Consolidated Financial Statements

for the year ended 31 March 2026

Statutory accounts for 2025/26 including the Value for Money self-assessment.

Registered Society (20684R)

Regulator of Social Housing No: L0061

Contents

Annual Report of the Chair & Chief Executive

Irwell Valley exists to help people live well in their homes and communities. We provide safe, affordable homes, deliver services that support people to thrive and invest in places across Greater Manchester.

Our purpose shapes every decision we make, from investing in existing homes and developing new affordable housing to supporting customers, strengthening communities and creating opportunities for colleagues. We seek to balance social purpose with strong governance, financial resilience and long-term sustainability, ensuring we can continue delivering value for customers today and in the future. During 2025/26 we completed the final year of our Living Well Corporate Plan and prepared to deliver our new plan, Building on What Matters.

Our Year

The year was characterised by continued economic uncertainty and increasing customer need. Despite these challenges, we remained focused on providing safe homes, reliable services and positive outcomes for customers and communities.

We continued to invest in our existing homes, maintaining high levels of statutory compliance and delivering our asset investment programme. We also strengthened our approach to building safety, compliance and risk management, ensuring we remained focused on the safety and wellbeing of customers. Customer satisfaction improved during the year, reflecting our continued focus on service quality and how we listen and respond to customer feedback.

Alongside investment in existing homes, we continued to develop new affordable housing and progress our regeneration ambitions. Our approach remains focused on balancing investment in current homes with the delivery of new homes that help meet housing need across Greater Manchester. We secured additional grant funding and continued to progress regeneration activity, supporting both current and future communities. We have embarked on a significant regeneration programme at Haughton Green, representing a major long-term investment in homes, places and communities that will enhance living standards and support sustainable growth for future generations.

Supporting thriving communities remains central to who we are. Through our community investment activity, tenancy sustainment support and local partnerships, we continued to help customers access financial, employment, training and wellbeing opportunities. We worked alongside local organisations to respond to local needs, recognising that good housing is only one part of helping people live well.

The introduction of our area-based operating model continued to strengthen local accountability and improve our understanding of community priorities. This approach helps us deliver services that are better connected to local needs and supports our ambition to be more visible and responsive in the neighbourhoods we serve.

Our Organisation

Our achievements are only possible because of the commitment of our colleagues, Board members and partners.

Throughout the year we continued to invest in workforce capability, leadership development and organisational culture. We remained focused on ensuring colleagues have the skills, knowledge and support required to deliver excellent services and meet future challenges. Focus was given to preparations for the Competence and Conduct Standard, ensuring we are well positioned to meet future requirements. We continued to invest in technology, data and cyber security to improve customer services, strengthen business resilience and support better decision-making. Throughout the year we maintained compliance with all loan covenants and continued to strengthen our funding position to support future ambitions.

Strong governance remains fundamental to our success. Our Board and Committees continued to provide oversight of performance, risk and financial resilience, ensuring resources are directed towards our strategic priorities and that risks are managed appropriately. Risk management remains embedded throughout the organisation, supporting informed decision-making and providing assurance that we can respond effectively to opportunities and challenges.

The culture of the organisation continues to be shaped by our values and our commitment to customers. We remain focused on creating an inclusive environment where colleagues can learn, develop and contribute to delivering positive outcomes for customers and communities.

Our Future

We remain confident in our future direction. Our financial plans demonstrate the capacity to invest in existing homes, deliver new affordable housing and progress regeneration activity while maintaining financial strength and compliance with lender requirements.

As we move forward with Building on What Matters, our focus remains on delivering safe homes, quality services, nurturing strong communities and a strong organisational culture. We will continue to invest in customers, neighbourhoods, colleagues while maintaining robust governance, effective risk management and long-term financial sustainability. Above all, we remain committed to our purpose; helping people live well in their homes and communities.

Niki Stockton

Chair of Irwell Valley Homes

Sasha Deepwell

Chief Executive Officer

Association details

Registered Office:

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Auditors:

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Registration Numbers:

20684R - Co-Operative and Community Benefit Society Act 2014

L0061 – Regulator of Social Housing

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The Board

Niki Stockton

Chair

Shahida Latif-Haider

Board Member

Chair of Audit & Risk Committee (ARC)

Jane Healey Brown

Board Member

Chair of Development & Major Projects Committee

Christie Finegan

Board Member

Chair of Customer Committee

Laureen Donnan Resigned 25/01/2026

Board Member

Alan Ramsey

Board Member

Gemma Bell Smith

Board Member & Vice Chair

Chair of Governance & Remuneration Committee

Gareth Rees

Board Member

Guy Millichamp

Board Member

Shaminder Rai
Effective 01/12/2025

Board Member

Joanne Peters
Effective 05/12/2025

Independent Committee Member of ARC

Customer Committee Effective from 12/11/2025

Christie Finegan, Chair of Customer Committee and Customer Board Member

John McMahon

Lewis Borg

Frances McDermott

Sajda Mohammed

Mandy Cleveland

Jane Galbraith

Donald Fish

Amelia Mighty

Senior Leadership Team

Sasha Deepwell

Chief Executive

Sam Young

Executive Director
(Corporate Services)

Company Secretary

Ceris Esplen

Chief Operations Officer

Daniel Murphy

Interim Chief Financial
Officer

Andrea Swanwick

Executive Director
(Development & Growth)

Jeanette Pickup

Executive Director Finance
(appointed August 2026)

Strategic report of the Board

Irwell Valley Homes group structure

Irwell Valley Housing Association Limited is incorporated under the Co-operative and Community Benefit Society Act 2014 and is a Registered Provider of Social Housing. The Association exists for the benefit of the community, and its principal activities are the management and development of social housing and related services.

Irwell Valley Homes (IVH) operates through a simple group structure that provides clear oversight, accountability and governance. Irwell Valley Housing Association (IVHA) is the asset-holding parent and Registered Provider of Social Housing. Irwell Valley Developments Limited (IVDL) supports the delivery of our development programme and oversees our involvement in Hive Homes LLP, a joint venture established to increase housing supply across Greater Manchester.

The Board maintains oversight through common governance arrangements, consolidated financial planning and a unified strategic risk framework, ensuring decisions are made in the best interests of the Group and aligned to our corporate priorities.

The Irwell Valley Foundation (IVF) is not part of the Group structure of Irwell Valley Homes. IVF is a £2m endowment investment fund, managed by Forever Manchester, the Community Foundation for Greater Manchester. The work of IVF is overseen by a resident-led panel, chaired by a resident Board Member.

IVH provides general needs social and affordable rent homes, as well as specialist services in our supported accommodation, for over 20,000 people across Greater Manchester. From the income we receive for rents and service charges, we deliver housing management & associated support services and repairs & maintenance services to our customers. We also invest in these homes and meet the interest payments on loans, which help to finance the delivery of new properties.

The group needs to generate an appropriate level of surplus and maintain its reserves and liquidity to ensure it is financially resilient to withstand shocks and to reinvest surpluses back into our corporate priorities.

Regulation and Governance

Irwell Valley Homes is regulated by the Regulator of Social Housing and continues to hold a G1 governance rating and V2 viability rating. During the year, the Board maintained oversight of compliance with regulatory standards, financial resilience and customer outcomes.

The Board is supported by four committees: Audit & Risk, Governance & Remuneration, Development & Major Projects and Customer Committee. Together these arrangements provide assurance over risk, governance, customer outcomes, development activity and organisational performance. Board effectiveness, skills and succession planning are reviewed annually to ensure governance arrangements remain effective and proportionate.

The Board is committed to achieving the highest standards of corporate governance in its management and oversight of IVH. The Board have adopted the National Housing Federation (NHF) model rules, the NHF Code of Governance 2020 and the NHF Code of Conduct 2022.

Communities and Customer Engagement

Helping people live well in their homes and communities remains at the heart of our purpose. During 2025/26 we continued to strengthen customer engagement, local accountability and customer influence through the introduction of our Customer Committee and continued delivery of our Customer and Communities Strategies.

We recognise that customer needs continue to evolve, with increasing complexity in relation to affordability, health, wellbeing and tenancy sustainment. Our area-based operating model, customer insight activity and community partnerships help ensure services remain responsive to local needs.

Customer satisfaction improved across key measures during the year, reflecting progress in service quality, communication and responsiveness. We also continued to invest in community initiatives, tenancy sustainment and neighbourhood support to help customers access opportunities and remain successful in their tenancies.

Measure	2023/24	2024/25	2025/26	Improvement
TSM - overall satisfaction	64%	66%	71%	7%
TSM - complaints handling	30%	29%	40%	10%
TSM - listens to views and acts on them	56%	55%	67%	11%
TSM - keeps me informed	68%	72%	76%	8%
TSM - treats me fairly and with respect	72%	76%	79%	7%
% of customer debt actively managed	NA	89%	91%	2%

Equality, Diversity and Inclusion

Equality, diversity and inclusion remain integral to delivering our purpose. During the year we continued to progress our EDI objectives across customers, colleagues and partnerships, while improving customer insight and data to support more tailored and inclusive services.

Corporate Plan and Strategic Progress

2025/26 marked the final year of delivery of our Living Well Corporate Plan and laid the foundations for our new corporate plan, Building on What Matters. The Living Well Strategy set out our priorities to:

- Provide safe, affordable and good quality homes
- Make a difference in the communities we serve
- Support colleagues to enjoy work, learn and grow

Throughout the year we continued to improve customer satisfaction, invest in existing homes, strengthen compliance performance, support communities and develop colleague capability. Key achievements included improved customer outcomes, delivery of our asset investment programme, completion of new affordable homes, increased community investment and continued progress in workforce development and digital transformation.

- 97 new homes were delivered
- 54% of lets went to people who were homeless or at risk of homelessness
- Overall customer satisfaction increased to 71%
- £11.3m invested in existing homes
- 74% of homes at EPC-C or above
- 94% of colleagues know what we are trying to achieve and 89% are proud to work for us.

These achievements provide a strong platform for delivery of our future ambitions while maintaining the financial strength and governance standards required to support long-term success.

Risk Management

The Board regularly reviews the organisation's principal strategic risks and the effectiveness of the controls and assurance arrangements in place to manage them. While the risk landscape continues to evolve in response to economic conditions, regulatory requirements and organisational priorities, the Board is satisfied that the principal risks facing the Group are understood, actively monitored and subject to appropriate oversight and assurance. The Board reviews risk appetite annually and receives regular reporting on strategic risk exposure, assurance activity and mitigating actions throughout the year.

The Board receives assurance through a combined assurance framework incorporating management controls, compliance monitoring, internal audit, external audit and Board and Committee oversight. Risk management is embedded within decision-making across the organisation and supports the delivery of our strategic objectives. Our Risk and Assurance Framework links strategic priorities, risk appetite, controls and assurance activity, and is designed to manage rather than eliminate risk, providing reasonable assurance against material misstatement or loss.

The Audit & Risk Committee provides independent assurance to the Board on the effectiveness of governance, risk management, internal controls and financial reporting. Throughout the year, the Committee received regular reports on strategic risk, the Combined Assurance Framework, internal and external audit activity, regulatory compliance, cyber security, data governance, value for money, safeguarding, Housing Ombudsman matters and customer scrutiny outcomes. The Committee reviewed the effectiveness of controls, monitored delivery of management actions and provided challenge and assurance to support sound decision-making and regulatory compliance.

A Fraud Policy and risk assessment are in place covering the prevention, detection and reporting of fraud, together with the recovery of assets where appropriate. Any incidents of fraud or attempted fraud are recorded in the IVHA Public Register and reported annually to the Audit & Risk Committee. During 2025/26 no cases of fraud were recorded.

Forvis Mazars LLP 2025-26 Internal Audit Annual Opinion: *“On the basis of our audit work, our opinion on the framework of governance, risk management, and control is Moderate. Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. We noted some areas in which the control environment could be improved, these do not represent fundamental weaknesses but indicate areas where control maturity can be strengthened. These matters have been discussed with management, to whom we have made 32 recommendations across the 6 internal audits. All of these have been, or are in the process of being addressed, as detailed in our individual reports.”*

Forvis Mazars LLP, our internal auditors for 2025/26, provided an overall Moderate assurance opinion on the effectiveness of our governance, risk management and control framework. Whilst identifying areas where control maturity can be strengthened, the review did not identify any fundamental weaknesses. Management has accepted all recommendations and actions have been implemented or are in progress, with delivery monitored through the Audit & Risk Committee.

Principal risks

Principal areas of focus during the year included the operating environment, housing quality, customer experience, building safety, financial resilience, cyber security, governance and regeneration activity. Assurance is provided through the organisation's three lines of defence model, combining management controls, independent assurance and Board oversight to support effective governance, risk management and internal control.

The strategic risks and key assurance for 2025/26 were identified as:

Principal Risks	Key Focus	Assurance Given to Board
Operating Environment	Economic uncertainty, inflation, regulation and external factors	Horizon scanning, stress testing, performance monitoring, financial forecasting and review of emerging regulatory and sector developments.
Regeneration and Development	New homes, Haughton Green and project delivery	Programme reporting, scheme appraisals, development gateway approvals, project monitoring and scrutiny of costs, risks and delivery milestones.
Quality Homes	Asset investment and housing quality	Asset performance reporting, stock condition intelligence, investment programme monitoring, compliance reporting and customer feedback.
Building Safety	Health and safety, compliance, risk assessment	Independent assurance, compliance certification, health and safety reporting, risk assessments and monitoring of statutory obligations.
Environmental	EPC C Strategy, Asset management strategy	Progress against EPC C strategy, asset management performance, sustainability measures and delivery of investment plans.
Customer Experience	Customer outcomes, affordability and service delivery	Tenant satisfaction measures, complaints performance, customer insight, resident scrutiny and service performance reporting.
Financial Management and Resilience	Liquidity, treasury and covenant compliance	Long-term financial planning, treasury management reporting, covenant compliance monitoring, stress testing and budget oversight.
Digital and Cyber	System resilience, data protection and cyber threats	Cyber security assessments, internal audit reviews, system resilience reporting, data governance oversight and business continuity testing.
Leadership & People	Leadership, capability, wellbeing, values and behaviours	Workforce metrics, colleague survey results, succession planning, learning and development reporting, health and wellbeing indicators and compliance with the Competence and Conduct Standard.
Governance	Regulatory compliance	Internal and external audit, regulatory compliance monitoring, Board effectiveness reviews, policy assurance and oversight of key controls.

Financial Overview

Long term Financial Plan

The Board approved a revised Long-Term Financial Plan during the year which demonstrates ongoing financial resilience and the capacity to invest in homes, communities and growth while maintaining compliance with lender covenants.

The Plan supports continued investment in existing homes, delivery of new affordable housing and progression of our regeneration ambitions, including Haughton Green. During the year we secured £27m of funding, strengthening liquidity and supporting long-term delivery of our strategic objectives.

All loan covenants were met throughout the year, and the Board remains satisfied that the organisation retains the resources and resilience required to deliver its plans.

Asset Investment and Development

Investment in existing homes remains a strategic priority. The Board approved a long-term asset investment programme designed to maintain safe, high-quality homes while supporting future housing standards and sustainability requirements. The 30-year capital investment in our existing homes within the Plan is £553m, including £59m over the first five years. We also continued to deliver our EPC C strategy, increasing the proportion of homes meeting EPC C to 74% and supporting our longer-term commitment to improving the energy efficiency, affordability and sustainability of our housing stock.

Alongside investment in existing homes, we continued to deliver new affordable housing and progress regeneration activity. During the year 97 new homes were completed and additional schemes approved to support future growth.

A significant milestone was the decision to progress the regeneration of Haughton Green. This long-term programme will replace ageing housing stock, improve living standards and create sustainable communities for future generations while maintaining a strong focus on resident engagement and support throughout delivery.

Results for the year

The financial statements have been prepared in accordance with SORP (Statement of Recommended Practice) 2018 and FRS102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland).

The Group generated an operating surplus of £6.5m during the year. Financial performance reflects continued investment in customers, homes and communities together with the impact of the Board's decision to proceed with the regeneration of Haughton Green.

A significant factor in this year's financial results was the decision to proceed with the regeneration of Haughton Green and the associated one-off impairment charge of £2.3m recognised against the existing tower blocks. Although the Group reported a loss before tax due to the impairment, reserves remain strong at £76.3m and continue to provide a robust foundation for future investment and financial resilience.

All loan covenants for the year to 31st March 2026 were met. Actual and forecast compliance is monitored monthly by the Leadership Team and quarterly by Board. The 30-year Financial Plan projects that all loan covenants will be met throughout the life of the Plan. The most restrictive loan covenants are shown in the following table. It should be noted that the funders' covenants are calculated on a different basis to the Value for Money metrics:

Covenants	Actual as at 31.03.2026	Compliant	Limit
Interest Cover	IVHA 164% (Group 159%)	✓	130% (min)
Gearing	41% IVHA (Group 38%)	✓	65% (max)
Asset Cover	153% IVHA & Group	✓	150% (min)

Going Concern

The Financial Plan is underpinned by assumptions approved by Board, which reflect a level of prudence as a result of economic uncertainty reflecting high interest rates and repairs demand.

The robustness of the Plan has been tested through rigorous stress testing, taking into account increases in inflation, interest rates rises and specific development challenges.

Given the strength of the balance sheet and the availability of new funding through high street lenders, the Board believe that, while uncertainty exists, this does not pose a material risk to IVH's ability to continue as a going concern. The uncertainty has been assessed through extensive stress testing and detailed mitigation plans. The accounts are therefore prepared on a going concern basis.

Financial Statements

The Board presents its' reports and audited Financial Statements of Irwell Valley Housing Association Limited for the year ended 31 March 2026. The consolidated statements have been prepared in accordance with Social Housing SORP 2018 and UK GAAP including FRS 102.

Surpluses and Reserves

The generation of annual surpluses is necessary to support the development of new homes and to provide for unforeseen events which may arise, ensuring that we can continue to meet our obligations to lenders. However, IVH have generated a loss in 2025/26, predominately due to the Board decision to regenerate Haughton Green (and in turn trigger the impairment of the existing towers). The Group had reserves at 31 March 2026 of £76.3m (2025: £77.6m), which have been generated from surpluses over the years. The decrease in reserves to March 2026 is due to the loss in year.

Fixed Assets

The group's total fixed assets (after accounting for depreciation) are £406.5m (2025: £378.6m). This includes the value of housing properties after depreciation of £393.6m (2025: £365.5m). These have been funded from Social Housing Grants of £133.6m (2025: £127.1m), loans and the group's own reserves.

Properties held for investment purposes reported during the year have been valued at £9.1m (2025: £9.3m). The market for letting void commercial properties has decreased modestly impacting carrying fair value. An impairment review has been carried out on all properties at 31 March 2026. Based on the current valuations no impairment beyond that at Haughton Green has been recognised to date.

Fixed Asset Investments

Irwell Valley Housing Association Limited continues to hold the entire issued share capital of Irwell Valley (Development) Limited. IVHA, via IVDL, holds an investment of £3m in Hive Homes which reflects our share in the joint venture (£0.8m equity and £2.2m debtor) with nine other housing associations and GMCA. As at 31 March 2026, IVH assumes the investment to be held in perpetuity.

Treasury Management

The Treasury Strategy, Funding Plan, and Treasury Management Policy (TMP) reflect our key priority of investing in existing homes and delivering new homes. Group borrowings, primarily from banks and building societies are £193.3m (2025: £185.6m), which includes planned drawdowns less scheduled repayments on our existing borrowing.

The TMP sets out how we manage funding and liquidity risk to ensure that funding is agreed and available in advance of business requirements and interest rate exposure is minimised by fixed-term borrowings.

The TMP states that debt subject to fixed rates should ideally exceed 65% of total borrowings. At 31 March 2026, 76% (2025: 76%) of facilities were subject to fixed rates.

Security Valuations

All our funding is secured by our housing stock, and in some cases the valuation for security purposes is based on Market Value – subject to tenancy (MV-STT or MV-T). Our tightest asset cover covenant is 150%, with headroom of 5%. Our tightest asset cover is currently with THFC which is to be revalued and reviewed in 2026/27.

Cashflow and Liquidity

The net cash generated from operations before interest costs and investment activities for the group was £10.0m (2025: £13.8m). Cash held at year-end was £4.4m (2025: £21.6m).

The TMP ensures that adequate liquidity is available, with a minimum requirement of 18 months to meet committed and uncommitted forecast expenditure, and a trigger point of 21 months to provide headroom above and beyond the minimum requirement. As of 31 March 2026, IVH had 23 months liquidity available (with a further £20m facility increase arranged for Q1 2026/27 with Danske). Cash balances are held in interest bearing accounts. Cashflow forecasts are reported within the quarterly finance and performance report to Board and to each Development & Major Projects Committee.

Report of the Board

Statement of Compliance by the Chair of the Board

As part of our co-regulatory commitment, the Board reviews our compliance with:

- the economic standards set by the Regulator of Social Housing (RSH), including the Governance, Financial Viability, Rent and Value for Money Standard.
- the Consumer Standards set by the RSH.
- legislative requirements; and
- the 2020 NHF Code of Governance and the 2022 NHF Code of Conduct.

We currently have no areas of non-compliance with the above, and the Board is satisfied that effective processes are in place to evidence our compliance. Our full supporting document can be viewed on our website. **www.irwellvalley.co.uk**

Statement of Board's Responsibilities Under the Co-operative and Community Benefit Societies Act 2014 for a Registered Social Landlord

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

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

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

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018 has been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

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

They are also responsible for safeguarding the assets of the Group and Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Disclosure of Information to Auditors

The Directors, who held office at the date of the approval of this report, confirm that, so far as they are each aware, there is no relevant information which the auditors need to be made aware of; and each Director has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that Azets Audit Services are aware of that information.

Auditors

The Audit services are provided by Azets Audit Services, who were awarded the contract for three years from April 2024.

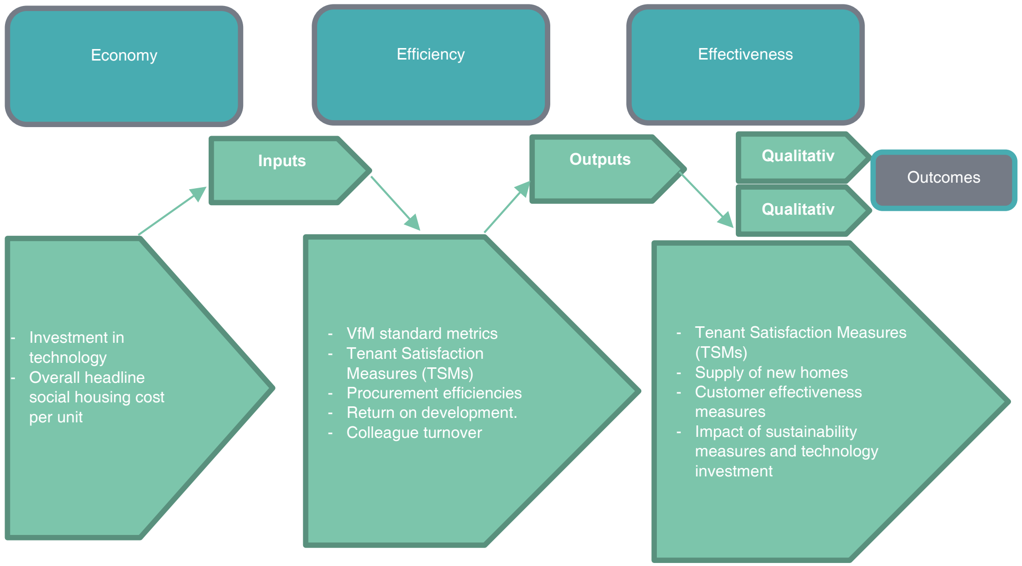
Approved by the Board on 22nd September 2026 and signed on their behalf by

Niki Stockton

Niki Stockton, Chair

Value for Money Report

What Value for Money means to Irwell Valley Homes



Value for Money (VfM) means achieving the best possible outcomes for customers, homes and communities from the resources available to us. We consider value through the lens of economy, efficiency and effectiveness and reinvest efficiencies into existing homes, new homes, services and communities. Performance is monitored through the Regulator of Social Housing's VfM metrics together with a range of measures aligned to our corporate priorities.

Our mission is incorporated into the Corporate Plan through our three corporate priorities. The way we embed our VfM targets ensures we are working towards achieving our corporate priorities. Achieving VfM is often described in terms of the '3 E's' – economy, efficiency, and effectiveness.

The Regulator of Social Housing (RSH) has a VfM Standard, published in April 2018, which sets out the following requirements for all housing associations:

- A robust approach to decision making and a rigorous appraisal of potential options for improving performance.
- Regular and appropriate consideration by the board of potential VfM gains across their whole business.
- Have appropriate targets in place for measuring performance.

The RSH has set a defined set of VfM performance metrics (known as the "core VfM metrics). These metrics allow the Regulator and IVH, to compare performance against peer groups and to explain why performance differs from others, in the context of our own organisation and operating environment. These are supplemented by IVH derived measures that support out corporate ambitions.

Value for Money Report (continued)

Value for Money Statement 2025/26

The Board is responsible for setting the Value for Money (VfM) Strategy and ensuring that resources, assets and investment decisions deliver optimal outcomes for customers and stakeholders. The Audit & Risk Committee provides oversight of VfM performance, efficiency targets and procurement savings, while responsibility for delivery is delegated to the Leadership Team and budget holders. Value for money is embedded throughout the organisation, informing decision-making, service improvement and investment priorities, ensuring resources are used effectively to maximise customer, social and financial outcomes.

Overall, the Group continues to perform well against a range of value for money measures, with several metrics improving year on year and benchmarking favourably against sector peers. Our performance reflects a balanced approach that seeks to maximise both financial efficiency and social value, including delivering new affordable homes, investing in existing properties, supporting customers at risk of homelessness and maintaining high levels of regulatory compliance. The Board regularly reviews value for money performance alongside customer, operational and sustainability outcomes to ensure resources are deployed effectively in support of our long-term strategic objectives.

Several financial efficiency metrics are below target in 2025/26. This reflects the Board's decision to accelerate investment in existing homes, progress the regeneration of Haughton Green and recognise the associated impairment. While this has reduced short-term financial returns, it supports long-term sustainability, customer outcomes and regulatory compliance. The Board remains satisfied that the Group retains strong covenant compliance, liquidity and financial resilience.

Value for Money Report (continued)

VfM Table One – Core Metrics Performance

Metric	Definition	Type	Irwell Valley Homes			peer group[1]
			2025/26 Actual	2025/26 Target	2024/25 Group	2024/25
1: Reinvestment	Investment in properties including both in existing and new homes, as a percentage of the value of total properties held.	Efficiency	9.78%	9.95%	7.61%	9.5%
2: New supply delivered	Social: The number of new social housing units acquired or developed in the year as a proportion of total social housing units owned at period end.	Effectiveness	1.08%	1.05%	0.23/%	1.3%
	Non-social: The number of new non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end.	Effectiveness	0.17%	0.0%	0.0%	0.0%
3: Gearing	How much of the adjusted assets (on a net book value basis) are made up of debt and the degree of dependence on debt finance. It is an indicator of appetite and scope for growth.	Efficiency	48%	50%	45%	39%
4: Interest cover based on earnings before interest, tax and depreciation, less major repairs (EBITDA MRI)	A key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.	Efficiency	24% (50%*)	45%	78%	94%
5: Headline social housing costs	This includes management, service costs, routine & planned maintenance, major repairs, lease costs, capitalised major repairs and other social housing costs. This total cost is divided by the total social housing units owned/managed at year end.	Economy	£5,592	£5,251	£5,020	£5,587

[1] Registered providers across Northwest, excluding LSVTs, £20-75m Turnover

Metric	Definition	Type	Irwell Valley Homes			peer group[1]
			2025/26 Actual	2025/26 Target	2024/25 Group	2024/25
6: Operating margin	Social Housing operating margin: The operating surplus generated from social lettings as a proportion of turnover from social lettings. This demonstrates the profitability of operating assets before exceptional expenses are considered.	Efficiency	13%	20%	18%	17%
	Overall operating margin: The overall operating surplus before the gain on disposal of housing assets, as a proportion of overall turnover.		13%	20%	17%	15%
7: Return on capital employed	Compares the operating surplus to total assets, less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.	Efficiency	1.6%	2.2%	2.2%	2.9%

*EBITDA MRI % excluding the effects of impairing Haughton Green towers

Commentary on the core VfM metrics

Reinvestment

We have invested £27.2m (2025: £19.2m) in developing new homes and a further £11.3m (2025: £8.6m) in our existing homes. Despite this spend our reinvestment ratio is below our target which is, in part, due to slippage in our development programme following continued delays in planning applications. Consistent with the prior year the Asset Management Programme has been fully spent within 2025-26, with some additional reactive capital replacements which collectively has had a positive impact on our reinvestment ratio.

Within the 2026-27 Financial Plan, IVH have committed to a development programme of 413 new social general needs homes and including the regeneration programme and an additional 85 new affordable rent homes; all forecast to complete by 2033. By 2034, we forecast to have invested £132.5m in new homes including £25.8m in 2026/27.

Value for Money Report (continued)

New Supply

During the year, we have completed 42 affordable rent homes, up from 18 in 2024/25. These units have helped new supply run above target of 1.05% at 1.08%. This brings IVH broadly inline with the peer average of 1.3% (2024/25).

Within the 2026-27 Financial Plan the development programme includes £132.5 million investment in new homes over the first eight years, supported by £51.5m of grant and £4.2 million of proceeds from sales.

Haughton Green Regeneration makes up the majority of our Board approved but still uncommitted (no build contract signed) development spend over the next six years. Additional development will be dependent on economic forecasts and availability of grant. It remains a strategic priority of IVH's to continue to develop new homes.

Gearing

The gearing ratio is 48% against a target of 50%. Our gearing ratio is above the peer group average of 39%. Drawing down against our revolving credit facilities in year have allowed us to invest in properties but have led to a slight year on year increase in gearing (45% in 2024/25).

Our funding covenant for gearing is measured on a different basis and is 38% for the year end against a covenant limit of 65%, providing headroom of £78m.

EBITDA MRI

This metric is based on interest cover if major repairs included in the calculation. It is monitored by Board through our quarterly finance reports as part of assessing our financial stability and ability to remain cash positive long-term.

The 2025-26 Financial Plan took into account the additional challenges faced within the sector. As a result, we forecast increased capital spend on our homes which we anticipate will reduce maintenance costs in the long-term. Within 2025-26 IVH the target EBITDA MRI was 45% which would have been achieved if the one-off impact of impairing our towers at Haughton Green wasn't required. We are forecasting a return to over 110% EBITDA-MRI by 2029/30. Board have approved an increase in risk appetite for EBITDA MRI adopting a balanced approach between investment and funding. On this basis, the Financial Plan includes increased investment in our existing homes, delivery of further improvements in energy efficiency, continued development of new homes, and improvements to our repairs service.

The key driver of the increased investment is meeting the new regulatory standards around decency and safety and improving customer experience, which will drive customer satisfaction. The increased investment will also deliver efficiency savings over the medium term, through repairs efficiencies and improved service delivery over time.

The key forecast indicators in the Financial Plan demonstrate ongoing financial viability and compliance with loan covenants, as well as sufficient resilience through adequate headroom.

Value for Money Report (continued)

Headline social housing cost per unit

The headline social housing cost is £5,592 per property for 2025-26; up from £5,020 in the prior year predominantly due to increased capital investment in our homes.

Our headline social housing cost is forecast to be £5,798 per property in our baseline Financial Plan for 2026-27.

Operating margin

The overall operating margin, excluding surplus on sales has decreased from 17% to 13% and is below the target for the year, the fall is due to the one-off cost of impairing the three towers at Haughton Green. The Plan forecasts a return to a strong operating margin of over 20% for the foreseeable future.

Return on capital employed

This measure has decreased to 1.6% from 2.2% in the prior year, due to the fall in financial performance. The measure is below target due to decline in operating margin, against a slightly increased capital base. The sector average has also fallen by 0.2% year on year reflecting the broad economic challenges being faced.

Value for Money Report (continued)

VfM table two – Additional VfM measures against Corporate Priorities

Corporate priority	Definition	Type	Irwell Valley Homes		
			2025-26 actual	2025-26 target	2024-25 actual
Making a difference in the communities we serve	Percentage of customers in arrears engaged and managed via a formal process	Effectiveness	91%	75%	n/a
Provide safe, affordable and good quality homes	Proportion of non-emergency repairs completed within our target timescale. (new VFM metric)	Effectiveness	82%	75%	78%
Provide safe, affordable and good quality homes	Channel shift	Effectiveness	36%	35%	38%
Provide safe, affordable, and good quality homes	Ratio of responsive repairs to planned maintenance	Efficiency	40%	40%	45%
Provide safe, affordable, and good quality homes	Void rent loss as a percentage of rent due	Efficiency	2.2%	0.9%	1.4%
Supporting colleagues to enjoy work, learn and grow.	Colleague attendance - average number of sick days excluding long-term sickness	Effectiveness	3.3 days	4 days	3.5 days
	Colleague turnover percentage	Effectiveness	15%	15%	16%
Supporting colleagues to enjoy work, learn, grow.	Proportion of IT spend on business change and innovation	Economy	18%	19%	32%

Percentage of general needs customers engaged who are in arrears.

91% of customers in arrears are engaged with us, well in excess of the 75% target. The number of customers and the total arrears have decreased during the year.

Value for Money Report (continued)

Proportion of non-emergency repairs completed within our target timescale:

IVH have exceeded the target of 75% with year-end results of 82%. This is an increase on the previous year by 4%. We have benefited from stable workforce, increased capacity with the teams, and sharper focus on performance including use of local contractors when appropriate.

Channel shift

This ratio quantifies the transfer of manual transactions to digital. The shift to greater digital methods provides ease and convenience for our customers, who can log or report a repair, complaint, complement at any point during the day or night. The percentage has reduced from 2024-25 but is above the target of 35% target at 36%. The Customer Service Team discuss our digital options with customers on each call, supporting them to register on the portal and self-serve. As part of the customer transformation project, we are introducing Intuitive call diverting to locality teams, which should reduce call backs and increase channel shift.

Ratio of responsive to planned.

This measure is in-line with target at 40%. As we continue to invest in our existing stock, this metric will reduce, as less repairs are required due to the increased planned works on each home. Within 2026-27, the ratio is expected to reduce below 40% as a result of increased planned investment.

Rent loss from voids.

The number of void properties in year generated a void loss of 2.2% (up from 1.4% ¦ 2024/25) against a target of 0.9%. Voids in year were adversely affected by first let periods taking longer than anticipated. Positive improvements have been realised in Q1 in respect of this.

Colleague attendance

This was below target at 3.3 days across each department (3.5 days in 2024/25). A robust approach to return-to-work interviews and sickness absence triggers is in place and is adhered to by managers. Our Sickness Absence Policy is in place to support colleagues, and all managers receive regular briefing updates. We have in place colleague benefits, such as MediCash and Perkbox which provide access to mental health support, as well as access to Occupational Health and person-centred 'Stress' Risk Assessments when issues present.

Colleague turnover

This was 14.5% against a target of 15%, the results of the annual colleague survey shows colleagues are proud to work at IVH, which is reflected within the colleague turnover.

Proportion of IT spend on business change and innovation Investment in technology.

We continue to improve our systems to ensure our work processes are as efficient as possible for our customers and colleagues. In 2025/26 we embarked on a data warehouse project that will aid in validation and distribution of data and information.

Value for Money Report (continued)

VfM Table Three – Annual VfM Measures

Corporate priority	Definition	Type	Irwell Valley Homes		
			2025-26 actual	2025-26 target	2024-25 actual
Making a difference in the communities we serve	Benefits and grants gained for customers (£)	Effectiveness	£268k	£150k	£556k
Making a difference in the communities we serve	Investment in green technology (annual)	Effectiveness	£1,592k	£100k	£1,195k
Provide safe, affordable, and good quality homes	Additional properties at EPC C or above by 2024/25 (Year 2)	Effectiveness	197	100	71

Commentary on Additional VFM Metrics

Understanding our Properties Assets

At the end of the financial year, IVH had reached 88% of our properties having (76% in 2024/25) stock condition surveys (SCS) under 5 years of age, with the remaining 12% to be accessed by the end of in 26/27, subject to access. Using the data compiled from the surveys conducted external and internal a new asset management plan has been developed and fed into the 2026-27 Financial Plan.

We utilise a combination of external consultants and internal surveyors to complete these surveys, so we also receive external validation on our assumptions. We also collect energy performance information at the same time to inform our strategic planning for EPC C and Net Zero targets.

Value for Money Report (continued)

During 2025/26, we also made improvements to our bespoke asset management software for us to collect, store and review our asset data in a consistent and efficient manner. It's forecasting functionality allows us to formulate programmes and identify potential decent homes issues easily. This has allowed us to plan with more confidence and transparency, removing reliance on spreadsheets.

In 2026/27 we are embedding an enhanced options appraisal methodology to comprehensively identify and assess poor performing stock, which will then be assessed by our Leadership Team.

Commentary on Annual VfM Measures

Social Value generated for Customers.

The Tenancy Sustainment team have maximised customers' income to the value of £119k during the year in benefits and grants to support customers.

This year we supported 4,235 people with help towards training and employment, including via regular jobs fairs held at our Oasis Community Resource Centre and through the DWP hubs which are held there.

Investment in green technology

During the year we completed a programme of retrofit to 151 properties via the Social Housing Decarbonisation Fund (SHDF – providing 50% of funding) and 46 properties under the ECO-4 scheme (ECO-4 providing 100% funding).

Additional properties at EPC C or above

During the year, based on the works conducted through our investment programmes a total of 197 properties were converted to EPC C or above. We are targeting over 340 properties to be increased above EPC-C in 2026/27.

Independent auditor's report to the members of Irwell Valley Housing Association Limited

Opinion on financial statements

We have audited the financial statements of Irwell Valley Housing Association Limited (the 'association') and its subsidiary (the 'Group') for the year ended 31 March 2026 which comprise the group and association statement of comprehensive income, the group and association statement of financial position, the group and association statement of changes in reserves, the group statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Statement of Recommended Practice (SORP) accounting by Registered Social Housing Providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

In our opinion the financial statements:

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 its surplus 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, the Statement of Recommended Practice (SORP) accounting by Registered Social Housing Providers 2018 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.

Conclusions relating to going concern.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 members with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception.

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion: The information given in the Strategic and Board Report or the financial year for which the financial statements are prepared are not consistent with the financial statements; or:

- adequate accounting records have not been kept; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the Statement of the Board members' responsibilities, the board members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the board members are 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 members either intend 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the association through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Azets Audit Services

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Group and Association Statement of Comprehensive Income

			Group		Association	
			2026	2025	2026	2025
	Note		£'000	£'000	£'000	£'000
Turnover	3		47,862	45.300	48,487	45,946
Operating Costs	3		(39,422)	(37,749)	(39,417)	(37,738)
First Tranche Sales				-		-
Impairment of Housing Properties	3		(2,268)		(2,268)	
Surplus on sale of fixed assets	9		321	919	321	919
Total Operating surplus	8		6,493	8,470	7,123	9,127
Exceptional Item – Haughton Green	22		997	(4,856)	997	(4,856)
Investment income from joint venture			(40)	59		-
Interest receivable and similar charges	7a		426	1,294	372	1,268
Interest payable and similar charges	7b		(8,729)	(9,020)	(8,729)	(9,020)
Gift aid receivable	-			-	39	198
Movement in valuation of investment properties	12		(171)	451	(171)	451
Movement in valuation of fixed asset investments						
(Loss)/Surplus on ordinary activities before tax	-		(1,024)	(3,602)	(369)	(2,832)
Tax on surplus on ordinary activities	10		(230)	(59)		-
(Loss)/Surplus for the year			(1,254)	(3,661)	(369)	(2,832)
Actuarial gain/(loss) in respect of pension schemes	29		43	422	43	422
Total comprehensive (loss)/income			(1,211)	(3,239)	(326)	(2,410)

Group and Association Statement of Changes in Reserves

			Group		Association	
			2026	2025	2026	2025
			£'000	£'000	£'000	£'000
Balance as at 1 April 2025			77,582	80,821	81,391	83,801
Total comprehensive (loss)/income for the year			(1,211)	(3,239)	(326)	(2,410)
Balance as at 31 March 2026			76,371	77,582	81,065	81,391

Group and Association Statement of Financial Position

	Note		Group		Association	
	Note		2026	2025	2026	2025
Fixed Assets			**£'000**	**£'000**	**£'000**	**£'000**
Housing properties	11		393,649	365,507	398,880	369,420
Investment properties	12		9,145	9,265	9,145	9,265
Tangible fixed assets	13		2,699	2,864	2,699	2,864
Fixed asset investment	14		827	800		-
Homebuy properties	15		181	181	181	181
			406,501	378,617	410,905	381,730
Debtors: due after one year	16		**3,730**	**2,924**	3,568	2,763
Current assets						
Trade & other debtors	16		3,958	5,832	5,530	7,051
Stock	17		1,006	881	1,045	910
Cash & cash equivalents	-		4,433	21.620	3,195	21,136
			9,397	28,333	9,770	29,097
Creditors: falling due within one year	18		(22,650)	(19,922)	(22,571)	(19,828)
Net current assets/(liabilities)			(13,253)	8,411	(12,801)	9,269
Total assets less current liabilities			396,978	389,952	401,672	393,762
Creditors: due after one year	19		(318,639)	(304,596)	(318,639)	(304,596)
Provision for liabilities						
Pension – Defined benefit liability	22		(1,968)	(2,819)	(1,968)	(2,819)
Haughton Green Remedial	22		-	(4,856)		(4,856)
Office Dilapidations	22		-	(100)		(100)
Total net assets			**76,371**	**77,581**	81,065	81,391
Capital and reserves						
Non-equity capital	25			-	-	-
Revenue reserves			76,371	77,581	81.065	81,391
Total reserves			**76,371**	**77,581**	81,065	81,391

The notes on 39 to 80 form part of these financial statements. The financial statements were approved by the Board and signed on its behalf on 22 September 2026.

Niki Stockton

Chair Niki Stockton

Shahida Latif-Hader

Board Member Shahida Latif-Hader

Sam Young

Secretary Samatha Young

Group Statement of Cash Flow

			2026		2025	
	Note		£'000	£'000	£'000	£'000
Net cash generated from operating activities	26			9,988		13,797
Cashflow from investing activities						
Purchase and improvement of housing properties			(34,483)		(27,355)	
Purchase of tangible fixed assets			(618)		(618)	
Proceeds from sale of housing properties			641		1,418	
Grant received			8,258		10,348	
Investment in Joint Ventures			(605)		83	
						(16,124)
Cash flow from financing activities						
Interest paid			(8,760)		(9,285)	
Interest received			264		1247	
Repayment of borrowings			(7,372)		(7,776)	
Loan received			15,500			
New borrowing fees					-	
				(27,175)		(15,183)
Net change in cash and cash equivalents				(17,187)		(18,140)
Cash and cash equivalents at 1 April				21,620		39,760
Cash and cash equivalents at 31 March				4,433		21,620

Notes to the Financial Statements

Legal status

Irwell Valley Housing Association Limited is incorporated under the Co-operative and Community Benefit Society Act 2014 and is a Registered Provider of Social Housing.

Principal accounting policies

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing providers and comply with the Accounting Direction 2022.

The financial statements are presented in pound sterling and rounded to the nearest thousand unless otherwise stated.

Going concern

The financial statements have been prepared on a going concern basis. The Group and Association's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report of the board on pages 10 to 22.

The Group and Association has long-term debt facilities in place to fund its future development aspirations as well as to provide adequate resources to finance committed reinvestment and day to day operations. The Association also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants.

The Financial Plan is underpinned by assumptions approved by Board, which reflect a level of prudence as a result of economic uncertainty. The robustness of the Plan has been tested through rigorous stress testing, taking into account increases in inflation, interest rates rises and increased costs of materials and labour. The Group continue to carry out stress testing on the Plan throughout the year and analyse the monthly forecast results.

On this basis, the board has a reasonable expectation that the association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

- Adjustment to net interest on net defined pension - FRS 102 requires that the net interest on the net defined benefit liability is calculated using the liability discount rate for the scheme.

- Categorisation of housing properties - the Group and Association undertake a detailed review of the intended use of all housing properties. In determining the intended use, the association has considered if the asset is held for social benefit or to earn commercial rentals. The review is conducted in line with the Charitable Investment Policy reviewed and approved by Board.

- Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. The association has relied on an external valuation of its investment properties as at 31 March, the group are satisfied that the external consultant has estimated a reasonable fair value.

- Impairment - the association assessed at 31st March, whether an indicator of impairment exists, if an indicator exists the Group and Association perform an impairment assessment at property scheme level. Indicators of impairment are examples of the following: Change in government policy, regulation or legislation, a change in demand of the properties or a material reduction in market values.

- Capitalisation of property development costs - Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation management monitors the asset and considers whether changes indicate that impairment is required.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

- Useful lives of depreciable assets - Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to deterioration of assets, technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

- Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 29).

- Recoverability of rent arrears - Management estimate the recoverability of rental bad debts at each reporting date, as well as monthly for management accounts purposes. The estimate is based on the life of the debt and the situation of individual customers.

Basis of consolidation

The financial statements for the Group are the results of the consolidation of the financial statements of the association and its subsidiary undertakings at 31 March 2026.

Details of these subsidiaries are given in note 28.

Turnover recognition

Turnover substantially represents rental income receivable together with income from services to other housing associations and amortised capital grant and revenue grant from local authorities.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from sales of properties built for sale is recognised at the point of legal completion of the sale.

Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities. Community regeneration income is recognised as the income is received.

Service charges

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

Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the Statement of Financial Position date. Deferred tax assets and liabilities are not discounted.

Value Added Tax

The Group and Association charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and Association and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historical cost model.

Direct costs incurred in connection with the issue of a basic financial instrument are deducted from the proceeds of the issue. Finance interest, transaction costs and associated premium or discount are charged to the Statement of Comprehensive Income using either the effective interest rate (EIR) method or on a straight-line basis where not materially different. The EIR method spreads all associated costs over the life of the instrument by comparing the borrowing amount at initial recognition and amount at maturity. On the basis that the difference produced by the two methods is not material, these costs have been amortised on a straight-line basis in this set of financial statements.

Debtors

Short term debtors are measured at transaction price, less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected. The amount of the provision is recognised in the Statement of Comprehensive Income.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs.

Employee Benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Pensions

The association participates in defined contribution and defined benefit pension schemes. Since April 2016 we have no active members of the defined benefit scheme.

Following an actuarial valuation for 31 March 2026 the share of underlying assets and liabilities of the defined benefit scheme belonging to participating employees has been identified and recognised as a liability within the financial statements.

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as unsold current assets and any sales made during the year are included within turnover. The remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Donated land and other assets

Land and other assets donated by local authorities and other government sources are added to cost at the fair value of the land at the time of the donation. Where the land is not related to a specific development and is donated by a public body an amount equivalent to the increase in value between fair value and consideration paid is treated as a non-monetary government grant and recognised on the statement of financial position as deferred income within liabilities. Where the donation is from a non-public source, the value of the donation is included as income.

Fixed asset investments

Fixed asset investments are accounted for at cost less any impairment at year end.

Homebuy properties

Homebuy loans are treated as concessionary loans. They are initially recognised as a loan at the amount paid to the purchaser and are subsequently updated to reflect accrued interest and any impairment loss is recognised in income and expenditure to the extent that it cannot be offset against the Homebuy grant. The associated Homebuy grant is recognised as deferred income until the loan is redeemed.

Investment properties

Investment properties consist of market rented, commercial properties and other properties not held for social benefit or for use in the business. The purpose of holding these assets is to generate surpluses to apply to Irwell Valley's charitable purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in income and expenditure.

Government grants

Government grants include grants receivable from Homes England (HE), 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 and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity 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 or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with HE. Government grants released on 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 in creditors.

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 in the Statement of Comprehensive Income. If there is a requirement to recycle the grant upon disposal of the associated property, the Group and Association is required to recycle grant proceeds and recognise them as a liability.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Depreciation of housing properties

The association separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The association depreciates the major components of its housing properties at the following length of time:

Component	Years	Component	Years
Structure	100	Fencing	20
Roof	50	Lifts	30
Windows & Doors	30	Road Surfacing	40
Boilers	15	Fires	20
Kitchens	20	Other fixtures & fittings	12
Bathrooms	30	Lighting	15
Heating & Ventilation	20	Cladding	30
Electrics	30	Solar Panels	25

Freehold land is not depreciated. Leasehold properties are amortised over the life of the lease or their estimated useful economic lives.

Scheme Equipment

Scheme equipment is for the refurbishment or replacement of equipment, which are capitalised and then depreciated over the estimated useful life of the item and are service charged to the residents over the useful economic life:

Scheme Equipment	Years	Scheme Equipment	Years
Blinds & Curtains	12	Communal lighting	15
Disabled adaptations	8	Floor covering & carpet	12
CCTV & Aerials	15	Lifts	30
Communal furniture	15	Cladding	30
Door entry	15	Security & digital	15
Communal fire equipment	15	White goods	8

Impairment

From 1 October 2020, the association has increased social housing rents by CPI plus 1% in accordance with the Housing and Planning Act 2016. Following the continued economic and political uncertainty the association considered this as a trigger for impairment.

As a result, we estimated the recoverable amount of our housing properties and other tangible fixed assets in accordance with SORP 2018 and compared this to the carrying amount of our assets to determine if any impairment loss has occurred. Where able, the association have instructed external valuations and discussed the impact of the economic situation on housing properties with our valuer, JLL. Any major remedial property projects have been reviewed separately and assessed on their carrying amount and any committed remedial works.

Following this assessment, an impairment charge has been recognised in respect of Haughton Green Towers, comprising three high-rise blocks in Denton, Greater Manchester. In March 2026, the Board approved the demolition of the three towers and the development of new, high-quality homes on the site. As a result, the net book value of the existing towers, amounting to £2.3m, has been fully impaired.

No further impairment has been identified in respect of the Association’s other social housing properties or other tangible fixed assets.

Other tangible fixed assets

Depreciation is provided on all other tangible fixed assets, at rates calculated to write off each asset evenly over its expected useful life as follows:

- Improvement to leaseholders – over the term of the lease
- Fixtures, equipment and computer equipment– between 3-15 years

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group and Association. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. They are included in tangible fixed assets, depreciated and assessed for impairment losses consistent with owned assets.

Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the Group and Association recognises annual rent expense equal to amounts owed to the lessor. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Provisions for liabilities

Provisions are recognised when the association has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in Statement of Comprehensive Income in the period it arises. The Group and Association recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next nine months. The provision is measured at the salary cost payable for the period of absence.

Notes to the Financial Statements

3a. Turnover, cost of sales, operating costs & operating surplus Group

	2026			2025		
	Turnover	Operating Costs	Operating surplus	Turnover	Operating Costs	Operating surplus
Group	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings	**46,344**	**(37,618)**	**8,726**	43,892	(35,971)	**7,921**
Other social housing activities						
Supporting people contracts	662	(882)	(220)	573	(860)	(287)
Community regeneration	96	(271)	(175)	117	(279)	(162)
First Tranche Sales (note 9)				-	-	-
Surplus on sales of fixed assets (note 9)			321			919
Development activities	(1)	(51)	(52)	7	(60)	(53)
	47,101	**(38,822)**	**8,600**	**44,589**	**(37,170)**	**8,338**
Non-social housing activities - lettings	761	(600)	161	711	(579)	132
	47,862	**(39,422)**	**8,761**	**45,300**	**(37,749)**	**8,470**
Impairment		(2,268)	(2,268)			
Total	**47,862**	**(41,690)**	**6,493**	**45,300**	**(37,749)**	**8,470**

3a. Turnover, cost of sales, operating costs & operating surplus Association

	2026			2025		
	Turnover	**Operating Costs**	**Operating surplus**	**Turnover**	**Operating Costs**	**Operating surplus**
Association	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings	**46,344**	**(37,618)**	**8,726**	**43,892**	**(35,971)**	**7,921**
Other social housing activities						
Supporting people contracts	662	(882)	(220)	573	(860)	(287)
Community regeneration	96	(271)	(175)	117	(279)	(162)
First Tranche Sales				-	-	-
Surplus on sales of fixed assets (note 9)			321	-	-	919
Development activities	624	(46)	578	653	(49)	604
	47,726	**(38,817)**	**9,230**	**45,235**	**(37,159)**	**8,995**
Non-social housing activities – lettings	761	(600)	161	711	(579)	132
Impairment		(2,268)	(2,268)			
	48,487	**(41,685)**	**7,123**	**45,946**	**(37,738)**	**9,127**

3b. Group and Association – Income and expenditure from social housing lettings

	General needs housing	**Low-Cost Home Ownership**	**Supported housing & housing for older people**	**Association and Group Total**	Association and Group Total
				2026	**2025**
	£'000	£'000	£'000	£'000	£'000
Rent receivable net of service charges	33,552	2,005	4,463	**40,020**	38,135
Service charges receivable	1,499	648	1,943	**4,090**	3,619
Amortised government grants	1,223	63	158	**1,444**	1,434
Government grants taken to income	695	44	51	**790**	-
Other income					704
Turnover from social housing lettings	**36,969**	**2,760**	**6,615**	**46,344**	43,892
Management	5,903	348	887	**7,138**	5,978
Services	2,456	591	1,929	**4,976**	5,092
Routine repairs	10,053	521	1,314	**11,888**	11,502
Planned repairs	4,129	551	1,018	**5,698**	5,051
Major repairs					-
Rent losses from bad debts	175	17	32	**224**	541
Depreciation of housing properties	6,058	313	785	**7,156**	6,798
Component write off	455	24	59	**538**	1,009
Other costs-Impairment	1,920	99	249	**2,268**	-
Operating costs on social housing lettings	**31,149**	**2,464**	**6,273**	**39,886**	35,971
Operating surplus on social housing lettings	5,819	297	342	**6,458**	7,921
Rent losses from voids	**329**	**206**	**426**	**961**	553

4. Accommodation in management and development

At the end of the year the number of units in management for each class of accommodation as shown within the table.

	Owned not managed. No. Units	**Managed not owned. No. Units**	**Owned and managed. No. Units**	**Total owned and managed. No. Units**	Total owned and managed. No. Units
				2026	**2025**
General needs – social rent			6076	**6076**	6,072
General needs – affordable rent			288	**288**	246
Low-Cost Home Ownership			188	**188**	192
Supported Housing	168		173	**341**	335
Supported Housing – affordable rent	24		0	**24**	24
Supported Housing for older people			457	**457**	457
Intermediate rent			168	**168**	135
Non-social rent	56		59	**115**	106
Social leased			238	**238**	237
Non-social leased					0
Total	**248**		**7647**	**7895**	7,804
Accommodation in development at year end					
Social rent			117		79
Affordable rent			79		141
Low-Cost Home Ownership			17		9
Rent To Buy					0
Total			213		229

Reconciliation Unit numbers

	General Needs - social Rent	General Needs - affordable rent	Low-Cost Home Ownership	Supported	Intermediate Rent	Other	Total
Opening Unit Numbers	**6072**	**246**	**192**	**816**	**135**	**343**	**7804**
New stock into management	-	42		13	33	9	**97**
Other gains	-	-	-	-	-	-	**0**
Sales to Local authorities	-	-	-	-	-	-	**0**
Sales to another RP	-	-	-	-	-	-	**0**
Sales to Open Market	-	-	-	-	-	-	**0**
Sales to tenant's freehold	-4	-	-3	-	-	-	**-7**
sales to tenant's leasehold	-	-	-1	-	-	1	**0**
Other losses	-	-	-	-	-	-	**0**
Movement within category	8	-	-	-7	-	-	**1**
Net change in stock	4	42	-4	6	33	10	91
Closing unit numbers	**6076**[1]	**288**[2]	**188**[3]	**822**[4]	**168**[5]	**353**[6]	**7895**

[1] 4 RTB sales in the year,7 units repurposed from supported to GN and I increase for an office
[2] 42 new build affordable homes,
[3] 4 Full staircased shared ownership properties
[4] 13 new supported units, 7 units repurposed to GN,
[6] 1 property repurposed.

5. Director's emoluments and expenses

Group and Association

The total amount payable to the Chief Executive, who was also the highest paid director in respect of emoluments (Gross Salary, Car Allowance and National Insurance) was £225k (2025 - £218k). Pension contributions of £16k (2025 - £16k) were made to a money purchase scheme on her behalf. The Chief Executive has no enhanced or special terms in relation to the pension scheme.

Executive Directors	**2026**	**2025**
	£'000	£'000
Remuneration and fees (excluding pension contributions)	728	518
National insurance	104	67
Pension contributions	58	45
Expenses allowances (subject to tax)	49	43
	939	**673**

Board members		**2026**	**2025**
		£'000	£'000
Fiona Carr		0	0
Nikki Stockton – **Chair**		15	15
Shahida Latif – Haider		11	11
Gemma Bell-Smith		9	9
Laureen Donnan		5	6
Jane Healey-Brown		9	9
Adam Warburton			4
Rachael McCullough			1
Guy Millichamp		6	6
Gareth Rees		6	6
Christie Finegan		7	6
Alan Ramsay		6	4
Jade Taylor			3
Joanne Peters		2	
Shaminder Rai		2	
Lewis Borg		1	
Mandy Cleveland		1	
Donald Fish		1	
Jane Galbraith		1	
Frances McDermott		1	
Johnathan McMahon		1	
Amelia Mighty		1	
Sajda Mohammad		1	4
Total		85	76

The aggregate amount of emoluments payable to Board of Management was 2026 £85k (2025: £76k). Total expenses reimbursed to the Board of Management were 2026 £nil (2025: £nil).

6. Employees

Group and Association	**2026**	**2025**
	Number	Number
Average number employed		
Directors & Board	23	16
Office & Operational Staff	296	281
	319	**297**
Part Time	52	47
Full Time	267	250
Total	**319**	**297**
Full time equivalent (calculated based on a standard working week of 35 hours)	**292**	**275**

Staff costs	**2026**	**2025**
	£'000	£'000
Wages & Salaries	12,090	10,959
Redundancies	119	76
Social Security Costs	1,451	1,043
Pension Costs	677	630
	14,337	**12,708**

6. Employee costs continued

Salary bandings for employees above £60,000 per annum	2026	2025
£60,000 - £70,000	5	5
£70,001 - £80,000	7	4
£80,001 - £90,000	3	4
£90,001 - £100,000	1	2
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	3	1
£130,001 - £140,000	1	-
£140,001 - £150,000	1	-
£150,001- £160,000	-	1
£160,001- £170,000	-	-
£170,001- £180,000	-	-
£180,001 - £190,000	-	
£190,001 - £200,000		1
£200,001- £210,000	1	
	22	**18**

7a. Interest receivable

	Group		Association	
	2025	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Interest receivable on bank deposits	426	1,294	372	1,268

7b. Interest payable and similar

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Interest on bank loans and overdrafts	8,591	8,845	8,591	8,845
Net interest on net defined benefit liability	138	175	138	175
	8,729	**9,020**	**8,729**	**9,020**

8. Operating Surplus

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Is stated after charging:				
Depreciation:				
- Housing Properties	7,156	6,798	7,156	6,798
- Scheme Equipment	152	143	152	143
- Other Tangible Fixed Assets	380	340	380	340
Loss on Disposal:				
- Housing properties - components	(538)	(1,008)	(538)	(1,008)
- Scheme Equipment	(76)	(38)	(76)	(38)
- Other Tangible Fixed Assets	(175)	-	(175)	-
Operating Lease Charges:				
- Plant and Machinery	449	422	449	422
- Other	234	320	234	320
Auditor Remuneration:				
- For audit services	63	53	52	45
- For non-audit services		-		-
- Tax compliance	5	6	3	3

9. Surplus on sale of Fixed Assets – Housing Properties

	Group and Association	
	2026	**2025**
	£'000	£'000
1st Tranche Sales		
Proceeds	-	-
Cost of Sales	-	-
Surplus	**-**	**-**
RTB/RTA Sales		
Proceeds	344	134
Cost of Sales	(144)	(27)
Surplus	**200**	**107**
Full Staircased		
Proceeds	248	591
Cost of Sales	(142)	(354)
Surplus	**106**	**237**
Out Right Sales		
Proceeds	50	693
Cost of Sales	(35)	(118)
Surplus	**15**	**575**
Total Sales excluding 1st Tranche	**321**	**919**

10. Tax on surplus on ordinary activities – Group

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
(Loss)/Profit on ordinary activities before tax	(1,024)	(2,773)	(369)	(3,030)
Profit on ordinary activities multiplied by 25% tax	(256)	(694)	(92)	(758)
Fixed Asset Differences	2,606	1,851	2,606	1,851
Income not taxable/deductible	(12,232)	(12,146)	(12,225)	(12,146)
Expenses not deductible for tax purposes	10,122	11,101	9,711	11,053
Tax relief for gift aid		-		-
Tax Adjustment for GMJV		-		-
Adjustments to tax charge in respect of previous periods	(10)	(4)		-
Deferred tax not recognised		-		-
Gift aid distribution		(49)		
Total tax charge for the period	230	59		59

11. Housing properties – Group

	Housing Properties				Under Construction			
	Social Housing	**Non-Social Housing**	**Intermediate Market Rent**	**Shared Ownership**	**Social Housing**	**Intermediate Market Rent**	**Shared Ownership**	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
At 1 April 2025	**398,474**	**2,153**	**17,989**	**11,498**	17,417	6,967	611	**455,109**
Replaced components					758	(758)		
Construction costs					25,180	897	1,150	27,227
Transfer to Investment Properties								
Transfer to Housing Properties	15,163		7,106	(18)	(15,163)	(7,106)	18	-
Transfer to Assets Held for Sale							(153)	(153)
1st Tranche Adjustment								
Replaced Components	11,050	11	192	18				11,271
Disposal of Components	(2,049)		(23)					(2,072)
Disposal of Housing Properties/Staircasing Sales	(236)			(133)				(369)
At 31 March 2026	**422,402**	**2,164**	**25,264**	**11,365**	**28,192**	**-**	**1,626**	**491,013**
Depreciation								
At 1 April 2025	85,223	487	2,605	1,287	-	-	-	89,602
Charged in year	6,798	34	238	86	-	-	-	7,156
Transfer to Investment Properties	-	-	-	-	-	-	-	-
Disposal of Components	(1,524)	-	(10)	-	-	-	-	(1,534)
Impairment	2,268							2,268
Disposal of Housing Properties/Staircasing Sales	(106)	-	-	(22)	-	-	-	(128)
At 31 March 2026	**92,659**	**521**	**2,833**	**1,351**				**97,364**
NBV At 31 March 2026	**329,743**	**1,643**	**22,431**	**10,014**	**28,192**	**-**	**1,626**	**393,649**
NBV At 31 March 2025	**313,251**	**1,666**	**15,384**	**10,211**	**17,417**	**6,967**	**611**	**365,507**

The net book value of housing properties held by freehold is £310m (2025: £280m) and leasehold is £83m (2025: £85m). The Group and Association had property with a net book value of £250m pledged as security at 31 March 2026 (2025: £220m).

11. Housing properties – Association

	Housing Properties				Under Construction			
	Social Housing	**Non-Social Housing**	**Intermediate Market Rent**	**Shared Ownership**	**Social Housing**	**Intermediate Market Rent**	**Shared Ownership**	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
At 1 April 2025	**400,345**	**2,153**	**18,206**	**11,650**	**18,788**	**7,239**	**640**	**459,021**
Replaced components	11,050	11	192	18	-	-	-	11,271
Reclassification					826	(826)		
Construction costs					26,428	942	1,182	28,552
Transfer to Housing Properties	15,777		7,355	(18)	(15,777)	(7,353)	18	-
Transfer to Investment Properties								
Transfer to Assets Held for Sale			-				(161)	(161)
1st Tranche Adjustment								
Disposal of Components	(2,049)		(23)					(2,072)
Disposal of Housing Properties/Staircasing Sales	(236)			(133)				(369)
At 31 March 2026	**424,887**	**2,164**	**25,730**	**11,517**	**30,265**	**-**	**1,679**	**496,242**
Depreciation								
At 1 April 2025	85,222	487	2,605	1,287	-	-	-	89,601
Charged in year	6,797	34	238	87	-	-	-	7,156
Transfer to Investment Properties	-	-	-	-	-	-	-	-
Impairment	2,268							2,268
Disposal of Components	(1,524)	-	(10)	-	-	-	-	(1,534)
Disposal of Housing Properties/Staircasing Sales	(106)	-	-	(23)	-	-	-	(129)
At 31 March 2026	**92,657**	**521**	**2,833**	**1,351**				**97,362**
NBV At 31 March 2026	**332,230**	**1,643**	**22,897**	**10,166**	**30,265**	**-**	**1,679**	**398,880**
NBV At 31 March 2025	**315,123**	**1,666**	**15,601**	**10,363**	**18,788**	**7,240**	**639**	**369,420**

11. Expenditure on works to existing properties

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Amounts capitalised	11,271	8,646	11,271	8,646
Amounts charged to income and expenditure accounts	17,586	16,553	17,586	16,553

12. Investment properties – Group

The Group's and Association's freehold commercial investment properties were subject to an external valuation as at 31 March 2026. This valuation was carried out by JLL under instruction from the Officers of Irwell Valley Housing Association Limited.

	Group and Association	
	2026	**2025**
	£'000	£'000
At 1 April	9,265	8,451
Additions from Housing Properties	51	363
Movement in Valuation	(171)	451
Disposal	-	-
At 31 March	**9,145**	**9,265**

13. Tangible fixed assets – Group and Association

	Scheme Equipment	Leasehold Office Premises	Computer Equipment	Fixtures & Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April	**3,428**	-	**1,714**	**541**	**5,683**
Additions	277	-	124	218	619
Reclassification	-	-	-	-	-
Disposals	(236)	-	(14)	(107)	(357)
At 31 March 2026	3,469	-	1,824	652	5,945
Depreciation					
At 1 April 2025	1,809	-	753	257	2,819
Charged for the Year	152	-	340	165	657
RRReclassification	-	-		-	-
Disposals	(160)	-	(14)	(56)	(230)
At 31 March 2026	1,801	-	1,079	366	3,246
NBV At 31 March 2026	1,668		745	286	2,699
NBV At 31 March 2025	1,619	-	961	284	2,864

14. Fixed asset investments

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Investment in Joint Ventures				
GMJV – The Hive	**827**	**800**	**-**	**-**

Investments represent a 10% share in GMJV Fundco LLP, a Limited Liability Partnership incorporated in England & Wales. The Investment has been made in the form of an equity stake representing a 10% stake of the partnership with a value of £827k (2025 - £800k) and a debtor of £2,200k (2025 - £1,461k) due to the investment expected to be repaid within the foreseeable future. Interest is charged at 7.2% on the outstanding debtor balance.

15. Homebuy Properties

	Group and Association	
	2026	**2025**
	£'000	£'000
At 1 April	181	181
Movement within year	-	-
At 31 March	**181**	**181**

16. Debtors

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Amounts receivable after one year				
Loan to IVDL		-	2,038	1,300
THFC interest prepayment	1,530	1,463	1,530	1,463
Loan to GMJV	2,200	1,461		-
Total amounts receivable after one year	3,730	2,924	3,568	2,763
Amounts receivable within one year				
Rent and Service Charges	3,934	3,916	3,934	3,916
Less: Provision for Bad Debts	(1,604)	(1,583)	(1,604)	(1,583)
Amounts due from group undertakings		-	1,695	1,699
Other debtors	1,628	3,430	1,505	3,019
Other tax and social security		70		-
Loan interest prepayment		-		-
Total amounts receivable within one year	3,958	5,833	5,530	7,051
Total amounts receivable	7,688	8,757	9,098	9,814

17. Stock and Work in Progress

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Stock - Van & Materials	261	289	261	289
Shared Ownership Properties - Work in Progress	745	592	784	621
Shared Ownership Properties - Completed		-		-
	1,006	881	1,045	910

18. Creditors: amounts falling due within one year

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Social housing and other grants (see note 23)	1,506	1,434	1,507	1,434
Bank loans (see note 19)	7,676	7,704	7,676	7,704
Rent received in advance	1,206	976	1,206	976
Amounts due to contractors	1,451	1,078	129	17
Trade creditors	1,450	2,409	1,439	2,385
Recycled Capital Grant Fund (see note 24)	196	146	196	146
Amounts due to group undertakings		-	5,153	2,369
Other tax and social security	292	107	53	48
Other creditors	1,588	1,387	1,532	1,387
Accruals	7,285	4,681	3,680	3,362
	22,650	**19,922**	**22,571**	**19,828**

19. Creditors: amounts falling due after more than one year

	Group and Association	
	2026	**2025**
	£'000	£'000
Social Housing and other grants (see note 23)	132,132	125,635
Bank loans	185,595	177,869
Recycled Capital Grant Fund (see note 24)	256	321
Homebuy grant	181	181
Other Creditors	475	590
	318,639	**304,596**

Debt analysis

	Group and Association	
	2026	**2025**
	£'000	£'000
Debt on bank loans repayable as follows:		
Between one and two years	8,684	7,708
Between two and five years	16,955	17,365
In five or more years	159,956	152,796
	185,595	**177,869**
In one year or less	7,676	7,704
	193,271	**185,573**

Housing loans from lending institutions are secured by specific charges on majority of the Group and Association's housing properties and are repayable at rates of interest of between 2.5% and 11.7% The level of undrawn facilities at the year-end stands at £69.5m, this relates to a revolving credit facility with Danske of £14.5m and a £30m fixed term loan with Warrington Borough Council and £25m Nationwide RCF.

20. Financial Instruments

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Financial Assets				
Debt instrument measured at amortised cost	**12,122**	**29,587**	**12,293**	**30,750**
Financial Liabilities				
Measured at amortised cost	**205,520**	**194,640**	**205,679**	**195,667**

21. Operating leases

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Land and building				
Within 1 Year	187	183	187	183
Between 2-5 Years	652	-	652	-
After 5 Years		-	-	-
	839	**183**	**839**	**183**
Other operating leases				
Within 1 Year	529	374	529	374
Between 2-5 Years	2,219	311	2,219	311
After 5 Years	0	45	-	45
	2,748	**730**	**2,748**	**730**

22. Provision for liabilities

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	£'000	£'000	£'000
Pension deficit liability (see note 29)	1,968	2,819	1,968	2,819
Haughton Green Remediation Works		4,856		4,856
Office Dilapidation Costs		100		100
	1,968	**7,775**	**1,968**	**7,775**

Remediation works on Haughton Green were completed by March 2026, this is an exceptional item on the SOCI.

23. Deferred grant income

	Group and Association	
	2026	**2025**
	£'000	£'000
At 1 April	127,069	117,872
Grants received during the year	8,229	10,709
Grants recycled (from) /to the RCGF	(288)	(98)
Released to income in the year	(1,372)	(1,414)
At 31 March	**133,638**	**127,069**
Amounts to be released within one year	1,506	1,434
Amounts to be released in more than one year.	132,132	125,635
	133,638	**127,069**

24. Recycled Capital Grant Fund

	Group and Association	
	2026	**2025**
	£'000	£'000
At 1 April	467	529
Additions to fund	131	124
Utilised in the year	(146)	(186)
At 31 March	**452**	**467**
Amounts to be released within one year	196	146
Amounts to be released in more than one year	256	321
	452	**467**

25. Share Group Capital

	Group and Association	
	2026	**2025**
Shares of £1 each issued and fully paid		
At 1 April	9	9
Issued during the year		1
Surrendered during the year		(1)
At 31 March	**9**	**9**

The shares provide members with the right to vote at general meetings but do not provide any rights to dividends or distributions. The members' liability is limited to £1 on a winding up of Irwell Valley Housing Association Limited.

26. Notes to Group cashflow Statement

	Group	
	2026	**2025**
	£'000	£'000
(deficit)/surplus	(1,211)	(3,661)
First Tranche Sales surplus	0	0
First Tranche Sales Income		
(Increase)/decrease in valuation of Investment Properties	171	(451)
Interest charge	8,729	9,020
Interest received	(426)	(1,294)
Surplus on the sale of housing properties	(321)	(919)
Bad debt	225	541
Depreciation charges	8,226	7,280
Impairment	2,268	
Loss on disposals	788	1,046
(Increase)/decrease in debtors	1,009	(794)
Amortisation of Housing Grant	(1,444)	(1,434)
Difference between net pension expense and cash contribution	(1,043)	(1,015)
Increase/ (decrease in provision	(4,956)	4,956
Decrease/(Increase) in creditors	(2,027)	522
Joint Venture receipt		
	9,988	**13,797**

26. Notes to Group cashflow Statement continued

Net debt reconciliation

	1 April 2025	**Cashflows**	**Non-cash movement**	**31 March 2026**
	£'000	£'000	£'000	£'000
Cash at bank and in hand	21,620	(17,187)		4,433
Bank loans	(185,573)	(8,128)	430	(193,271)
Net debt	**(163,953)**			**(188,838)**

27. Capital commitments

	Group and Association	
	2026	**2025**
	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	22,286	33,969
Capital expenditure that has been authorised but not yet contracted for	79,741	10,520
	102,027	**44,489**
The group and association expect to finance the above commitments by:		
Loan facilities, shared ownership stair-casing sales and other trading cash flows	**102,027**	**44,489**

28. Related parties

	Group and Association	
	2026	**2025**
	£'000	£'000
Irwell Valley (Developments) Limited		
Intercompany balances		
Amounts owed in relation to design and build to IVHA	1,696	1,699
Cash amounts transferred to IVDL for the Rivington development	0	0
Amounts owed in relation to design and build to IVDL	5,152	2,369
Intercompany transactions		
Management fee charged to IVDL for Development & back office	623	646
Amounts recharged to IVHA for scheme contracts	24,920	16,584
GMJV - The Hive		
Investment in Joint Venture	**800**	**800**
Interest on Debtor	**122**	**88**
Investment within the year	**-**	**-**

The Association has one resident Board of Management member, C Finegan had a £14 credit balance and rental charges for 2025/26 of £4,416.

29. Pension Costs

	Group and Association	
	2026	**2025**
	£'000	£'000
Fair value of plan assets, present value of defined benefit obligation and defined benefit asset (Liability)		
Fair value of plan assets	18,445	17,502
Present value of defined benefit obligation	20,413	20,321
(Deficit) in plan	(1,968)	(2,819)
Unrecognised surplus		-
Defined (liability) to be recognised	(1,968)	(2,819)
Deferred tax		-
Net defined benefit (liability) to be recognised		-

Reconciliation of opening and closing balances of the defined benefit obligation	Group and Association	
	2026	**2025**
	£'000	£'000
Defined benefit obligation at start of period	20,321	21,860
Current service cost		-
Expenses	22	17
Interest expense	1,159	1,057
Member contributions		-
Actuarial losses due to scheme experience	(83)	703
Actuarial losses due to changes in demographic assumptions	181	-
Actuarial gains due to changes in financial assumptions	(144)	(2,668)
Benefits paid and expenses	(1,043)	(648)
Defined benefit obligation at end of period	20,413	20,321

Reconciliation of opening and closing balances of the fair value of plan assets	**Group and Association**	
	2026	**2025**
	£'000	£'000
Fair value of plan assets at start of period	17,502	17,796
Interest income	1,021	882
Experience on plan assets (excluding amounts included in interest income) - loss	(3)	(1,543)
Employer contributions	968	1,015
Member contributions		-
Benefits paid and expenses	(1,043)	(648)
Assets acquired in a business combination		-
Assets distributed on settlements		-
Exchange rate changes		-
Fair value of plan assets at end of period	18,445	17,502

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was (£1,018k) 2025 (£661k).

Defined benefit costs recognised in statement of the comprehensive income (SOCI)	**Group and Association**	
	2026	**2025**
	£'000	£'000
Current service cost		-
Expenses	22	17
Net interest expense	138	175
Losses on business combinations		-
Losses on settlements		-
Losses on curtailments		-
Losses due to benefit changes		-
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	160	192

Defined benefit costs recognised other comprehensive income (OCI)	**Group and Association**	
	2026	**2025**
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) - (loss)	(3)	(1,543)
Experience gains and losses arising on the plan liabilities - (loss)	83	(703)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - (loss)	(181)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	144	2,668
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain	43	422
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain		-
Total amount recognised in Other Comprehensive Income - gain	43	422

Assets	**Group (and Association**	
	2026	**2025**
	£'000	£'000
Global Equity	2,044	1,961
Absolute Return	-	-
Distressed Opportunities	-	-
Credit Relative Value	-	-
Alternative Risk Premia	-	-
Fund of Hedge Funds	-	-
Liquid Alternatives	3,284	3,245
Emerging Markets Debt	-	-
Risk Sharing	-	-
Insurance-Linked Securities	27	54
Property	900	877
Infrastructure	1	3
Private Equity	40	16
Real Assets	1,737	2,095
Private Debt	-	-
Opportunistic Illiquid Credit	-	-
Private Credit	2,227	2,142
High Yield	-	-
Credit	734	669
Investment Grade Credit	1,085	539
Cash	4	238
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	-	5
Secured Income	560	292
Liability Driven Investment	5,624	5,300
Currency Hedging	(1)	28
Net Current Assets	179	38
Total assets	**18,445**	**17,502**

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

	Group and Association	
	2026	**2025**
Key assumptions		
Discount Rate	6.08%	5.85%
Inflation (RPI)	3.31%	3.09%
Inflation (CPI)	3.03%	2.79%
Salary Growth	3.03%	2.97%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance
	Life expectancy at age 65	Life expectancy at age 65
	(Years)	(Years)
Male retiring in 2026	20.9	20.5
Female retiring in 2026	23.2	23
Male retiring in 2046	22.2	21.7
Female retiring in 2046	24.6	24.5

30. Joint Venture – GMJV The Hive

In 2019, IVDL, a fully owned subsidiary of Irwell Valley Housing Association Limited became a member of GMJV Fundco LLP with 9 other local registered providers. The LLP holds an 80% investment in Hive Homes LLP, a partnership which is helping to address growing housing crisis in Greater Manchester. IVDL contributed £0.74m within the year (2025: nil). Below is Hive Homes 31 March 2026 financial performance.

	GMJV Hive Homes	
	2026	**2025**
	£'000	£'000
Current Assets		
Work in Progress	30,916	15,591
Trade Debtors	270	270
Cash at bank	10,365	14,573
	41,551	30,434
Current liabilities		
Creditors	(6,263)	(3,629)
Net Current Assets	35,288	26,805
Reserves		
Members capital classified as equity	9,958	9,958
Members capital classified as debt	25,330	16,847
Profit and Loss Account	35,288	26,805