driven by increases in the cost of Employer National Insurance.

Total comprehensive income remained positive at £11.4 million (2024/25: £20.7 million), supporting continued growth in reserves to £366.5 million. This strengthening balance sheet provides a solid foundation for future investment and long-term sustainability. A significant contributor to the lower total comprehensive income for 2025/26 when compared to 2024/25 is the lower increase in fair value of investment properties of £16.3 million, compared to £24.4 million in 2024/25.

Cash and liquid investments have decreased to £49.4 million, compared to £51.3 million at the previous year end. The Charity has continued to invest heavily into its asset base, with a cash outflow of £15.2 million for the purchase of fixed assets in the year, compared to £8.6 million in 2024/25.

This continued investment into the Charity's assets has resulted in an increase in depreciation on owned tangible assets charged in the year, from £3.7 million in 2024/25 to £4.2 million in 2025/26.

The Charity's buyback liability has increased by £15 million in the year, to £555.7 million, which reflects the continued demand for our properties.

Provisions reduced by £0.4 million, due to a lower requirement for subsidisation of resident charges going forwards.

No impairment indicators were identified across our portfolio, with all villages and schemes continuing to perform in line with expectations.

The Board continues to classify properties with granted leases as investment properties held for capital appreciation, with annual revaluation movements recognised in the statement of comprehensive income. The lease buyback model supports the realisation of these gains over time and underpins the sustainability of our financial model.

Properties held for social housing purposes continue to be accounted for at historical cost and depreciated over their useful lives, reflecting their distinct role within the Charity's overall model.

Value for Money (VfM)

VfM informs how we plan, manage, and operate our Charity to ensure that we make the best use of our resources to deliver our vision of better lives for older people now and into the future.

We define VfM as getting the right balance of inputs, process and outcomes, as described by the 3 'E's:

- Economy: achieving the best price for what goes into providing a quality of service, minimising the resources required focusing on cost saving, cost avoidance or income generation;
- Efficiency: to accomplish something with the best use of time and effort; and
- Effectiveness: the relationship between the intended and actual results.

VfM Strategy (2022-27)

Our strategy provides the direction to ensure the 3 'E's identified above are embedded in our decision making and that a 'VfM mindset' is encouraged throughout the Charity. It provides the framework for how we will deliver our VfM targets and has an associated action plan, comprising 10 specific actions which will help us achieve greater VfM. The strategy can be summarised, simply as:

'Working collaboratively in delivering our corporate objectives by spending our money wisely.'

The key drivers of the strategy have been greater sharing of best practice, defining key performance indicators (KPIs) which best represent the priorities of our Charity and our residents. We do not define Value for Money as being the cheapest option, but rather the option that adds most value, quality, and cost benefit.



Regulator of Social Housing (RSH) VfM metrics, targets, and performance indicators (PIs)

Our performance against the RSH metrics is shown below.

RSH VfM – metrics, targets & PIs	2024/25 Actual	2025/26 Target	2025/26 Actual	2026/27 Target
1. Reinvestment	1.2%	1.5%	1.5%	1.5%
2. New Supply				
- Social Housing	0.0%	0.0%	0.0%	0.0%
- Non-Social Housing	0.1%	0.0%	0.0%	0.0%
3. Gearing	12.4%	12.0%	12.3%	12.0%
4. EBITDA MRI*	28.2%	30.0%	28.4%	30.0%
5. Headline Social Housing Cost per unit**	£13,069	£10,000	£11,663	£10,000
6. Operating Margin				
- Overall	-0.5%	0.0%	-1.6%	0.0%
- Social Housing	28.8%	30.0%	26.8%	30.0%
7. Return on Capital Employed (ROCE)	-0.1%	0.0%	-0.2%	0.0%

* Earnings before interest, taxation, depreciation, amortisation, major repairs included, interest cover %
** Includes the cost of subsidising resident property charges in 2024/25

Our Reinvestment percentage of 1.5% reflects investment into our modernisation and maintenance programmes. As part of our modernisation programme, we review the use of existing space and repurpose this where appropriate to make them more engaging to our community.

Our Headline Social Housing Cost per Unit reduced year-on-year, although it remains above our target level. This reflects our continued investment in property modernisation, maintenance and resident affordability. These decisions support the long-term quality, sustainability and attractiveness of our communities and are consistent with our commitment to delivering value beyond short-term cost reduction.

ExtraCare VfM metrics, targets, & performance indicators

In addition to the mandatory RSH metrics above we set our own internal VfM targets. These were chosen based on areas of activity which directly impact VfM or where a need to enhance performance had been identified.

During 2025/26 we continued to embed Value for Money across all areas of the Charity. Despite ongoing economic pressures, we delivered improvements, including a significant reduction in rental void turnaround times, maintained high levels of resident satisfaction and continued to reduce our operational deficit. These achievements support our long-term objective of delivering financially sustainable services while maintaining the quality of lifestyle our residents expect.

Our performance against our internal metrics is shown below.

ExtraCare VfM – metrics, targets & performance	2024/25 Actual	2025/26 Target	2025/26 Actual
1. Arrears (reduce value of payments due)	3.0%	2.5%	3.0%
2. Rental Voids (reduce average period for re-let)	22.7 weeks	16 weeks	14.5 weeks
3. Operations Surplus/(Deficit)*	(£3.0M)	(£1.1M)	(£1.1M)
4. Loan to Value	36.1%	<45%	35.7%
5. CQC rating Good or Outstanding	94%	94%	94%
6. Resident satisfaction rating at villages	92% villages 96% schemes	80% villages 90% schemes	93% villages 96% schemes
7. Reduce energy usage (overall intensity)	2.87 tonnes CO ₂ e resident/year	2.14 tonnes CO ₂ e resident/year	2.54 tonnes CO ₂ e resident/year

* This Operations Surplus/(Deficit) is based upon our year-end management accounts and not the statutory financial statements. Operational performance in our management accounts measures the performance of our locations, rather than the overall operating performance.

- **Arrears:** have been maintained at 3.0% during the year but remain slightly above our target of 2.5%. We will continue to work with residents to provide information around the support we can offer as a charity, as well as support that is available from the government. This will be underpinned by the hard work and dedication of our Welfare Benefits Team that have generated £5.9M of welfare benefit entitlements for residents during the year.
- **Rental voids:** we have seen a significant reduction in void turnaround times during the year, exceeding our target for the year. Our Operations colleagues have worked hard to improve the processes and develop the relationships we have with nominating authorities, and we will continue to make progress with reducing our voids turnaround throughout 2026/27.
- **Operations deficit:** we continue to make excellent progress in reducing our Operations deficit as we continue towards our target of ensuring all our communities remain financially sustainable. 2025/26 marks another important milestone on our journey to ensure our locations are break-even or better by the end of our Corporate Plan period, with our target for 2026/27 being a small surplus.

Benchmarking

Effective benchmarking is central to our approach to value for money. Our internal reporting allows for consistent comparison of financial and operational performance across our communities. This supports informed decision making at all levels and promotes accountability for the efficient use of resources.

Our budgeting process is subject to robust review and challenge, with clear governance from budget holders through to Board approval. This ensures that financial plans are realistic, aligned to strategic priorities and supported by appropriate assumptions. Regular performance monitoring against these plans enables early identification of variances and supports timely corrective action.

During the year, we launched a series of video information sessions targeting better budgeting and financial forecasting. The aim of these sessions was to break down financial jargon and data, into meaningful and relatable language that would engage our decision makers and budget holders.

We host these videos on our e-learning platform, enabling colleagues to access the content at a time that suits them while allowing us to monitor engagement levels. During 2026/27, we are planning to further enhance our offering, by relaunching reporting around unit cost analysis and utilising different methods of media to engage our workforce.

Close collaboration between the Finance Team, Regional Operations Managers and Location Managers underpins this approach. By working together, teams are able to identify opportunities to improve performance, control costs and deliver better outcomes across the organisation.

VfM Working Group

During the year, we established a cross-functional Value for Money (VfM) Working Group to further embed a culture of continuous improvement across the Charity. The group brings together colleagues from different departments (across our Locations and Head Office teams) to identify opportunities to reduce waste, improve efficiency and share best practice. Its focus is on encouraging innovative thinking, supporting informed decision-making and ensuring that resources are used effectively to maximise the benefit delivered to residents and stakeholders.

Social value

As a charitable organisation, delivering social value is integral to our purpose. Our procurement and operational teams work together to ensure that social value considerations are embedded within our activities and we seek to generate wider benefits for residents and the communities in which we operate, alongside delivering our core services.

We maintain strong relationships with our supply chain to promote innovation and continuous improvement. This enables us to respond to emerging opportunities and adopt approaches that enhance the experience of our residents while supporting broader social outcomes.

Procurement

We remain committed to achieving value for money through a disciplined and structured approach to procurement. Our Procurement Category Management framework supports effective sourcing, contract management and ongoing review, ensuring that services are delivered efficiently and risks are appropriately managed.

All procurement activity is conducted in line with applicable legislation, including the Public Contracts Regulations 2015 and the Procurement Act 2023. We also recognise the increasing importance of environmental, social and governance considerations and continue to embed these principles within our procurement processes.

Through ongoing engagement with suppliers, we aim to strengthen the integration of responsible practices across our supply chain. This approach supports both value for money and the long-term sustainability of our operations, while reinforcing our commitment to delivering positive outcomes for residents and stakeholders.



Managing Key Risk and Uncertainties

Effective risk management is embedded within our governance framework and supports informed decision making across the organisation. It enables the Board and Executive to identify, assess and manage risks in a structured way, ensuring that strategic objectives are delivered in a controlled and sustainable manner.

The Board has established a clear risk appetite framework, which reflects the nature and scale of our activities and provides guidance on the level of risk the Charity is willing to accept across different areas of the business. This ensures that risks are managed proportionately, recognising the varied nature of our operations while supporting delivery of the Corporate Plan.

Risk Appetite				
Averse	Minimalist	Cautious		Open
Compliance – Health & Safety	Compliance	Financial	Reputational	Sales
	Cyber	People and Culture	Operational	
		Development	Fundraising and Retail	
		Infectious Disease		

Each of our principal risks is supported by defined controls and monitored through established governance arrangements. We also maintain a set of early warning indicators, enabling timely identification of emerging issues and supporting proactive management of risk. This approach ensures that we are well placed to respond to uncertainty while continuing to pursue opportunities in a controlled and considered way.

Our Board consider the strategic risks faced by the Charity to be:

Risk Appetite	
Legal & Regulatory Compliance	Averse to Minimalist
Serious or major non-compliance with Legal and Regulatory requirements results in reportable breaches, major and serious incidents, potential investigations, potential loss of life or serious injury, sanctions and fines, reputational damage and a weakened ability to deliver Business Plan and/or Corporate Plan objectives, targets and commitments. Mitigation and management measures include: - A comprehensive governance, risk management and internal controls framework, supported by regular reviews including Board effectiveness, regulatory self-assessments and compliance monitoring; - Robust assurance mechanisms, including insurance coverage, business continuity planning, audit and performance monitoring; - Strong focus on compliance with statutory and regulatory requirements, including legal and regulatory reviews and adherence to sector codes and standards; - Investment in skills and capability, including structured Trustee induction and development, professional memberships, and ensuring appropriately qualified and competent staff; and - Ongoing training, awareness and preparedness, including statutory training, crisis communications training and regular engagement activities across the organisation.	

Risk Appetite	
People and Culture	Cautious
Failure to align our people and culture (as a shared set of values, beliefs, systems, practices, underlying assumptions, attitudes and behaviours) undermines delivery of strategic goals and Business Plan and/or Corporate Plan objectives, targets and commitments (for example, as key employees become disengaged or dissatisfied and leave, behaviours slide, clarity and mission is lost). Mitigation and management measures include: - A structured people framework supported by the People Strategy, Belonging Strategy and comprehensive HR policies; - A strong values-based culture, embedded through recruitment processes, performance development reviews and leadership expectations; - Ongoing investment in training and development programmes to support skills, behaviours and organisational priorities; - Regular engagement and feedback mechanisms, including the annual staff survey, staff forum and employee representative groups; and - Recognition and inclusion initiatives, including reward programmes and colleague involvement through dedicated EDI working groups.	
Financial – Operations	Cautious
Marked adverse variance to budgeted performance at locations, due to reductions in location income without a corresponding decrease in expenditure, or unbudgeted expenditure without corresponding income, resulting in increased deficits and a reduced ability to deliver the Charity’s activities to meet the charitable purpose and deliver the Corporate Plan. Mitigation and management measures include: - A structured approach to income and commercial management, supported by defined strategies and active engagement with local authority commissioners; - Robust income collection processes, including dedicated procedures for managing arrears and recovering outstanding resident charges; - Strong financial oversight at location level, with regular monitoring of performance and disciplined budget management; - A performance framework focused on key operational and financial indicators, supported by regular joint operations and finance reviews; and - Forward looking financial planning, including stress testing, resource control aligned to service delivery, and an annual budget process focused on improving financial sustainability.	
Financial – Cash flow	Cautious
Financing secured through borrowing and sales/resales, insufficient to support our funding needs, and or no satisfactory renegotiation of loan financing. This could result in failure to meet the development programme, a lack of key stakeholder confidence, a poor regulatory viability grading and impact delivery of the Business Plan and/or Corporate Plan objectives, targets and commitments. Mitigation and management measures include: - A comprehensive treasury and income management framework, supported by defined strategies, policies and long-term financial planning; - Strong liquidity and funding arrangements, including committed loan facilities and minimum cash headroom to support financial resilience; - Robust financial oversight through long term forecasting, regular cashflow monitoring and monthly finance reviews; - Use of stress testing and scenario analysis to assess resilience and inform key judgements, including the going concern assessment; and - A flexible approach to risk management, including the ability to pause development activity and deploy mitigating actions where required.	

Risk Appetite	
Financial – Property market sales	Open
A significant or sustained deterioration in the housing market (falling property prices/economic pressures/stagnation) or other factor affecting demand (for our properties) produces reduced levels of sales (new stock) and resales (existing stock) limiting the income and profit realisable in support of debt of financing, reinvestment and achievement of Business Plan and/or Corporate Plan objectives, targets and commitments. Mitigation and management measures include: • Active management of sales demand, including pricing adjustments, targeted incentives and enhanced marketing activity; • Strong performance monitoring, with regular trend and variance analysis, detailed sales forecasting and continuous tracking of cashflow; • Effective stock management, including refurbishment of resale properties, monitoring of unsold units and flexible tenure approaches such as market rent; • Risk mitigation measures within sales processes, including contractual protections; and • Ongoing financial control and resilience through daily cashflow monitoring and stress testing.	
Development	Cautious
Challenges in securing suitable site locations/land and/or financing, combined with uncertainty in the housing market/demand/economy, and increases in construction costs due to construction inflation impacting sales income, cashflow, resident satisfaction, reputation and delivery of Business Plan and/or Corporate Plan objectives, targets and commitments. Mitigation and management measures include: • A structured approach to development appraisal, supported by established models and minimum viability requirements, informed by lessons learned from previous developments; • Ongoing oversight of development activity through pipeline tracking and regular review of sales pipelines; • Robust due diligence processes for development partners, including regular assessment of financial strength and use of parent company guarantees where appropriate; and • Strong contract and project management arrangements, including formal construction contracts and regular monitoring through site meetings.	
Infectious Disease (epidemic/pandemic)	Cautious
Failure to plan adequately for risk management of epidemic or pandemic infectious disease outbreaks (both established e.g. influenza, COVID-19, or emerging/novel) impacts significantly on ExtraCare's operations and corporate activities, threatens delivery of corporate and operational objectives, plans and targets and jeopardises the Charity's continued viability. Mitigation and management measures include: • Strengthened resilience and preparedness through lessons learned from COVID-19, informing current policies and operational practices. • Implementation of flexible working arrangements, including a hybrid model for Head Office colleagues. • Robust health and safety measures, including an infection control policy and monitoring of PPE levels across locations. • Strong financial and operational controls, including cashflow monitoring, stress testing and the ability to reduce non-essential expenditure. • Established contingency measures, including Business Continuity Plans or reintroduce mitigation measures around buyback arrangements where required.	
Cyber security	Minimalist
Risk to ExtraCare's IT systems due to ransomware, malware, viruses and a continually adapting external cyber-threat environment resulting in potential reputational, operational and financial damage if attacks are successful. Mitigation and management measures include: • A defined cyber security framework and strategy, aligned to recognised standards (NIST Framework), supported by policies and procedures governing cyber security practices; • Technical controls in place to identify and prevent threats, including intrusion detection and prevention systems; and • Ongoing colleague awareness and training through cyber security eLearning alongside appropriate cyber insurance cover.	

Internal audit

The Charity's internal audit function is outsourced to Forvis Mazars LLP, an independent and specialist provider. Internal audit activity is undertaken in accordance with a risk based Internal Audit Plan, designed to assess the effectiveness of the Charity's governance, risk management and internal control arrangements. Findings and recommendations are reported regularly to the Audit and Assurance Committee.

For the 2025/26 audit cycle, Forvis Mazars provided an overall opinion of moderate assurance on the adequacy and effectiveness of the Charity's governance, risk management and control framework. This indicates a generally sound control environment, with identified areas for improvement actively monitored and addressed through established governance processes.

A formal process is in place to track the implementation of all internal audit recommendations. Progress against these actions is reviewed by the Audit and Assurance Committee, ensuring that control improvements are delivered in a timely and effective manner. During the year, we improved our rate of implementation, further strengthening the control environment and supporting continuous improvement across the organisation.

Risk summary

Our Board of Trustees has:

- Considered the major risks and uncertainties to which the Charity is exposed;
- Satisfied themselves that systems or procedures are established to manage and mitigate these;
- Sought independent assurance from internal audit; and
- Recognised that controls will be strengthened as audit recommendations are implemented.



Developing Villages

The development of high quality, accessible communities remains central to the long-term vision of the Charity. However, in the current economic environment, our approach has been deliberately cautious, reflecting both construction cost pressures and the need to ensure that any new development is financially sustainable.

While we have not progressed new village developments in recent years, we continue to maintain a watching brief on the market. We actively assess potential opportunities and engage with partners to ensure that we are well positioned to move forward when conditions are more favourable. This reflects our commitment to growth over the longer term, balanced with a disciplined approach to financial viability and risk management.

Modernisation

Investment in our existing villages remains a key priority, supporting our aim to provide high quality, welcoming environments where residents can live well. Our modernisation programme plays an important role in achieving this, enabling our locations to evolve in response to changing expectations while remaining attractive and sustainable over time.

This work is shaped through close engagement with residents. We involve residents throughout the planning and design process, ensuring that improvements reflect their experiences and what matters most to them. This approach helps ensure that changes are both practical and meaningful.

Our programme focuses on making the best use of space, enhancing communal areas and facilities, and improving the overall look and feel of our villages. Alongside this, we continue to consider opportunities to improve environmental performance and ensure our communities support residents’ wellbeing, independence and connection to others.

During the year, we completed the modernisation programme at Shenley Wood Village, delivering improved facilities and enhanced shared spaces. These changes have created a more welcoming and functional environment, supporting residents’ everyday experience of the village.

Work has also progressed on future programmes. We commenced modernisation at Hagley Road Village and began early planning for Bournville Gardens Village, including initial design work and resident engagement. Involving residents at this stage ensures that future improvements are aligned with their priorities and continue to strengthen each community.

Through this ongoing investment, we are ensuring that our villages remain vibrant and inclusive places where residents can live independently, stay connected and feel a strong sense of belonging.



Initial property leases (Initial sales)

Initial sales units remain at two of our locations; Solihull Village and Bedford Wixams Village. The remaining units at Bedford Wixams Village were being intentionally held until the completion of our Phase 2 extension, but since the extension postponement these have been marketed for sale.

The progress on sales of our new village locations is as follows on 31 March 2026:

Village	Opened	Initial leases granted in 2025/26*	Total leases granted	Total initial leases available	Total % granted
Bedford Wixams	June 2019	5	182	184	99%
Solihull	January 2021	13	187	209	89%

* - inclusive of tenancies granted at market rent

Subsequent Property Leases (Resales)

As our villages continue to mature, we are seeing sustained demand for our unique offering, reflected in strong and consistent resale activity. Our resales performance remains robust, with transactions providing an important contribution to our cash position and overall financial resilience. Income generated through resales plays a key role in supporting our ongoing investment in communities, including both modernisation and, in the longer term, future development opportunities.

	2025/26		2024/25		2023/24		2022/23		2021/22	
	£M	No.	£M	No.	£M	No.	£M	No.	£M	No.
Resales	62.8	202	66.3	222	62.1	219	58.2	216	41.2	160
Surrenders	(48.4)	(219)	(48.1)	(227)	(45.2)	(234)	(38.7)	(211)	(35.6)	(191)
Total	14.4	(17)	18.2	(5)	16.9	(15)	19.5	5	5.6	(31)



Operating our communities

The effective operation of our communities is central to delivering our model, supporting residents to live independently, stay connected and feel confident as their needs change. Our focus is on creating environments where people feel supported, engaged and able to enjoy a fulfilling lifestyle.

Belonging and community

Creating a sense of belonging is central to life at ExtraCare. We want our communities to be places where people feel welcome, included and able to be themselves.

The influence of initiatives such as the BBC documentary Rose Ayling-Ellis: Old Hands, New Tricks, filmed previously at Hughenden Gardens Village, continues to shape our approach. The programme demonstrated how learning new skills, such as British Sign Language, can build confidence, reduce social isolation and strengthen connections between residents. Its legacy can be seen in ongoing activity across our communities, including inclusive events and opportunities that promote communication and engagement.

Through our Belonging at ExtraCare Strategy, we continue to embed these principles in how our communities operate.

Resident engagement

We are committed to ensuring that residents have a strong and meaningful voice in their communities and in how services are delivered. A range of engagement opportunities are available across all locations, including Residents' Associations, surveys, meetings and involvement in recruitment and volunteering activity.

At an organisational level, the Residents' Forum provides an important mechanism for engagement and feedback, ensuring that resident views are reflected in decision making. The Chair and Vice Chair of the Forum are Members of the Charity, helping to ensure that resident perspectives are considered within our wider governance arrangements.

We also work closely with residents through dedicated groups, including our Resident Communications Group and Resident Scrutiny Groups, which provide valuable insight and challenge to help shape services, policies and communications.

By working in partnership with residents and involving them in shaping operations and communications, we can adapt services, respond to feedback and continually improve the quality of the experience we provide.

Wellbeing and lifestyle

Supporting wellbeing remains a key priority across our communities. Our approach focuses on prevention, early intervention and enabling residents to maintain independence for longer.

Through regular engagement, including wellbeing activities, drop-in sessions and social opportunities, residents are supported to stay active, connected and confident. This reflects our wider aim of supporting both physical and mental wellbeing, recognising the importance of social interaction and purpose in later life.

Our communities also benefit from partnerships and initiatives that bring additional opportunities for residents, helping to strengthen connections both within our villages and with the wider community.

Care quality and digital care development

Our care services continue to focus on quality, consistency and responsiveness to individual needs. Our Care Delivery and Rostering system ('Birdie') is now fully embedded across all locations and continues to evolve, supporting improved oversight, accurate record keeping and reduced administrative burden.

This enables care teams to spend more time supporting residents, enhancing both the quality of care and overall experience. Ongoing development of digital tools continues to support better communication, transparency and service delivery.

We remain committed to maintaining high standards, supported by strong internal quality assurance processes. Most of our locations are rated 'Good' or 'Outstanding' by the CQC, providing assurance to residents, families and stakeholders.

Location performance and sustainability

Ensuring our communities are both high quality and financially sustainable remains a key priority. Our Corporate Plan sets out a clear ambition for all locations to achieve a sustainable financial position while continuing to deliver the services residents value.

During the year, we have continued to embed our Operational Blueprint, providing a consistent framework for how our communities are managed.

The framework focuses on five key areas:

- Assets: maintaining safe, attractive and well performing environments
- Financial: delivering value for money and long-term sustainability
- Lifestyle: supporting active and engaged communities
- Engagement: ensuring residents have a strong and consistent voice
- Colleagues: supporting colleagues to deliver high-quality services

Through this approach, we are strengthening the performance of our communities while ensuring they remain places where residents can live independently, stay connected and feel part of a supportive community.

Streamlined Energy and Carbon Reporting

As a Charity, we remain firmly committed to improving our environmental performance and reducing our carbon footprint. We have set an ambitious target to achieve carbon net zero by 2045, underpinned by a corporate-wide strategy that maps our ongoing progress towards this goal. Environmental considerations are embedded into all reports presented to our Committees and Board.

Emissions, waste & recycling

ExtraCare influences the environment both directly, through the management and operation of our properties, and indirectly, through activities such as business travel, the procurement of goods and services, and strategic developments including the construction of new villages.

Our Retail subsidiary not only generates vital funds for our Charity but also makes a meaningful contribution to recycling efforts and the diversion of reusable goods away from landfill.

In accordance with Government Environmental Reporting Guidance and the requirements of Streamlined Energy and Carbon Reporting (SECR), we have defined the organisational boundary and scope of emissions for this report as follows:

- **Reporting Boundary:** This report seeks to identify and quantify energy use and environmental impacts arising from the operation of villages and schemes owned by ExtraCare, our head office in Coventry, and all Retail sites that were operational throughout 2025/26, including colleague travel undertaken in support of the Charity.
- **Scope of Emissions:** This report covers the following emission types:
 - **Scope 1 Direct Emissions** - emissions generated through the use of natural gas in boilers for heating, hot water, and catering within our buildings;
 - **Scope 2 Energy Indirect Emissions** - emissions associated with electricity consumption for lighting, catering, hot water, and electrical equipment across our buildings; and
 - **Scope 3 Other Indirect Emissions** - emissions linked to water consumption, the disposal of liquid and solid waste within our buildings as well as mileage done by vehicles not owned by ExtraCare.

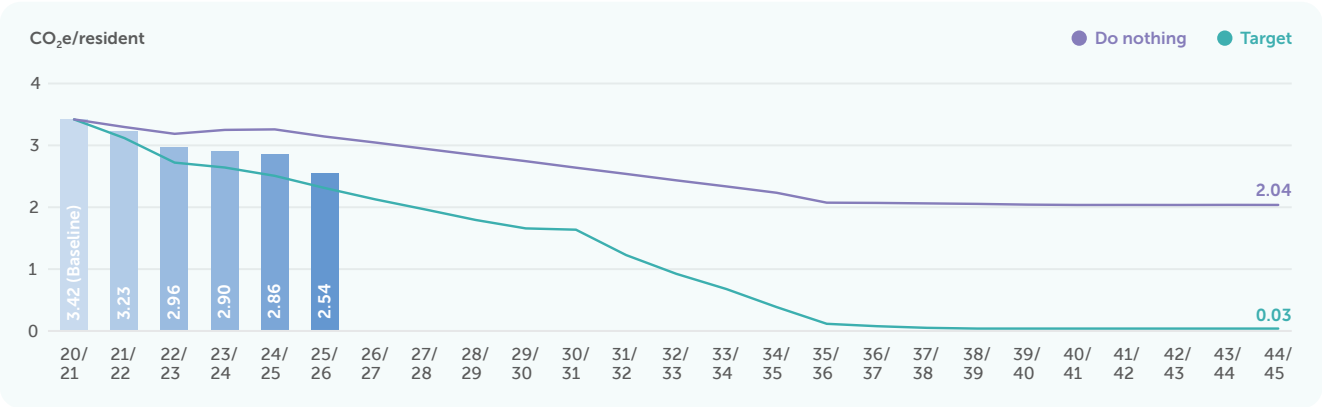


Emission Type	Emission Source	Current Reporting Year (2025-26)			Previous Year (2024-25)			% change	
		Consumption Amount	Unit	Emissions (tCO ₂ e)	Consumption Amount	Unit	Emissions (tCO ₂ e)	Consumption % Change	Emissions % Change
Scope 1	Gas	39,431,692	kWh	7,214	42,248,741	kWh	7,727	-6.7%	-6.6%
Scope 2	Electricity	17,448,642	kWh	3,088	18,016,806	kWh	3,730	-3.2%	-17.2%
Scope 3	Water	211,767	m ³	40.5	189,581	m ³	29.0	+11.7%	+39.7%
	Waste – Liquid	201,126	m ³	34.4	179,546	m ³	33.3	+12.0%	+3.3%
	Waste – Solid	200	tonnes	65.1	103	tonnes	0.7	+93.8%	+64.4 tCO ₂ e*
	Travel	407,610	miles	109.7	281,242	miles	75.5	+44.9%	+45.3%
Total (Scope 1,2,3)				10,552			11,596		-9.1%

Total emissions fell 9.1% year on year, driven by lower consumption across both major fuel sources. Gas consumption fell by around 6.7% and electricity consumption also reduced – reflecting the first year of optimisation under the strategy, including Building Management System improvements and lighting upgrades. The carbon benefit of the electricity reduction was further amplified by a fall in the national grid carbon factor (less gas in UK generation, higher net imports of lower carbon electricity); this is a helpful external tailwind, though outside our control and not guaranteed to recur at the same rate.

- * Waste is shown as an absolute change rather than a percentage. Waste emissions increased by 64.4 tCO₂e year on year. This reflects more accurate measurement rather than a genuine increase in waste: the figures from the waste contractor's data portal now provide far better coverage than the previous year's estimate. The portal does not cover all locations, and excludes retail sites, which generate minimal waste. The prior-year solid waste figure (0.7 tCO₂e) was based on very limited data, so the year-on-year movement (9,200%) overstates any real change and is better read as a new, more reliable baseline for future reporting.
- The emissions include Scope 1 (gas used in buildings), Scope 2 (electricity use in buildings) and a proportion of Scope 3 (water, waste and business travel). These are the emissions that are under the direct control and influence of ExtraCare and for which data was available to calculate emissions;
 - The calculated Scope 1, 2 and 3 emissions for ExtraCare (gas, electricity, water, waste and business travel) have decreased by 9.1% compared to last year;
 - The 2025/26 intensity ratio for ExtraCare is 2.54 tonnes CO₂e/resident/year (including water, waste and colleague travel), which is 26.0% below the 2020/21 baseline;
 - The long-term target for ExtraCare is to be net-zero carbon for the stated emissions by 2045, the trajectory of which is shown for Scope 1 & 2 emissions in the graph below. The target reduction by 2025/26 was 32.3% compared to the 26.0% achieved.
 - While our emissions from waste appear to have increased significantly, this is primarily due to more accurate tracking of waste.
 - A large proportion of the reduction of carbon emissions in electricity is due to the national electricity carbon factor reduction over the year, resulting from a lower usage of natural gas in UK power generation and an increase in net imported electricity;
 - Overall emissions have decreased due to a significant reduction in both gas and electricity consumption across our estate.

Intensity ratio against target



Intensity Ratio

The primary energy driver within our estate is the number of residents and hence the most appropriate metric to use is the emissions per resident, per year. This will allow for comparisons over time and eventually between villages.

	Current reporting year	Previous reporting year	% change
Number of residents	4,150	4,050	2.5%
Overall intensity (tCO ₂ e/resident)	2.54	2.87	-11.5%
Building energy (tCO ₂ e/resident)	2.48	2.84	-12.7%

Methodology used

- The key processes in compiling this report were as follows:
- Energy and water data for the villages, head office and retail were collated based on supplier invoices;
 - The waste and recycling data was provided by the contracted waste provider data portal, therefore specific waste figures are not available for all locations and do not cover Retail sites, which have minimal waste disposal;
 - Travel data was based on colleague expense claims;
 - Intensity ratio was based on our average resident population during 2025/26;
 - All conversion factors were based on 2025 UK Government Conversion Factors for greenhouse gas (GHG) reporting;
 - Carbon factors for re-use and recycling were not available for 2025, so the most similar available factor was used.

Efficiency actions

- Continued to establish Green Task Forces, who champion local environmental and energy saving initiatives at our locations.
- Continued to optimise the operation of key building plant and HVAC systems including BMS optimisations.
- Continued our planned programme of LED lighting upgrades in communal areas.
- Completed the configuration of BMS upgrades at six locations, with the remaining locations scheduled for 2026/27.
- Completed outline feasibility studies for solar (PV) panel arrays at a number of our locations, helping us understand where onsite renewable energy could work best in future.
- Worked with our waste providers to begin rolling out commercial food waste recycling.
- Developed our new energy consumption dashboard, launching soon, to provide clearer, more transparent information.

Supporting our communities

Supporting our communities sits at the heart of our charitable purpose. Our model enables us to reinvest surpluses into services that enhance the lives of our residents. This includes funding care, wellbeing and community initiatives that might not otherwise be available, ensuring that support remains accessible and inclusive.

This work is made possible through the collective contribution of our residents, colleagues, volunteers, donors and partners. Their commitment and support help to strengthen our communities, creating environments where people feel connected, valued and able to live well.

As a charitable organisation, we are focused on ensuring that resources are used effectively to deliver meaningful outcomes. All surpluses are reinvested into our communities, supporting ongoing improvements and enabling us to respond to the changing needs of older people.

Volunteering

Volunteering is a defining feature of life at ExtraCare and plays a significant role in supporting both our services and our sense of community. Across our locations, volunteers contribute their time and skills in a wide range of roles, from supporting activities and facilities to assisting in charity shops and community initiatives.

Volunteering provides clear benefits for those involved, including opportunities for social connection, skill development and improved wellbeing. It also strengthens our communities, creating shared purpose and enhancing the support available to residents.

We offer a range of opportunities to get involved, including student placements and corporate volunteering, helping to strengthen links with the wider community and bring additional skills and experience into our locations.

ExtraCare Charity Shops

Our retail operations, delivered through ExtraCare Retail Limited, continue to make an important contribution to supporting the Charity's mission, generating valuable income while promoting sustainable reuse and providing affordable goods within local communities.

The retail sector continues to face a challenging operating environment, with ongoing cost pressures and changing consumer spending patterns affecting retailers across the high street. Despite these conditions, our retail business has remained resilient and continues to perform well, benefiting from the strength of our donated goods model, the commitment of our colleagues and volunteers, and the continued generosity of our supporters.

Throughout the year, our shops have continued to outperform wider sector benchmarks in key trading measures, while recent new openings have received strong support from local communities and are performing ahead of expectations. Although income generation has remained challenging in some areas, the business has responded positively through innovation, careful cost management and the continued development of complementary income streams.

Our Retail Strategy remains focused on strengthening long-term sustainability and supporting future growth. During the year we continued to invest in our retail infrastructure, improve the quality of management information available to support decision-making, and actively manage our shop portfolio to ensure it remains efficient, relevant and financially sustainable. We also continued to enhance opportunities for supporters to donate, volunteer and engage with our shops, while exploring new formats and locations that can deliver long-term value.

Looking ahead, we remain confident in the role our retail operations play in supporting the Charity's objectives. While wider economic uncertainty is expected to continue, the strength of recent trading performance, ongoing investment and the dedication of our teams provide a solid foundation for future success.

Research and Innovation

During 2025/26, our Research and Innovation team focused on developing a new organisation-wide Research and Innovation Strategy, providing a clear and ambitious framework for the next phase of our work. The strategy represents an important evolution in our approach, moving from a predominantly technology-led focus to a more integrated model that brings together research, insight, care, wellbeing and community living.

The strategy sets out how research and innovation will support safety, independence and inclusion for both current and future residents, while strengthening how we evidence impact and demonstrate value across the organisation. It places a greater emphasis on governance, measurable outcomes and return on investment, ensuring that innovation activity is purposeful, ethical and aligned with the Charity's strategic priorities.

Building on the success of the Innovation Apartment at Solihull Village, a key area of focus during the year has been exploring how innovative solutions can be made more visible and accessible to residents.

As part of this, we have begun developing the concept of 'Smart Spots', which bring proven technologies into shared communal spaces across our villages. This enables more residents to experience and benefit from innovation in familiar, everyday environments.

Our approach to research and innovation continues to be rooted in collaboration. The development of the strategy was informed through engagement with residents, colleagues, Trustees and external partners, ensuring that priorities reflect lived experience as well as emerging needs. Partnerships with universities and sector organisations remain central to this work, supporting high-quality research and helping to ensure that innovation is evidence-led and grounded in practice.

Overall, 2025/26 has been a foundational year for research and innovation, focused on setting direction, strengthening governance and creating the conditions for innovation to deliver meaningful and measurable impact in the years ahead.



People, processes and technology

People

Our people are fundamental to the success of our communities. We are committed to creating an environment that supports the wellbeing, engagement and development of our residents, colleagues and volunteers. By encouraging a positive and inclusive culture, we aim to deliver services that make a meaningful difference to people's lives.

We continue to invest in our workforce, recognising the important role colleagues play in supporting residents to live independently and feel connected within their communities. Our People Strategy for 2024 to 2027 sets out our approach to attracting, retaining and developing our people, ensuring they have the skills, support and confidence to deliver high quality services.

A key part of this is our focus on leadership development. During the year, we commenced a Charity-wide leadership development programme, the ExtraCare Leadership Pathway. This programme is designed to strengthen leadership capability across the organisation, equipping managers with the skills, knowledge and behaviours needed to lead effectively, support their teams and deliver consistent and resident focused services across our communities.

Our Belonging at ExtraCare Strategy continues to shape how we work together and how our communities feel. By promoting inclusion, respect and accessibility, it is influencing how we communicate, how services are delivered and how decisions are made. Through this approach, we aim to strengthen the experience of both colleagues and residents and support communities where people feel valued, included and able to be themselves.

We remain committed to maintaining high standards in people management, reflected in our Investors in People Gold accreditation. We continue to offer competitive pay and benefits, including payment of the Real Living Wage as a minimum for all Trust colleagues. Our wider benefits package supports wellbeing and long-term retention, with enhancements to pension contributions, annual leave and family friendly policies.

We regularly review our approach to reward, development and support to ensure it reflects the needs of our workforce and supports a positive working environment. This includes ongoing investment in training and development, enabling colleagues to grow in their roles and contribute to the success of the Charity.

Engagement remains strong across the organisation, with our most recent colleague survey demonstrating positive results:

- 82% of employees are satisfied with ExtraCare as an employer; and
- 92% of employees are committed to our vision and values.

These results provide assurance that our approach is supporting a positive and engaged workforce, and we will continue to use feedback to strengthen our culture and support our people.



IT and digital

Digital transformation remains a key strategic priority and is closely aligned with our approach to risk management and operational resilience. Progress continues across two principal programmes: modernising the technology infrastructure across our locations and implementing a new housing management system.

Infrastructure upgrades are underway to improve the reliability and performance of our networks across our locations. This has included the installation of a new fibre data network at a pilot site, providing a significantly enhanced level of performance, with further rollout planned. In parallel, work is progressing on the introduction of an improved Wi Fi solution, which will support consistent and high-quality connectivity for both residents and colleagues across our communities.

Development of the new housing management system continues in line with our planned approach, with significant progress made during the year. Work to map business processes, prepare data and support organisational change is well advanced, providing a strong foundation for implementation. The system is being configured using a best practice methodology, with a focus on adopting standard functionality to strengthen control, improve consistency and drive efficiency across the organisation.

Digital care and incident reporting systems, introduced in the previous year, are now embedded and continue to provide improved oversight, accuracy and reporting.

These systems support more effective service delivery and provide enhanced management information to inform decision making and risk monitoring.

Alongside this, we have strengthened capability within the team and continued to invest in the digital skills and confidence of our workforce, supporting effective adoption of new systems and ensuring colleagues are equipped to operate within an increasingly digital environment.

Cyber security remains a key risk area and continues to receive focused attention. During the year, we have strengthened our control environment through the implementation of additional controls, alongside an external assessment which confirmed the maturity and robustness of our approach.

We also undertook a scenario-based simulation exercise to test our response to a major cyber incident, with the resulting learning used to further refine our processes and enhance organisational resilience.

On behalf of the Trustees:

Nick Towe
Chair

23 September 2026



“ There’s
always someone
to talk to, any time
of the day. ”

Don
New Oscott Village



The Board’s responsibilities in the preparation of accounts

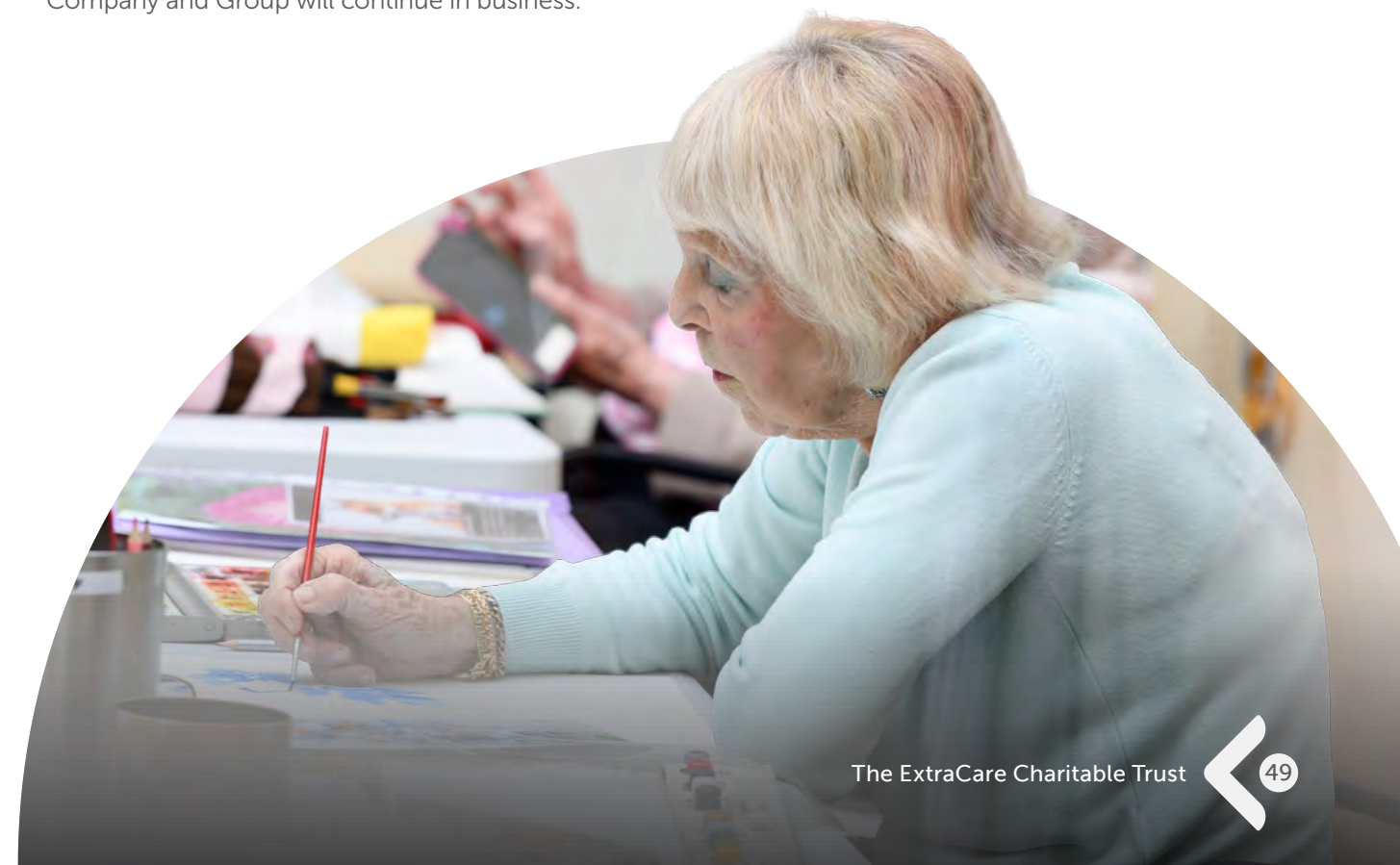
The Board of Trustees (who are also the Directors of The ExtraCare Charitable Trust for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company, housing and charity law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the income and expenditure of the Group for that period. In preparing the Group and Company financial statements, the Trustees, as Directors, are required to:

- A. Select suitable accounting policies and then apply them consistently;
- B. Observe the methods and principles in the Statement of Recommended Practice ‘Accounting by Registered Housing Providers Update 2018’;
- C. Make judgements and estimates that are reasonable and prudent;
- D. State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- E. Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Trustees, as Directors, are responsible for keeping adequate accounting records that are sufficient to show and explain the Group’s and the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, 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 Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the ExtraCare Charitable Trust website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



To the members of the ExtraCare Charitable Trust

Opinion

We have audited the financial statements of The ExtraCare Charitable Trust (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, the Group and Charity Statement of Financial Position, the Group and Charity Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including 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 the parent company's affairs as at 31 March 2026 and of the group'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 Companies Act 2006, 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 parent company 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 parent company'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 annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Board's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Board's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Board's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of the Board's remuneration specified by law are not made; 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 Board's responsibilities statement set out on page 49, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 and tax compliance legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that may have an indirect impact on the financial statements are Health and Safety at Work Act 1974 and Regulator of Social Housing Regulatory Standards (both Economic and Consumer standards), compliance with the Care Quality Commission requirements and the General Data Protection Regulations as set out in the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the Group is in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities.

The Group audit engagement team identified the risk of management override of controls and the completeness and cut off risk for retail and all income except social housing rental as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantive and controls testing along with data analytics for income.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray
Senior Statutory Auditor
For and on behalf of RSM UK Audit LLP
Statutory Auditor Chartered Accountants

103 Colmore Row
Birmingham
B3 3AG

23 September 2026



Consolidated statement of comprehensive income

For the year ended 31 March 2026

		2026	2025
	Note	£'000	£'000
Turnover	3	70,388	68,915
Operating expenditure	3	(71,506)	(69,264)
Operating deficit	8	(1,118)	(349)
Interest receivable		718	992
Interest and financing costs	5	(6,007)	(5,520)
Increase in fair value of listed investment	16	1,186	775
Increase in fair value of investment properties	12	16,340	24,421
Surplus before tax		11,119	20,319
Taxation	28	-	-
Surplus for the year		11,119	20,319
Defined benefit pension surplus recognised in other comprehensive income	22	271	358
Total comprehensive income for the year		11,390	20,677

The results for both years are wholly attributable to continuing activities.

The notes on pages 58 to 87 form part of these financial statements.

Statement of financial position

As at 31 March 2026

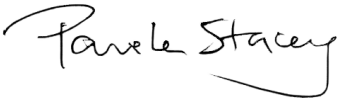
		Group		Charity	
		2026	2025	2026	2025
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	9	987	512	987	512
Tangible fixed assets	10,11	139,205	134,685	139,205	134,685
Investment properties	12	900,416	878,953	900,416	878,953
		1,040,608	1,014,150	1,040,608	1,014,150
Current assets					
Stocks and assets held for disposal	14	86	60	-	-
Trade and other debtors	15	5,071	6,660	5,021	6,650
Current asset investments	16	22,223	21,037	22,223	21,037
Cash and cash equivalents	-	27,204	30,282	27,117	30,212
		54,584	58,039	54,361	57,899
Creditors: Amounts falling due within one year	17	(570,225)	(554,130)	(570,082)	(553,990)
Net current liabilities		(515,641)	(496,091)	(515,721)	(496,091)
Total assets less current liabilities		524,967	518,059	524,887	518,059
Creditors: Amounts falling due after more than one year	18	(154,956)	(157,570)	(154,956)	(157,570)
Defined benefit pension liability	22	(3,439)	(4,990)	(3,439)	(4,990)
Other provisions	23	(84)	(401)	(4)	(401)
Total net assets		366,488	355,098	366,488	355,098
Capital & reserves:					
Restricted reserves	25	6,359	6,412	6,359	6,412
Revenue reserves	-	360,129	348,686	360,129	348,686
		366,488	355,098	366,488	355,098

Company registration number: 02205136

These financial statements were approved by the Board of Directors on 23 September 2026 and signed on its behalf by:



Nick Towe
Chair



Pamela Stacey
Trustee

Statement of changes in reserves

As at 31 March 2026

	Group		Charity	
	Restricted reserve	Income and expenditure reserve	Restricted reserve	Income and expenditure reserve
	£'000	£'000	£'000	£'000
At 1 April 2024	6,376	328,045	6,376	328,045
Surplus for the year	-	20,677	-	20,677
Transfer to/(from) restricted reserves	36	(36)	36	(36)
As at 31 March 2025	6,412	348,686	6,412	348,686
At 1 April 2025	6,412	348,686	6,412	348,686
Surplus for the year	-	11,390	-	11,390
Transfer (from)/to restricted reserves	(53)	53	(53)	53
As at 31 March 2026	6,359	360,129	6,359	360,129

Consolidated statement of cash flows

For the year ended 31 March 2026

		2026	2025
	Note	£'000	£'000
Net Cash outflow from operating activities	33	(717)	(4,789)
Cash flow from investing activities			
Purchase of fixed assets		(15,163)	(8,554)
Proceeds on sales of fixed assets		-	-
Grants received		-	-
Interest received		718	992
Investments in current assets		-	-
Net cash used in investing activities		(14,445)	(7,562)
Cash flow from financing activities			
Interest paid		(5,516)	(5,010)
New secured loans		-	-
Repayments of borrowings		(2,156)	(2,195)
Payments received on property leases		68,132	72,740
Settlement of property repurchase liability		(48,376)	(48,062)
Net cash generated from financing activities		12,084	17,473
Net change in cash and cash equivalents		(3,078)	5,122
Cash & cash equivalents at beginning of the year		30,282	25,160
Cash & cash equivalents at end of the year		27,204	30,282

1. Legal status

The ExtraCare Charitable Trust is a private company limited by guarantee registered and incorporated in England and is an English registered social housing provider. The address of ExtraCare’s registered office and principal place of business is 7 Harry Weston Road, Binley Business Park, Coventry, CV3 2SN. The principal activities are providing housing and care to older people.

2. Principal accounting policies

Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (‘FRS 102’) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. They are prepared under the historical cost convention modified to include certain financial instruments at fair value and according to the Housing SORP 2018 ‘Statement of Recommended Practice for Registered Housing Providers’. They also comply with the Accounting Direction for Private Registered Providers of Social Housing 2019. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Public Benefit Entity

The Charity is a Public Benefit Entity, as defined within FRS 102 as “an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity’s primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members”.

Basis of consolidation

The group accounts consolidate the accounts of the Charity and its subsidiary undertaking. Intra group transactions, balances and profits are eliminated on consolidation. The consolidation is carried out on a line by line basis and each entity has coterminous year end dates.

The accounts for the Charity include recharges with a subsidiary undertaking which runs charity shops to raise charitable funds. The recharges are based on resources used and payments made. The parent Charity has taken advantage of the exemption from presenting its unconsolidated Statement of Comprehensive Income under Section 408 of the Companies Act 2006. The Company has taken advantage of the exemption from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 ‘Statement of Cash Flows’ – Presentation of a Statement of Cash Flow and related notes and disclosures.

Going Concern

Our 30-year financial plan is based on robust assumptions and includes a target headroom of £30M in liquid asset reserves to allow us to withstand a range of potential risks.

Following stress testing the Board agreed for prudent assumptions around the net cash inflow from granting of subsequent property leases to be factored into our business plan to mitigate our market risk exposure to factors such as a declining property market.

Our balance sheet shows a net current liabilities position of £516M (2025: £496M), which is expected given our property buyback model. The Board are comfortable with this, seeing a continually strong demand for our sales properties. We model the risk of any movement within our cashflow forecasting, stress testing and medium and long term business planning models.

The Board recognises that the covenants in place with funders are appropriate to making an assessment of our financial position and are satisfied that covenant calculations for the loans disclosed in note 19 of the financial statements are compliant with those agreed by both our funders.

Our financial statements comply with all the current statutory requirements and with the requirements of the Charity’s Articles of Association. After making all reasonable enquiries, the Board have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from sign off of these financial statements.

2. Principal accounting policies
(continued)

In coming to this decision, the Board have considered on-going financial performance data, stress testing of the cashflow, and any actual or potential future liabilities. The Board are therefore confident in confirming that the Charity is viable as a going concern.

Turnover

Turnover is measured at the fair value of the cash consideration received or receivable. The Charity generates the following material income streams:

- Rental income receivable (after deducting lost rent from empty properties available for letting); and
- Invoiced amounts receivable from the delivery of care and health services.

Rental income is recognised from the point when properties under development reach practical completion and are let. Grants, donations, legacies and similar income are accounted for as soon as their amount and receipt are certain. In the case of unsolicited donations, this is usually only when they are received, while fundraising results are accounted for when the commitment is made by the donor, subject to fulfilment. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Turnover is included on an accruals basis.

The income from goods donated for resale in the Charity shops is included in the accounts when those goods are sold. No value is placed on any stock of such goods. Donated services and facilities are included at the value to the Charity where this can be quantified.

Investment income is included when receivable by the Group.

The largest source of cash generated by the Group is not shown within turnover, as it relates to the granting (and subsequent regranteeing) of property leases subject to a buyback liability.

Service charges

Where schemes are on fixed service charges, income is recognised in the financial statements in line with the amounts charged to the occupant. Certain villages operate variable service charges. Where there is any difference between the estimated cost recovered from tenants and leaseholders and the actual cost incurred, any such shortfall or surplus arising is carried forward and either collected or refunded against the future year’s charge. Any shortfall or surplus arising is shown in the statement of financial position within debtors or creditors as appropriate.

Intangible fixed assets

Capitalised IT software expenditure is initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Capitalised IT software expenditure is amortised on a straight-line basis over its useful life which is assessed to be between 3 and 6 years, depending on their use.

Taxation

The parent Charity is exempt from corporation tax as a registered charity. The trading subsidiary is subject to corporation tax on any profits not distributed by gift aid to the parent Charity.

VAT

The parent Charity is partially exempt for VAT purposes, and consequently VAT incurred cannot be fully recovered. Where VAT is not recoverable the expenditure is shown inclusive of VAT.

Impairment (excluding investment properties)

Fixed assets are reviewed for impairment following an assessment at each reporting date if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairment losses in the Consolidated Statement of Comprehensive Income.

Notes to the financial statements

For the year ended 31 March 2026

2. Principal accounting policies (continued)

Capitalisation of interest

Interest incurred up to the time that identifiable major capital projects are ready for service is capitalised as part of the cost of the assets and shown within fixed assets, based on interest charged on loans relating to each project.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal.

Restricted reserves

These are reserves that can only be applied for specified purposes. The reserve is held for the purpose as specified by the donor. This is usually for a specific appeal. Incoming reserves are accounted for on receipt but with reference to certain performance criteria within an agreement. Where cash has been received but performance criteria have not yet been met, such income is deferred and released to the Consolidated Statement of Comprehensive Income on achievement of such criteria.

Management of housing property for other social landlords

Where the Charity has been appointed as an agent by a Housing Association partner to provide support to the service users and the support contract with the Commissioning Authority is held (and carries the financial risk), the Consolidated Statement of Comprehensive Income includes only that income and expenditure which relates solely to the Charity.

Retirement benefits

The Charity provides its employees with retirements benefits under three different policies.

Defined contribution pension scheme

This is a flexible retirement plan operated by The Pensions Trust. It is the plan offered to all new employees.

The amount charged to the Consolidated Statement of Comprehensive Income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Defined benefit pension schemes

Some of the Charity's employees are members of the Social Housing Pension Scheme (SHPS). This plan is no longer open for new employees, although remains active for those who had historically signed into it. For the SHPS, retirement benefits to colleagues of the Company are funded by contributions from all participating employers and employees in the Scheme. Payments are made to a fund operated by The Pensions Trust, an independent trust providing superannuation benefits for employees of voluntary organisations. These payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Companies taken as a whole.

Actuarial assumptions are applied to determine each company's share of liabilities. The assumptions are updated at the year end, and the changes to the position go through the 'Other Comprehensive Income' statement. Calculations are carried out annually and independently of the pension triennial valuation.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

The Charity also still retains a small liability for a Growth Plan operated by The Pensions Trust (being the SHPS managers). For the Growth Plan, contributions are recognised in expenditure in the period to which they relate as there is insufficient information available to use defined benefit accounting. A liability is recognised for contributions arising from an agreement with the multi-employer plan that determines how the Charity will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end.

Notes to the financial statements

For the year ended 31 March 2026

2. Principal accounting policies (continued)

Tangible fixed assets - Housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Improvements are works to existing properties, and component replacements which have been treated separately for depreciation purposes, which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Only the incremental direct overhead costs associated with new developments or improvements are capitalised. Direct overhead costs comprise the costs of staff time, including salary costs and other apportioned direct costs, incurred on the developments from the date from which it is reasonably likely that the development will go ahead, to the date of practical completion.

Investment properties

The classification of properties as investment property or property, plant and equipment is based upon the intended use of the property. Mixed use property is separated between investment property and property, plant and equipment.

Investment properties are initially measured at cost and subsequently measured at fair value annually with any change recognised in the Statement of Comprehensive Income. This calculation is based on the lease price achieved for a property, or on the average price of a similar archetype (location, property size, and other design specifications).

Each investment property is measured based upon active secured prices, impaired or capped if there are known factors that are likely to affect them going forward. These factors may include the impact of prices being discounted or to account for other indications of lower market value. Where there is an interest held by one of our partners, we reflect the terms of the contractual agreement in the presentation of the fair value movement.

Investment properties are not depreciated. Investment properties are leased through an upfront payment, equivalent in value (for the proportion of the property leased) to a commercial outright purchase.

When a lease is terminated, the Charity has a contractual obligation to refund the payment, less a 1% per annum deduction (to a maximum of 10%). At the end of any lease the Trust could take the decision to lease the property under different terms, including removing the obligation to repurchase. It would be at this point that any capital appreciation would be realised as a capital gain. Such choice is within the powers of Trustees to make at a time when priorities may suggest it would better support the Charity's activities.

Donated land

Where land is transferred by local authorities and other public bodies for consideration below market-value, the difference between the market value and the consideration given is added to cost at the time of the donation and included within the Statement of Financial Position as a liability, in accordance with treatment as a non-government grant.

Fixed Asset Investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment, losses or reversals of impairment losses are recognised immediately in profit or loss. The Charity considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018.

Government grants

Government grants include grants receivable from Homes England, local authorities and other government bodies. Social Housing Grant (SHG) is a government grant made to the Charity towards the cost of acquiring and/or building additional housing for rent.

2. Principal accounting policies
(continued)

No Grant is receivable in respect of Investment Properties. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Government grants received for social housing properties are recognised in income over the useful economic life of the structure of the asset (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that the Charity will comply with the conditions and the funds will be received.

Other grants

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

Depreciation

Assets costing more than £1,000 are capitalised at cost. Assets under construction for social housing are not depreciated until brought into operational use. Depreciation of fixed assets is charged by equal instalments commencing with the date of acquisition at rates estimated to write off their cost or valuation less any residual value over the expected useful lives which are as follows:

Freehold land	not depreciated
Freehold buildings – Social housing	
Main Fabric	100 years
Roof & Covering	70 years
Electrics	40 years
Windows & External Doors	30 years
Bathroom & WC	30 years
Mechanical Systems	30 years
Lift	28 years
Kitchen	20 years
Other	
Investment properties	not depreciated
Leasehold property	over period of lease
Furniture and equipment	over 2 to 6 years
Motor vehicles	over 3 years

Current Asset Investments policy

The Group’s current asset investments are classified as financial instruments and accounted for at fair value through profit or loss, in accordance with the accounting policy set out under Financial Instruments below.

Operating Leases

All leases are operating leases and the annual rental costs are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Financial Instruments

The Charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets – Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Rent debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a rent debtor constitutes a financing transaction, the debtor is initially and subsequently measured at present value of future payments discounted at a market value rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Comprehensive Income for the excess of the carrying value of the rent debtor over the present value of the future cash flows discounted using the original effective interest rate.

2. Principal accounting policies
(continued)

Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Comprehensive Income.

Financial Assets – Trade Investments

Trade investments are equity investments over which the Group has no significant influence, joint control or control and are initially measured at transaction price.

Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred.

Trade investments are measured at fair value through profit or loss. The fair value of trade investments quoted on a recognised stock exchange is the quoted bid price.

The fair value of unlisted investments is measured using valuation techniques which include turnover multiple, earnings multiple, net assets or discounted cash flows, as appropriate, based on the nature and circumstances of the investment.

Financial Liabilities – Lease Buyback

The Directors have considered the buy-back obligation contained within property leases granted by the Charity and concluded that it meets the definition of a financial liability under FRS102.

The liability is ultimately triggered by residents leaving their homes at which point it becomes payable after a short period depending on the exact terms of the relevant lease. Overall this results in the payment of the obligation being spread over several years, however, in accordance with FRS 102 it has been presented within creditors: amounts falling due within one year to reflect the on demand feature contained within each of the individual contractual arrangements.

Financial Liabilities - Trade Creditors (including amounts due to contractors)

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at the market rate of interest for a similar instrument.

Financial Liabilities - Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Provisions

The Group recognises provisions where it has an obligation at the reporting date as a result of a past event, which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and financing costs.

Critical Accounting Estimates and Areas of Judgement

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Residual value of Social Housing Assets

The Charity considers the fabric of buildings in Social Housing Assets it owns to retain a value at the end of their useful life. It reviews annually its estimate of the residual value, taking a precautionary approach and recognising reductions from changing market conditions and impairment.

2. Principal accounting policies (continued)

Defined benefit pension assumptions

The discount rate and inflation rate are considered to be key estimates in calculating the defined benefit liability and sensitivities have been disclosed within Note 22.

Long term leases

The Charity grants long term leases to residents for an upfront payment equivalent to the commercial price for an outright purchase. This is subject to an obligation for the holder of the lease to retransfer their rights in the property to the Charity when the lease terminates (for example on the death of a resident) at the upfront price less a 1% per annum deduction (subject to a 10% cap). No additional rent is payable.

As a result of the transaction the resident benefits from the right to occupy the property and participate in the amenities offered by the village or scheme. The Charity retains the benefits of managing the future occupancy of the villages and schemes to maintain their vibrancy, secure its long term financial viability and retains the long term financial benefits of investing in the property. The transaction is classified as a financial instrument under the applicable accounting standard (FRS 102).

As the Charity has significant financial rewards and risks in the leased properties in the judgement of the management the upfront payment does not meet the accounting definition for treatment as the proceeds of a sale. Accordingly the funds received are not included in Comprehensive Income in turnover.

The entitlement to reacquire the interests in the leased properties arises operationally over several years however the contractual obligation is to pay for the acquisition within a period of less than twelve months when the lease terminates.

Notwithstanding in practice terminations and payments take place over a number of years, it is the judgement of the management that under existing accounting standards the obligation must be classified as a financial instrument payable within one year.

Long term leases are not granted over properties which are Social Housing and no Social Housing Grant is received in relation to these assets.

As the financial risks and rewards of the leased properties remain with the Charity it is the judgment of management that these should be categorised as Investment Assets in the financial statements.

Accounting standards require Investment Assets to be valued annually at fair value. A number of grants of new leases take place in each accounting period creating a dataset of transactions of actual market transactions.

In the judgment of the management this dataset of actual market prices is the best information available to assess fair value which is determined using average prices for a similar property (based on the specific location, property size and design specification of the property concerned). There has been no valuation by an independent valuer.

It is the judgement of the management that there is no market for properties which are incomplete. These are recorded as Housing Properties Held Under Construction within Fixed Assets at the historic cost figure.

Impairment

The Charity considers individual schemes and villages to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018.

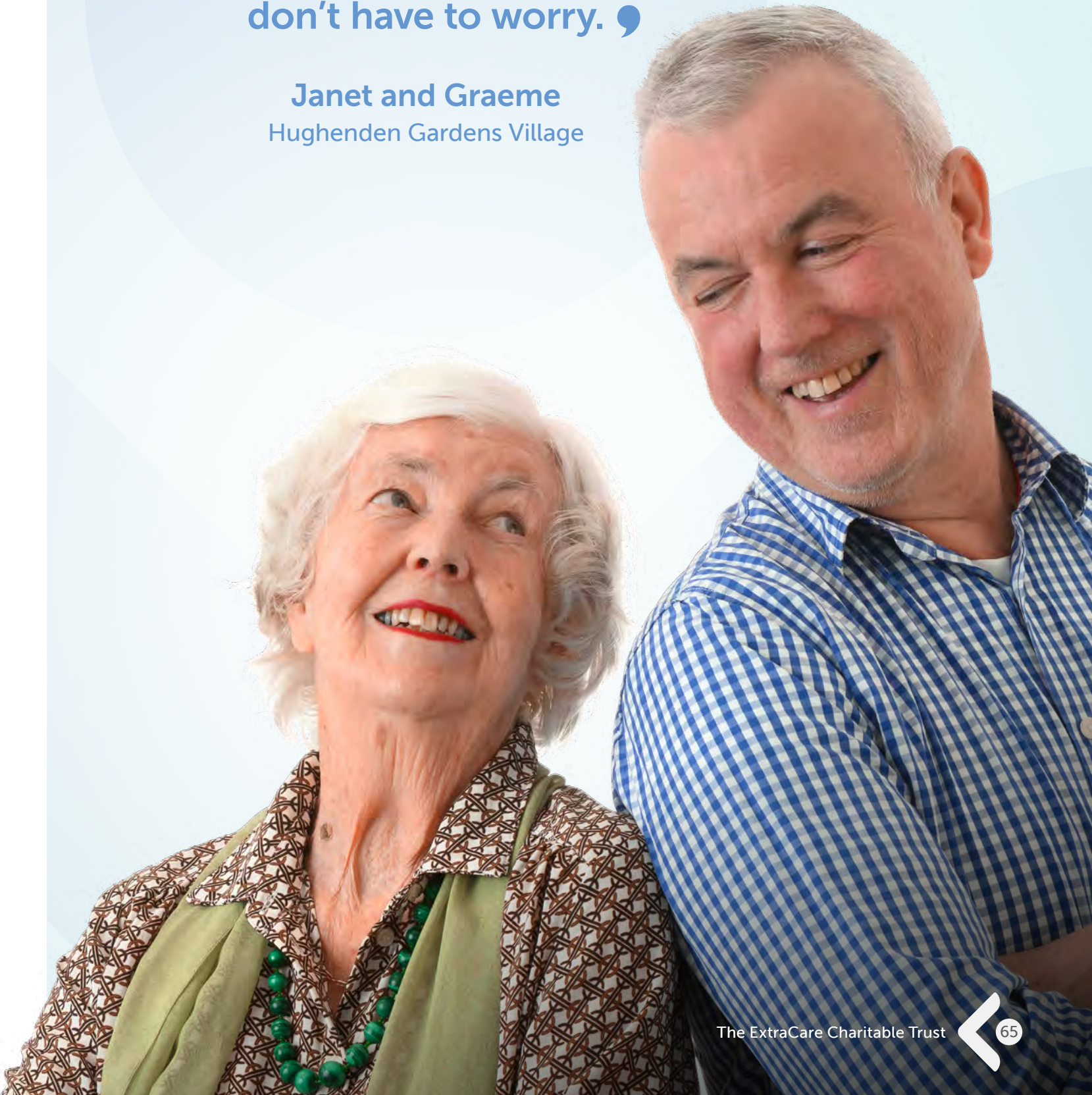
Provisions

Provisions are only recognised where the Charity has an obligation to incur future expenditure as a result of a past event.

The provision is measured based on the best estimate of the amounts required to settle the obligation and is recognised as a liability in the Statement of Financial Position.

“From our point of view, knowing Mum is in a safe place means we don't have to worry.”

Janet and Graeme
Hughenden Gardens Village



3. Operating income, operating costs and operating surplus - Group

	2026			2025		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing lettings (Note 4)	13,363	(9,788)	3,575	13,059	(9,299)	3,760
Other Social Housing activities						
Development services	-	(692)	(692)	-	(1,441)	(1,441)
Housing related support contract income	-	(1)	(1)	-	(2)	(2)
Management services	2,753	(2,475)	278	2,758	(2,890)	(132)
Other Social Housing Activities	2,753	(3,168)	(415)	2,758	(4,333)	(1,575)
Non Social Housing lettings						
Residential property income	28,526	(24,425)	4,101	27,468	(19,683)	7,785
Other rent	82	(3)	79	304	(5)	299
Non Social Housing lettings	28,608	(24,428)	4,180	27,772	(19,688)	8,084
Other non Social Housing activities						
Development services	-	(1,383)	(1,383)	-	(2,926)	(2,926)
Care and health services	11,326	(17,624)	(6,298)	11,416	(15,704)	(4,288)
Community services	4,115	(3,649)	466	3,879	(4,443)	(564)
Other	5,689	(7,294)	(1,605)	5,645	(8,989)	(3,344)
Retail	3,026	(2,999)	27	2,825	(2,709)	116
Donations	1,508	(1,173)	335	1,561	(1,173)	388
Other non Social Housing activities	25,664	(34,122)	(8,458)	25,326	(35,944)	(10,618)
Total	70,388	(71,506)	(1,118)	68,915	(69,264)	(349)

The largest source of our cash income is from the granting (and subsequent re-granting) of property leases. This is not shown in our turnover and appears as a financial liability, due to our obligation to re-purchase properties prior to the re-granting of a new lease.

In addition to the income and costs of providing care to our residents, "Care and Health Services" includes the income and costs relating to the Dementia and Wellbeing Programmes. "Community Services" represents income and costs of activities provided for our residents and "Other" includes the income and costs of services such as restaurants and gym facilities at our retirement schemes and villages.

4. Income and expenditure from Social Housing lettings - Group

	2026	2025
	Supported Housing and Housing for Older People	Supported Housing and Housing for Older People
	£'000	£'000
Rent receivable and maintenance charge net of identifiable service charges	7,009	6,765
Service charge income	4,712	4,783
Amenity income	1,168	1,037
Amortised government grant	474	474
Turnover from Social Housing lettings	13,363	13,059
Management	3,591	3,596
Service charge costs	3,378	2,823
Routine maintenance	908	919
Planned maintenance	130	327
Depreciation of housing properties	1,781	1,634
Impairments	-	-
Operating Costs on Social Housing lettings	9,788	9,299
Operating (Loss)/Surplus on Social Housing lettings	3,575	3,760
Void losses included in the figures above	597	533

5. Interest and financing costs - Group

	2026	2025
	£'000	£'000
Bank loans	3,401	2,879
Other loans	2,362	2,355
Defined benefit pension charge	244	286
	6,007	5,520

No interest was capitalised in the year ending 31 March 2026 as no new construction activity has taken place in the year (2025: £Nil).

6. Board members and Executive Directors - Group and Charity

Members of the Board of Management are the directors and trustees of the Charity, and act in an unpaid capacity. A total of £2,430 was reimbursed to Board members for travel expenses (2025: £2,494) in respect of seven trustees who claimed expenses (2025: seven).

Key management personnel are defined on page 10.
Expenses paid to the senior management team in the year totalled £8,049 (2025: £5,671).

	2026	2026
	£'000	£'000
Aggregate Emoluments payable to key management personnel (including benefits in kind, but excluding pension contributions)	780	729
Emoluments (including benefits in kind, but excluding pension contributions) payable to the Chief Executive who was also the highest paid member of the senior management team	264	245

The Chief Executive is a member of the defined contribution scheme. No enhanced or special terms apply to this or any other pension arrangement. For the year ending 31 March 2026 contributions paid into the company's pension fund were £19,237 (2025: £18,768)

There are no key management personnel in the defined benefit pension scheme (2025: Nil) and four in the defined contribution scheme (2025: four).

7. Employee information - Group and Charity

	Group		Charity	
	2026	2025	2026	2025
	Number	Number	Number	Number
Average number of employees				
Executive Directors	4	4	4	4
Care services	906	983	906	983
Administration, fundraising and publicity	303	291	213	199
	1,213	1,278	1,123	1,186
Full time equivalents				
Executive Directors	4	4	4	4
Care services	508	556	508	556
Administration, fundraising and publicity	266	255	202	188
	778	815	714	748

Full Time Equivalents are calculated on the basis of a 37.5 hours week.

7. Employee information - Group and Charity (continued)

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Staff Costs (For the persons on previous page)				
Wages & Salaries	28,730	28,863	26,809	26,999
Social Security Costs	3,355	2,411	3,142	2,273
Other Pension Costs	1,724	1,659	1,625	1,565
	33,809	32,933	31,576	30,837

The pension cost charge represents contributions payable to the pension fund, and are analysed below.

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Defined benefit schemes	16	-	16	-
Defined contribution schemes	1,708	1,659	1,609	1,565
	1,724	1,659	1,625	1,565

Details of the Group's pension schemes are detailed in Notes 22, 23 and 24.

Salary banding for all employees (excluding directors) earning over £60,000 (including salaries, performance related pay, payments in lieu of pension, benefits in kind and compensation for loss of office, but excluding contributions to company pension funds):

Remuneration Range	2026	2025
	Number	Number
£260,001 to £270,000	1	-
£240,001 to £250,000	-	1
£180,001 to £190,000	1	1
£160,001 to £170,000	2	-
£150,001 to £160,000	-	1
£140,001 to £150,000	-	1
£110,001 to £120,000	1	-
£100,001 to £110,000	4	4
£90,001 to £100,000	5	4
£80,001 to £90,000	3	3
£70,001 to £80,000	9	7
£60,001 to £70,000	21	18
	47	40

Contributions to the company's pension fund in respect of the above employees totalled £301,092 (2025: £255,372).
No employees are accruing benefits under the defined benefit pension scheme (2025: Two).
Forty six of the forty seven higher paid employees are accruing benefits under the defined contribution scheme (2025: Thirty eight of forty).

8. Operating deficit - Group

	2026	2025
	£'000	£'000
The operating deficit is arrived at after charging/(crediting):		
Trustee indemnity insurance	15	13
External Auditor's remuneration:		
In respect of the audit of the Charity's Financial Statements	103	133
In respect of other services:		
The audit of the charity's subsidiary Financial Statements	16	13
Taxation services	37	35
Audit-related assurance services	32	28
Other services	34	-
Operating leases		
Rent payable on buildings	1,211	1,156
Other	7	6
Depreciation of owned tangible fixed assets	4,154	3,688
Impairments of fixed assets	-	-
Amortisation of intangible fixed assets	152	130
Amortisation of deferred Social Housing Grant	(486)	(486)
Amortisation of grants in the Income and Expenditure is split between management service (note 3) and amortised government grants (note 4).		

9. Intangible assets - Group and Charity

	£'000
Cost:	
At 1 April 2025	1,834
Additions	627
At 31 March 2026	2,461
Depreciation:	
At 1 April 2025	1,322
Charged in the year	152
At 31 March 2026	1,474
Net Book Value	
At 31 March 2026	987
At 31 March 2025	512

Intangible Assets represent investment in software.

10. Fixed assets - housing properties - Group and Charity

	Housing properties for lettings or lease	Housing properties under construction	Leasehold land and buildings	Total
	£'000	£'000	£'000	£'000
Cost:				
At 1 April 2025	150,714	-	417	151,131
Additions	1,715	-	-	1,715
Disposals	(4)	-	-	(4)
Write off	-	-	-	-
Change of tenure	1,164	-	-	1,164
At 31 March 2026	153,589	-	417	154,006
Depreciation:				
At 1 April 2025	22,080	-	94	22,174
Depreciation charged in the year	2,026	-	4	2,030
Eliminated on disposal	(3)	-	-	(3)
Eliminated on Change of Tenure	(56)	-	-	(56)
Impairments	-	-	-	-
At 31 March 2026	24,047	-	98	24,145
Net Book Value				
At 31 March 2026	129,542	-	319	129,861
At 31 March 2025	128,636	-	322	128,958

Housing Properties include eleven units currently leased under a Shared Ownership lease. Their Original Cost is £1,983K, Depreciation £118K and Net Book Value £1,865K (2025: £2,712K).

	2026	2025
	£'000	£'000
Expenditure on works to existing properties		
Components capitalised/improvements	1,716	2,421
Amounts charged to the statement of comprehensive income	1,038	1,246
	2,754	3,667
Finance Costs		
Aggregate amount of finance costs included in the cost of housing properties	3,845	4,148
Aggregate amount of finance costs included in the cost of properties under construction	-	-
	3,845	4,148

Impairment
The Charity considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018. During the current year the Charity has not identified any impairment losses (2025: nil).

11. Other tangible fixed assets - Group and Charity

	Furniture and Other Equipment
	£'000
Cost:	
At 1 April 2025	19,255
Additions	5,742
Write Off	(23)
At 31 March 2026	24,974
Depreciation:	
At 1 April 2025	13,529
Charged in the year	2,124
Eliminated on write off	(23)
Impairments	-
At 31 March 2026	15,630
Net Book Value	
At 31 March 2026	9,344
At 31 March 2025	5,727

12. Fixed assets - investment properties - Group and Charity

	Investment properties
	£'000
Fair Value:	
At 1 April 2025	878,953
Additions	6,343
Change of tenure	(1,220)
Movement in fair value	16,340
At 31 March 2026	900,416

Impairment

During the current year the Charity has not identified any impairment losses in relation to any locations (considered separate Cash Generating Units - CGUs) (2025: nil).

	2026	2025
	£'000	£'000
Historic Cost		
Investment properties measured under the historic cost convention	406,148	401,025

Included within the above is £12,736K of capitalised interest (2025: £12,736K).

13. Fixed asset investments - Group and Charity

	2026	2025
	£	£
Investment in group companies (Note 32)	2	2

The parent company holds the whole of the equity share capital of the following group companies:

Name of subsidiary undertaking	Country of incorporation	Class of share	Nature of business
ExtraCare Retail Limited	England	Ordinary	Charity retail operation
ExtraCare Nominee 1 Limited	England	Ordinary	Dormant
ExtraCare Nominee 2 Limited	England	Ordinary	Dormant

All subsidiaries are registered at 7 Harry Weston Road, Binley Business Park, Coventry, CV3 2SN.

14. Stocks

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Goods for resale	86	60	-	-

15. Debtors

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Rent and service charges receivable	2,821	2,573	2,821	2,573
Less: provision for bad and doubtful debts	(420)	(477)	(420)	(477)
Net rent arrears	2,401	2,096	2,401	2,096
Amount owed by subsidiary undertaking	-	-	215	273
Prepayments and accrued income	1,901	2,404	1,651	2,160
Variable service charges debtor	714	2,076	714	2,076
Other Debtors	55	84	40	45
	5,071	6,660	5,021	6,650

16. Current asset investments - Group and Charity

	2026	2025
	£'000	£'000
At 1 April	21,037	20,262
Movement in fair value	1,186	775
At 31 March	22,223	21,037

The historical cost of the above investments is £20M (2025: £20M).
The fair value, based on the current bid price, of the investments above are:

	2026	2025
	£'000	£'000
Fixed interest bonds	2,805	2,753
UK equities	1,292	1,465
Overseas equities	4,781	4,177
Alternatives	1,701	1,465
Cash	465	454
Sterling short duration credit fund	11,179	10,723
	22,223	21,037

17. Creditors: amounts falling due within one year

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Loans (note 19)	2,156	2,156	2,156	2,156
Trade creditors	3,723	3,408	3,708	3,401
Rent and Charges received in advance	382	342	382	342
Other taxation and social security costs	629	54	623	45
Deferred capital grant (note 21)	487	487	487	487
Accruals and deferred income	6,927	6,882	6,805	6,758
Lease buyback liability (see analysis below)	555,747	540,771	555,747	540,771
Variable service charge creditor	174	30	174	30
	570,225	554,130	570,082	553,990

17. Creditors: amounts falling due within one year (continued)

Analysis of lease buyback liability (Group and Charity)

	2026	2025	2026	2025
	£'000	£'000	No. of leases	No. of leases
At 1 April	540,771	520,723	2,497	2,479
Arising on initial lease of new property	5,342	6,465	18	23
Payments made on lease terminations	(48,376)	(48,062)	(219)	(227)
Cash received from regrantee leases	62,790	66,275	202	222
Released to Non Social Housing Lettings Income	(4,780)	(4,630)	-	-
At 31 March	555,747	540,771	2,498	2,497

18. Creditors: amounts falling due after more than one year - Group and Charity

	2026	2025
	£'000	£'000
Loans (note 19)	112,795	114,917
Deferred income (note 20)	8	14
Deferred capital grant (note 21)	42,153	42,639
	154,956	157,570

19. Loan analysis - Group and Charity

	2026	2025
	£'000	£'000
Due within one year		
Bank loans	2,156	2,156
Due after more than one year		
Other loans	57,500	57,500
Bank loans	55,944	58,100
	113,444	115,600
Less: Issue Costs	(649)	(683)
	112,795	114,917

Security
Loans are secured on the properties disclosed within housing properties (Note 10) and investment properties (Note 12). Loans are secured on both freehold and leasehold properties.

At 31 March 2026 there are 126 unencumbered completed units (2025: 126).

19. Loan analysis - Group and Charity (continued)

Terms of repayment and interest rates

Bank and other loans are repayable in instalments, at rates of interest between 3.25% and 5.37% per annum (2025: 3.25% and 5.19% per annum).

The final instalments fall to be repaid between 2030 and 2040.

The Charity has fixed interest rates to protect against future rate movements - these are embedded within the loans and do not have a separate fair value.

Based on the lender's earliest repayment date, borrowings are repayable as follows:

	2026	2025
	£'000	£'000
Within one year or on demand	2,156	2,156
One year or more but less than two years	2,156	2,156
Two years or more but less than five years	53,788	55,944
Five years or more	57,500	57,500
	115,600	117,756

As at 31 March 2026 the Charity has £30M undrawn Development loan facilities (2025: £30M).

20. Deferred income - Group and Charity

Deferred income will be credited to the Consolidated Statement of Comprehensive Income:

	2026	2025
	£'000	£'000
Within one year	12	14
Between one and two years	7	14
Between two and five years	-	-
	19	28
	£'000	£'000
Care for Life income, amortised over life expectancy of plan holder	19	28
	19	28

Deferred income relates to receipts from Care for Life plans £19K (2025: £28K); it will be released to income over the assumed life expectancy of the resident who has taken out the plan.

21. Deferred capital grant income - Group and Charity

	2026	2025
	£'000	£'000
Balance at 1 April	43,126	43,612
Released to income in the year	(486)	(486)
Balance at 31 March	42,640	43,126
	£'000	£'000
Amounts to be released within one year	487	487
Amounts to be released in more than one year	42,153	42,639
	42,640	43,126

The total of capital grants received at 31 March 2025 was £48,730K (2024: £48,730K).

22. Retirement benefits - Group and Charity

Social Housing Pension Scheme (SHPS)

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

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

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

The scheme is classified as a 'last-man standing arrangement'. Therefore the Charity 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.

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

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

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

The Charity has been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the ongoing Court process is known (which is currently expected to be Autumn 2026), it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2026 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

The Charity is aware of the UK High Court legal ruling that took place in June 2023 between Virgin Media vs NTL Pension Trustees II Limited, which found that certain historic rule amendments were invalid if they were not accompanied by actuarial certifications. On the 29 April 2026, the Government introduced legislation to give affected pension schemes the ability to retrospectively obtain actuarial certifications that historical benefit changes met the necessary statutory standard. Subject to the pension scheme trustees receiving all the required retrospective actuarial certificates, the directors do not anticipate any additional scheme liabilities.

22. Retirement benefits - Group and Charity (continued)

Key results
The estimated position at 31 March 2026 shows a deficit of £3,439K (2025: £4,990K deficit).
The number of scheme members employed by the Group at 31 March 2026 was six (2025 :six). The charge to the Group for the year was £16K (2025: £Nil).
Calculation method
The figures at 31 March are based on projecting forward the results of the last actuarial valuation of the Fund as at 30 September 2023.

Key assumptions	2026	2025
Discount Rate	6.02%	5.77%
Inflation (RPI)	3.33%	3.11%
Inflation (CPI)	3.02%	2.78%
Salary Growth	4.02%	3.78%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

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

Defined benefit costs recognised in Statement of Comprehensive Income

	2026
	£'000
Current service cost	16
Expenses	55
Net interest expense	244
	315

Defined benefit costs recognised in Other Comprehensive Income

	2026
	£'000
Experience on plan assets (excluding amounts included in net interest cost) - loss	(182)
Experience gains and losses arising on the plan liabilities - gain	481
Effects of changes in demographic assumptions underlying the present value of the defined benefit obligation - loss	(316)
Effects of changes in financial assumptions underlying the present value of the defined benefit obligation - gain	288
Total actuarial loss	271

22. Retirement benefits - Group and Charity (continued)

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2026	2025
	£'000	£'000
Fair value of plan assets	29,663	28,220
Present value of defined benefit obligation	(33,102)	(33,210)
Defined benefit liability to be recognised	(3,439)	(4,990)

Reconciliation of opening and closing balances of the defined benefit obligation

	2026
	£'000
Defined benefit obligation at start of period	33,210
Current service cost	16
Expenses	55
Interest expense	1,871
Contributions by members	6
Actuarial losses due to scheme experience	(481)
Actuarial gains due to changes in demographic assumptions	316
Actuarial gains due to changes in financial assumptions	(288)
Benefits paid and expenses	(1,603)
Defined benefit obligation at end of period	33,102

Reconciliation of opening and closing balances of the fair value of plan assets

	2026
	£'000
Fair value of plan assets at start of period	28,220
Interest income	1,627
Experience on plan assets (excluding amounts included in interest income) - loss	(182)
Employer contributions	1,595
Contributions by members	6
Benefits paid and expenses	(1,603)
Fair value of plan assets at end of period	29,663

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was a gain of £1,445K.

22. Retirement benefits - Group and Charity (continued)

The analysis of the Scheme assets at the reporting date were as follows:

	2026	2025
	£'000	£'000
Global Equity	3,287	3,161
Absolute Return	-	-
Distressed Opportunities	-	-
Credit Relative Value	-	-
Alternative Risk Premia	-	-
Liquid Alternatives	5,282	5,233
Emerging Markets Debt	-	-
Risk Sharing	-	-
Insurance-Linked Securities	44	87
Property	1,448	1,414
Infrastructure	1	5
Private Equity	64	25
Real Assets	2,793	3,378
Private Debt	-	-
Opportunistic Illiquid credit	-	-
Private Credit	3,581	3,454
Credit	1,181	1,079
Investment Grade Credit	1,744	869
High Yield	-	-
Cash	6	383
Long Lease Property	-	8
Secured Income	900	471
Liability Driven Investment	9,044	8,547
Currency hedging	(1)	45
Net Current Assets	289	61
Total assets	29,663	28,220

Analysis of the sensitivity to the principal assumptions of the present value of the defined benefit obligation

	Change in assumption	Change in liabilities
		£'000
Discount rate	Increase of 0.1% p.a.	337
Rate of inflation (CPI)	Increase of 0.1% p.a.	(199)
Rate of salary growth	Increase of 0.1% p.a.	-

The sensitivities shown above are approximate. Each sensitivity considers one change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation, pension increases and salary growth where appropriate.

23. Other provisions - Group and Charity

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
The Pensions Trust's Growth Plan	4	7	4	7
Provision for Charitable Subsidy	-	394	-	394
Provision for Lease termination liability	80	-	-	-
Total Other Provisions	84	401	4	401

The Pensions Trust's Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

- £2.1M per annum. From 1 April 2025 to 31 January 2028 (payable monthly):

Note that the scheme's previous valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3M, liabilities of £831.1M and a deficit of £31.6M. To eliminate this funding shortfall, the Trustee had asked the participating employers to pay additional contributions to the scheme as follows:

- £3.3M per annum. From 1 April 2022 to 31 January 2025 (payable monthly and increasing by 3.0% each year on 1st April):

The recovery plan contributions are allocated to each participating employer in line with their estimated share of Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and the Charity has agreed to a deficit funding arrangement it recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	Charity	2025
	£'000	£'000
Present value of provision	4	7

23. Other provisions - Group and Charity (continued)

Reconciliation of opening and closing provisions

	Charity	2025
	£'000	£'000
Provision at start of period	7	2
Unwinding of the discount factor (interest expense)	-	-
Deficit contribution paid	(3)	(2)
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	7
Provision at end of period	4	7

Income and expenditure impact

	Charity	2025
	£'000	£'000
Interest expense	-	-
Remeasurements – impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	7
Costs recognised in income and expenditure account	-	7

Assumptions

	31-Mar-26	31-Mar-25	31-Mar-24
	% per annum	% per annum	% per annum
Rate of discount	4.92	4.84	5.31

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Provision for Charitable Subsidy

Energy costs have reduced after years of high prices and the Charity has now withdrawn the subsidy that it had previously granted to residents to mitigate the high costs.

	Charity	2025
	£'000	£'000
At 1 April	394	4,696
Released in year	(394)	(4,696)
New provision	-	394
Costs recognised in income and expenditure account	-	394

24. Defined contribution pension Scheme - Group and Charity

The Charity also utilises the Pension Trust Flexible Retirement Plan (FRP). The FRP is a defined contribution scheme. The estimated employer's contributions payable under all pension schemes for the year ended 31 March 2027 is £2,590K (2026: £2,250K). The Creditor balance for Pension contributions and associated costs for the year ending 31 March 2026 is £405K (2025: £370K).

25. Restricted reserves - Group and Charity

The incoming funds of the Charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes.

	At 31 March 2024	Income	Expenditure	At 31 March 2025	Income	Expenditure	At 31 March 2026
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets							
Hagley Road, Birmingham	1	-	-	1	-	(1)	-
Humber Court, Coventry	194	-	(2)	192	-	(3)	189
Lark Hill Village, Nottingham	2,733	-	(32)	2,701	-	(32)	2,669
New Oscott Village, Birmingham	1,139	-	(13)	1,126	-	(13)	1,113
Lovat Fields Village, Milton Keynes	892	-	(10)	882	-	(11)	871
Shenley Wood Village, Milton Keynes	160	-	(2)	158	-	(2)	156
Pannel Croft Village, Birmingham	502	-	(5)	497	-	(6)	491
St Oswalds Village, Gloucester	1	-	-	1	-	-	1
Rosewood Court, Wellingborough	220	-	(3)	217	-	(3)	214
Sunley Court, Kettering	212	-	(3)	209	-	(3)	206
Yates Court, Evesham	106	-	(1)	105	-	(1)	104
	6,160	-	(71)	6,089	-	(75)	6,014
Special projects and other funds							
Other miscellaneous funds	173	92	-	265	35	(4)	296
Other scheme restricted funds	43	39	(24)	58	11	(20)	49
	216	131	(24)	323	46	(24)	345
Total funds	6,376	131	(95)	6,412	46	(99)	6,359

Fixed assets

These funds resulted from specific appeals to fund the development of fixed assets. Expenditure represents depreciation on the assets.

Special projects and other funds

Most of these funds have been given to finance specific projects to improve the quality of life for older people.

26. Capital commitments - Group and Charity

There is Enil capital expenditure that has been contracted for but has not been provided for in these financial statements (2025: £Nil).
There is Enil capital expenditure that has been authorised by the Board but has not yet been contracted for (2025: £Nil).

27. Financial commitments - Group and Charity

The future minimum lease payments of non-cancellable leases are as set out below:

	2026		2025	
	Land & Buildings	Other	Land & Buildings	Other
	£'000	£'000	£'000	£'000
Contracts expiring				
Within one year	1,067	15	920	28
Between one and 5 years	2,879	7	2,632	22
Over five years	2,329	-	2,959	-
	6,275	22	6,511	50

28. Taxation

The Trust is registered as a charity and its charitable activities are not liable to corporation tax.
The subsidiary of the Trust, ExtraCare Retail Limited, is subject to corporation tax. In this financial year no tax liability has been incurred.

29. Contingent assets

The Charity will receive pledges to fund new village developments. These pledges are contingent on various key events occurring during the village development phases. Funds are received in stages. Hence both received and receivable funds are recognised as contingent assets until such time that the conditions are met.
No new pledges have been received in the year ending 31 March 2026.

30. Contingent liabilities and other commitments

The Board are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained.
The Association has also been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability alongside the Court’s judgement in respect of the Virgin Media case referred to above, following the hearing of the case in February 2025 (Verity Trustees vs. Wood).
The Pension Schemes Act 2026 was enacted into law on 29 April 2026 and provided that evidence can be provided of there being retrospective confirmation of historic amendments to scheme rules as being compliant with the statutory requirements, it is expected that these additional liabilities will not materialise. However; due to the ongoing considerations in respect of the Virgin Media case and the Verity Trustees Limited vs. Wood case, it is recognised that there could still potentially be an impact to the value of Scheme liabilities.
Until the outcome of the ongoing Court process is known (which is currently expected to be autumn 2026), it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2026 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

31. Related party transactions

The Group has taken advantage of the exemption conferred by paragraph 33.1A of FRS102, Related Party Disclosures, from the requirement to disclose transactions with its wholly owned subsidiary (ExtraCare Retail Limited).
The Charity has not entered into any transactions or other arrangement with any other related parties.

32. Subsidiary undertakings - Charity

As shown in note 13, the Charity has three wholly owned subsidiaries which are incorporated in the United Kingdom:

- ExtraCare Retail Limited
- ExtraCare Nominee 1 Limited
- ExtraCare Nominee 2 Limited

ExtraCare Nominee 1 Limited and ExtraCare Nominee 2 Limited did not trade during the year, or in the prior year.
All companies have entered into Gift Aid arrangements to donate their taxable profits to The ExtraCare Charitable Trust.
A summary of the results of ExtraCare Retail Limited is shown below. Audited accounts will be filed with the registrar of Companies in line with requirements.
Within the Group accounts, the activity from ExtraCare Retail Limited is shown within Other Non Social Housing Activities (note 3).

	2026	2025
	£'000	£'000
Turnover	3,026	2,825
Cost of sales	(387)	(324)
Staff costs	(2,233)	(2,096)
Other costs	(1,476)	(1,378)
Other operating income	1,097	1,089
Net profit	27	116
Taxation	-	-
Retained in subsidiary	27	116
Current assets	438	412
Current liabilities	(411)	(296)
Retained in subsidiary	27	116

The Charity received £116K Gift Aid from retail activity in the year ended 31 March 2026 (2025: £271K).
A Gift Aid distribution of £27K is planned for payment in the following year from the Retail subsidiary retained profits.

33. Cash flow reconciliations

Reconciliation of operating surplus to net cash inflow from operating activities

	2026	2025
	£'000	£'000
Surplus for the year	11,119	20,319
Interest payable	6,007	5,520
Interest receivable	(718)	(992)
Profit from sale of fixed assets	-	-
Operating surplus for the year	16,408	24,847
Adjustments for non-cash items:		
Change in fair value of investment properties	(16,340)	(24,421)
Change in fair value of investments	(1,186)	(775)
Release of Buyback liability	(4,780)	(4,630)
Depreciation of tangible fixed assets	4,155	3,688
Write off of Fixed Assets	-	2,211
Amortisation of intangible assets	152	130
Amortisation of deferred capital grants	(486)	(486)
Amortisation of finance costs	34	(16)
Defined benefit pension schemes	(1,841)	(5,859)
Operating cash flows before movements in working capital	(3,884)	(5,311)
Movements in working capital		
(Increase)/Decrease in stock	(26)	3
Decrease in rental and other debtors	1,585	1,178
Increase/(Decrease) in trade and other creditors	1,608	(659)
Net cash used in operating activities	(717)	(4,789)

Analysis of changes in net debt

	At 31 March 2025	Cash flows	New finance leases	Other non cash	At 31 March 2026
	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	30,282	(3,078)	-	-	27,204
Investments	21,037	-	-	1,186	22,223
Bank loans due in less than 1 year	(2,156)	2,156	-	(2,156)	(2,156)
Bank loans due in more than 1 year	(57,417)	-	-	2,122	(55,295)
Other loans	(57,500)	-	-	-	(57,500)
Lease buyback liability	(540,771)	48,376	(68,132)	4,780	(555,747)
Total	(606,525)	47,454	(68,132)	5,932	(621,271)

34. Number of homes in management and development

	2026	2025
	Number	Number
Social housing units		
Owned by the Charity	893	882
Managed on behalf of other organisations	144	144
Non-Social housing units		
Leased or part leased properties	2,560	2,577
Market rent properties	6	-
Other		
Social housing properties managed under a partnership arrangement	175	175
Non-Social housing properties managed under a partnership arrangement	-	0
	3,778	3,778

During the year new Market Rent tenancies were granted for six Investment Properties.

35. Financial instruments

The carrying value of the Group and Charity's financial instruments at 31 March were:

	Group		Charity	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Financial assets				
Debt instruments measured at amortised cost:				
Trade and other debtors	3,894	5,439	4,094	5,673
Cash	27,204	30,282	27,117	30,212
	31,098	35,721	31,211	35,885
Debt instruments measured at fair value:				
Current Assets investments	22,223	21,037	22,223	21,037
	22,223	21,037	22,223	21,037
Financial liabilities				
Measured at amortised cost:				
Trade and other creditors	609,581	594,545	609,444	594,414
Loans	115,600	117,756	115,600	117,756
	725,181	712,301	725,044	712,170

If you would like to find out more about
The ExtraCare Charitable Trust and keep up
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