

Bromford Housing Association Limited

Financial statements

for the year ended 31 March 2026

Co-operative and Community Benefit Society
Registration Number 7106

Regulator of Social Housing
Registration Number 4819

Bromford Housing Association Limited

**Board and strategic report
For the year ended 31 March 2026**

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Bromford Housing Association Limited**Board and strategic report
For the year ended 31 March 2026****Board members as at 31 March 2026:**

The Board members who served from 1 April 2025 up to the date of approval of these financial statements were as follows:

Board Member	Position	Meetings attended 2025/26
Jacqueline Starr (appointed 29 January 2026)	Independent Non-Executive Director Chair	3/3
Peter Hawes (resigned 28 January 2026)	Independent Non-Executive Director Chair	8/8
Steven Barford	Independent Non-Executive Director	11/11
Emma Barton	Independent Non-Executive Director	11/11
Richard Bird	Independent Non-Executive Director	11/11
Dame Sandra Horley	Independent Non-Executive Director	9/11
Robert Nettleton	Chief Executive	11/11
Neil Rimmer	Independent Non-Executive Director	11/11
Jerry Toher	Independent Non-Executive Director	8/11
Roger Lee (resigned 28 January 2026)	Independent Non-Executive Director	8/8
David Armstrong (resigned 28 January 2026)	Chief Operating Officer	8/8
Charles Hutton-Potts (resigned 28 January 2026)	Independent Non-Executive Director	8/8
Cecilia Tredget (resigned 28 January 2026)	Independent Non-Executive Director	8/8
Paul Walsh (resigned 28 January 2026)	Chief Finance Officer	8/8
Joanna Crane (appointed 29 January 2026)	Independent Non-Executive Director	3/3
David Hardy (appointed 29 January 2026)	Independent Non-Executive Director	3/3
Philip Stephens (appointed 29 January 2026)	Independent Non-Executive Director	3/3

Meetings attended reflects the number of Board meetings that were attended by each Board member out of the total number of Board meetings they were eligible to attend.

Sarah Beal	Company Secretary
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Advisors:**External Auditors:**

Menzies LLP
The Colmore Building
20 Colmore Circus
Queensway
Birmingham
B4 6AT

Business Assurance Provider:

PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

Bankers:

Barclays Bank plc
15 Colmore Row
Birmingham
B3 2BH

Registered office:

Shannon Way
Ashchurch
Tewkesbury
GL20 8ND

Bromford Housing Association Limited

Board and strategic report For the year ended 31 March 2026

The Board of Bromford Housing Association Limited ('BHA') is pleased to present its annual report and financial statements for the year ended 31 March 2026.

Principal activities

BHA is a subsidiary of Bromford Flagship LiveWest Limited ('BFL'). Previously known as Bromford Flagship Limited, following the merger between Bromford Flagship and LiveWest on 29 January 2026 the parent entity name was changed to Bromford Flagship LiveWest Limited. It is a Registered Provider of Social Housing and a Registered Society under the Co-operative and Community Benefit Societies Act 2014.

BFL is an affordable homes provider for almost 300,000 customers across the East, West, Midlands and South West of England. We are the UK's largest provider of new affordable homes, delivering 2,871 new homes in 2025-26.

We deliver locally, coordinate regionally and are supported centrally. Our starting point is always the people who live in our homes and the places that shape their everyday lives. These considerations inform how we invest, how we work with partners and how we deliver services. When people have quality homes and are part of confident, caring and connected communities, anything is possible. Through scale and commitment, flexibility and investment, experience and imagination, we enable people to thrive.

BHA's principal activities are to develop and manage affordable homes for sale, rent or shared ownership and to provide a range of services that help customers to thrive.

Board structure

BFL operates a group structure with coterminous Boards across the six main entities – the parent – Bromford Flagship LiveWest Limited and our main operating subsidiaries Bromford Housing Association Limited (BHA), Flagship Housing Limited (FHL), LiveWest Homes Limited (LW), Merlin Housing Society (MHS), and Bromford Home Ownership (BHO). The membership of all entities is the same for each – all NEDs plus Robert Nettleton, Chief Executive, except for BHO, where Dame Sandra Horley and Phil Stephens are not members. This approach is consistent with the Group's Conflicts of Interest Policy and protects the charitable interests of BFL, BHA, FH, LW and MHS. Certain Board members are also Directors of the other subsidiaries. All members of the Board, Executive and Non-Executive make decisions by working together and achieving general consensus.

All Board members, except the Chair, serve on one or more Group committees that meet regularly throughout the year. All Non Executive Directors were independent on appointment and complete annual fit and proper person and declaration of interest processes.

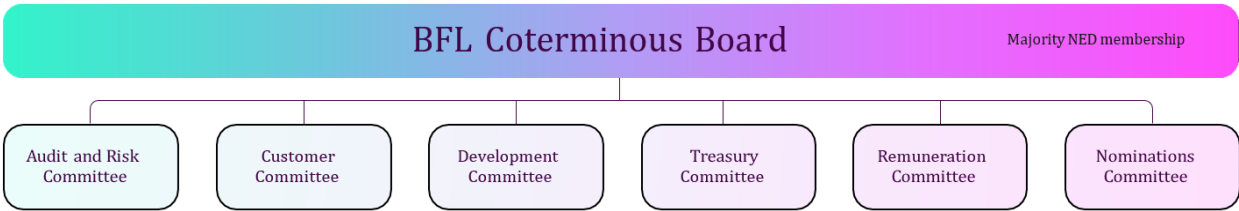
Conflicts of interest are declared at the start of each Board meeting, with members withdrawing from discussions or decisions where an actual or perceived conflict exists. There are currently no issues relating to the continued independence of any NED. One Board member, Richard Bird, who will reach the end of his term of office in 2027, has been asked to serve on the Board of a Welsh Registered Provider. His formal appointment will not be confirmed until after he retires from Bromford Flagship LiveWest and this is not considered to be any issue relating to his continued service on BFL.

The roles of the Non Executive Directors, Chair and Chief Executive are set out in the Governance Framework and Charter of Expectations. There is a clear separation of roles of the Chair and Chief Executive.

Until 29 January 2026, the Bromford Flagship Board was supported by four committees comprising Audit and Risk, Remuneration, Nominations, Treasury and two panels comprising Development and Customer Influence. A new committee structure came into effect on 29 January 2026 following the merger of Bromford Flagship LiveWest (image below).

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For the year ended 31 March 2026



The role of the Board

BFL is the parent company of BHA. Under the Group’s Governance Framework, BHA delegates matters of governance and financial authority to the BFL Board (the Board). Our governance structure contributes directly to the delivery of our strategy. The Board holds ultimate responsibility for the governance of the BFL Group and is accountable for ensuring the Group’s long-term sustainable success. Its responsibilities are:

- determining the strategic direction of the Group and setting our strategy and valued
- approving high level strategies, long-term plans and objectives to achieve our vision
- financial control and risk management
- governance and the system of delegation
- monitoring the Group’s performance
- accountability to stakeholders

Decision making

The Board operates as a single Board while taking decisions on behalf of each Group entity where appropriate. Clear schedules of matters reserved to the Board are in place to ensure effective oversight, accountability and compliance, with other authorities delegated to committees in accordance with approved terms of reference and a robust scheme of delegations. Matters not delegated remain within the authority of the Chief Executive.

Following the merger of Bromford Flagship and LiveWest, the governance and committee structure was reviewed to ensure it is proportionate to the size, scale and complexity of the organisation and supports effective decision making and assurance.

A Development Committee has been established to provide focused oversight and challenge of the Group’s large scale development programme. In addition, a Customer Committee and Regional Customer Networks have been implemented to ensure the customer voice is clearly and directly represented in Board level decision making.

The Board and its committees receive timely, accurate and high quality information and have access to appropriate resources, skills and independent advice to enable them to discharge their duties effectively and in accordance with the principles of good governance.

Board effectiveness

The Chair is responsible for managing the performance of the Board and the Chief Executive. The performance of the Chair is the responsibility of the Board facilitated by the Senior Independent Director.

Board members are expected to foster a culture of open and constructive debate, supporting informed and prudent decision-making. They are also expected to continually develop their knowledge and skills to contribute effectively to Board discussions.

The conflicts of interest register is reviewed annually by both the Audit and Risk Committee and the Board to support independence, transparency and accountability. During the year, no instances were identified where the Chair’s or any Non Executive Director’s external commitments adversely affected their ability to fulfil their role.

The Board undertakes an annual evaluation of its performance, as well as that of its committees and individual Directors. In line with the Code, this evaluation is externally facilitated at least every three years to provide an independent perspective.

An externally facilitated review was undertaken in 2025 by Altair. The findings were reported to the Board and were in the main relating to ways of working and succession arrangements. Actions were agreed and these have been

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Board and strategic report For the year ended 31 March 2026

monitored. The Board recognised that some actions had been superseded by activity relating to the Bromford Flagship LiveWest merger. During the merger process, Altair was commissioned to inform the independent interview process for appointments to the coterminous Board of Bromford Flagship LiveWest.

Creation of the new BFL Board focussed on the skills required to deliver the merger full business case. The Governance Framework recognises that it is important the Board has a collective range of skills, experience and breadth of perspective so that the Board can fully discharge its responsibilities. Promoting the principles of fairness and valuing diversity is a key responsibility of the Board and is enshrined in the Diversity, Equity and Inclusion Policy which is approved by the Board and sets the framework for ensuring that BFL has a fair and equitable recruitment and selection process; has inclusive behaviours; a clear and transparent process for allocation and lettings and is reporting and monitoring metrics. The Nominations Committee is responsible for making recommendations to the Board in respect of succession planning.

Stakeholders, transparency and diversity

Delivering long term, sustainable social impact is central to the Group's purpose and strategy, benefiting the customers and communities we serve, our colleagues and our wider stakeholders. The Board promotes a culture that reflects these priorities and supports sustainable value creation.

Audit and Risk Committee

The committee supports the Board by providing independent oversight and advice on the integrity of the financial statements, the effectiveness of risk management and internal control and the adequacy of assurance arrangements across the Group. The committee's responsibilities are set out in its terms of reference, which were reviewed by the Board as part of both mergers. There were no significant changes in remit during the year. The committee discharged its responsibilities through a structured programme of scheduled meetings, additional meetings where required and regular engagement with Executive management. The committee also met privately with internal and external audit, without management present. The Board considers that the committee as a whole has an appropriate balance of skills, experience and sector knowledge, including recent and relevant financial and audit expertise. The Chair is a qualified accountant. Meetings were well attended throughout the year, supporting effective challenge, informed decision-making and continuity of oversight during a period of significant change.

Risk management

The Board is responsible for establishing the Group's risk appetite and for maintaining a robust system of risk management and internal control. Risk is viewed not only as something to be managed, but also as a factor to be actively and proportionately taken where it supports innovation, investment and improved outcomes for customers and places, consistent with the Group's strategy and values.

The Group operates a structured risk management framework, based on the best-practice COSO ERM Framework (Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management) that:

- identifies and assesses risks on both a top down (strategic) and bottom up (operational) basis
- evaluates risks against agreed impact and likelihood criteria
- aligns mitigation plans with the Group's risk appetite
- is reviewed regularly to reflect changes in the external environment

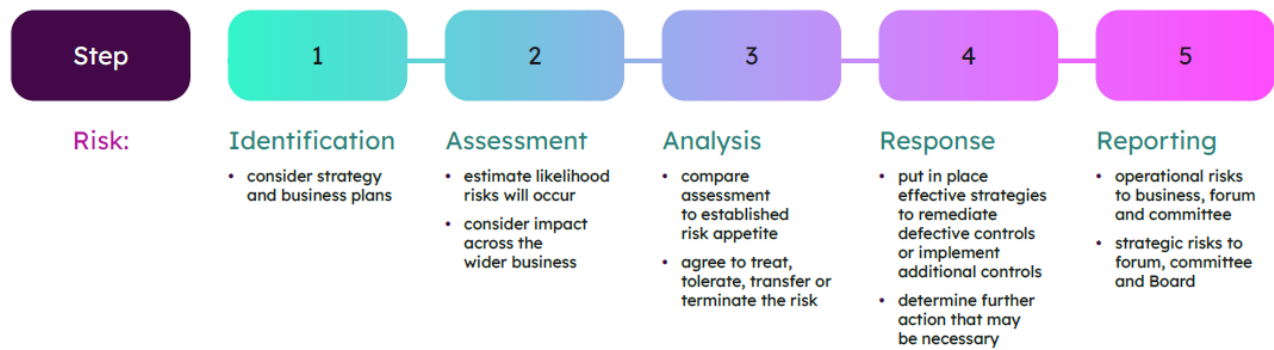
Risks are considered alongside strategic planning, stress testing, treasury management and investment decisions, ensuring that risk assessment informs resource allocation and long term decision making. The Board and Executive actively consider emerging risks, including cyber security, supply chain resilience, regulatory change and longer term affordability pressures affecting customers. These risks are reviewed through horizon scanning, external benchmarking and scenario analysis, ensuring the Group remains alert to future challenges while retaining flexibility to respond.

We follow a five-step risk management process aimed at identifying potential issues early, allowing for proactive mitigation to support our strategic objectives. Risk is defined as anything that could hinder the achievement of these objectives. Our approach enables the business to navigate uncertainty, managing both threats and opportunities,

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while staying aligned with strategic priorities. The Board sets clear risk appetite and tolerance levels, with regular reporting to monitor changes in key risk assessments.



Risk management is embedded throughout BFL, with clear accountabilities at Board, committee and Executive level:

- the Board has ultimate responsibility for risk management - it sets risk appetite and tolerance levels, approves principal risks and oversees the effectiveness of the system of internal control
- the Audit and Risk Committee monitors the risk framework, reviews emerging risks and receives assurance from internal and external sources
- oversight of operational and strategic risks is delegated to the Chief Executive and the Executive Risk and Disclosure Committee supports this role, providing review of audit, assurance and risk reporting and ensuring implementation of resulting actions
- risk owners across the Group are responsible for identifying, assessing and managing risks within their areas

Assurance over risk management is provided through multiple lines, including management controls (1st line), assurance reviews (2nd line), internal audit (3rd line), external audit and independent regulatory assessment. The Board receives regular assurance on the effectiveness of controls and takes action where improvement is required.

The Group remains committed to continuous learning, drawing on internal insight and wider sector experience to strengthen its approach to managing risk and uncertainty.

Principal risks

Following the recent merger, the Board have re-assessed the principal risks faced by the Group. The identified risks facing Bromford Flagship LiveWest are similar to those experienced across the housing sector but are considered in the context of the Group’s scale, geography and operating model following the merger. The Board has set its risk appetite against each of these risks, forming an integral part of our corporate decision making. Risk we accept is clearly understood, regularly reviewed and managed effectively. In some areas we have risks for which we have little or no appetite however the nature of these risks mean they cannot be eliminated completely.

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Risk	Impact	Risk mitigations	Changes in year
1. Health and safety Status: significant Appetite: averse Future direction of travel: static	Failure to effectively manage all aspects of health and safety across operations (including customers, colleagues and suppliers) results in death or serious injury.	- group-wide Health and Safety Policy - dedicated health and safety software and processes - integrated governance via the health and safety group with clear escalation and reporting routes - training and competence frameworks - contractor management arrangements - incident escalation and reporting processes	- embedding consistent health and safety arrangements across the newly merged Group - improving training and compliance reporting - managing and reducing Reporting of Injuries Diseases and Dangerous Occurrences Regulations (RIDDOR) incidents - onboarding colleagues to Group systems and processes
2. Existing homes Status: significant Appetite: balanced Future direction of travel: static	Failure to comply with all landlord obligations including landlord health and safety and broader current/emerging property related regulatory/legal requirements (for example Decent Homes and Awaab's Law) increases the risk of failing to maintain our homes to expected standards.	- compliance frameworks for landlord obligations - Awaab's Law governance and specialist teams - process alignment workshops - enhanced compliance reporting - targeted investment and operational improvement plans - integrated governance through the landlord compliance group	- strengthening compliance with Awaab's Law Phase 1 and preparing for Phase 2 - progressing building safety works - preparing for new Heat Network regulation - reducing outstanding safety backlogs - improving emergency and non emergency repairs performance - improving customer communication and case management
3. People and culture Status: medium Appetite: flexible Future direction of travel: static	Our culture does not adapt to deliver our strategy and purpose.	- culture and organisational design workplan - defined values and behavioural frameworks - engagement and wellbeing initiatives - workforce planning and leadership oversight	- supporting colleagues through merger integration - addressing sickness absence and recruitment pressures - improving engagement and leadership capability - working towards a shared culture across BFL - responding to employment law reform

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Risk	Impact	Risk mitigations	Changes in year
4. Financial viability Status: high Appetite: cautious Future direction of travel: static	Failure to maintain financial viability including accessing sufficient funds and liquidity or managing financial exposure effectively in order to deliver our strategy.	- robust treasury and liquidity management and reporting - strong stakeholder relationship management - high proportion of fixed rate debt - stress testing of the business plan - Board approved financial framework and regular monitoring	- managing ongoing cost pressures - monitoring market volatility and interest rates - delivering a sustainable merged business plan - ensuring continued access to funding and covenant compliance - delivering efficiency savings and value for money
5. Customer experience Status: high Appetite: cautious Future direction of travel: improving	We do not meet our purpose including the provision of core services such as repairs and effective complaint management, which results in ineffective customer journeys and negative customer experience.	- Customer Influence Framework - Regional Customer Networks (customer members), dedicated Executive and Non-Executive committees with overlapping attendees - complaints lessons learned processes - Voice of the Customer reporting - contractor performance scrutiny	- improving repairs quality and reducing repeat issues - sustaining compliance with the Housing Ombudsman Code - addressing affordability and cost of living pressures - embedding customer influence into decision making
6. Systems and data Status: high Appetite: balanced Future direction of travel: static	We hold inaccurate or incomplete data resulting in ineffective decision making, poor customer experience, operational inefficiency or regulatory/ legal non-compliance.	- Group data governance framework - defined data owner and steward roles - role-based access controls - data migration processes - data quality dashboards - policies supporting data accuracy and regulatory compliance	- updating data governance arrangements following the merger - improving data quality and reporting confidence - maturing our approach to AI governance - starting to align processes and methodologies - preparing for system integration, including dependencies on D365 stability and scalability

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Risk	Impact	Risk mitigations	Changes in year
7. New homes Status: high Appetite: open Future direction of travel: improving	Balancing the ambition to deliver new homes with the risk of exceeding capacity or controls, potentially causing financial loss, regulatory breach, or reputational damage.	- financial guardrails and investment frameworks - Homes England grant engagement - development pipeline oversight - regular performance and cost monitoring	- reviewing controls and approaches post merger - securing future grant funding - ensuring delivery remains within capacity and financial appetite - monitoring developer and market exposure
8. Cyber and business continuity Status: significant Appetite: cautious Future direction of travel: improving	Our network, applications, infrastructure, devices or data are compromised through physical, people or technological threats. Our business continuity and disaster recovery provisions fail to support continuity and recovery of services in a timely fashion.	- Cyber Essentials accreditation - vulnerability and patch management - multi-factor authentication - incident response planning - supplier due diligence - business continuity and disaster recovery plans	- strengthening third party cyber risk management - progressing the Group crisis management and business continuity framework - monitoring heightened geopolitical risk, including cyber risk - improving resilience and preparedness
9. Business change and integration Status: significant Appetite: balanced Future direction of travel: static	Planned business change including integration fails to achieve the intended outcomes, resulting in financial under performance, reduced stakeholder confidence and an inability to realise anticipated synergies.	- formal integration governance - delivery tracking against agreed outcomes - D365 migration planning - gap analysis and prioritisation of technology dependencies	- achieving stability and scalability of D365 - delivering integration outcomes - managing technology constraints - improving colleague experience during change

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Risk	Impact	Risk mitigations	Changes in year
10. Governance and regulation Status: significant Appetite: cautious Future direction of travel: improving	Ineffective governance arrangements, decision-making structures, or regulatory controls are not aligned to the external regulatory environment, resulting in non-compliance with applicable laws and regulations, ineffective oversight of strategic and operational decisions and a failure to anticipate or respond appropriately to regulatory change.	• governance structures in line with strategy, regulation and governance code • consumer regulation steering group • prioritised action plans • horizon scanning for regulatory change • proactive regulatory engagement	• bedding in governance and regulatory arrangements post merger • preparing for regulatory engagement and inspection • evidencing compliance with consumer standards • strengthening assurance and accountability frameworks

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Emerging risks

The Group actively monitors the evolving operating environment to identify emerging risks that may affect our ability to deliver our strategic objectives and operate within our defined risk appetite. This includes ongoing analysis of geopolitics and financial markets, national and local media, sector developments, regulatory and legal insights and parliamentary activity, as well as engagement with relevant consultations. Where emerging risks are identified with a short to medium term horizon to potential realisation, clear accountabilities are assigned to ensure that appropriate mitigating actions are implemented and our approach is adapted in a timely manner to minimise adverse impacts.

Internal audit

Internal audit is an independent assurance function which reports to the Board, Audit and Risk Committee and management. The role of internal audit is to strengthen the Group's ability to create, protect and sustain value by providing the Board and leaders with independent, risk-based and objective assurance, advice, insight and foresight. Internal audit enhances governance, risk management and control processes, delivering a series of risk based and advisory reviews.

The internal audit function is led by an independent Group Director of Internal Audit supported by an in-house team and co-source partners who provide access to expertise to support delivery of the plan. The co-source arrangement adds value through greater access to specific areas of expertise and increased ability to flex resources.

A three year strategic plan is created, from which a flexible annual plan is developed for approval by the Audit and Risk Committee. The committee reviews and challenges the plan, specifically whether key risk areas are audited with sufficient frequency and depth. Regular reporting enables the committee to monitor delivery of the audit plan and performance of the internal audit function.

The findings of each audit are reported to the committee alongside any actions that have been agreed by management to address areas of improvement identified. The control framework is adequate and controls to mitigate key risks are generally operating effectively, although several controls need to improve to ensure business objectives are met. The Audit and Risk Committee is satisfied that there is effective internal audit function in place that adds value to support.

Financial review

Income and expenditure

The surplus for the financial year was £34.7m (2025: £33.1m).

Social housing lettings

Social housing lettings remains the core of our business and increased to £223.8m (2025: £207.7m) driven mainly by our continued strong new build performance from the previous year and the 2.7% annual social rent increase. Social housing lettings turnover as a proportion of total turnover remained at 85% (2025: 85%).

Shared Ownership

Shared ownership sales income for the year was £35.7m (2025: £30.6m). We sold 365 homes at an average 100% sales value of £285k (2025: 289 homes, 100% value: £286k). The average first tranche share sold remained at 37%.

Costs

Over the last year we have seen an increase of £8.3m (5.4%) in our total operating costs per the statement of comprehensive income from £152.2m in the previous year to £160.5m. Colleague costs have increased by £6m due to pay awards made during the year as well as an increase in the number of colleagues. Depreciation has increased by £3m, reflecting new homes delivered and continued investment in existing homes. Bad debts have also increased by £4m during year.

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Disposals

Disposals are not a material feature in our financial results and we expect them to vary over time as we proactively manage our homes to deliver a strong return on assets.

Disposal profits in the year were £13.2m (2025: £11.1m). We continued to receive receipts for right to buy and right to acquire sales that generated £0.6m (2025: £0.2m) of disposal profit. Staircasing activity generated profits of £6.1m (2025: £5.1m). Other property disposals generated profits of £6.5m (2025: £5.8m).

Corporation tax

We continue the policy of gift aiding taxable surpluses from non-charitable Group members to charitable Group members. During the year, BHA received no gift aid payments from other Group members (2025: £nil).

Balance sheet

Fixed assets

Details of the movements in fixed assets during the year are set out in notes 12, 15 and 16 to the financial statements.

Sales exposure

Exposure to unsold shared ownership stock is not a material issue for us. At 31 March, we had £1.2m of completed shared ownership properties held as stock (2025: £0.8m) see note 19.

Investment in our homes

In the year we invested £49.9m in major repair and refurbishment programmes (2025: £47.9m) and £268.0m in new homes (2025: £239.1m).

Treasury

Treasury activity is undertaken at Group level. The following table highlights our Group position on key measures:

	2026	2025
Drawn facilities	£3,928m	£3,747m
Undrawn facilities	£1,540m	£1,067m
Cash and cash equivalents	£99m	£179m
Fixed rate borrowing	97%	90%
Cost of borrowing	4.05%	3.87%
Interest cover covenant	3.2 times	3.4 times
Asset gearing covenant (67% max)	38%	38%

Cash and liquidity

The reduction in cash levels year on year follows a review of our Treasury Management policy as part of the merger to ensure cash levels remain appropriate for an organisation of our size, whilst minimising our cost of carry. Our short-term liquidity Treasury Management Policy requires holding a minimum of £50m cash as immediately available funds at all times supported by access to revolving credit facilities.

Facilities and funding

Long-term liquidity remains a key focus and our treasury management policy sets out a prudent requirement, with a minimum of 27 months of all operational and development cashflows (including uncommitted spend) plus a slippage risk buffer of 20% of the first months' sales. This is well above the minimum liquidity level of 18 months expected by the regulator of social housing. Undrawn committed borrowing facilities must be fully secured and available to drawn.

Interest rate management and mark to market position

We have limits on our fixed and variable rate debt in order to manage our exposure to changes in interest rates. This is monitored against market conditions throughout the year by the Treasury Committee and the Executive Team.

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Shortly after the merger, the Group established new ISDA agreements with six relationship banks of the parent company, Bromford Flagship LiveWest Limited. In line with its funding strategy, the Group also took the opportunity to novate all standalone derivatives held by its subsidiaries into the Bromford Flagship LiveWest entity.

Covenants

Funder covenants are based on Group numbers and are broadly consistent in their composition. We have considerable capacity on both our interest cover and asset gearing covenants and they do not limit our activities.

Operating performance

Operational performance against targets is monitored at Group level and a summary is included within the Annual Report and Accounts of BFL – which are available on the Group website bfl-places.co.uk.

Value for money (VfM)

Details of the Group's VfM performance are summarised in the Annual Report and Accounts of BFL – which are available on the Group's website bfl-places.co.uk.

The Regulator for Social Housing metrics for BHA as a stand alone entity are shown below.

Sector metrics

Ref	Metric Name	2025	2026
1	Reinvestment %	10.9%	11.1%
2a	New supply delivered (social housing units) %	2.9%	3.4%
2b	New supply delivered (non-social housing units) %	0.0%	0.0%
3	Gearing %*	49%	47%
4	EBITDA MRI interest cover %	138%	129%
5	Headline social housing cost per unit (£000s)	4.66	4.60
6a	Operating margin (social housing lettings only) %	31%	32%
6b	Operating margin (overall) %	27%	28%
7	ROCE	2.8%	2.9%

*Based on our covenant metric

The metrics show another strong performance with operating margins at 32% for social housing lettings (2025: 31%) and 28% overall (2025: 27%). EBITDA MRI interest cover has decreased to 129% (2025: 138%) predominantly due increased interest costs on intercompany loans.

Board compliance statements

Statement of compliance with the regulatory standards

The Regulator of Social Housing (RSH) publishes a regulatory framework comprising economic and consumer standards. The economic standards are governance and financial viability, value for money and rent. The consumer standards are safety and quality, transparency, influence and accountability, neighbourhood and community and tenancy.

Registered Providers are required each year to assess their compliance with the economic and the consumer standards and to provide assurance to customers and stakeholders that the RSH's specific expectations are being met.

The Board is satisfied that the Group is materially compliant with the RSH's regulatory framework, including the governance and financial viability and consumer standards and the accompanying Code of Practice. As part of its

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regulatory approach, the RSH assigns a governance and financial viability rating. Regulatory judgements may follow an inspection, stability check, responsive engagement, or an interim judgement issued in connection with a merger.

Prior to the merger, both Bromford Flagship and LiveWest held the highest possible ratings of G1 for governance and V1 for financial viability. LiveWest had also been inspected against the consumer standards and achieved the highest consumer grading of C1. We are pleased that following the merger, the RSH issued an interim regulatory judgement of G1/V1 for Bromford Flagship LiveWest on 25 February 2026. A consumer standards inspection of Bromford Flagship LiveWest has not yet taken place. The Group received positive feedback from the Regulator through proactive engagement during the merger process.

Statement of compliance with our code of governance

We have voluntarily adopted the UK Corporate Governance Code 2024 (the Code). We continue to adopt the Code as our chosen Code of Governance as we believe that it continues to reflect our commercial outlook, focusses on achieving the highest possible standards of accountability and transparency and our desire to position ourselves alongside other high-achieving organisations, regardless of sector.

As we do not have shareholders in a conventional sense, certain aspects of the Code do not apply to us. However, we strongly support the objectives that this section aims to achieve and this is reflected in the open and transparent way we deal with our partners and stakeholders. Each year the Board reviews compliance with the Code and during the financial year ended 31 March 2026, we consider that the Group has complied with all relevant principles and provisions of the Code.

Fair, balanced and understandable

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Group's position, performance, business model and strategy.

Statement of Board's responsibilities in respect of the Board's report and the financial statements

The Board is responsible for preparing the Board's report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and assess the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that its financial statements comply with the Cooperative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Association and to prevent and detect fraud and other irregularities. The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern

The Board, after reviewing the Group and Association's budget for 2026 to 2027 and the Group's medium term financial position as detailed in the 30-year business plan is of the opinion that, taking account of severe but plausible downsides, the Group and Association have adequate resources to continue in business for the foreseeable future. Accordingly, the financial statements set out on pages 21 to 55 have been prepared on a going concern basis.

Viability statement

As required by the provisions of the UK Corporate Governance Code, the Board has undertaken an assessment of the future prospects of the Group taking into account its current position and principal risks. The assessment includes changes arising from the challenges to the sector such as high levels of inflation and interest rates, potential for further government imposed rent caps and the availability of resource.

This assessment was made using the following core business processes:

- **Thirty year business plan (the plan)** – the Board reviews each iteration of the plan during the year as part of its strategic planning process, the most recent business plan was approved in May 2026. This process includes detailed stress testing of the plan which involves flexing a number of assumptions underlying the forecast both individually and together under particular scenarios.
- **Risk management** – as set out in the risk section of the strategic report, the Group has a structured approach to the management of risk and the principal risks identified are reviewed regularly by the Board.
- **Liquidity** – based on the output of the plan and regular reforecasting of cashflows, the Board reviews the liquidity position of the Group ensuring funding is secured in accordance with the Group's treasury policy. Current available cash and unutilised loan facilities are over £1,622m, which gives significant headroom for committed spend and other forecast cash flows that arise.

In undertaking this assessment, a period of three years has been selected. For the initial year of this three year period there is a greater level of certainty because detailed annual budgets are prepared and regularly reforecast. Monthly cashflow forecasts are reviewed by the Board covering a rolling three year period and are used to ensure sufficient facilities are in place. The largest single area of spend remains the development programme and the bulk of the committed programme completes within this timeframe. Whilst development spend and required facilities are planned over a longer term than three years, the period chosen ensures that the Group is viable beyond its usual development commitment timeframe.

On the basis of this and other matters considered and reviewed by the Board during the year, the Board has reasonable expectations that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period used for this assessment.

Appointment of auditors

Menzies LLP (previously Beever and Struthers) have indicated their willingness to continue in office and, following an internal assessment of effectiveness, will be proposed for re-appointment.

Bromford Housing Association Limited

Board and strategic report For the year ended 31 March 2026

Information for auditors

We, the members of the Board who held office at the date of approval of these financial statements as set out above confirm, so far as we are aware, that there is no relevant audit information of which the Association's auditors are unaware. We have taken all the steps that we ought to have taken as Board members to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Board and strategic report was approved on 28 July 2026 and signed on its behalf by:



Jacqueline Starr
Chair

Bromford Housing Association Limited

Independent Auditor's Report to the members of Bromford Housing Association Limited

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We were first appointed as auditor of Bromford Housing Association Limited by the Board for the period ending 31 March 2021. The period of total uninterrupted engagement for the Association is for six financial years ending 31 March 2026. We have fulfilled our ethical responsibilities under, and we remain independent of the Association in accordance with, UK ethical requirements including the FRC Ethical Standard. No non-audit services prohibited by that standard were provided.

Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £5,257,840 (2025: £4,870,400), determined with reference to a benchmark of Turnover (of which it represents 2%). We consider turnover to be the most appropriate benchmark, and more appropriate than a profit-based benchmark as the Association is a not-for-profit organisation and the focus is on turnover rather than any surpluses, which are reinvested in the Association.

Performance materiality was set at 75% (2025: 75%) of materiality for the financial statements as a whole, which equates to £3,943,380 (2025: £3,652,800). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £262,892 (2024: £243,520), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Key Audit Matters

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

Recoverability of stock and fixed asset work in progress

The risk of stock and work in progress being overstated on the Statement of Financial Position was considered to represent a significant audit risk, because, in addition to it being high value, consideration of impairment is a significant

Bromford Housing Association Limited

management judgement and is considered a significant risk of material misstatement due to uncertainty around estimating the final costs and sales proceeds.

The Association recorded turnover from properties developed for first tranche shared ownership sale of £35.7m (2025: £30.6m) and generated a surplus of £6.4m (2025: £5.5m). Other property sales (such as staircasing, RTB and asset disposals) generated a surplus of £13.2m (2025: £11.1m). At 31 March 2026, the Association held within current assets unsold properties with cost value of £1.2m (2025: £0.8m). Work in progress in relation to properties being developed for sale but still under construction at 31 March 2026 totalled £27.7m (2025: £21.1m).

Refer to pages 24 to 33 (accounting policies) and page 44 (financial disclosures).

Our response

Our procedures included the following tests of detail:

- **Test of detail:** Agreeing the calculation of the surplus on sale for a sample of sales in the period. We reviewed the estimation basis used to calculate the cost of sale for 1st tranche sale to ensure it is in line with the Housing SORP.
- **Assessment of recoverability:** For a sample of development schemes, we reviewed the carrying value of the Association's stock and work-in-progress at the year-end including the financial appraisals of each scheme. This included testing on a sample basis the expected profitability of the current schemes, and reviewing post year-end sales of properties held in stock at 31 March 2026. We reviewed management's assessment of impairment indicators.

Our results

We found no evidence that the year-end balance of stock and work in progress is overstated at the year end.

Our review of schemes under development did not identify any indication of work in progress that required provision or impairment write down. We identified no issues with recoverability from review of sales after year end.

Recoverability of internally generated intangible assets

The risk around the recoverability of the internally generated intangible assets was considered to represent a significant audit risk because, in addition to it being high value, consideration of impairment is a significant management judgement and is considered a significant risk of material misstatement.

Intangible fixed assets are capitalised relating to the Transformation Programme. These are capitalised as the Association expects them to result in future cost savings on systems and staff costs. In the year to 31 March 2026, £22.0m was capitalised (2025: £25.8m). The balance as at 31 March 2026 relating to the Transformation Programme was £106.8m (2025: £102.7m).

The risk arises in relation to the costs capitalised being greater than the value in use of the intangibles based on the expected benefits and cost savings they will generate

Our response

Our procedures included the following:

- **Assessment of recoverability:** Reviewed evidence provided by management regarding the expected future benefits from the Project, to demonstrate that they are more than the costs capitalised to date to evidence there is no impairment.
- **Confirmation of value:** Agreed a sample of additions to intangible fixed assets against supporting documentation and reviewed whether additions to intangible fixed assets have been capitalised appropriately in line with the definitions in FRS 102.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Board's assessment of the entity's ability to continue to adopt the going concern basis of accounting included carrying out the following:

- We obtained management's assessment that supports the Board's conclusions with respect to the disclosures around going concern

Bromford Housing Association Limited

- We considered the appropriateness of management's forecasts by reviewing and assessing assumptions applied by management, assessing historical forecasting accuracy and considered the reasonableness of the range of scenarios included in management's consideration of downside sensitivity analysis
- We challenged management on the suitability of the mitigating actions identified in their downside assessment, including the quantum and period ascribed to these mitigating actions
- We obtained an understanding of the financing facilities from the finance agreements, including the nature of the facilities and covenant headroom calculations. We assessed the facilities and covenant headroom calculations
- We reviewed the wording of the going concern disclosures and assessed its consistency with management forecasts

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 Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Strategic Report, other than the financial statements and our Auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Corporate governance disclosures

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's voluntary compliance with the provisions of the UK Corporate Governance Code.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 14;
- Directors' explanation as to their assessment of the Association's prospects, the period this assessment covers and why the period is appropriate set out on page 14;
- Director's statement on whether it has a reasonable expectation that the Association will be able to continue in operation and meets its liabilities set out on page 14;
- Directors' statement on fair, balanced and understandable set out on page 13;

Bromford Housing Association Limited

- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 4 to 10;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 4 to 10; and;
- Section describing the work of the audit committee set out on page 4.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 13, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association 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.

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing, recognising the nature of the Association's activities and the regulated nature of the Association's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

Bromford Housing Association Limited

- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the Association's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association's members or the Association for our audit work, for this report, or for the opinions we have formed.

Signed by:


DBÇ7679AF0DF489...
Menzies LLP
Chartered Accountants
Statutory Auditor

The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Date: 31-Jul-2026

Bromford Housing Association Limited
Statement of comprehensive income
For the year ended 31 March 2026

	Notes	2026 £'000	2025 £'000
Turnover	2	262,892	243,520
Cost of sales	2	(29,279)	(25,075)
Operating costs	2	(160,486)	(152,216)
Gain on disposal of property assets	10	13,154	11,103
Operating surplus	5	86,281	77,332
Interest receivable	6	901	1,176
Interest and financing costs	7	(52,376)	(45,903)
Movement in fair value of financial instruments	32	(10)	465
Movement in fair value of investments	21	(11)	(38)
(Decrease)/increase in valuation of investment properties	14	(40)	102
Surplus before tax		34,745	33,134
Taxation	11	-	-
Surplus for the year after tax		34,745	33,134
Actuarial gain/(loss) relating to pension scheme	34	1,371	(1,119)
Total comprehensive income for the year		36,116	32,015

The Association's results relate wholly to continuing activities.

The notes on pages 24 to 55 form an integral part of these financial statements.

The financial statements on pages 21 to 55 were approved and authorised for issue by the Board on 28 July 2026 and were signed on its behalf by:



Jacqueline Starr - Chair



Robert Nettleton - Chief Executive



Sarah Beal - Company Secretary

Registration number 4109

Bromford Housing Association Limited**Statement of financial position
As at 31 March 2026**

	Notes	2026 £'000	2025 £'000
Fixed assets			
Tangible fixed assets - housing properties	12	2,753,939	2,512,894
Investment properties	14	2,060	1,377
Tangible fixed assets - other	15	13,454	10,745
Intangible Fixed Assets	16	107,046	93,682
Investments - other	17	4,000	4,000
Homebuy loans receivable	18	364	364
		<u>2,880,863</u>	<u>2,623,062</u>
Current assets			
Stocks	19	30,120	23,286
Trade and other debtors : receivable within one year	20	144,014	145,761
Investments	21	10,665	15,434
Cash and cash equivalents	22	19,340	21,649
		<u>204,139</u>	<u>206,130</u>
Creditors: amounts falling due within one year	23	<u>(105,831)</u>	<u>(88,288)</u>
Net current assets		<u>98,308</u>	<u>117,842</u>
Total assets less current liabilities		<u>2,979,171</u>	<u>2,740,904</u>
Creditors - amounts falling due after more than one year	24	(2,206,571)	(1,997,795)
Provisions for liabilities			
Pension liability	34	(8,304)	(10,526)
Other provisions	27	(577)	(4,530)
Total net assets		<u>763,719</u>	<u>728,053</u>
Reserves			
Called up share capital	28	-	-
Income and expenditure reserve		691,296	654,631
Revaluation reserve		<u>72,423</u>	<u>73,422</u>
Total reserves		<u>763,719</u>	<u>728,053</u>

The notes on pages 24 to 55 form an integral part of these financial statements. The financial statements on pages 21 to 55 were approved and authorised for issue by the Board on 28 July 2026 and were signed on its behalf by:



Jacqueline Starr
Chair



Robert Nettleton
Chief Executive



Sarah Beal
Company Secretary

Bromford Housing Association Limited**Statement of movement in reserves
For the year ended 31 March 2026**

	Revaluation reserve £'000	Income and expenditure reserve £'000	Total £'000
Balance at 1 April 2024	74,956	621,082	696,038
Surplus from statement of comprehensive income		33,134	33,134
Other comprehensive income:			
Actuarial losses relating to pension schemes	-	(1,119)	(1,119)
Total comprehensive income for the year	-	32,015	32,015
Reserve transfers:			
Transfer in respect of depreciation	(1,534)	1,534	-
Balance at 31 March 2025	73,422	654,631	728,053
Surplus from statement of comprehensive income		34,745	34,745
Other comprehensive income:			
Actuarial gains relating to pension schemes	-	1,371	1,371
Total comprehensive income for the year	-	36,116	36,116
Reserve transfers:			
Transfer in respect of depreciation	(884)	884	-
Disposals	(115)	115	-
Transfer to capital grant	-	(450)	(450)
Balance at 31 March 2026	72,423	691,296	763,719

The notes on pages 24 to 55 form an integral part of these financial statements.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Legal Status

Bromford Housing Association Limited (BHA) is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 (Registered Society number 7106R) and is registered with the Regulator of Social Housing (RSH) as a Private Registered Provider of Social Housing (registration number L4819). The registered office is Shannon Way, Ashchurch, Tewksbury, GL20 8ND.

1. Principal accounting policies

The financial statements of the Association are prepared in accordance with Financial Reporting Standard 102 – the applicable financial reporting standard in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018 and comply with the Accounting Direction of Private Registered Providers of Social Housing 2022. The Association is a public benefit organisation and applies the relevant paragraphs prefixed “PBE” in FRS 102.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000. The financial statements are prepared on the historical cost basis as modified by the fair value of certain investments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The preparation of the accounts requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Association has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”:

- the requirements of Section 4 Statement of financial position paragraph 4.12(a)(iv)
- the requirements of Section 7 Statement of cash flows
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d)
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c)
- the requirement of Section 33 Related Party Disclosures paragraph 33.7

This information is included in the consolidated financial statements of Bromford Flagship LiveWest Limited as at 31 March 2026 and these financial statements can be obtained from the website bfl-places.co.uk.

Going concern

The Board, after reviewing the Association’s budgets for 2026 to 2027 and the Group’s medium term financial position as detailed in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the Group and Association have adequate resources to continue in business for the foreseeable future. The Board therefore continues to adopt the going concern basis in preparing the annual financial statements.

Turnover and revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts, void loss and value added taxes (where applicable).

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

The Association generates the following material income streams:

- **Rental and service charge income**

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Service charge income is recognised when service charge expenditure is incurred as this is the point at which the services have been performed. The Association operates both fixed and variable service charges on a scheme by scheme basis in full consultation with customers. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to customers by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the statement of financial position. Where periodic expenditure is required, a balance may be built up over the years, in consultation with the customers. Until these costs are incurred this liability is held in the statement of financial position within long term creditors. For schemes managed by agents, income is shown as rent receivable and management fees payable to agents are included in operating costs.

- **Shared ownership first tranche sales**

Income from first tranche sales is recognised at the point of legal completion of the sale. The surplus or deficit arising on a first tranche sale is shown after deducting the cost of the properties and related sale expenses which is recorded in cost of sales.

- **Grants**

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. If there are specific performance requirements, the grant is recognised in turnover when the performance requirements are met.

- **Interest income**

Interest income is recognised when received or receivable.

Taxation

The Association is registered as a charity with HM Revenue & Customs. By virtue of S.478 Corporation Tax Act 2010, the Association is exempt from corporation tax. The Association pays corporation tax at the rate applicable on any surplus it generates from non-charitable activities.

Taxation expense for the period comprises current tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity respectively. Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted by the period end.

Value Added Tax

The Association charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Association and is not recoverable. The balance receivable or payable at the year-end is included in current assets or current liabilities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or deemed cost valuation (as part of the FRS102 transition, taken at 1 April 2014), less accumulated depreciation and accumulated impairment losses.

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide a social benefit. Housing properties are held at cost. Cost includes the original purchase price, directly attributable development costs,

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

borrowing costs and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties. Donated land/assets or assets acquired at below market value from a government source, i.e. local authority, are included as a liability in the statement of financial position at the fair value less consideration paid.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

	Years
Boilers	15
Heating systems	25- 30
Electrics and wiring	30
Insulation	30
PV Panels	25-30
Lifts	25-40
Kitchens	20
Bathrooms	30
Roofs	50-80
Windows and doors	25-30
Structure – houses	130
Structure – flats	100

Freehold land is not depreciated.

The Association depreciates housing properties held on long leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

The costs of low-cost home ownership properties are split between current and fixed assets based on the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Works to existing properties which replace a component that has been treated separately for depreciation purposes or result in enhancing the economic benefits of the properties are capitalised. Where the component is replaced the cost and related depreciation are eliminated from housing properties. Economic benefits are enhanced if the improvements result in an increase in rental income, a reduction in future maintenance costs or a significant extension of the life of the property. Works to existing properties which do not meet the above criteria are expensed as incurred.

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress. The interest capitalised is either on borrowings specifically taken to finance a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. This treatment applies irrespective of the original purpose for which the loan was raised. Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into its intended use.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Other tangible fixed assets

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

	Years	
Motor vehicles	6	(20% residual value)
Fixtures, fittings, plant and equipment	4-10	
Computer hardware	3-5	
Leasehold improvements	10-25	
Office buildings	50	

Intangible fixed assets

Software acquisition costs, licence costs and development costs are treated as intangible fixed assets and are stated at cost, less accumulated amortisation and accumulated impairment losses. Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Association are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available
- the expenditure attributable to the software during its development can be reliably measured

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Amortisation is charged on a straight-line basis over the expected economic useful life of the asset of up to fifteen years.

Investment property

Investment property includes commercial and other properties held by the Association for reasons other than social benefit or for use in the business. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

Valuation of investments

Investments in subsidiaries are measured at cost less any accumulated impairment.

Operating leases

Payments are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

HomeBuy

The Association operates this scheme by lending a percentage of the cost to home purchasers, secured on the property. The loans are interest free and repayable only on the sale of the property. On a sale, the fixed percentage of the proceeds is repaid. The loans are financed by an equal amount of Social Housing Grant (SHG).

In the event a property is sold, the Association recovers the equivalent loaned percentage value of the property at the time of sale:

- the grant is recyclable up to the value of the original grant
- if there has been a fall in value of the property, the shortfall in proceeds can be offset against the grant
- the Association can keep any surplus

HomeBuy loans are treated as concessionary loans and are initially recognised at the amount payable by the purchaser and reviewed annually for impairment. The associated HomeBuy grant from the Regulator of Social Housing is recognised as deferred income until the loan is redeemed.

Current asset investments

Current asset investments include cash and cash equivalents invested for periods of more than 30 days which cannot be accessed within 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the statement of comprehensive income.

Stock and properties held for sale

Stocks of materials are stated at the lower of cost and net realisable value. Work in progress and finished goods include labour and attributable overheads. Cost of materials is based on a first in, first out basis. Net realisable value is the estimated selling price less costs to complete and sell.

Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits which mature within 30 days.

Social housing and other government grants

Government grants include grants receivable from Homes England, local authorities and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure under the accruals model. Grants relating to revenue are recognised in the statement of comprehensive income over the same period as the expenditure to which they relate once reasonable assurance has been gained that the Association will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets, current liabilities, or non-current liabilities in accordance with the expected realisation of the income. Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England. Government grants released on the sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income.

Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed, but not recognised, in the financial statements as the probability of an outflow of resources is remote.

Colleague benefits

The Association provides a range of benefits to colleagues, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Annual bonus plan

The Association operates an annual bonus plan for certain colleagues. An expense is recognised in the statement of comprehensive income when the Association has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

Defined benefit pension

The Association operates a defined benefit plan for certain colleagues. A defined benefit plan defines the benefit that the colleague will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date. The defined benefit obligation is calculated using the projected unit credit method. Annually the Association engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate'). The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Association's policy for similarly held assets. This includes the use of appropriate valuation techniques. The amounts charged to operating surplus are the costs arising from the colleague services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of colleague costs. The net interest cost on the net defined benefit liability is charged to surplus for the year and included within finance costs. Remeasurement of the net assets/defined liability are recognised in other comprehensive income. Defined benefit schemes are funded in separate trustee administered funds. The actuarial valuations are obtained triennially and are updated at each reporting date.

Defined contribution pension

The Association also provides a defined contribution pension scheme for colleagues. The employer contribution to the scheme is charged to the statement of comprehensive income as it becomes payable. The assets of the schemes are kept separately from those of the Association in separately administered funds.

Revaluation reserve

The revaluation reserve represents the difference on transition to FRS102 between the fair value of social housing properties and other assets and the historical cost carrying value, where deemed cost transitional relief was taken. The difference between the actual depreciation charge and the historical cost depreciation charge is transferred from the revaluation reserve to the revenue reserve annually.

Financial instruments

The Association has chosen to adopt Sections 11 of FRS 102 in respect of financial instruments.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Basic financial instruments

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that this is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services, deducted from the liability recognised and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives such as interest rate swaps are classified as financial assets or financial liabilities at fair value.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Carrying amounts

The carrying amounts of non-financial assets not carried at fair value, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "CGU"). An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Segmental reporting

The Association's reportable segments are based on its operational divisions which offer distinguishable services, are managed separately and are regularly assessed by the chief operating decision makers, the Association's Executive Board. Operating division results include items directly attributable to the segment, together with the apportioned centralised costs. Central costs are allocated based on a number of factors including number of homes and staff costs within each of their respective operations. The presentation of these financial statements and accompanied notes reflect the Association's management and internal reporting. The information reviewed within the management accounts to assess performance and make strategic decisions are consistent with and closely aligned to the financial statements.

The material operating segments are disclosed in note 2 where information about income and expenditure attributable to the material operating segments are presented on the basis of tenure type. This is appropriate based on the similarity of the services provided, the nature of the risks associated and the nature of the regulatory environment in which the Association operates. Assets and liabilities are not reported by operating segment or tenure, other than housing properties which are split by tenure type and are shown in note 12.

Critical accounting judgements and estimation uncertainty

The Association makes estimates and assumptions concerning the future. Estimates and judgements are based on historical experience and future expectations but by definition, will seldom equal the related actual results. The judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Operating surplus

Operating surplus is shown including the following as these are part of our usual operating activity:

- Gain on disposal of housing properties and other property, plant and equipment

Management have made a judgement that the movement in fair value of investment properties does not form part of our usual operating cycle based on the existing use of the assets.

Tangible fixed assets

Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Housing property allocation

Where schemes under construction are mixed tenure, costs are split using a suitable method such as area (square footage) or rental yield. The allocation of the cost of shared ownership schemes under construction between inventories and housing properties is determined by past experience. At 31 March 2026 management have determined that 30%-40% is a suitable estimate based on the Association's experience in the year. Management forecast the market value of shared ownership properties on a scheme-by scheme basis which informs the current element allocated to stock accordingly. This estimate influences stock valuations in note 19 and housing properties under construction in note 12.

Categorisation of debt

The Association's loans have been treated as 'basic' in accordance with paragraphs 11.8 and 11.9 of FRS 102. The Association has fixed rate loans which have a two-way break clause which means, in addition to compensation being payable by a borrower to a lender if a loan is prepaid where the prevailing fixed rate is lower than the existing loan's fixed rate, compensation could be payable by the lender to the borrower in the event that a loan is prepaid and the prevailing fixed rate is higher than the existing loan's fixed rate. On 2 June 2016, The Financial Reporting Council (FRC) issued a statement in respect of such loans and gave no prescriptive direction as to whether they should be classified as 'basic' or 'non-basic'. The Association believes the recognition of each loan liability at cost provides a transparent and understandable position of the Association's financial position and that each loan still satisfies the requirements of paragraphs 11.8 and 11.9 of FRS 102, therefore, the Association has retained its 'basic' treatment of its fixed rate loans following the FRC announcement.

Intangible fixed assets

These are amortised over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Pension and other post-employment benefits

The Association has obligations to pay pension benefits to certain colleagues. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The assumptions reflect historical experience and current trends. For details of assumptions adopted, see note 34.

Impairment of non-financial assets

Reviews for impairment of housing properties and intangible assets are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the statement of comprehensive income.

Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified. Following a trigger for impairment, the Association performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Association as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include any restructuring activities that the Association is not yet committed to nor any significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

A detailed review has been performed in relation to housing stock and work in progress and no adjustment to carrying values was required. The carrying value of intangible assets has been assessed this year with no triggers for impairment identified.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

Rent arrears and bad debt provisions

The Association makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of the debtors and historical experience.

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

		2026				
2. Turnover and operating surplus		Turnover	Cost of sales	Operating costs	Surplus on disposal	Operating surplus/ (deficit)
	Note	£'000	£'000	£'000	£'000	£'000
Social housing lettings						
Housing accommodation	3	184,922	-	(127,793)	-	57,129
Supported housing accommodation	3	17,364	-	(14,431)	-	2,933
Shared ownership accommodation	3	21,480	-	(9,930)	-	11,550
		223,766	-	(152,154)	-	71,612
Other social housing activities						
First tranche shared ownership sales		35,661	(29,279)	-	-	6,382
Supported people contract income		624	-	(465)	-	159
Sales and development		-	-	(4,205)	-	(4,205)
Other		2,170	-	(2,994)	-	(824)
Gain on disposal of property, plant and equipment		-	-	-	13,154	13,154
Non-social housing activities						
Market rents		11	-	(10)	-	1
Commercial rents		130	-	(465)	-	(335)
Other		530	-	(193)	-	337
		262,892	(29,279)	(160,486)	13,154	86,281

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

		2025				
2. Turnover and operating surplus		Turnover	Cost of sales	Operating costs	Surplus on disposal	Operating surplus/ (deficit)
	Note	£'000	£'000	£'000	£'000	£'000
Social housing lettings						
Housing accommodation	3	173,668	-	(121,208)	-	52,460
Supported housing accommodation	3	14,290	-	(12,679)	-	1,611
Shared ownership accommodation	3	19,775	-	(9,418)	-	10,357
		207,733	-	(143,305)	-	64,428
Other social housing activities						
First tranche shared ownership sales		30,595	(25,075)	-	-	5,520
Supported people contract income		618	-	(441)	-	177
Sales and development		-	-	(3,988)	-	(3,988)
Other		2,327	-	(2,838)	-	(511)
Gain on disposal of property, plant and equipment		-	-	-	11,103	11,103
Non-social housing activities						
Market rents		1,854	-	(1,020)	-	834
Commercial rents		(115)	-	(441)	-	(556)
Other		508	-	(183)	-	325
		243,520	(25,075)	(152,216)	11,103	77,332

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

	2026			2025	
3. Income and expenditure from social housing lettings					
	Housing accommodation £'000	Supported housing £'000	Shared ownership £'000	Total £'000	Total £'000
Income					
Rent receivable net of identifiable service charge	177,055	10,463	19,143	206,661	192,261
Service charge income	4,374	5,528	1,706	11,608	10,406
Charges for support services	124	385	353	862	879
Amortised government grants	3,189	988	278	4,455	4,187
Revenue grants from other sources	180	-	-	180	-
Turnover from social housing lettings	184,922	17,364	21,480	223,766	207,733
Expenditure					
Management	23,722	4,489	2,857	31,068	30,478
Service charge costs	14,313	3,178	801	18,292	17,861
Routine maintenance	30,676	2,600	754	34,030	33,618
Planned maintenance	14,526	969	566	16,061	15,903
Major repairs expenditure	10,419	643	2,311	13,373	13,305
Bad debts	3,465	505	465	4,435	433
Depreciation of housing properties	30,672	2,047	2,176	34,895	31,707
Operating expenditure on social housing lettings	127,793	14,431	9,930	152,154	143,305
Operating surplus on social housing lettings	57,129	2,933	11,550	71,612	64,428
Voids	(971)	(544)	(54)	(1,569)	(1,892)

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****4. Accommodation - owned and managed**

	2025	Additions	Disposals	Other	2026
	No.	No.	No.	No.	No.
Owned and managed					
Social housing					
General Needs housing - social rent	21,862	520	(63)	(19)	22,300
General Needs housing - affordable/intermediate rent	4,298	258	(5)	-	4,551
Supported housing	1,546	14	(4)	142	1,698
Care homes	128	-	-	-	128
Low-cost home ownership	4,269	357	(93)	(24)	4,509
Social leasehold*	960	-	(1)	12	971
Total social housing units	33,063	1,149	(166)	111	34,157
Owned and managed	32,593	1,142	(164)	112	33,683
Owned but not managed	338	-	(2)	4	340
Managed for others	132	7	-	(5)	134
	33,063	1,149	(166)	111	34,157
Non-social housing					
Staff accommodation	2	-	-	-	2
Market rent	141	-	-	(139)	2
Commercial	23	-	-	5	28
Offices and resource	88	1	(2)	-	87
Non-social leasehold*	129	-	-	5	134
Retained interest	915	-	-	57	972
Total non-social housing units	1,298	1	(2)	(72)	1,225

*Leasehold units brought forward have been reclassified between social and non-social housing units.

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****5. Surplus on ordinary activities**

The surplus on ordinary activities is stated after charging	2026	2025
	£'000	£'000

Operating lease rentals		
- office land and buildings	99	62
- other operating lease rentals	697	1,262
Auditors' remuneration		
- audit of financial statements	87	75

6. Interest receivable and income from investments	2026	2025
	£'000	£'000

Interest receivable from cash, deposits and intragroup loans	901	1,176
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7. Interest payable and similar charges	2026	2025
	£'000	£'000

Interest on loans, overdrafts and other financing

Repayable wholly within five years	539	814
Repayable wholly or partly in more than five years	14,208	17,051
	14,747	17,865

On loans from parent company	41,451	30,746
Other finance charges	273	286
Amortised net finance costs	1,437	550
	57,908	49,447

Interest payable capitalised on housing properties under construction 4.32% (2025: 4.04%)	(6,112)	(4,514)
	51,796	44,933

Net interest cost on defined benefit deficit	580	970
	52,376	45,903

Included within interest payable is a £1.1m loan break gain on the restructuring of an external loan facility prior to novation to the parent undertaking.

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

8. Colleague costs	2026	2025
	£'000	£'000
Wages and salaries	59,142	55,451
Social security costs	7,421	5,613
Other pension costs	3,262	2,691
	69,825	63,755

The average number of full-time equivalent employees (including Executive Directors) employed during the year

	2026	2025
	No.	No.
Asset management	673	629
Central services	263	219
Development, construction and sales	139	82
Housing management and support	437	432
	1,512	1,362

A full-time equivalent employee is classed as working a 37.5 hour week.

The details above relate to colleagues directly attributable to Bromford Housing Association. Colleagues in the Group are employed on a joint and several basis by Bromford Flagship LiveWest Limited and its members. Details of the number of FTE's whose total remuneration exceeds £60k are disclosed in the BFL Annual Report and Accounts

9. Directors' emoluments

The total emoluments of the Directors are paid through BFL and are disclosed in the BFL Annual Report and Accounts. Directors' emoluments are part of the overheads recharged to the Association, however, cannot be separately identified.

10. Sale of properties not developed for outright sale and other fixed assets

	Proceeds of sales £'000	Cost of sales £'000	Surplus £'000	Capital grant recycled £'000
Further tranches of shared ownership	15,463	(9,339)	6,124	860
Right to buy	710	(878)	(168)	-
Right to acquire	1,482	(743)	739	330
Other property disposals	10,162	(3,693)	6,469	673
Other fixed asset disposals	1,229	(1,239)	(10)	-
Total 2026	29,046	(15,892)	13,154	1,863
Total 2025	23,923	(12,820)	11,103	1,023

Bromford Housing Association Limited

Notes to the financial statements
For the year ended 31 March 2026

11. Taxation on surplus on ordinary activities	2026	2025
	£'000	£'000
Current tax		
UK corporation tax charge/(credit) on ordinary activities	-	-
Tax on surplus on ordinary activities	-	-
Total tax reconciliation		
Surplus on ordinary activities	34,745	33,134
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	8,686	8,284
Effects of		
Surplus relating to charitable activities	(8,686)	(8,284)
	-	-

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****12. Tangible fixed assets - housing properties**

	Housing properties under construction £'000	Completed shared ownership housing properties £'000	Shared ownership properties under construction £'000	Total £'000
Cost				
At 1 April 2025	2,222,844	335,586	315,052	2,873,482
Additions	-	-	263,003	263,003
Capitalised interest	-	-	6,112	6,112
Replacement of components	35,403	-	-	35,403
Transferred on completion	110,414	35,462	(145,876)	-
Disposals	(3,399)	(8,880)	-	(12,279)
Components disposed	(6,865)	(5)	-	(6,870)
Transfers to Group company	-	-	(15,134)	(15,134)
Transfer to investment properties	(750)	-	-	(750)
At 31 March 2026	2,357,647	362,163	423,157	3,142,967
Depreciation				
At 1 April 2025	352,449	8,139	-	360,588
Charge for the year	33,644	1,980	-	35,624
Disposals	(6,733)	(451)	-	(7,184)
At 31 March 2026	379,360	9,668	-	389,028
Net book value				
At 31 March 2026	1,978,287	352,495	423,157	2,753,939
At 31 March 2025	1,870,395	327,447	315,052	2,512,894
			2026	2025
			£'000	£'000
Housing property net book value in respect of long leaseholds			22,658	22,868
Housing property net book value in respect of freeholds			497,953	458,171
			520,611	481,039
Component depreciation within the depreciation charge			23,147	21,389
Development administration costs capitalised during the year			4,981	3,296
Aggregate amount of interest and finance cost included within the cost of housing properties			46,128	40,016

Properties held for security

Bromford Housing Association - Registered Social Housing Provider - has property pledged as security value (existing use value – social housing and market value (EUV – SH) and market value – subject to tenancy (MV – STT)) of £2,298m (2025: £2,107m).

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

13. Expenditure on work to existing properties	2026	2025
	£'000	£'000
Replacement of components	36,507	34,616
Amounts charged to statement of comprehensive income	13,373	13,305
	49,880	47,921

14. Investment properties held for letting	2026	2025
	£'000	£'000
At 1 April	1,377	1,978
Transfer from/(to) tangible fixed assets - housing properties	750	(460)
Additions	2	8
(Loss)/gain from adjustment in value	(40)	102
Disposals	(29)	(251)
At 31 March	2,060	1,377

Investment properties (commercial and market rent) were valued at 31 March 2026 by professional qualified external valuers.

The valuation of investment properties was undertaken by Jones Lang Lasalle Limited in accordance with the Royal Institute of Chartered Surveyors Valuation Standards. In valuing the properties, the following significant assumptions were applied

Discount rate	7-7.5%
Annual inflation rate	0.5%

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****15. Tangible fixed assets - other**

	Freehold offices £'000	Fixtures, fittings & equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2025	6,589	1,536	8,888	6,851	23,864
Additions	-	36	1,005	4,416	5,457
Disposals	-	(69)	(3,528)	(24)	(3,621)
At 31 March 2026	6,589	1,503	6,365	11,243	25,700
Depreciation and impairment					
At 1 April 2025	2,929	689	7,078	2,423	13,119
Charge for the year	181	217	1,259	1,076	2,733
Disposals	-	(69)	(3,526)	(11)	(3,606)
At 31 March 2026	3,110	837	4,811	3,488	12,246
Net book value					
At 31 March 2026	3,479	666	1,554	7,755	13,454
At 31 March 2025	3,660	847	1,810	4,428	10,745

16. Intangible fixed assets

	Software £'000	Total £'000
Cost		
At 1 April 2025	115,692	115,692
Additions	17,712	17,712
Disposals	(1,175)	(1,175)
As at 31 March 2026	132,229	132,229
Amortisation		
At 1 April 2025	22,010	22,010
Charge for the year	4,348	4,348
Disposals	(1,175)	(1,175)
As at 31 March 2026	25,183	25,183
Net book value		
At 31 March 2026	107,046	107,046
At 31 March 2025	93,682	93,682

Included within software are amounts capitalised for our software transformation project of £106.8m (2025: £102.7m), of which £54.1m (2025: £48.7m) is under development and has not yet been amortised. The completed phases are being amortised over 15 years. The residual costs relate to other software which is being amortised between 3 to 7 years.

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

17. Investments - other	2026	2025
	£'000	£'000
Bromford Assured Homes Limited	<u>4,000</u>	<u>4,000</u>
	4,000	4,000
18. HomeBuy loans	2026	2025
	£'000	£'000
As at 1 April	364	382
Loans redeemed in the year	-	(18)
As at 31 March	<u>364</u>	<u>364</u>
19. Stocks and work in progress	2026	2025
	£'000	£'000
Consumable stock	964	1,069
Land	274	274
Cost of first tranche element of shared ownership properties	<u>28,882</u>	<u>21,943</u>
	30,120	23,286
Completed	1,213	835
Under construction	<u>27,669</u>	<u>21,108</u>
	28,882	21,943
20. Trade and other debtors	2026	2025
	£'000	£'000
Amounts falling due within one year		
Rent arrears	11,954	12,722
Less: provision for bad debts	<u>(7,718)</u>	<u>(4,569)</u>
	4,236	8,153
Trade debtors	880	404
Amounts due from Group companies	126,235	126,720
Other debtors	4,559	3,322
Prepayments and accrued income	<u>8,104</u>	<u>7,162</u>
	144,014	145,761

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

21. Current asset investments	2026	2025
	£'000	£'000
Opening fair value at 1 April	15,434	15,195
Additions to investments	-	-
Withdrawals from investments	(5,000)	-
Interest	242	277
Losses on re-measurement to fair value	(11)	(38)
Fair value at 31 March	10,665	15,434

22. Cash and cash equivalents	2026	2025
	£'000	£'000
Cash at bank	19,340	21,649

Included in the above are balances totalling £4.0m (2024: £4.0m) which are held in trust for shared ownership leaseholders.

23. Creditors: amounts falling due within one year	2026	2025
	£'000	£'000
Prepaid rental income	9,358	7,795
Loans	13,492	12,109
Interest rate swaps	-	106
Trade creditors	11,433	5,929
Amounts due to group companies	10,916	6,359
Social security and other taxes	-	2,080
Deferred capital grant	4,404	6,250
Recycled capital grant fund	-	2,795
Other creditors	4,895	4,699
Accruals and deferred income	51,333	40,166
	105,831	88,288

24. Creditors: amounts falling due after more than one year	2026	2025
	£'000	£'000
Loans	373,848	435,764
Loans due to Group companies	1,122,110	1,010,921
Interest rate swaps	-	748
Deferred capital grant	694,734	537,210
Recycled capital grant fund	4,207	4,426
Other capital grants	5,692	3,456
Other creditors	5,980	5,270
	2,206,571	1,997,795

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****24. Creditors: amounts falling due after more than one year (continued)**

Loan repayment profile	2026	2025
	£'000	£'000
Repayable within one year	10,938	12,109
Repayable between one and two	11,226	13,050
Repayable between two and five years	35,572	37,850
Repayable after five years	301,926	354,030
Add fair value adjustments	27,920	31,096
Less: Loan finance costs	(242)	(262)
	387,340	447,873

During the year the Association novated its interest rate swaps to its parent company, Bromford Flagship LiveWest Limited. On novation a fair value cost of £10k was crystallised and this is recorded in the statement of comprehensive income.

Interest rate swap creditor profile	2026	2025
	£'000	£'000
Due within one year	-	106
Due between one and two	-	276
Due between two and five years	-	445
Due after five years	-	27
	-	854

The interest risk profile of loan liabilities are as follows	2026	2025
	£'000	£'000
Floating rate - average 4.15% (2025: 4.97%)	286	7,650
Fixed rate - average 4.70% (2025: 4.72%)	359,376	440,485
	359,662	448,135

Undrawn committed borrowing facilities (all secured) at 31 March were	2026	2025
	£'000	£'000
Expiring within one year	-	-
Expiring between one and two	-	-
Expiring between two and five years	-	22,749
Expiring after five years	-	-
	-	22,749

The undrawn borrowing facilities were novated to the parent undertaking, Bromford Flagship LiveWest during the year.

Bromford Housing Association Limited

Notes to the financial statements For the year ended 31 March 2026

25. Deferred capital grant	2026	2025
	£'000	£'000
At 1 April	543,460	489,455
Grants received in year	156,475	53,758
Transferred from another Group company	104	2,572
Grants recycled from the recycled capital grant fund	5,196	2,969
Grants recycled to the recycled capital grant fund	(1,863)	(2,019)
Amortised in year	(4,597)	(4,342)
Disposals	363	1,067
As at 31 March	699,138	543,460
Amount due to be released within one year	4,404	6,250
Amount due to be released in more than one year	694,734	537,210
	699,138	543,460

26. Recycled capital grant fund	2026	2025
	£'000	£'000
At 1 April	7,221	7,814
Inputs to reserve		
Grants recycled	1,863	2,019
Transfer from Group company	27	-
Interest accrued	292	357
Utilised		
New build	(5,196)	(2,969)
	4,207	7,221
Amounts due within one year	-	2,795
Amounts due after more than one year	4,207	4,426
	4,207	7,221
Amount three years or older where repayment may be required	-	-

Withdrawals from the recycled capital grant fund were used for the purchase and development of new housing schemes and retirement living.

27. Provision for liabilities and charges	2026	2025
	£'000	£'000
As at 1 April 2024	4,530	2,708
Additions	753	3,862
Utilised	(4,706)	(2,040)
As at 31 March 2025	577	4,530

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

28. Share Capital	2026	2025
	£	£
Issued and fully paid (nominal value £1)		
At 1 April	11	7
Allotted	4	5
Cancelled	(4)	(1)
	11	11

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. The shares are non-withdrawable and non-transferable. When a shareholder ceases to be a shareholder, the share is cancelled and the amount paid up becomes the property of the Association.

Revaluation reserve - represents the difference on transition to FRS102 between the fair value of social housing properties and other assets and the historical cost carrying value, where deemed cost transitional relief was taken.

Income and expenditure reserve - represents the net surplus which are not restricted.

29. Capital commitments	2026	2025
	£'000	£'000
Capital expenditure contracted for but not provided for in the financial statements	366,171	217,013
Capital expenditure authorised by not yet contracted for	24,341	51,401

These commitments are to be financed by the receipt of social housing grant and a mixture of loan finance, reserves and proceeds from the sales of housing properties as follows

Social housing grant	66,430	38,857
Proceeds from the sale of properties	65,412	42,424
Loans and reserves	258,670	187,133
	390,512	268,414

30. Other financial commitments

The minimum lease payments due under operating leases are as follows

	Land and buildings		Vehicles and office equipment		Total leases	
	2026	2025	2026	2025	2026	2025
	£'000	£'000	£'000	£'000	£'000	£'000
Operating leases which expire						
Within one year	-	65	421	522	421	587
Within two to five years	-	-	537	958	537	958
After more than five years	-	-	-	-	-	-
	-	65	958	1,480	958	1,545

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****31. Grant and financial assistance**

The total accumulated government grant and financial assistance received or receivable at 31 March was as follows

	2026	2025
	£'000	£'000
Held as deferred capital grant	699,138	543,460
Recognised as income in statement of comprehensive income	117,090	112,856
	<u>816,228</u>	<u>656,316</u>

32. Financial instruments

The Association's financial instruments may be analysed as follows

	2026	2025
	£'000	£'000
Financial liabilities measured at fair value through statement of comprehensive income		
Derivative financial instruments	-	854
Total financial liabilities	<u>-</u>	<u>854</u>

33. Related party transactions

Transactions with non-regulated members of the Group

	2026		
	Bromford Developments Limited BDL £'000	Strand Services Limited STR £'000	Riverside Mews Limited RIV £'000
Income			
Management recharges	<u>-</u>	<u>4</u>	<u>2</u>
	<u>-</u>	<u>4</u>	<u>2</u>
Expenditure			
Construction services	<u>58,742</u>	<u>-</u>	<u>-</u>
	<u>58,742</u>	<u>-</u>	<u>-</u>

All other income and expenditure is charged on an actuals basis.

During the year the Association has incurred charges of £64k (2025: £85k), in respect of services provided from a company which has a common Director. At the year end the balance due to the supplier was £nil (2025: £nil).

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****33. Related party transactions (continued)**

	2025			
	Bromford Developments Limited BDL £'000	Strand Services Limited STR £'000	Riverside Mews Limited RIV £'000	Igloo Insurance PCC Limited (Cell BR04) IGL £'000
Income				
Management recharges	-	4	2	-
	<u>-</u>	<u>4</u>	<u>2</u>	<u>-</u>
Expenditure				
Construction services	47,889	-	-	-
Insurance fees	-	-	-	55
	<u>47,889</u>	<u>-</u>	<u>-</u>	<u>55</u>

At the year-end, included in the Group intercompany trading and loan balances were the following net balances due from/(to) non regulated entities

	2026 £'000	2025 £'000
Bromford Developments Limited	17,738	20,108
Bromford Assured Homes Limited	(2,664)	(403)
Strand Services Limited	4	4
Riverside Mews Limited	3	3
	<u>15,081</u>	<u>19,712</u>

The subsidiaries of Bromford Housing Association Limited, which are all non-regulated and incorporated under the Companies Act 1985

Trading companies	Company registration number	Date of incorporation	Intragroup arrangement	Type of transaction
Bromford Assured Homes Limited (100% owned)	2677730	09-Jan-92	BHA provides administrative services to BAH	Administrative recharges
Riverside Mews Management Company Limited (75% owned)	2953846	29-Jul-94	Management company for leasehold schemes in BHA ownership	Management income
Strand Services Limited (75% owned)	2645753	16-Sep-91	Management company for leasehold schemes in BHA ownership	Management income

Under section 33 of FRS102 defined benefit pension schemes are considered to be related parties. BHA is a member of the Bromford defined benefit scheme. Details of transactions with the scheme is disclosed in note 34.

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****34. Pension obligations**

During the year, the Association participated in one defined benefit (DB) scheme, the Bromford DB Scheme (BDBS).

The Association also participates in the Bromford defined contribution (DC) scheme. Further details of pension obligations are given below.

Summary of Pension Schemes balances

	2026	2025
	£'000	£'000
Creditors due less than one year		
The Pension Trust DC scheme	(762)	(472)
Provisions for Pensions		
Bromford DB Scheme	(8,304)	(10,526)

Bromford DB Scheme (BDBS)

This is a separate trustee administered DB scheme set up on 31 March 2018 following the transfer of obligations from the Bromford section of the Social Housing Pension Scheme (SHPS) and subsequent transfer of obligations from the Merlin Housing Society section of SHPS on 30 September 2019.

The scheme holds the pension assets to meet long term pension liabilities. Scheme liabilities have been based on data provided for the actuarial valuation as at 30 September 2024. These have been updated to 31 March 2026 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The Association has agreed a Schedule of Contributions with the Trustee, with an effective date of 30 September 2024.

Contributions for the year ended 31 March 2026 and 31 March 2025

	2026	2025
	£'000	£'000
Employee	73	49
Employer	2,522	2,482
Total	2,595	2,531
Agreed contribution rates for future years:		
Employee		
1/80 th DB section	14.5%	14.5%
1/120 th DB section	4.7%	4.7%
Employer	10%	10%

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026****Principal actuarial assumptions**

The following information is based upon the actuarial valuation of the scheme at 30 September 2024 updated to 31 March 2026 by a qualified independent actuary.

Mortality assumptions adopted Life expectancy at age 65 (Years)	2026	2025
Male retiring in 2026 (2025)	22.4	21.9
Female retiring in 2026 (2025)	24.5	24.2
Male retiring in 2046 (2045)	24.0	23.5
Female retiring in 2046 (2045)	25.9	25.6
Other Assumptions % per annum		
Discount Rate	6.26%	5.90%
Inflation (RPI)	3.24%	3.05%
Inflation (CPI)	3.00%	2.75%
Salary Growth	3.00%	2.75%
Allowance for revaluation of deferred pensions of RPI or 5% p.a. if less	3.24%	3.05%
Allowance for pension in payment increases of CPI or 5% p.a. if less	2.91%	2.70%
Allowance for pension in payment increases of CPI or 2.5% p.a. if less	2.04%	1.95%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.31%	2.20%

A summary of the movement in pension assets and liabilities for the BDBS is shown below:

	2026 £'000	2025 £'000
Fair value of fund assets	66,282	64,065
Present value of defined benefit obligation	(74,586)	(74,591)
Pension deficit	(8,304)	(10,526)

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

The fair value of the assets:

	2026	2025
	£'000	£'000
Equity	7,944	6,672
Corporate bonds	4,743	3,986
Property	3,206	2,912
Cash	1,089	1,211
Other	5,558	7,547
LDI assets	24,790	23,836
Liquid alternatives	11,481	10,804
Private credit	7,471	7,097
Total assets	66,282	64,065

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

Reconciliation of assets and liabilities

Reconciliation of assets at 31 March 2026:

	£'000
Assets at start of period	64,065
Interest income on assets	3,764
Expenses	(224)
Return on assets excluding interest income	(1,006)
Employer contributions paid	2,522
Employee contributions	73
Benefits paid	(2,912)
Assets at end of period	66,282
Actual return on plan assets 1 April 2025 to 31 March 2026	2,758

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

Reconciliation of liabilities at 31 March 2026:

	£'000
Liabilities at start of period	74,591
Service cost	867
Interest cost	4,344
Employee contributions	73
Remeasurements	(2,377)
Benefits paid	(2,912)
Liabilities at end of period	74,586

Analysis of the amount charged to operating costs in the statement of comprehensive income at 31 March 2026:

	£'000
Employer service cost (net of employee contributions)	867
Expenses	224
Total operating charge	1,091
Analysis of pension finance costs	
Expected return on pension scheme assets	(3,764)
Interest on pension liabilities	4,344
Amounts debited to financing costs	580

Analysis of gains and losses recognised in the statement of other comprehensive income at 31 March 2026:

	£'000
Actuarial loss on pension scheme assets	(1,006)
Actuarial loss on pension scheme liabilities	(422)
Gain from changes in assumptions	2,799
Actuarial losses recognised	(1,371)

Bromford Housing Association Limited**Notes to the financial statements
For the year ended 31 March 2026**

Movement in deficit during the year:

	£'000
Deficit in scheme at 1 April 2025	(10,526)
Employer service cost	(867)
Expenses	(224)
Employer contributions paid	2,522
Net interest cost	(580)
Remeasurements included in other comprehensive income	1,371
Deficit in scheme at 31 March 2026	(8,304)

TPT member benefit review

There is an ongoing legal review of scheme benefit changes that is being undertaken by TPT (the trustee of the BDBS). The review specifically relates to historic changes to the scheme rules and is not expected to be concluded until later in 2026.

35. Parent entity

The Association's ultimate parent organisation is Bromford Flagship LiveWest Limited registered in England and Wales under the Co-operative & Community Benefit Societies Act 2014 (Registered Society Number 29996R).

The results of Bromford Housing Association Limited are included in the results of Bromford Flagship LiveWest Limited.

Copies of Group financial statements for Bromford Flagship LiveWest Limited are available from the website: bfl-places.co.uk.