Rooftop Housing Association Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

2025/2026

Rooftop Housing Association Limited

Annual Report and Financial Statements

Year ended 31 March 2026

Registered Society No 27786R
Regulator of Social Housing No LH4050

Contents

Board, executive and advisors

Registered office	70 High Street Evesham WR11 4YD
Board	- Daisy Halford (Chair) - Lenna Cumberbatch-Nichols (Vice Chair) - Wayne Harris - Ciara McMillan - Alykhan Meghani (retired 28 January 2026) - Richard Newton (retired 24 September 2025) - Andrew Palmer (appointed 24 September 2025) - Anna Moore (appointed 28 January 2026)
Executive officers	- Boris Worrall, Group Chief Executive - Sam Morgan, Executive Director - Resources - Rebecca Pitt, Executive Director - Investment - Mark McEgan, Executive Director - Operations - Andrew Ledger, Secretary (appointed 1 May 2025)
External auditors	BDO LLP Two Snowhill Birmingham B4 6GA
Bankers	Barclays Bank Plc 54 High Street Worcester WR1 2QQ
Internal auditors	Menzies LLP (formally Beever and Struthers) The Colmore Building 20 Colmore Circus Queensway Birmingham B4 6AT
Principal solicitors	Trowers & Hamlins 1 Snow Hill Queensway Birmingham B3 2BJ
External auditors	BDO LLP Two Snowhill Birmingham B4 6GA
Lenders	Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW Lloyds Banking Group 25 Gresham Street London EC2V 7HN Legal and General Investment Management One Coleman Street London EC2R 5AA

Lenders	Santander Corporate & Commercial Banking 17 Ulster Terrace Regent's Park London NW1 4PJ bLEND Funding plc 3rd Floor 17 St Swithin's Lane London EC4N 8AL
Treasury advisors	Savills plc 33 Margaret Street London W1G 0JD
Insurance brokers	Marsh Ltd Willow House Peachman Way Broadland Business Park Norwich NR7 0WF
Taxation advisors	RSM UK Tax and Accounting 10th Floor, 103 Colmore Row Birmingham B3 3AG
Valuers	JLL 3 Callaghan Square, Cardiff, CF10 5BT
Performance analysis	Vantage Business Solutions Consulting Limited 184-200 Pensby Road Heswall Wirral CH60 7RJ

Report of the Board

The Board is pleased to present the Report of the Board, the Strategic Report and the audited financial statements for the year ended 31 March 2026.

The reports and financial statements are prepared in accordance with the Co-operative and Community Benefit Societies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and comply with the Statement of Recommended Practice (SORP) for registered social housing providers 2014 (updated in 2018); the Housing and Regeneration Act 2008; and the Accounting Direction for Private Registered Providers of Social Housing 2022. The Group is a public benefit entity and Rooftop Housing Group Limited is the Group parent.

Group structure

Rooftop Housing Group Limited (RHG), the Group parent, is a non-charitable Registered Society (29661R), registered with the Regulator for Social Housing (RSH) (L4404), providing operational and corporate services, including treasury management, information and communication technology, and human resources for the whole Group.

Rooftop Housing Association Limited (RHA) was registered as a Registered Society in May 1993 (27786R) and obtained registration with the RSH in September 1994 (LH4050). RHA provides core social housing that meets charitable criteria.

Rooftop Homes Limited (RHL) is a non-asset holding subsidiary. This company became dormant on 31 March 2020. It was deregistered with the Regulator of Social Housing as a Registered Provider in June 2020.

Rooftop Management Limited (RML) is a wholly owned commercial subsidiary company (Registered in England 3569438). This company became dormant from 31 March 2005.

Principal activities

The principal activity of RHA is to provide housing accommodation at below market rents for people in housing need. Additionally, RHA provides housing accommodation through:

- supported housing schemes;
- housing for sale - shared ownership;
- management of older people schemes in partnership with the ExtraCare Charitable Trust provision of support services primarily to older people;
- housing accommodation for keyworkers;
- housing accommodation for market rent and;
- a limited amount of commercial property.

Regulatory framework for social housing

The Board considers it a priority to comply with the regulatory framework and to maintain G1 and V2 compliant ratings from the Regulator of Social Housing (RSH) under the Governance and Financial Viability Standard. These were formally assessed by the RSH through its' Inspection process in May 2024. In 2022, the RSH confirmed the G1 rating for governance but regraded the Group to V2 for financial viability in recognition of the prevailing economic pressures on the sector and this was reconfirmed in the Inspection in 2024.

From April 2024, a revised inspection regime was implemented by the RSH which encompassed the new Standards for consumer regulation which were published in February 2024. Registered providers are assessed against a set of consumer grades from C1 through to C4 and any grade below C1 will be subject to a time specific improvement plan to enable it to achieve the C1 grading. The Group was inspected under the new regime in May 2024 and was graded as C2. An improvement plan has now been approved at Board, with Phase One completed by 31 March 2026, to achieve the C1 grading. There is further development of the next stage to ensure continuous improvement.

A detailed annual self-assessment against the Regulator's Standards is carried out in April each year and approved by the Board. The Board considers that the Group remains compliant with the standards. As part of this, the following key factors were noted:

- A robust, appropriate, and prudent framework for business planning, risk and control is in place describing how the Group Corporate Vision and overarching strategic approach is underpinned by annual planning and supported by integrated governance, financial, performance management and risk and assurance frameworks.
- Stress testing in Rooftop is robust. Scenarios taken to Board in March 2026 were linked to the RSH's Sector Risk Profile published in November 2025 and informed the Financial Business Plan approved in May 2026.
- Engagement with the RSH is proactive and a protocol for this has been approved by the Executive Team and reviewed annually. Regular meetings with the RSH have been held during the year as part of the C1 grading process.
- All regulatory returns (Electronic Annual Accounts (FVA), Statistical Data Returns (SDR), Quarterly Surveys (QS), Financial Forecast Returns (FFR), Tenant Satisfaction Measures (TSM), Fraud, Disposals and Fire Safety Remediation Surveys) have been submitted to the RSH's deadline.
- The updated Treasury Management Policy was approved by the Group Board in September 2025.
- The Vantage tailored VFM Metric Peer presentation to January 2026 board meeting gave an independent review and assurance that optimal benefit is being derived from resources and assets.
- The Value for Money Strategy and Value for Money Action Plan was approved in May 2025.
- RHA was a member of a Cost Sharing Vehicle, which is a cost sharing group for the provision of property maintenance services. This has been the subject of intense scrutiny by the Boards and Executive and a decision was taken to end this on 30 June 2026 due to value for money concerns. A new repairs and maintenance contract with Mears Limited commenced on 1 July 2026, supporting the delivery of improved service performance and value for money.
- At 31 March 2026, the Group's Financial Business Plan and Treasury Management Strategy identified that RHA (in which the loans are held) will require additional funding facilities to be secured by December 2026.
- Rooftop recognises the importance of holding comprehensive data on its properties and has commissioned an external consultant to undertake stock condition surveys on homes.
- The annual Disposal Plan was presented in March 2026 as part of the Group Budget report.
- Rooftop works effectively with local partners and stakeholders to ensure we play an effective role in service delivery and investment within the neighbourhoods and communities that we serve and that they remain safe.
- Our Customer Strategy was further revised and approved in September 2025 and the Customer Influencing Framework outlines the roles of customers and stakeholders in delivery, both of which are published and widely circulated on our website. We provide a range of ways in which our customers can access our services which are identified on our website and social media platforms.
- The Customer Complaints Policy and Procedure has been updated to ensure it remains compliant with the Housing Ombudsman Complaints Handling Code 2024.

- We report to our customers formally on an annual basis to advise of performance against our key performance indicators (KPI) and publish repairs (monthly), complaints and key KPI updates every quarter on our website. The Annual Report to Tenants is published by 30 September.
- We have carried out an extensive survey of our customers to understand their top priorities for Rooftop over the next few years, and to consult with them on our Annual Plan for 2026 - 2027. We received 871 responses, and this will inform future service delivery and planning.
- Tenant Satisfaction Measures (TSMs) surveys are undertaken on a regular basis to gather feedback and satisfaction on how our services are delivered. This information, alongside surveys on customer priorities are used to shape service delivery.
- A Customer Scrutiny Panel reviews Rooftop's services to its customers through an annual programme of scrutiny areas and reports to each meeting of the Audit and Risk Committee with an annual report to the Group Board.
- A Customer Strategy Group was established in 2025 to review customer related documents and processes, including the annual self-assessments against the RSH's Consumer Standards.

Internal controls

The Group Board is responsible for the overall system of internal control throughout the Group and for reviewing its effectiveness. The Group has delegated initial responsibility for audit and assurance to the Audit and Risk Committee, which comprises Board Members from across the Group. The members of the Audit and Risk Committee are chosen for their appropriate skills, while representing the composition of the Group.

The Audit and Risk Committee has responsibility for reviewing the adequacy of all risk and control related statements prior to endorsement by the relevant Boards and reviewing the effectiveness of internal control systems, including management, financial, operational and risk controls, so that the Group can be reasonably assured that appropriate and effective risk management arrangements are in place.

Work undertaken by the Audit and Risk Committee during the year included:

- Financial reporting
  - Reviewed the integrity and appropriateness of financial reporting throughout the year, including the timetable for the 2025/26 final accounts.
  - Reviewed and recommended the Statutory Accounts and external audit findings.
  - Reviewed the performance of the external auditors (BDO) during 2025/26.

- Risk management process and framework
  - Received and scrutinised quarterly risk update reports covering both Strategic and Business risks, including second-line oversight of risks outside appetite or within tolerance thresholds.
  - Reviewed stress testing outputs and the operation of the Defensive Action Plan (DAP), receiving assurance that the underlying processes and controls remained robust.
  - Considered the Regulator of Social Housing Sector Risk Profile and reviewed management's self-assessment against regulatory risk themes.
  - Discussed and recommended for Board approval the Risk Appetite statements appended to the Risk and Assurance Policy.
  - Oversaw the ongoing development of Risk Appetite reporting, including two workshops to discuss the updating of the Risk and Assurance Framework to include Early Warning Indicators (EWIs).

- Internal and external audit
  - Recommended the appointment of the External Auditor to the Group Board.
  - Approved the Audit and Risk Committee annual reporting cycle for 2026/27.
  - Approved the Internal Audit Plan 2024 to 2029 (Year Three – 2025/26) and received regular updates on delivery and progress against the plan.
  - Approved the Internal Audit plan year two and External Audit planning report.

    - Noted the report on the annual review of the Internal Auditor which showed a performance level of 'good'.
    - Assessed the adequacy of audit scopes and the effectiveness of assurance provision
    - Reviewed internal audit reports throughout the year, including themed audits, compliance audits and Business Critical Controls testing, ensuring coverage of key risk areas aligned to the Group's risk profile.
    - Monitored the Internal Audit Recommendations tracker at each meeting and received updates on the implementation of agreed actions.
    - The Committee reviewed two recommendations and follow up reports which returned 100% of recommendations reviewed as confirmed implemented.

- Compliance, fraud, whistleblowing and resilience
    - Reviewed the Compliance, Health and Safety report at each meeting, including landlord compliance performance and areas requiring management action.
    - Reviewed the Asset and Liability Registers and noted the Group's asset base, loan portfolio and other liabilities remained appropriately controlled.
    - Reviewed Tenancy and General Fraud Registers and received quarterly updates on tenancy fraud activity.
    - Received confirmation that arrangements for whistleblowing were operating as intended, with no unresolved matters requiring escalation.
    - Reviewed business continuity arrangements, including major incident resilience and scenario testing outcomes.
    - Received confirmation that the Stress Testing scenarios and the Defensive Action Plan (DAP) processes and controls were in place and were robust.
    - Reviewed the Gifts and Hospitality Register at each meeting and noted no matters of concern.

- Customer scrutiny and consumer regulation
    - Reviewed Customer Scrutiny Panel (CSP) reports on Lettings and Voids, Shared Ownership management and Air Source Heat Pumps and monitored progress against agreed recommendations.
    - Approved the Customer Scrutiny Panel scrutiny programme for 2025/26.
    - Received updates on Complaints Handling, Rent Standard compliance and Tenant Satisfaction Measures, including learning and improvement actions arising from regulatory and customer feedback.

- Other information reviewed and discussed to gain assurance on the effectiveness of internal controls:
    - Received annual reviews on Data Protection and Safeguarding.
    - Received an update on insurance renewals and claims.
    - Received a risk walk through presentation on the Achieving Excellence Together Programme (C1 Plan) progress.
    - Received progress updates and assurance on our alignment with Awaab's Law.
    - Discussed the progress with the improvements in Stock Condition data.
    - Reviewed the Supported Housing Internal Audit Action Plan.
    - Received assurance on the Greenhill House bin store fire incident which was reviewed by the Regulator of Social Housing

- Governance and committee effectiveness
    - Reviewed its own effectiveness and Terms of Reference in line with good governance practice and the Committee's annual reporting cycle.
    - Formally reported to the Board on the discharge of its responsibilities each quarter during 2025/26.

There were no identified weaknesses in internal controls, which resulted in material losses, contingencies or uncertainties that require disclosure in the financial statements.

General Data Protection Regulation (UK GDPR)

The Board recognises the importance of protecting the personal data of our customers, colleagues, contractors and other stakeholders and our commitment to compliance with data protection laws and managing personal data responsibly. Rooftop are committed to ensuring everything we do with personal data follows the principles of lawfulness, transparency, fairness and accuracy whilst minimising the amount of data we collect and only using it for specific, explicit and legitimate purposes until we no longer need it.

We have taken steps to ensure our staff and partners are aware of our obligations, by undertaking mandatory training and increasing awareness at all levels within the organisation. We have ensured our third party partners, who process personal data on our behalf, have security and compliance at the forefront of their work for us by way of legal agreements and audit of their systems.

We have reviewed our own compliance with the UK GDPR and Data Protection Act 2018 and are of the view that there has been no material non-compliance with the legislation following implementation. Notwithstanding, and in line with good practice and changes in legislation brought about by the Data (Use and Access) Act 2025, Rooftop continues to keep compliance under review.

Governance

RHG is governed within the framework set by its rules as a Registered Society. These state that RHG will have a Board and determine its membership. In making appointments to the Board, the Group seeks members with a range of skills that it requires to effectively govern its business.

Key activities by the Board during 2025/26 included:

- The Board holds two Strategy Days each year. In June 2025, the Board discussed the process involved in changing repairs provider and challenges and opportunities in investment. It also received a presentation on future Housing Management System options and included a Cyber update, along a presentation on the work of the Customer Engagement and Customer Contact teams. In October 2025, the annual Risk Workshop discussed adopting innovative strategies for effective risk control. The Board received a presentation on the Target Operating Model Phase Two work and undertook a workshop on a new Development Strategy. There was also a presentation on the work of a Complaints Resolution Officer.
- The Board and Committees Skills Matrix and Skills Audit is refreshed annually and prior to any new appointment to the Board.
- A robust Succession Plan is in place and regularly reviewed.
- In 2025/26 one board member retired having completed their maximum terms of office. One board member retired after completing an additional year to their maximum term of office due to the loss of a key member of the Board and the need for their skills on the Audit and Risk Committee membership until newer members had embedded into it. Recruitment was undertaken for their replacements.
- The following Governance related policies were reviewed in the year: the merger of the Anti-Fraud and Anti-Bribery Policies into one and the annual reviews of the Committee Terms of Reference, along with the Scheme of Delegations and Matters Reserved for the Board. The Board also approved the Terms of Reference for the newly formed Customer Strategy Group.
- Individual board member appraisals are held annually. The Board Member Learning and Development Plan captures the outcomes of the appraisals.
- The principles of the NHF Code of Conduct have been enshrined within a revised Code of Conduct for Board and Independent Members and Colleagues.

The Board now has two committees as two were merged during the year: Audit and Risk, Remuneration, Nominations and Performance.

The responsibilities of the Audit and Risk Committee are detailed under Internal Controls.

The Remuneration, Nominations and Performance Committee considers and recommends to the Board all matters of remuneration policy for colleagues and board members and any change to pension schemes in accordance with the Group's Pay and Reward Policy. It also oversees the terms and conditions of employment for the Group Chief Executive and Executive Team. It also leads the process for appointments to the Board and its Committees and ensures plans are in place for the orderly succession to both the Boards and Executive Team. It oversees the process for the annual appraisal of Board Members and for the Group Chief Executive. In addition, it recommends to the Board a policy and procedure setting out how disputes and grievances involving members of the Board can be raised and responded to.

As of 31 March 2026, the Board of RHG had nine members of which five are female and four are male with an average age of 47 years. Six members are White British, one member is White Other, one member is Asian British and one member is Black Caribbean. Two members are registered disabled. The biographies of the Board Members are available at the end of the financial statements.

As of 31 March 2026, the Executive Team had four members including the Group Chief Executive of which two are male and two are female with an average age of 48.5 years. All members are White British.

Code of governance

The Board has formally assessed its compliance against the National Housing Federation's Code of Governance (2020) and confirms that the organisation is fully compliant.

Board Members' responsibilities

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 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 2014 (updated 2018) have 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 Association will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association, and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the 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 2014 (updated in 2018).

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

Auditors

All current Board Members have taken steps to make themselves aware and provide any information needed by the Association's auditors for the purposes of their audit. Board Members are not aware of any relevant audit information of which the auditors are unaware.

Anti-Slavery and Human Trafficking Statement

We are committed to operating to the highest standards in all aspects of our business. This includes our employment practices, tenancy management, and procurement processes. Rooftop and its subsidiary companies fully support the principles of the Modern Slavery Act 2015 and are dedicated to the eradication of modern slavery and human trafficking.

Our annual statement, approved by the Board, summarises our commitment to the Modern Slavery Act 2015 and how this is demonstrated. This is published on our website.

Colleagues

Within the Group structure, all employees are employed by RHG, the Group parent. Rooftop is a dedicated equal opportunities employer, we treat people fairly, and with dignity, regardless of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race (including colour, nationality and ethnic or national origin, religion or belief, sex, or sexual orientation).

The Group continues to consult and inform colleagues on matters that affect them and on the progress of the Group. This is carried out in a number of ways including: Your Voice (a forum for colleagues to have their say and influence the way we work), company-wide colleague briefings, formal consultation, departmental and individual meetings.

Equality, Diversity, and Inclusion

We are committed to creating a culture that promotes, celebrates and values equality, diversity, and inclusion.

Some of the examples where we put this into practice include celebrating Pride month through our Inclusion Alliance, being a Disability Confident employer and, signing up to the Armed Forces Covenant. We make every effort to achieve equality of outcomes in all aspects of our employment including recruitment and selection, training and development and employment practices.

We demonstrate this through the activities and the services we provide, and our aim is to achieve positive outcomes for potential and existing customers, our colleagues, and the wider community. We continue to build on our inclusive culture and workplace where difference is accepted and celebrated. We do not tolerate discrimination or prejudicial treatment of any kind and challenge and act on it if required.

Our three-year Equality, Diversity and Inclusion Strategy was approved by the Group Board in May 2024 and a new Inclusion Alliance has launched to assist us in delivering our commitments.

Health and safety

The Board is aware of its responsibilities on all matters relating to health and safety. It reviews its health and safety policy and statement on an annual basis to support compliance. There is Board Member representation on the Health and Safety Committee, which meets quarterly. Minutes of meetings are made available to all employees, the Audit and Risk Committee and Board. All staff receive a detailed health and safety induction on commencement and a programme of training on health and safety matters is ongoing.

Insurance

RHG maintains insurance policies for members of the Board and Executive Directors against liabilities in relation to the Group and the activities of the Association.

Going concern

The Board has undertaken a detailed assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these Financial Statements. The Board considers that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, it continues to adopt the 'going concern' principle in the financial statements.

The Board approved the Group's 40-year Financial Business Plan in May 2026, which included detailed multi variant stress testing, including severe but plausible scenarios.

Based on our Treasury Management Policy, RHA holds minimum cash balances of £5 million or three months' liquid funds, whichever is the greater. When calculating the required cash balance an assumption is made that we will only receive two thirds of property sales in a period. This prudent approach and the available undrawn loan facilities will keep us viable during these difficult times.

The budget for 2026/27 was approved by the Group's Board on 25 March 2026. The year ahead will remain challenging for Rooftop following ongoing record demand for repairs and the need to invest £46.2 million in our homes over the next 3 years to bring them up to standard and in line with decarbonisation targets.

For social and affordable rents, the Government announced in June 2025 a 10-year rent settlement of CPI plus 1% from 2026/27. The Group's 2026 Financial Business Plan assumes a 10-year settlement at CPI plus 1%; however, stress testing was undertaken to assess the impact of potential future rent caps and shorter-term settlement arrangements.

At 31 March 2026, the Group held £9.4 million cash including short-term and long-term investments, of which £7.9 million is available at short notice. In addition, we have £25.0 million of undrawn revolving credit facilities at year end; this will support the current development programme. We are pleased to confirm there is sufficient cash available to support the business and to comply with our funders' covenants. As outlined in the Financial Business Plan, the Group is progressing arrangements to secure additional long-term funding by December 2026 to support future investment and development, through the Homes England Social and Affordable Homes Programme (SAHP) 2026-36.

The Group budget surplus for 2026/27 has been set at £14,154,000, an increase of £9,584,000 from the 2025/26 result, largely due to increased surplus generated on property sales. This includes the Board-approved extension of the Ethical Void Sales Programme (EVSP), which support the delivery of Section 106 developments, alongside a number of property sales which were due to complete in 2025/26 but have been delayed and pushed back into 2026/27.

Given the strength of the statement of financial position and availability and liquidity of undrawn loan facilities, the Board believe that while there may be some uncertainty in the future, this does not pose a material uncertainty that would cast doubt on the Association's ability to continue as a going concern. The Board therefore consider it appropriate for the accounts to be prepared on a going concern basis.

Approved by the Board and signed on its behalf by:

Daisy Halford
Chair
03 August 2026

Strategic Report

Who we are

Rooftop Housing Group is a not-for-profit organisation which manages around 7,000 homes and provide a range of accommodation, including for older people and NHS keyworkers. Rooftop is also a specialist in providing culturally appropriate homes for the Gypsy, Roma and Traveller (GRT) communities at four sites in partnership with Solihull, Coventry and Bromsgrove Councils.

The diagram below summarises who we are, what we provide and how we work:

Our Vision

In 2022, we created a vision in consultation with our colleagues, customers and stakeholders. In March 2025, we updated our Vision to make it more focused and to reflect major external changes, including rising costs and increasing demand. The vision has six specific targets and six ways we will achieve them.

Vision by 2028
Fit for the Future

What we will have achieved for customers

1. A high-performing repairs and maintenance service
2. Simple and effective digitally-driven customer services
3. Clean and safe neighborhoods
4. Effective customer influence and organisational learning
5. Services which adapt effectively to customer needs
6. Homes which are fit for the future

We will achieve these by:

1. Ensuring financial viability by achieving value for money
2. Developing data insight to shape services and investment
3. Ensuring that our people are proud, professional and skilled
4. Delivering excellent customer satisfaction
5. Ensuring effective complaints handling
6. Securing external accreditation and quality standards

Responding to what customers tell us matters

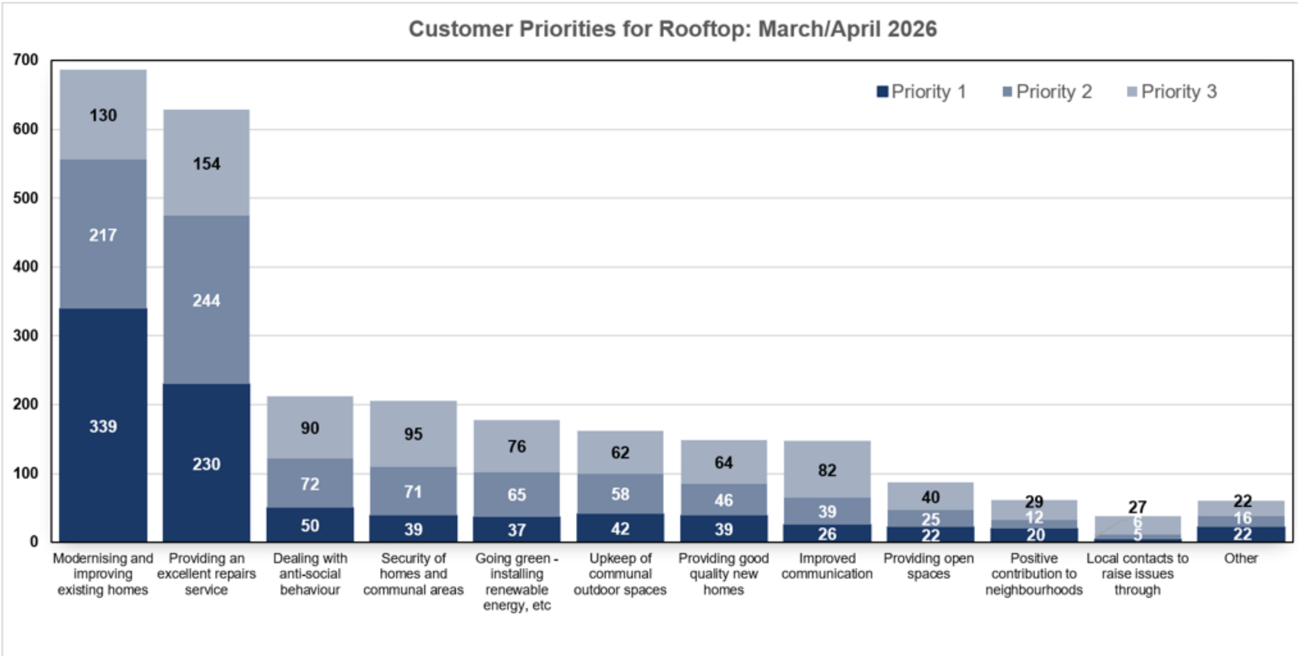
Every year, we survey all our customers to understand what matters most to them and ask their views on the draft of this Plan. A total of 871 customers responded to our survey in March and April 2026, with 659 telling us that the Plan was easy to understand and 562 saying that it provided a picture of our priorities for the year ahead.

Customers have been consistent in telling us what matters most to them in annual surveys since 2022. A summary of the 871 responses from March 2026 is below. This Plan reflects those priorities. The top priorities are:

1. Modernising and improving homes.

2. Providing an excellent repairs service.

3. Dealing with anti-social behaviour.



The diagram below shows the many ways we gather feedback from customers:

Our Customer Scrutiny Panel carries out three service reviews each year and reports to the Audit and Risk Committee at each meeting, and the Board annually.

Our Customer Strategy Group monitors performance related to Customer Experience and contributes to the development of Policies, Strategies and Improvement Plans to advise the Board on ways to enhance our customer offer in line with the Regulators expectations in delivering the consumer standards.

We have also set up customer focus groups to give views on specific areas, such as aids and adaptations. The availability of these will be advertised on our website and in the resident newsletter.

A local approach

We describe ourselves as community based because being local, responsive and close to our customers and communities is important. The way we work is based around providing central corporate services like Finance and Human Resources to support teams delivering locally. We operate 12 'patches', with ten having an average of around 550 homes managed by a dedicated Neighbourhood Housing Officer responsible for their area and two patches managed by Team Leaders with an average of around 330 homes. This means that we can get to know the people and properties in those neighbourhoods. Our Housing with Care, and Retirement Living Officers manage specific schemes, and their patches are on average about 150 households. We have a dedicated Income team, and Tenancy Services team responsible for the prevention and tackling of Anti-Social Behaviour (ASB). We also have a dedicated officer who manages our GRT service. Repairs and other landlord service calls are handled by a central team.

Partnerships

Partnership is critical to our success, and we work particularly closely with the district councils of Wychavon, Malvern Hills, Tewkesbury, and Gloucester City Council. We also work closely with care providers who support customers in our five Extra Care schemes.

We are pleased to be a strategic partner with Homes England through the Matrix Housing Partnership. In April 2026, as a member of the Matrix Consortium, Rooftop submitted a bid for over £15 million of grant funding to deliver 120 new affordable homes through the Homes England Social and Affordable Homes Programme (SAHP) 2026-36. The Matrix Consortium was established over 20 years ago and has a well-established relationship with Homes England and a strong track record in delivering high quality affordable homes across the West Midlands and South West. This development programme is a direct response to the government's house building ambitions, tackles acute local housing needs and gives families and individuals the stability and security of a genuinely affordable place to call home. The outcome of the bids is expected in the Autumn of 2026 with starts on site expected in 2027.

In June 2025, we decided to leave our repairs and maintenance partnership with Platform Property Care. Following a competitive flexible procurement, Rooftop has selected Mears Limited as our new long-term repairs and maintenance partner with services provided from 1 July 2026. This ten-year partnership is expected to deliver better value for money, faster response times, high quality workmanship and a better customer journey – strengthening both operational performance and financial efficiency across our repairs and maintenance programmes.

Responding to our inspection

We are regulated by the Regulator of Social Housing, which carries out regular inspections of housing associations. Following our inspection in 2024 we were awarded a top grading of G1 for governance and a compliant C2 grading for the new Consumer Standards. Our compliant V2 financial rating remained unchanged.

The Consumer Standards are designed to ensure that landlords are responsible and provide good quality and safe homes for their customers, as well as listening to their customers to ensure they meet their needs. We agreed a plan to improve and work towards a C1 grading with our Board in early 2025. This plan was called 'Achieving Excellence Together' and focused on making improvements in the four areas of repairs, complaints management, customer engagement, and how we understand, log and respond to customer vulnerability.

The programme has been viewed as successful and delivered a number of positive outcomes in the above areas for customers. Examples include dramatically reducing work in progress repairs, improving complaints response times from 30% to over 90%, identifying over 3,000 vulnerable customers resulting in 14% of repairs having a reasonable adjustment and developing a residents voices forum from 30 to over 300 participants.

The Achieving Excellence Together programme has now concluded, with the outcomes informing the Group's ongoing approach to continuous improvement. Building on this work, a new continuous improvement plan is being developed with Executive and Leadership Team to drive further enhancements in customer services.

We have also agreed a set of performance targets to measure progress against this plan, which is on our website in the 'performance and reporting' section. This will be updated on our website after each Board meeting. We will use the annual assessment we carry out each May against the Regulator of Social Housing Consumer Standards to demonstrate how we are doing. We will also publish this each May.

What we will deliver this year

We have agreed eight specific objectives for the year ahead. These are in the table below.

1. **Mobilise our new repairs and maintenance provider**

This year we will work closely with Mears Limited, as our new repairs and maintenance provider, to ensure a successful mobilisation and deliver an improved repairs service for our customers. Our contract starts with them on 1 July 2026 and we will be working in partnership

2. **Invest £14 million into existing homes**

We will continue to invest significantly in our existing homes to ensure they remain safe, warm and fit for the future. This investment will support our long-term asset management strategy and improve the quality of homes for customers. We are also looking to reduce the level of expenditure on repairs by increasing spend on our homes through more capital investment and improvements.

3. **Deliver 152 new homes**

We will increase the supply of affordable housing across our communities by delivering 152 new homes, helping to meet the local housing need and provide more people with access to quality housing. This will include a mixture of Social Rent and Shared Ownership homes all of which will be a minimum of EPC band B.

Annual Objectives for 2026/27

Annual Objective	Customer Priority	Corporate Plan
Mobilise the new repairs and maintenance provider	Providing an excellent repairs service is a top priority of customers	High performing repairs and maintenance service Clean and safe neighbourhoods
Invest £14 million into existing homes	Modernising and improving homes are a top priority of customers	Homes that are fit for the future
Deliver 152 new homes	Providing future customers with a home in the local area	Homes that are fit for the future
Deliver Supported Housing Strategy Year 1	Ensuring our homes for older people are fit for the future	Homes that are fit for the future
Implement Garage review project Year 2	Improving garage sites matters for local communities	Clean and safe neighbourhoods
Deliver Achieving Excellence Together Year 2	Providing the best services and homes we can with the resources we have	Effective customer influence and organisation learning Services that adapt effectively to customers' needs
Select a new IT system for implementation from 2027/28	More responsive and efficient online customer services	Simple and effective digitally driven customer services
Deliver a data insight and improvement programme	More efficient and responsive services and spending money on homes	Simple and effective digitally driven customer services

New homes

We support the Government's commitment to delivering new homes to address the housing crisis. This year we expect to take handover of 152 new build homes. In total we aim to deliver more than 400 homes in the next five years. Wherever possible, we build homes that are low-carbon and target the highest energy efficiency rating of 'A' to ensure that we are providing homes that are fit for the future and make a real difference to our customers lives through reduced energy bills, a comfortable living environment and safe neighbourhoods.

Key Activities – Group Performance

The principal activity of the Group is to provide housing accommodation at affordable rents for people in housing need. Rooftop Housing Group Limited is the parent company of the Group and the legal nature of each entity in the Group is disclosed in the Report of the Board.

In 2025/26, the Group generated a surplus of £4.5 million (2025: £3.5 million). The core purpose of the Group is social housing lettings activity, representing 85% of turnover (2025: 91%). The next most significant element of the business is shared ownership sales which are 10% of turnover (2025: 4%). Other activities are negligible.

At 31 March 2026, the Group held £9.4 million cash, including short-term and long-term investments, of which £8.0 million is available at short notice. In addition, we have £25.0 million of undrawn revolving credit facilities at year end; this will support the current development programme.

Rooftop Housing Association Limited (RHA)

RHA, the Group's core social housing provider, generated a surplus before taxation of £4.5 million (2025: £3.5 million) against a budget of £5.7 million.

The largest adverse variance against budget relates to programmed maintenance, which was £1.8 million adverse to budget. This is primarily driven by the completion of the Social Housing Decarbonisation Fund (SHDF) Wave 2 Programme, where expenditure previously held within work in progress was reviewed and allocated between revenue and capital expenditure in line with accounting requirements at project completion. The programme delivered energy efficiency improvements to 156 homes. Additional variances arose from changes in scope of planned investment works completed during the year.

The next largest variance to budget relates to additional spend of £1.2 million on responsive maintenance and voids repairs. This is due to a higher average cost per job, owing in part to requesting faster turnaround times. Labour shortages and an increase in demand have resulted in a greater use of more costly subcontractors and inflationary pressures on materials have also contributed to rising costs.

Voids continue to be a challenge resulting in an adverse variance of £205,000 in lost income. Many properties have been returned in poor condition and our capacity to undertake void works has meant that turnaround has been slower than we would like. Void re-let days continue to be high though improvements have been made 2025/26.

There was a significant outperformance of the costs budgeted for bad debts, which was £154,000 less than forecast at just £260,000. The continued dedicated work of the Income Team and investment in digital solutions have resulted in a reduction in arrears and much lower bad debt costs. Overall rent collected for 2025/26 stands at 98.3% (2025: 101.8%).

The surplus on sale of property is £1,134,000 above than budget. This is due to disposals completed through our Ethical Void Sale Programme, the proceeds from these sales are being reinvested into Section 106 developments, helping support the delivery of new homes across our communities.

The sale of 49 Shared Ownership units completed in 2025/26. Staircasing sales are difficult to predict, however, we recognised a surplus of £322,000 (2025: £245,000 surplus) in this area with 11 units completing against the five budgeted.

The Defined Benefit pension deficit liability was remeasured and resulted in a gain of £47,000 in year, compared to a gain in 2024/25 of £51,000. Actuarial gains and losses fluctuate annually, and the gain relates to volatility in the market with a reduction in asset values not matched by the fall in liabilities.

RHA's cash balance at year end was £7.9 million (2025: £15.5 million). Much of the reduction relates to the expenditure for the existing development programme and asset investment in our homes.

Value for Money and Performance Report 2025/26

What we have achieved in 2025/26

In 2025/26 we continued to work towards our Corporate Plan (revised in March 2025) objectives across the following strategic objectives:

Here for our customers

Good quality homes

- 1,369 homes had improvements including heating, bathrooms and kitchens (at a cost of £4.8 million).
- 156 homes had energy efficiency upgrades through Warm Homes: Social Housing Fund Wave 3 and 668 stock condition surveys completed in the year.
- 164 new homes were delivered.

Reliable landlord services

- The number of 'Engaged Customers' has risen from the starting point of 110 to 332.
- Satisfaction with completed repairs continues to be high at 85.6% (against a target of 85%).
- Repairs and maintenance contract was rescoped and procured.

Our business

Efficient and focused

- Despite a challenging year with additional costs, we maintained financial viability, producing a funders' EBITDA interest cover out-turn of 166% against our golden rule of 150%.

Professional and skilled

- We are committed to ensuring that all colleagues are fully trained or undertake training to enhance the skills needed for the role. 35 of our colleagues have undertaken formal qualifications during 2025/26.
- The most recent colleague survey found that 75% (2025: 74%) of colleagues would recommend Rooftop as an employer, which is the highest result since we began this survey.

Data and technology driven

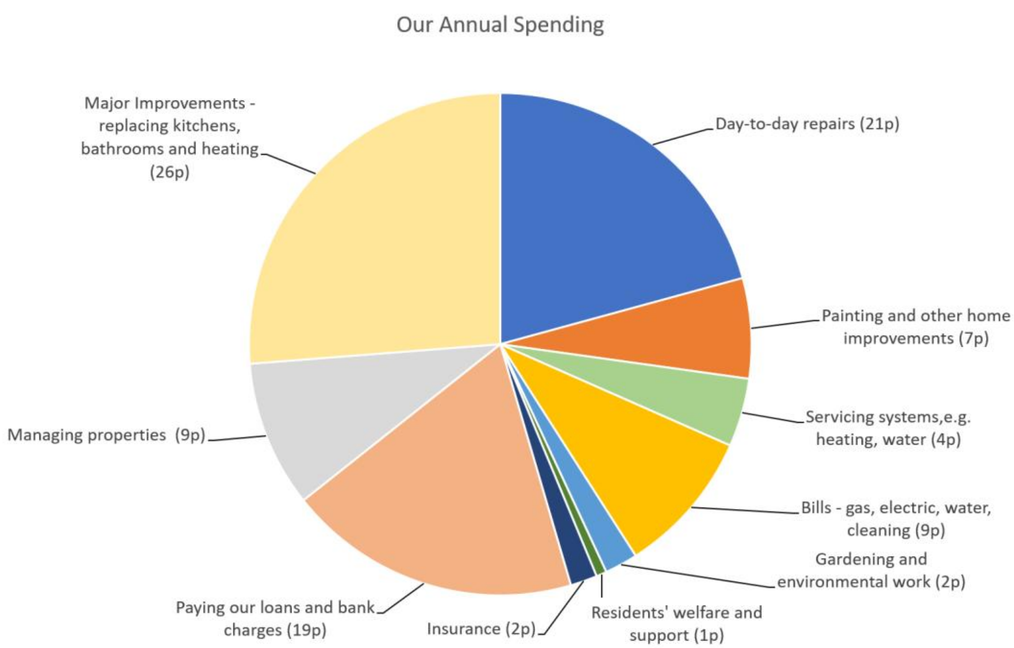
- As part of our drive to achieve Level 4 Data Maturity, we have completed 1,299 Home and Tenancy Check Ins in 2025/26, capturing golden data about our customers which will help inform and shape our service offering.

Ensuring customers and stakeholders are aware of our impact, costs and delivery of our plans is important to us. A copy of our simple published 'VFM and performance' summary is included in this report; it also appears on the website and in the Customer Report. It shows a breakdown of how income is expended during the year to provide transparency.

How We Will Spend Our Money – 2026/27 Budget

The chart below shows a breakdown of every £1 spent. The three largest areas represent 66% of total expenditure:

- The largest area of expenditure is on major improvements to our homes. We have committed to significantly increase the amount we invest into existing homes and includes investment in energy efficiency measures.
- The next largest area of expenditure is on the day-to-day repairs of our homes.
- The third largest area of spend is around the servicing our loans. This will increase as we continue to draw down more funding to improve our homes and build new homes for people in housing need.



Meeting the Value for Money Standard

The Board approved a revised Value for Money Strategy in May 2025 to align with the Corporate Plan 2025-2028 and ensure that value for money remains embedded through decision making across the Group. The strategy focuses on delivering high quality services for customers, maintaining financial resilience, investing effectively in existing homes and ensuring that resources are directed towards activities that provide the greatest benefit for customers and communities.

During 2025/26, good progress was made against the first year of Value for Money Action Plan. Key achievements included successful tendering and procurement of a new repairs and maintenance contract, improving procurement and contract management arrangements, continued delivery of the EVSP to generate funding for future affordable homes, and completion of the Social Housing Decarbonisation Fund (SHDF) Wave 2 programme.

We have also continued to strengthen our approach to asset management through the development of an Asset Performance Evaluation framework, providing improved information to support investment and disposal decisions. This work will help ensure that resources are targeted towards homes and services that deliver the greatest value for our customers.

Progress against the Value for Money Strategy and Action Plan is monitored by the Board through regular performance reporting, benchmarking, business planning and annual review of the Value for Money Action Plan.

Delivering Value for Money

These Financial Statements include an annual self-assessment of how we are achieving Value for Money in delivering our annual and long-term Corporate Plan objectives and complying with the regulatory Value for Money standard. Our assessment is based on the 'Sector Scorecard' metrics, which include key performance indicators covering customer satisfaction, financial security and our effectiveness as a business. This year we will again strengthen our Value for Money strategy and detailed annual Action Plan.

The Sector Scorecard includes the nine metrics specified by the Regulator of Social Housing. The group-wide results for 2025/26 are set out below, with comparatives from 2024/25 and targets for 2025/26 and 2026/27. The targets are embedded in budget and performance processes.

Performance and future targets

Regulatory metrics	**2024/25 Result**	**2025/26 Target**	**2025/26 Result**	**2026/27 Target**
Metric 1 - Reinvestment Percentage	7.9%	7.8%	7.3%	6.2%
Metric 2a - New supply delivered (social housing units)	0.6%	2.7%	2.6%	2.4%
Metric 2b - New supply delivered (non-social housing units)	0.0%	0.0%	0.0%	0.0%
Metric 3 - Gearing	55.0%	53.0%	53.4%	50.5%
Metric 4 - EBITDA MRI as a percentage of interest	62.5%	102.0%	81.9%	75.5%
Metric 5 - Headline social housing cost per unit	£6,040	£5,912	£6,568	£6,848
Metric 6a - Social Housing Operating Margin	24.9%	29.0%	22.0%	24.6%
Metric 6b – Overall Operating Margin	21.5%	23.0%	19.0%	27.7%
Metric 7 - Return on capital employed (ROCE)	3.1%	4.2%	3.4%	5.1%
Other Sector Scorecard metrics				
Overall customer satisfaction	65.8%	71.0%	71.4%	75.0%
Rent arrears as a % of rent debit	2.5%	3.0%	2.0%	2.3%
Overheads as a % of adjusted turnover	10.9%	10.5%	10.3%	13.1%
Void loss as a % of rent debit	2.7%	2.3%	2.6%	2.2%

The Value for Money metrics shows that the **Reinvestment percentage** of 7.3% is below target due to a reduction in spend on works to existing properties; however increased **Headline Social Housing Cost per unit** due to an increase in spend on day-to-day maintenance.

Our **New Supply Delivered of Social Housing** at 2.6% is slightly lower than the target of 2.7% due to the timing of handovers. The target of 2.4% for 2026/27 will be achieved by delivering the 152 homes in the development programme.

EBITDA MRI as a percentage of interest is much lower at 81.9% than our target of 102%. A number of factors affected this, including increased repairs and maintenance costs and high voids. The timing of decarbonisation works has meant that this is particularly low. A lower target in 2026/27 reflects a significant increase in Asset Investment budget linking back to stock condition surveys but a commitment to improve performance over the next three years to return to 100%.

Our **Social Housing Operating Margin** of 22.0% is lower than the target of 29%. The peer average in 2024/25 was 18% so we accept that this is a pressure within the sector. The target for next year of 24.6% reflects difficult budgeting decisions made, including an assumed reduction in voids costs.

For **Customer Satisfaction** our year end result was 71.4%, which was above our 2025/26 target of 71%. Our analysis indicates that when repairs work well, it gives rise to strong satisfaction. When they don't, repairs are the biggest driver of dissatisfaction. Communication issues and delays are the main causes underlying dissatisfaction. Property condition is almost as significant as repairs, with problems such as damp and mould giving rise to dissatisfaction.

Our **Rent Arrears as a % of rent debit** was 2.0% compared to a target of 3.0%. Considering the cost-of-living pressures affecting our customers, this is a great result and testament to the proactive measures adopted by our Income Team.

Other Key Metrics – targets for 2025/26	**Target 2025/26**	**Result 2025/26**	**Achieved? Y/N**
Emergency repairs completed within 24 hours	100%	99.1%	N
Non-emergency repairs completed within 28 days	80%	56.6%	N
Average days to re-let	40	72	N
% of colleague turnover	12%	11.4%	Y

All repair time targets were missed in 2025/26, owing to continued increase in demand. Following the appointment of our new repairs and maintenance contractor, we anticipate service improvements with a particular focus on increasing productivity, reducing works in progress levels and improving repair completion times for our customers.

Complaint handling in 2025/26 has been marked by significantly higher demand but generally stable performance, particularly at Stage 1. Stage 1 response compliance has remained strong at 98%, and Stage 2 has continued to improve, rising to 86%. However, we have experienced a substantial increase in complaint volumes — Stage 1 cases are up 80% and Stage 2 cases up 18% year-on-year — which has contributed to more extensions and operational pressure. Despite this, escalation rates have remained steady at 21%, and outcomes continue to show a broadly even split between upheld and not upheld cases at both stages.

Our average days to re-let of 72 days is higher than our target for the year and has been disproportionately skewed by the eventual letting of several properties void for more than 180 days. Work is still underway to address this with performance closely monitored at each void stage.

Peer Comparison 2024/25

As part of the Value for Money Standard, we must include data around peer comparison and have had a piece of work carried out by Vantage, presented to our Board in January 2026. Together, we have identified a peer group based on geographical location, stock size and similarity of offering. This year, we have expanded our peer group, and the table below also includes their most recent Regulatory gradings.

Overall, the Group performs well against its peer group, with operating margins above peer and sector averages, whilst continuing to invest significantly it our existing homes. This investment has contributed to higher social housing costs per unit and a lower EBITDA-MRI result compared with the peer average.

RP	Reinvestment %	New supply delivered (social) %	New supply delivered (non-social) %	Gearing %	EBITDA %	Headline Social Housing Cost Per unit	SHL Operating Margin %	Overall Operating Margin %	ROCE %
Rooftop Housing Group (C2/G1/V2)	**7.9%**	**0.6%**	**0.0%**	**55.0%**	**62.5%**	**£6,040**	**24.9%**	**21.5%**	**3.1%**
Two Rivers Housing (G1/V1)	11.2%	2.5%	0.0%	57.5%	146.4%	£5,027	15.4%	16.0%	2.8%
Connexus Homes (C3/G2/V2)	10.9%	1.7%	0.0%	49.3%	42.3%	£7,016	15.3%	23.3%	3.5%
North Devon Homes (C1/G1/V2)	4.0%	0.6%	0.6%	56.2%	52.4%	£5,280	17.0%	16.7%	3.2%
Westward Housing Group (C1/G1/V1)	3.2%	0.5%	0.0%	28.4%	165.2%	£4,308	23.3%	23.4%	3.4%
Aspire Housing (C1/G1/V2)	6.8%	0.4%	0.0%	67.6%	132.6%	£4,508	14.9%	15.0%	3.2%
Thrive Homes (G1/V2)	7.2%	2.7%	0.0%	64.2%	107.0%	£5,665	25.5%	17.2%	3.3%
Gloucester City Homes (G1/V2)	8.6%	1.0%	0.0%	50.1%	-25.9%	£6,406	15.7%	9.6%	2.1%
Selwood Housing (G1/V2)	6.0%	1.7%	0.0%	36.4%	109.3%	£5,824	20.6%	19.5%	2.8%
Trent & Dove Housing (G1/V2)	12.2%	1.3%	0.0%	58.7%	125.0%	£4,996	17.7%	17.6%	3.1%
Magna Housing (G1/V2)	5.7%	0.8%	0.0%	25.2%	166.3%	£6,116	13.6%	16.2%	2.6%
Community Housing (C2/G2/V2)	9.6%	0.8%	0.0%	65.3%	14.1%	£6,599	19.1%	14.8%	2.4%
Peer Average	**7.8%**	**1.3%**	**0.1%**	**50.8%**	**94.1%**	**£5,613**	**18.0%**	**17.2%**	**2.9%**
Regional Average	**8.8%**	**1.5%**	**0.3%**	**49.0%**	**96.7%**	**£5,803**	**22.1%**	**20.4%**	**3.4%**
Sector Average	**8.4%**	**1.5%**	**0.1%**	**45.4%**	**98.9%**	**£6,352**	**20.8%**	**18.4%**	**3.1%**

Social Housing Decarbonisation Fund (SHDF)

As part of our commitment to improving the energy efficiency of our existing homes and supporting the Government's target for social housing to achieve EPC Band C by 2030, we have successfully completed our SHDF Wave 2 programme during 2025/26. The programme delivered £8.3 million of energy efficiency improvements to 156 homes, supported by £2.7 million of government grant funding. Works included the installation of air source heat pumps, cavity wall insulation, replacement windows and doors, ventilation and solar panels.

The programme provided significant improvements in the energy performance of participating homes, with the average Standard Assessment Procedure (SAP) rating increasing from 49 before works commenced (EPC Band E) to 76 following completion (EPC Band C). These improvements are expected to reduce energy consumption, lower household running costs and improve customer comfort.

Building on the success of SHDF Wave 2, Rooftop has commenced delivery of Warm Homes: Social Housing Fund Wave 3, which will support further investment into 645 homes from 2025/26 to 2028/29 and contribute towards achieving EPC Band C across our housing stock.

ISO14001 Certified

We are committed to improving our quality and environmental performance for the Group and the people we do business with. This is reflected in a successful ISO 45001 audit in December 2025. Rooftop also holds ISO 9001 Quality Management System accreditation and ISO 14001 Environmental Management Systems accreditation. We are always looking to make further environmental improvements across the organisation. All ISOs are merged into one integrated management system (IMS).

Principal risks and uncertainties faced

We have a comprehensive and well-established risk management system, which allows risks to be identified for all parts of the business. Strategic and operational risks are recorded within risk registers and subject to regular review by the Executive Team, Audit and Risk Committee and Board. This includes consideration of risk appetite, enabling informed decision-making in a challenging operating environment.

During 2025/26, the organisation has continued to operate in a complex and evolving environment, with a number of key risk themes:

- **Health and safety compliance** remains a principal risk and continues to be subject to enhanced scrutiny at Executive Team, Audit and Risk Committee and Board levels. We have continued to strengthen our approach to property safety, including embedding new processes and with the phased introduction of Awaab's Law from October 2025.
- **Asset investment and development delivery** continue to be impacted by wider economic conditions, including inflation, contractor capacity and market uncertainty. These pressures require ongoing prioritisation of investment decisions and careful management of programme viability and delivery timelines with increasing customer expectations.
- **Repairs and maintenance** continues to represent a key strategic risk, with cost and performance pressures requiring sustained focus. The transition from a cost sharing group for the delivery of responsive and planned repairs to a ten year contract with a national service provider, following a successful tender is part of a strategic service improvement plan for 2025/26. This offers us the opportunity to strengthen contract management arrangements which remain central to improving service outcomes and maintaining effective control of expenditure.

- **Financial pressures** have remained a significant feature of the year, driven by continued cost inflation, repairs expenditure and development activity. These risks are interdependent and require ongoing management to maintain financial resilience and compliance with loan covenants. The organisation has maintained headroom within its financial metrics, supported by active treasury management and oversight.
- **Regulatory expectations** continue to evolve, with a sustained focus on achieving and maintaining compliance with the Regulator of Social Housing's Economic and Consumer Standards. Maintaining the current G1/V2 regulatory grading and progressing towards a C1 consumer standard regrade remains a key strategic priority.

Below we have summarised seven of the strategic risks within our framework:

Risk	Cause	Impact	Consequence	Monitoring
1 Health and Safety	• Landlord Health and Safety compliance declines. • Occupational health and safety disregarded. • Causes of Damp, Mould and Condensation (DMC) are not effectively tackled.	• Increasing failures to meet statutory requirements and regulatory standards: o Gas / Fire / Electrical / Lift / Water / Asbestos. o Increase complaints about DMC and hazards. o Increase risk of injury / fatality. • Customer and colleague safety compromised.	• Regulatory / Statutory intervention: o Regulator of Social Housing o Health & Safety Executive. • Staff Turnover. • Regulatory downgrade.	• Monthly Compliance Report. • Monthly Compliance Panel. • Quarterly Health and Safety Committee. • Quarterly risk update report. • Annual health and safety policy review • Annual Internal Audits.
2 Data / Cyber Security	• Poor data inhibits decision making - customer data/asset data. • Lack of cyber security awareness/culture of unconscious risk taking with data/security of data.	• Sub optimal decision making in relation to customer services/ equality diversity and inclusion / investment. • Mistakes made because of poor data. • Delays in responding due to poor data. • The potential for major cyber security breach increases. • Cyber security breach.	• Systemic data issues are treated as a failure of Governance and could risk a Regulatory downgrade. • Cyber security failures/ victim of a serious cyber security breach can cost a significant amount of time and money (insurance mitigation is in place). • Value for money. • Service delivery impact - slow business recovery.	• Key Performance Indicators. • Monthly Compliance Report. • Quarterly risk update report. • Annual Cyber Security Strategy plan. • Annual Internal Audits.

3 Stock Investment Requirements	• Multiple investment requirements crystallising at once: • Damp, Mould and Condensation. • Band C targets (2030). • Fire Regulations 2022. • Building Safety Act 2022. • Decent Homes/stock investment. • Challenge to make the right decisions about tradeoffs between priorities.	• Investment has been aligned to priorities – and we have contracts in place to deliver and increased investment programme. • This in turn creates an impact risk for colleagues to manage and deliver an expanded investment programme. • Major capital investment in homes brings challenges for customers in terms of disruption and potential requirements to temporarily move into alternative accommodation.	• Breach of regulatory requirements – potential self-referral. • Customer satisfaction declines. • Complaints increase. • HO investigations increase. • Disrepair legal cases increase. • Knock on effect on time sensitive investment – for example Damp, Mould and Condensation remedial action is delayed. • Delays to investment programmes causes	• Monthly Compliance Report. • Monthly Compliance Panel. • Bi-monthly Investment overview report. • Annual Investment Strategy action plan. • Annual Objectives. • Band C (Decarbonisation) Project Group. • Internal Audit. • Customer Scrutiny Reviews • Tenant Satisfaction surveys
4 Consumer Standards	• Colleagues lack capacity to deliver increased workloads. • Complaints are not handled in line with the Housing Ombudsman Code. • Failure to learn from complaints.	• Cross cutting risk which can increase the likelihood of other strategic risks materialising more rapidly as systems of internal control are weakened. • Service delivery declines.	• Customer satisfaction declines. • Complaints increase. • Budget overspends. • Housing Ombudsman maladministration determinations increase. • Regulatory downgrade.	• Key Performance Indicators. • Tenant Satisfaction Measures • Staff Surveys. • Quarterly risk update report. • Quarterly Complaint Assurance report • Annual Internal Audit. • Achieving Excellence Together plan.
5 Repairs Service	• Repair service is not fit for purpose. • Poor Contract Management.	• Service delivery / performance declines. • Higher expenditure on repairs service. • We do not meet Consumer Standard expectations. • Increased cost of repair service. • Increase in void times.	• Customer satisfaction declines. • Complaints increase. • Housing Ombudsman maladministration determinations increase. • Regulatory downgrade. • Budget overspends.	• New 10 year repairs and maintenance contract • Key Performance Indicators. • Quarterly risk update report. • Annual Objectives. • Tenant Satisfaction Measures. • Customer Surveys. • Repairs Improvement Plan

6 Financial Viability	• Inflation/Cost of repairs increases. • Poor performance on income collection. • Poor performance on voids/allocations. • EBITDA / MRI performance weakens	• Expenditure increases beyond income collection. • Rent arrears increase. • Void losses increase. • Compounds other strategic risks (1/3/4). • Bank Covenant golden rules under pressure	• Financial viability concerns. • Potential breach of loan covenants. • Reduction in the Development Programme. • Unable to maintain existing stock to decent homes standard. • Stock disposal • Regulatory downgrades.	• Annual value for money self-assessment • Treasury Management and Financial Business Plan • Multi-variate stress testing and defensive action plan • Key Performance Indicators • Quarterly risk update report • Quarterly financial monitoring report • Annual Internal and External Audit
7 Reputational Risks	• Cutting across all strategic risks. • Crystallisation of any of the above risks could result in severe/ catastrophic reputational damage.	• Increased negative publicity regarding serious failures. • Reduced confidence in Rooftop by stakeholders and lenders. • Regulatory engagement.	• Serious reputational damage can have multiple negative consequences: ○ Reduction in confidence of lenders making refinancing or new lending more expensive and or more difficult to attract. ○ Loss of opportunities to work with partners and stakeholders. ○ Risk of regulatory intervention.	• Quarterly risk update report. • Bi-monthly GCE overview report. • Annual Communication Strategy plan. • Annual Sector Risk Profile analysis report to Audit and Risk Committee.

Approved by the Board and signed on its behalf by:

Daisy Halford
Chair
03 August 2026

Independent auditor's report to the Members of Rooftop Housing Association Limited

Report on the audit of the financial statements

Opinion

In our opinion:

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

We have audited the financial statements of Rooftop Housing Association Limited ("the Association") for the year ended 31 March 2026 which comprise of the following:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Reserves; and
- Notes to the Financial Statements including a summary of Significant management judgements and key sources of estimation uncertainty.

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

Basis for opinion

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

Independence

We remain independent of the 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.

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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Association's ability to continue as a going concern.

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

Other information

The Board are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Board Members' responsibilities statement, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either 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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Association and management.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the industry in which it operates;
- Discussion with management and those charged with governance including the Audit and Risk Committee; and
- Obtaining and understanding of the policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be 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 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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

Our procedures in respect of the above included:

- Enquires of management whether there were any litigations and claims;
- Enquires of the legal team of the Association;
- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

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

- Enquiry with management and those charged with governance including the Audit and Risk Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Association's policies and procedures relating to:

    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be areas of the accounting records, where management override could take place, are the posting of journals and the judgements involved in accounting estimates within the financial statements.

Our procedures in respect of the above included:

- Testing all journal entries that met defined risk criteria, as well as a random sample from the non-risky population, by agreeing to supporting documentation;
- A review of estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of any systematic bias; and
- A review of unadjusted audit differences for indications of bias or deliberate misstatement.

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

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

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

Use of our report

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

Signed by:

BDO LLP

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BDO LLP, Statutory Auditor

Birmingham, UK

Date: 05 August 2026

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

Statement of Comprehensive Income

For the year ended 31 March 2026

	Notes	**2026**	2025
		£'000	£'000
Turnover	2	**57,315**	51,349
Operating costs	2	**(46,417)**	(40,280)
Surplus on disposal of property, plant and equipment	4	**3,774**	2,017
Operating surplus		**14,672**	13,086
Interest receivable	8	**440**	672
Interest and financing costs	9	**(10,670)**	(10,412)
Movement in the fair value of investment properties	11	**71**	173
Surplus before tax	7	**4,513**	3,519
Taxation	10	**-**	1
Surplus for the year		**4,513**	3,520
Other comprehensive Income: Remeasurement of Defined Benefit pension scheme liability	21	**47**	51
Total comprehensive income for the year		**4,560**	3,571

The notes on pages 38 to 60 form part of these financial statements.

Statement of Financial Position

At 31 March 2026

	Notes	**2026**	2025
		£'000	£'000
Fixed assets			
Housing properties	11	**447,426**	422,268
Investment properties	11	**1,205**	1,130
Investment cash	12	**1,461**	1,461
		450,092	424,859
Current assets			
Properties held for sale	11	**10,082**	11,262
Debtors receivable in one year	13	**4,270**	2,987
Current asset investment	15	**41**	41
Cash	14	**7,891**	15,508
		22,284	29,798
Creditors: Amounts falling due within one year	16	**(44,238)**	(38,835)
Net current liabilities		**(21,954)**	(9,037)
Total assets less current liabilities		**428,138**	415,822
Intercompany creditor – Defined Benefit pension	21	**(250)**	(398)
Creditors: Amounts falling due after more than one year	17	**(331,093)**	(323,189)
Provision for liabilities and charges			
Taxation	18	**-**	-
Net assets		**96,795**	92,235
Capital and reserves			
Share capital	19	**-**	-
Revenue reserve		**96,795**	92,235
Total reserves		**96,795**	92,235

The notes on pages 38 to 60 form part of these financial statements.

The financial statements were approved by the Board and signed on its behalf on 03 August 2026 by:

Secretary: Andrew Ledger **Board Member: Daisy Halford** **Board Member: Wayne Harris**



Statement of Changes in Reserves

For the year ended 31 March 2026

	Notes	**Revenue reserve £'000**	**Total £'000**
Balance at 31 March 2024		88,664	88,664
Surplus for the year		3,520	3,520
In year actuarial movement of pension scheme	21	51	51
Balance at 31 March 2025		92,235	92,235
Surplus for the year		4,513	4,513
In year actuarial movement of pension scheme	21	47	47
At 31 March 2026		**96,795**	**96,795**

The notes on pages 38 to 60 form part of these financial statements.

Notes to the Financial Statements

1. Principal accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include investment properties at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice). This includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Statement of Recommended Practice (SORP) for registered social housing providers 2014, (updated in 2018) the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. RHA is a public benefit entity.

The presentational and functional currency of these financial statements is in sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The company has adopted the following disclosure exemptions available under FRS102:
• The requirement to present an entity only statement of cashflows and related notes.
• The requirement to present disclosures required by FRS102.11 Basic Financial Instruments and FRS102.12 Other Financial Instruments, in respect of financial instruments not falling within fair value accounting rules of paragraph 36(4) of Schedule 1.

Going concern

The Board has undertaken a detailed assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these Financial Statements. The Board considers that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, it continues to adopt the 'going concern' principle in the financial statements.

The Board approved the Group's 40-year Financial Business Plan in May 2026, which included detailed multi variant stress testing, including severe but plausible scenarios.

Based on our Treasury Management Policy, RHA holds minimum cash balances of £5 million or three months' liquid funds, whichever is the greater. When calculating the required cash balance an assumption is made that we will only receive two thirds of property sales in a period. This prudent approach and the available undrawn loan facilities will keep us viable during these difficult times.

The budget for 2026/27 was approved by the Group's Board on 25 March 2026. The year ahead will remain challenging for Rooftop following ongoing record demand for repairs and the need to invest £46.2 million in our homes over the next 3 years to bring them up to standard and in line with decarbonisation targets.

For social and affordable rents, the Government announced in June 2025 a 10-year rent settlement of CPI plus 1% from 2026/27. The Group's 2026 Financial Business Plan assumes a 10-year settlement at CPI plus 1%; however, stress testing was undertaken to assess the impact of potential future rent caps and shorter-term settlement arrangements.

At 31 March 2026, the Group held £9.4 million cash including short-term and long-term investments, of which £7.9 million is available at short notice. In addition, we have £25.0 million of undrawn revolving credit facilities at year end; this will support the current development programme. We are pleased to confirm there is sufficient cash available to support the business and to comply with our funders' covenants. As outlined in the Financial Business Plan, the Group is progressing arrangements to secure additional long-term funding by December 2026 to support future investment and development, through the Homes England Social and Affordable Homes Programme (SAHP) 2026-36.

The Group budget surplus for 2026/27 has been set at £14,154,000, an increase of £9,584,000 from the 2025/26 result, largely due to increased surplus generated on property sales. This includes the Board-approved extension of the Ethical Void Sales Programme (EVSP), which support the delivery of Section 106 developments, alongside a number of property sales which were due to complete in 2025/26 but have been delayed and pushed back into 2026/27.

Given the strength of the statement of financial position and availability and liquidity of undrawn loan facilities, the Board believe that while there may be some uncertainty in the future, this does not pose a material uncertainty that would cast doubt on the Association's ability to continue as a going concern. The Board therefore consider it appropriate for the accounts to be prepared on a going concern basis.

Turnover

Turnover represents rental and service charge income, fees, grants receivable, disposal proceeds of shared ownership first tranche sales and outright sales.

Proceeds from the first tranche disposals of shared ownership properties, and outright sales are accounted for in turnover in the Statement of Comprehensive Income in the period matching the completion statement date. The cost of sales includes the incidental costs of executing the sale and, for shared ownership properties, a proportion of the overall costs of the property determined by the percentage of the property sold under the first tranche sale. The cost of sale for shared ownership properties is adjusted, where necessary, to ensure the surplus on sale is restricted to the overall surplus on the scheme.

Service charges

The Group operates variable and fixed service charges depending on the requirements of the respective tenancy agreements. Where the charge is variable an assessment is made of whether costs have been over or under recovered and an appropriate prepayment or accrual provided for in the accounts.

Right to buy income and sales

Surpluses and deficits arising from the disposal of properties under the Right to Buy legislation are disclosed on the face of the Statement of Comprehensive Income after the operating result and before interest. The surplus or deficit is calculated by comparing the net proceeds received by the Group with the carrying value of the property sold.

Outright sale properties

Properties developed for outright sale are included in current assets.

Shared ownership properties

Shared ownership properties under construction are proportionally split between current and fixed assets, determined by the percentage of the properties to be sold under the first tranche sales.

Housing properties

Housing properties including shared ownership properties are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of the properties is their purchase price together with improvement costs and incidental costs of acquisition, including capitalised interest and development administration.

Housing properties during construction are stated at cost and are not depreciated. They are transferred into housing properties when completed.

The market rent properties are investment properties in accordance with FRS 102 and are not depreciated but are measured at fair value annually with any change recognised in surplus or deficit in the Statement of Comprehensive Income.

Freehold land is not depreciated.

Land donated or acquired below market value is included in cost at its valuation, with the donation treated as a capital grant when it relates to a specific project.

Component accounting

Major components of properties are treated as separable assets, and are therefore capitalised. The structure of the properties are also treated as a component. The components are depreciated over their expected useful economic lives or the lives of the properties to which they relate, if shorter, on a straight-line basis. The following annual rates are used:

Structure (general needs, sheltered, supported and shared ownership homes)	100 years
Structure (leasehold properties)	Over the life of the lease
Structure (non-traditional properties)	15 years
Garages (structure)	25 years
Roofs	75 years
Windows	40 years
Doors	40 years
Boilers and air source heat pumps	15 years
Kitchens	20 years
Bathrooms	30 years
Heating	30 years
Electrics	30 years
Lifts	30 years
Solar Panels	30 years
Ventilation systems	15 years
External wall insulation	30 years
Older Persons schemes – fire alarm/CCTV/warden call	10 years
Grant for SHDF works	40 years*

*This is to match the life cycle of windows, which has the longest life of components being funded by the SHDF grant.

The carrying amount of any replaced component is derecognised.

Responsive repairs are not capitalised.

Impairment

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell.

Other fixed assets and depreciation

Tangible fixed assets other than Housing Properties are stated at cost less accumulated depreciation. Depreciation is charged on a straight-line basis over the expected economic useful lives of those assets at the following annual rates:

Office furniture	25%
Office equipment	4%-33%
IT networking	10%
Computer equipment	20%-33%
Leasehold improvements	Over life of the lease

A full year's depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

Social Housing Grant (SHG) and other government grants

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to assets are recognised in income using the accrual model on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure.

Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised.

Recycling of capital grant

Where there is a requirement to either repay or recycle a grant received for an asset that has been disposed of, a provision is included in the Statement of Financial Position to recognise this obligation as a liability. When approval is received from the funding body to use the grant for a specific development, the amount previously recognised as a provision for the recycling of the grant is reclassified as a creditor in the Statement of Financial Position.

Capitalisation of interest

Interest on the loan financing a development is capitalised from the date of practical completion. The amount takes into account interest earned on SHG received in advance. No interest is capitalised on land purchased for future developments.

Supported housing schemes managed by agents

The Group owns a number of schemes that are run by specialist agencies. The agents carry the financial risk from operating the scheme and, therefore, the Statement of Comprehensive Income only includes the income and expenditure that relates solely to the Group. Any other income and expenditure related to the scheme is excluded from the statement of comprehensive income.

Major and cyclical repairs and maintenance

The Group only capitalises major repairs expenditure on housing properties where it increases the net rental stream by:

- extending its useful economic life or
- the improvement enables a higher rental income to be charged.

All other major repairs expenditure is charged to the statement of comprehensive income as incurred.

Provisions

The Group only provides for contractual and constructive liabilities where it has a present obligation to transfer economic benefits as a result of past events, it is probable that a transfer of economic benefit will result, and a reliable estimate can be made of the amount of the obligation.

Pensions

From April 2014, the Group only operates one defined contribution scheme. Contributions to pension schemes are determined in accordance with actuarial advice and calculated as a percentage of pensionable salaries.

For the defined contribution scheme, the amount charged to the Statement of Comprehensive Income in respect of pension costs is the contributions payable in the year. This is paid by RHG and apportioned to RHA via the Group Membership Agreement.

Employees participate in the Social Housing Pension Scheme (SHPS), a multi-employer defined benefit scheme to which the Group contributes.

Current service costs and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs/income. Actuarial gains and losses are reported in the statement of comprehensive income.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality bond rates.

The net deficit is presented separately from other assets on the Statement of Financial Position. A net surplus is recognised only to the extent that it is recoverable by the Group.

Leased assets

Rentals paid under operating leases are charged to the statement of comprehensive income in the period to which they relate.

Assets held under finance leases are recognised initially at the 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 is included in the statement of financial position within long-term creditors. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Rental payments are charged as expenses in the periods in which they are incurred.

Value Added Tax (VAT)

The Group is VAT registered but the majority of its income, being housing rents, and right to buy sales, is exempt for VAT purposes and this gives rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT and the input VAT recovered is deducted from lettings expenditure. RHA is a member of a cost sharing group which provides property repair services to the Group.

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method on all timing differences that have arisen, but not reversed by the Statement of Financial Position date, unless such provision is not permitted by FRS 102.

Deferred tax is not provided for in respect of gains on the sale of non-monetary assets, if the taxable gain will probably be rolled over, or on revaluation gains on housing properties unless there is a binding agreement to sell them at the Statement of Financial Position date.

Financial instruments

Basic financial instruments which meet the necessary conditions of FRS 102 are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method with interest charges recognised as an expense in the Statement of Comprehensive Income. Financial Instruments classified as non-basic are measured at fair value at the end of each reporting period with gains and losses arising from year to year being recognised in the Statement of Comprehensive Income.

Service charge sinking funds

Unutilised contributions to service charge sinking funds are recognised as a liability in the Statement of Financial Position. The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund.

Bad debt provision

Former tenant arrears are provided for in full in the bad debt provision. Current tenant arrears are provided for on a percentage basis based on the age of the debt.

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to account estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The following are management judgements in applying the accounting policies of the Group that have the most significant effect on the amounts recognised in the financial statements:

Impairment of social housing properties

RHA must make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. Management have also considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment.

Development expenditure

RHA capitalises development expenditure in accordance with the stated accounting policy. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

Estimation uncertainty

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

Fair value measurement

Management uses valuation techniques to determine the fair value of non-basic financial instruments. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual price that would be achievable in an arm's length transaction at the reporting date.

Pension costs

The defined benefit accounting liability for the SHPS pension scheme has been provided by the scheme administrator, The Pensions Trust (TPT). The accounting liability has been formulated based on a series of assumptions which are set out in Note 21 to the financial statements. TPT provide a standard set of assumptions which it deems are appropriate, however, these are adjustable by individual providers to meet their own circumstances. The standard assumptions have been adopted by the Association as they are judged to be appropriate and reasonable. If the discount rate was lower, and/or the inflation rates and life expectancy rates were higher, then the liability would increase. Conversely, if the discount rate was higher, and/or the inflation rates and life expectancy rates were lower, then the liability would decrease.

The Group has a policy for recognising the movement in the defined benefit pension scheme in Rooftop Housing Association Limited's financial statements as the Association is responsible for settling the deficit despite the pension scheme being in the name of the parent Association, Rooftop Housing Group Limited.

The Pensions Trust made their participating employers, including Rooftop Housing Group, aware of a benefits review undertaken in 2022. The Board Members understand this involved comparing the changes made to the benefits provided to scheme members with the requirements of the pension scheme documentation. Board Members are aware that there was legal uncertainty on how to interpret the rules and the effect of Scheme Documents and that the Pension Trustee has sought the direction of the Court on how to do so. The case is currently in Court and Board Members understand that the Pension Trustee will make the case that the way they applied the rules in determining benefits (based on custom and practice) is appropriate and should continue to be applied.

In a defined benefit pension scheme the employer is responsible for underwriting the benefit promise. If the Court ruling was to determine that additional benefits should have accrued to employees, then the Association will be liable and will need to adjust its estimate of pensions liabilities accordingly. The Association's best estimate at 31 March 2026, based on information made available in 2022 is that the best case scenario arising from the Court case could be an increase in the reported liabilities of £Nil and the worst case scenario could be an increase in the reported liabilities of £110,000 which is not considered to be material to the financial statements. This assessment does not take into consideration any factors arising from subsequent Court rulings on other Pension Schemes. Given that at 31 March 2026 there was insufficient information available to reliably estimate a worst case scenario including incorporating subsequent Court rulings the Association has determined that there is no requirement to adjust the reported liabilities at 31 March 2026.

2. Particulars of turnover, operating costs & operating surplus

	2026			2025		
	Turnover	**Operating costs**	**Operating surplus/(deficit)**	Turnover	Operating costs	Operating surplus/(deficit)
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Social housing lettings (Note 3)	**48,986**	**(38,200)**	**10,786**	46,735	(35,101)	11,634
Other Social housing activities						
Shared ownership sales	**5,908**	**(5,496)**	**412**	2,302	(2,528)	(226)
Supporting People	**125**	**(407)**	**(282)**	303	(451)	(148)
Other	**303**	**(913)**	**(610)**	273	(1,038)	(765)
Grant	**367**	**(850)**	**(483)**	27	(507)	(480)
	55,689	**(45,866)**	**9,823**	49,640	(39,625)	10,015
Activities other than social housing	**1,626**	**(551)**	**1,075**	1,709	(655)	1,054
Total	**57,315**	**(46,417)**	**10,898**	51,349	(40,280)	11,069
Surplus on disposal of property, plant and equipment (Note 4)	**-**	**-**	**3,774**	-	-	2,017
Total	**57,315**	**(46,417)**	**14,672**	51,349	(40,280)	13,086

3. Particulars of income and expenditure from social housing lettings

				2026
	General needs	**Supported housing and housing for older people**	**Other**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Rent receivable net of identifiable service charges	**37,154**	**3,892**	**251**	**41,297**
Amortised government grant	**839**	**118**	**-**	**957**
Service charge income	**2,067**	**4,665**	**-**	**6,732**
Turnover from social housing lettings	**40,060**	**8,675**	**251**	**48,986**
Management	**5,838**	**45**	**-**	**5,883**
Services	**3,681**	**2,649**	**-**	**6,330**
Routine maintenance	**14,404**	**1,754**	**18**	**16,176**
Planned maintenance	**2,908**	**195**	**-**	**3,103**
Rent losses from bad debts	**84**	**8**	**2**	**94**
Depreciation of housing properties	**6,129**	**485**	**-**	**6,614**
Operating costs on social housing lettings	**33,044**	**5,136**	**20**	**38,200**
Operating surplus on social housing lettings	**7,016**	**3,539**	**231**	**10,786**
Rent losses from voids	**845**	**306**	**169**	**1,320**

				2025
	General needs	Supported housing and housing for older people	Other	Total
	£'000	£'000	£'000	£'000
Rent receivable net of identifiable service charges	35,766	3,804	250	39,820
Amortised government grant	695	147	-	842
Service charge income	1,746	4,327	-	6,073
Turnover from social housing lettings	38,207	8,278	250	46,735
Management	6,133	51	-	6,184
Services	3,750	2,947	-	6,697
Routine maintenance	12,013	1,894	19	13,926
Planned maintenance	2,083	190	-	2,273
Rent losses from bad debts	35	66	-	101
Depreciation of housing properties	5,290	630	-	5,920
Operating costs on social housing lettings	29,304	5,778	19	35,101
Operating surplus on social housing lettings	8,903	2,500	231	11,634
Rent losses from voids	773	429	132	1,334

4. Surplus on disposal of property, plant and equipment

	2026 £'000	2025 £'000
Disposal of properties		
Receipts from sale of housing property	**6,003**	9,546
Book value of properties sold	**(2,003)**	(7,246)
Other operating costs and costs of disposal	**(226)**	(283)
Surplus on sale of properties	**3,774**	2,017

5. Directors' emoluments and expenses

The directors are defined as the members of the Board and the Executive officers as given on page 2. The directors are employed and paid by Rooftop Housing Group Limited and these details are presented in RHG's accounts, the parent Association.

6. Employee information

RHA does not directly employ any staff. All Group staff are employed by the parent Rooftop Housing Group Limited. The details are provided in the parent Association's accounts.

7. Surplus before taxation

	2026 £'000	2025 £'000
The surplus before taxation is stated after charging:		
Depreciation	**6,676**	5,966
External auditor's remuneration (including value added tax)		
- in their capacity as auditor	**67**	65
- in respect of other services	**23**	11
Donations	**7**	21

8. Interest receivable

	2026 £'000	2025 £'000
Bank interest receivable	**440**	672
Total	**440**	672

9. Interest and financing costs

	2026 **£'000**	2025 £'000
Bank loans and overdrafts	**11,836**	11,522
Less: interest capitalised	**(1,166)**	(1,110)
Total	**10,670**	10,412

The rate used to calculate capitalised interest was 4.6% (2025: 4.7%) being the average rate of borrowing. Total 2026 interest payable of £11.8 million includes £121,000 in respect of adjustments for the effective interest rate relating to basic financial instruments.

10. Taxation

	2026	2025
	£'000	£'000
Current tax:		
UK corporation tax on surplus for the year	**-**	-
Adjustment in respect of previous periods	**-**	(1)
Total current tax charge / (credit)	**-**	(1)
Deferred tax:		
Origination and reversal of timing differences	**-**	-
Effect of tax rate change on opening balance	**-**	-
Total deferred tax charge	**-**	-
Total tax charge / (credit)	**-**	(1)

Factors affecting tax charge for the year

The tax assessed for the year is lower (2025: lower) than the standard rate of corporation tax in the UK as explained below:

Surplus before tax	**4,513**	3,519
Surplus multiplied by the standard rate of corporation tax in the UK 25% (2025: 25%)	**1,128**	880
Effects of:		
Adjustment in respect of previous periods	**-**	(1)
Amounts not taxable	**(1,128)**	(880)
Total tax charge / (credit) for the year	**-**	(1)

11. Tangible fixed assets

	Freehold Land	Housing Properties for Lettings	Shared Ownership	Investment Properties	Shared Ownership under construction	Properties under construction	Total properties
Cost or valuation	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 April 2025	11,860	427,760	27,011	1,130	10,899	17,451	496,111
Works to existing properties	-	11,844	-	4	-	-	11,848
Additions	2	27	202	-	6,790	14,081	21,102
Disposals	-	(1,138)	(615)	-	-	-	(1,753)
Transfer between categories	(6,013)	22,655	10,645	-	(10,645)	(16,642)	-
Revaluation	-	-	-	71	-	-	71
At 31 March 2026	**5,849**	**461,148**	**37,243**	**1,205**	**7,044**	**14,890**	**527,379**
Depreciation							
At 1 April 2025	-	71,291	1,422	-	-	-	72,713
Charge for year	-	6,434	242	-	-	-	6,676
Disposals	-	(599)	(42)	-	-	-	(641)
At 31 March 2026	**-**	**77,126**	**1,622**	**-**	**-**	**-**	**78,748**
Net book value at 31 March 2026	**5,849**	**384,022**	**35,621**	**1,205**	**7,044**	**14,890**	**448,631**
Net book value at 31 March 2025	11,860	356,469	25,589	1,130	10,899	17,451	423,398
Cost or valuation represented by:							
Gross cost	5,849	461,148	37,243	947	7,044	14,890	527,121
Revaluation	-	-	-	258	-	-	258
Total	**5,849**	**461,148**	**37,243**	**1,205**	**7,044**	**14,890**	**527,379**

Investment properties, which are all freehold commercial properties, were valued to fair value at 31 March 2026 based on a valuation undertaken by JLL, Chartered Surveyors. The valuation was carried out in accordance with the RICS Valuation – Professional Standards manual.

Housing properties for lettings and shared ownership properties are accounted for at historic cost but have been valued for funders' purposes as follows:

Completed housing properties were valued as at 31 March 2026 on the basis of existing use value - social housing (EUV - SH). The existing use value for social housing assesses the dwellings on the basis that they would be managed and owned by an organisation committed to the provision of rented accommodation let at an affordable rent, and that the vacant units would be re-let on similar terms rather than sold into the open market. The total value of properties valued on a EUV-SH basis for funders' purposes is £540.4 million.

Total expenditure on works to existing properties:

	2026	2025
	£'000	£'000
Amounts capitalised:		
Replacement of components	**11,844**	9,764
	11,844	9,764
Amounts charged to the Statement of Comprehensive Income	**3,058**	1,615
Total	**14,902**	11,379

Gross expenditure on components was £11,848,000 (2025: £9,764,000) and the net book value of replaced components written off was £887,000 (2025: £785,000).

The value of environmental grants amortised in year relating to the components above amount to £27,000 (2025: £34,000).

JLL, Chartered Surveyors, carried out the EUV - SH valuation in accordance with the RICS Valuation - Professional Standards manual and takes into account the performance standards for Registered Providers published by the Homes and Communities Agency.

The EUV - SH valuation method discounts the cash flows from rental and other income less management, maintenance and repair expenditure to their present value. The main assumptions used were:

- Discount rate — 5.25%-7.50% (real)
- Property sales — Forecasts of right-to-buy sales are based on analysis, past experience and current trends.

Shared ownership properties

Shared ownership properties both completed and under construction are proportionally split between current and fixed assets, determined by the percentage of the properties to be sold under the first tranche sales.

	2026	2025
	£'000	£'000
Completed shared ownership properties and properties held for outright sale	**3,524**	4,224
Shared ownership properties under construction	**6,558**	7,038
Total	**10,082**	11,262

12. Fixed asset investments

	2026 £'000	2025 £'000
Liquidity Reserve Fund	**1,461**	1,461
Total	**1,461**	1,461

The Liquidity Reserve Fund is a designated interest-bearing account charged in respect of the bLEND facility to cover 12 months' interest. The Association is not able to access the fund. The monies held in the Liquidity Reserve Fund will be repaid to RHA in 2054, when the loan is due to be repaid.

13. Debtors

	2026	2025
	£'000	£'000
Amounts receivable within one year		
Rents and service charges	**1,522**	1,545
Less: provision for doubtful debts	**(1,004)**	(1,134)
	518	411
Social housing grant receivable	**2,126**	168
Corporation tax	**-**	1
Other debtors	**927**	1,262
Prepayment and accrued income	**699**	1,145
	4,270	2,987

14. Cash at bank and in-hand

There were no specific charges on RHA's cash at bank and in-hand as at 31 March 2026 or 31 March 2025.

15. Current asset investments

	2026 £'000	2025 £'000
95 Day Investment Account	**41**	41
Total	**41**	41

The 95 Day Investment Account is a short-term investment account for surplus cash.

16. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Housing loan repayable within one year	**7,448**	6,033
Recycled capital grant fund	**936**	569
Government grants	**17,968**	16,973
Trade creditors	**7,373**	6,976
Right-to-buy sale proceeds due to Wychavon District Council	**-**	105
Accruals in respect of repairs	**2,460**	1,340
Amounts payable on housing development and major repairs	**4,115**	2,989
Interest payable	**1,011**	1,075
Other taxation and social security	**63**	36
Premium on issue of bonds	**339**	346
Amounts due to parent undertaking	**336**	103
Other accruals	**2,189**	2,290
Total	**44,238**	38,835

Government grants relating to properties under construction total £17,968,000 (2025: £16,973,000).

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

	2026 £'000	2025 £'000
Loans		
Repayable between one and two years	**7,645**	7,448
Repayable between two and five years	**82,696**	81,222
Repayable, otherwise than by instalments, in five years or more	**149,711**	153,794
Total loans repayable	**240,052**	242,464
Premium on issue of bonds repayable in one year or more	**6,872**	7,211
Government grants	**84,169**	73,514
Total	**331,093**	323,189

Loans are secured by specific charges on certain of RHA's housing properties. The interest rates are fixed between 2.92% and 6.6% or vary with market rates. As at 31 March 2026 the agreed facility is £273.5 million of which £248.5 million (2025: £249.6 million) has been drawn down by RHA to date. The final loan is due for repayment by 2054.

The original total value of grant received at 31 March 2026 is £115,606,000 (2025: £102,658,000).

Deferred income – Government grants	**2026 £'000**	2025 £'000
At 1 April 2025	**90,487**	86,979
Grants receivable net of disposals	**12,656**	4,409
Amortisation to Statement of Comprehensive Income	**(1,006)**	(901)
At 31 March 2026	**102,137**	90,487
Due within one year	**17,968**	16,973
Due after one year	**84,169**	73,514

18. Provisions

	2026 £'000	2025 £'000
Deferred taxation		
At 1 April 2025	**-**	-
At 31 March 2026	**-**	-
The deferred taxation provision comprises:		
At 31 March 2026	**-**	-

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method on all timing differences that have arisen, but not reversed by the Statement of Financial Position date, unless such provision is not permitted by FRS 102.

19. Share capital

	2026	2025
	£	£
Shares of £1 each issued and fully paid		
At 1 April	**6**	6
Issued during the year	**2**	3
Cancelled during the year	**(2)**	(3)
At 31 March	**6**	6

The share capital of RHA consists of shares with a nominal value of £1, each of which carries no rights to dividends, or other income. Shares in issue are not capable of being repaid or transferred. Where a shareholder ceases to be a member, that person's share is cancelled, and the amount paid by them then becomes the property of RHA. All shareholdings relate to non-equity interests and there are no equity interests in RHA. The Group does not have any reserves in equity other than the revenue reserve.

20. Capital commitments

	2026	2025
	£'000	£'000
Capital expenditure contracted for in respect of development expenditure, but not provided for in the financial statements.	**11,075**	33,327
Capital expenditure authorised by the Board, but not contracted for in respect of development expenditure.	**4,950**	6,677
Total	**16,025**	40,004
RHA expects to finance the above expenditure by:		
Social Housing Grant receivable	**1,449**	9,035
Property sales proceeds	**7,970**	14,189
Use of cash surplus plus loan funding	**6,606**	16,780
Total	**16,025**	40,004

The contracted capital expenditure commitment is based on all developments currently on site or in contract. The commitment for capital expenditure authorised but not contracted for is based on all the remaining approved development schemes included in the Group's financial business plan. The loan funding available to fund the above expenditure is made up of the current cash surplus, the undrawn loan facilities including £25 million agreed with Santander in May 2017.

21. Pension obligations

The Group has traditionally operated two defined benefit pension schemes, contracted out of the state scheme. These were closed from April 2014. The Group also operated two money purchase defined contribution schemes and a career average revalued earnings defined benefit scheme (CARE), but from April 2014 the Group only operates one defined contribution scheme. Contributions to pension schemes are determined in accordance with actuarial advice and calculated as a percentage of pensionable salaries.

CARE

For the defined contribution scheme, the amount charged to the Statement of Comprehensive Income in respect of pension costs is the contributions payable in the year which total £387,000 (2025: £358,000). This is charged to RHG and apportioned to subsidiaries via the Group Membership Agreement.

SHPS

Rooftop Housing Group participates in The Pension Trust – Social Housing Pension scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK.

For the closed SHPS defined benefit schemes there is a contractual agreement between the scheme and the Group that determines how the deficit will be funded. This liability is recognised in the RHA Statement of Financial Position and the resulting expense in the RHA Statement of Comprehensive Income for the present value of the contributions payable that arise from the agreement to the extent that they relate to the deficit.

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

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

In 2018/19, in order to account for the initial recognition of the Scheme as a defined benefit scheme, RHG de-recognised the creditor for past service deficit contributions payable under SHPS as at 31 March 2018 of £650k and recognised a net defined benefit liability as at 1 April 2018 of £1,195k. Due to the Group arrangement, an equal and opposite debtor was created in RHG with RHA and therefore the impact on SOCI (Statement of Comprehensive Income) was seen in RHG Association. The impact of this initial recognition was a charge to RHA SOCI of £545k.

The results of the full actuarial valuation for 30 September 2023 were finalised in August 2024 and remain relevant for these accounts. The key headlines are as follows:

- The Scheme deficit has reduced by 55% from £1,560m to £700m (on a Technical Provisions, or "scheme funding" basis)
- The deficit recovery plan end date will be kept as 31 March 2028
- The average reduction in employer deficit contributions from April 2025 is around 12%
- The deficit contributions paid by employers will increase at the lower rate of 2% p.a., down from 5.5% p.a.
- Future Service Contribution Rates will significantly reduce from 1 April 2025.

Deficit contributions will continue to be allocated on a "share of liability" basis, based on each employer's percentage share of overall Scheme liabilities as at 30 September 2023. Whilst deficit contributions for the Scheme as a whole will reduce by around 12%, the actual figure will be different for each individual employer (of which we are), according to how their liability share has moved since the 2020 valuation, compared to the average across the Scheme. In 2026/27, our deficit contributions payable will be £134,000, increasing from £132,000 in 2025/26 (2% increase).

Scheme funding is regularly kept under review between valuations (the next actuarial valuation date is 30 September 2026).

The Pensions Trust made their participating employers, including Rooftop Housing Group, aware of a benefits review undertaken in 2022. The Board Members understand this involved comparing the changes made to the benefits provided to scheme members with the requirements of the pension scheme documentation. Board Members are aware that there was legal uncertainty on how to interpret the rules and the effect of Scheme Documents and that the Pension Trustee has sought the direction of the Court on how to do so. The case is currently in Court and Board Members understand that the Pension Trustee will make the case that the way they applied the rules in determining benefits (based on custom and practice) is appropriate and should continue to be applied.

In a defined benefit pension scheme the employer is responsible for underwriting the benefit promise. If the Court ruling was to determine that additional benefits should have accrued to employees, then the Association will be liable and will need to adjust its estimate of pensions liabilities accordingly. The Association's best estimate at 31 March 2026, based on information made available in 2022 is that the best case scenario arising from the Court case could be an increase in the reported liabilities of £Nil and the worst case scenario could be an increase in the reported liabilities of £113,000 which is not considered to be material to the financial statements. This assessment does not take into consideration any factors arising from subsequent Court rulings on other Pension Schemes. Given that at 31 March 2026 there was insufficient information available to reliably estimate a worst case scenario including incorporating subsequent Court rulings the Association has determined that there is no requirement to adjust the reported liabilities at 31 March 2026.

The Defined Benefit pension liability is initially shown in the RHG Statement of Financial Position and is held as an intercompany creditor in the RHA Statement of Financial Position. This is because RHG is the member of the scheme, but employment costs are recharged to RHA, where the activity relates. The disclosures below are the same for both Group and RHG Association.

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

	2026	2025
	£000s	£000s
Fair value of plan assets	**2,579**	2,465
Present value of defined benefit obligation	**(2,829)**	(2,863)
Defined benefit liability to be recognised	**(250)**	(398)

Reconciliation of opening and closing balances of the defined benefit obligation

	2026	2025
	£000s	£000s
Defined benefit obligation at start of period	**2,863**	3,094
Expenses	**7**	6
Interest expense	**164**	150
Actuarial losses due to scheme experience	**(52)**	98
Actuarial (gains) due to changes in demographic assumptions	**22**	-
Actuarial (gains) due to changes in financial assumptions	**(35)**	(412)
Benefits paid and expenses	**(140)**	(73)
Defined benefit obligation at end of period	**2,829**	2,863

	2026	2025
	£000s	£000s
Fair value of plan assets at start of period	**2,465**	2,500
Interest income	**144**	125
Experience on plan assets (excluding amounts included in interest income) – (loss)	**(18)**	(263)
Contributions by the employer	**128**	176
Benefits paid and expenses	**(140)**	(73)
Fair value of plan assets at end of period	**2,579**	2,465

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £126,000; 31 March 2025 (£138,000).

Defined benefit costs recognised in the Statement of Comprehensive Income (SOCI)

	2026	2025
	£000s	£000s
Expenses	**7**	6
Net interest expense	**20**	25
Defined benefit costs recognised in Statement of Comprehensive Income (SOCI)	**27**	31

Defined benefit costs recognised in other comprehensive income

	2026	2025
	£000s	£000s
Experience on plan assets (excluding amounts included in net interest cost) – (loss)	**(18)**	(263)
Experience gains and losses arising on the plan liabilities – gain / (loss)	**52**	(98)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – (loss)	**(22)**	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	**35**	412
Total actuarial gain amount recognised in other comprehensive income – Gain	**47**	51

Key assumptions

	2026	2025
	% per annum	% per annum
Discount Rate	**6.14%**	5.87%
Inflation (RPI)	**3.29%**	3.08%
Inflation (CPI)	**3.03%**	2.80%
Salary Growth	**4.03%**	3.80%
Allowance for commutation of pension for cash at retirement	**75% of maximum allowance**	75% of maximum allowance

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

	2026	2025
	Life expectancy at age 65 years	Life expectancy at age 65 years
Male retiring in 2026; (PY 2025)	**20.9**	20.5
Female retiring in 2026; (PY 2025)	**23.2**	23.0
Male retiring in 2046; (PY 2045)	**22.2**	21.7
Female retiring in 2046; (PY 2045)	**24.6**	24.5

22. Portfolio of Homes

	Owned and managed	Managed by others	2026 Total	Movements in year Additions	Disposals	Transfers	2025 Total
Under development at the end of the year							
Units for rent	**101**	**-**	**101**	**58**	**-**	**(104)**	147
Units for shared ownership	**61**	**-**	**61**	**33**	**-**	**(60)**	88
Units for sale	**-**	**-**	-	**-**	-		-
Under management at the end of the year	**162**	**-**	**162**	**91**	**-**	**(164)**	235
General needs housing	**5,298**	**-**	**5,298**	**104**	**(29)**	**-**	5,223
Supported housing and housing for older people	**595**	**59**	**654**	**1**	**(6)**	**(2)**	661
Leasehold properties	**132**	**-**	**132**	**-**	**-**	**-**	132
Low-cost home ownership accommodation	**436**	**-**	**436**	**62**	**(7)**	**-**	381
Keyworker accommodation	**278**	**5**	**283**	**-**	**-**	**(2)**	285
Units for rent	**6,739**	**64**	**6,803**	**167**	**(42)**	**(4)**	6,682
Total units social housing	**6,901**	**64**	**6,965**	**258**	**(42)**	**(168)**	6,917
Market renting	**34**	**-**	**34**	**-**	**-**	**-**	34
Leasehold properties	**1**	**-**	**1**	**-**	**-**	**-**	1
Total units non-social housing	**35**	**-**	**35**	**-**	**-**	**-**	35
Keyworker – leased to Trust	**-**	**88**	**88**	**-**	**-**	**-**	88
Residential care home – leased to Shaw Homes	**-**	**46**	**46**	**-**	**-**	**-**	46
St Oswald's properties – leased by Extra Care	**-**	**86**	**86**	**-**	**-**	**-**	86
20 Cambridge Way – leased to Gloucester CC	**-**	**1**	**1**	**-**	**-**	**-**	1
Total units commercial	**-**	**221**	**221**	**-**	**-**	**-**	221
Total units	**6,936**	**285**	**7,221**	**258**	**(42)**	**(168)**	7,173
Retained freeholds and estate charges	**305**	**-**	**305**	**3**	**-**	**-**	302

23. Contingent liabilities and financial commitments

As part of the transfer agreement with Wychavon District Council, RHA provided various indemnities to the Council in respect of obligations that RHA had assumed on the transfer. In the view of the Board there is little likelihood of any liability arising in respect of these indemnities, and so no provision is reflected in these financial statements. RHA has no other outstanding contingent liabilities or financial commitments.

24. Related party transactions

A management fee of £10,567,000 (2025: £10,410,000) was charged by the immediate parent undertaking, Rooftop Housing Group Limited

In August 2012 RHA became the sole corporate trustee of the Walker Hospital Trust. The Walker Hospital Trust is a charity which owns three properties and is a member of the National Association of Almshouses. RHA provides maintenance services to the three properties and recharges the Walker Hospital Trust. Amount charged during 2025/26 was £nil (2025; £12,000)

From October 2013 RHA, RHL and RS&C became shareholders in Fortis Property Care Limited, now known as Platform Property Care, which provides property services to the Group including responsive repairs, planned maintenance, grounds maintenance and gas servicing. The services are provided at cost and the amount charged to RHA during the year was £12,063,000 (2025: £14,702,000) and the balance owing at 31 March 2026 was £3,098,000 (2025: £934,000). As a result of this arrangement, the Executive Director of Resources for RHG is a Board Member of Platform Property Care Limited.

25. Legislative provisions

Rooftop Housing Association Limited is a wholly owned subsidiary of Rooftop Housing Group Limited. Rooftop Housing Group Limited is a Registered Society registered in England. RHA is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Homes and Communities Agency under the Housing and Regeneration Act 2008.

26. Events after the end of the reporting period

There are no events after the reporting period.

Biographies of Board Members

Daisy Halford (Board Member of Rooftop Housing Group and Rooftop Housing Association, Chair of Rooftop Housing Association)

Daisy has lived in social housing since 2013 and became a Rooftop resident three years later with her husband and young son. She joined the Resident Excellence Panel, Rooftop's independent scrutiny group, in 2016 to help shape and improve the services we deliver to our customers. Daisy was Chair of the Panel until she joined the Boards of Rooftop Housing Group and Rooftop Housing Association in September 2020. Passionate about social housing and the rights of residents, Daisy was part of the National Housing Federation's "Together with Tenants" initiative created to support housing associations to play their part in rebalancing the relationship between residents and landlords.

A busy wife and mother, Daisy still manages to maintain an active presence in her community and chairs a local community group.

In January 2025, Daisy was appointed Chair of Rooftop Housing Association. She is also Vice Chair of the Remuneration, Nominations and Performance Committee and is the Chair of the Customer Strategy Group.

Lenna Cumberbatch-Nichols (Board Member of Rooftop Housing Group and Rooftop Housing Association, Vice Chair of Rooftop Housing Association)

Lenna is a Non-Executive Director, senior adviser, and consultant with national and international experience across healthcare, media, recruitment, technology, and higher education with lived experience of social housing.

Combining her MBA with her undergraduate degree in gender studies, Lenna takes organisations on a strategic change approach to diversity and inclusion. Lenna is the co-chair of LGBT+ anti-abuse charity, Galop and a facilitator in schools for anti-bullying charity Diversity Role Models. She is a Non-Executive Director on Ofcom's Communication Consumer Panel & Advisory Committee for Older & Disabled People, and a Founding Board Member for the Black Researcher Consortium C.I.C. She has held roles at the Royal Society, the Wellcome Trust, and the University of Cambridge. Lenna's speaking engagements have included the Council of Europe, BBC Scotland, and the Women of the World (WOW) festival. She keeps up her public speaking skills at her local Toastmasters Club.

Lenna is a Fellow of the Royal Society for the Encouragement of Arts, Manufactures and Commerce, and is a member of the Chartered Management Institute.

Lenna is a member of the Remuneration, Nominations and Performance Committee and the Board's representative for People, Culture and Diversity.

In January 2025, Lenna was appointed Vice Chair of Rooftop Housing Association.

Andrew Palmer (Board Member of Rooftop Housing Group and Rooftop Housing Association, Vice Chair of Audit and Risk Committee)

Andrew is a fellow member of the Association of Chartered Certified Accountants. With more than 20 years' senior management experience in the housing sector, he has an acute view of the challenges the sector faces and brings enthusiasm and creativity to the Committee and is passionate about providing quality and efficient services to customers.

Andrew is currently employed as an Executive Director of Finance for Aspire Housing and is the lead for Finance, Governance and Risk in the executive role. He holds a strong positive record of business transformation and modernisation of processes.   Before joining Aspire, he worked for Walsall Housing Group for a number of years with responsibility for a large Finance Team.

Andrew enjoys walking his dog, socialising with friends and spending time with his wife and children.

In January 2026, Andrew was appointed Vice Chair of the Audit and Risk Committee and is the Board representative for Health and Safety.

Wayne Harris (Board Member of Rooftop Housing Group and Rooftop Housing Association)

Wayne brings a wealth of experience in social housing gained in senior roles over the last 33 years and is particularly passionate about sustainable development and the decarbonisation journey for existing homes. He has been invited to speak at a number of conferences on asset management. Wayne also spent eight years as a volunteer outreach worker walking the streets of South Wales providing assistance to people with life controlling problems.

Wayne is a recently retired architect who spent his early professional career in private practice designing retail centres, industrial / manufacturing facilities, schools and private housing before moving into the social housing sector in 1992. Since that time, he has held a number of roles managing assets, repairs and maintenance, delivery of new housing and some care services. Employers have included three councils, a newly formed stock transfer housing association and most recently a traditional housing association called Pobl Group - Wales largest social housing provider. Previous non-executive experience was gained at Accent Housing Group.

Married with two children and living in Gloucestershire he likes walking with his Labrador and in good weather riding an old motorcycle.

Wayne is a member of the Audit and Risk Committee and the Board’s representative for Development, Investment and Sustainability and Repairs and Maintenance.

Ciara McMillan (Board Member of Rooftop Housing Group and Rooftop Housing Association)

Ciara McMillan is a senior strategic leader with over 20 years’ experience driving transformation across housing, local government and the wider public sector. Now Partnerships & Alliance Director at Crimson, Ciara leads strategic alliances and ecosystem partnerships, shaping senior level relationships, joint market strategy and large scale digital and AI driven transformation.

Her career spans multiple senior leadership roles, delivering high impact programmes in service redesign, digital transformation, customer insight and data led improvement. She has led complex, high value transformation initiatives, driven organisational change, improved customer outcomes and delivered sustainable efficiencies at cale.

Ciara previously served six years as a Non-Executive Director at Futures Housing Group, where she chaired the Customer Insight Committee, acted as Member Responsible for Complaints, and served as the Board’s representative for Digital Transformation. She currently sits on Remuneration, Nominations and Performance Committee.

An MBA graduate and member of the Chartered Institute of Housing, Ciara is recognised as a trusted advisor and influential leader, known for combining strategic clarity with a strong focus on partnerships, outcomes and real world impact for organisations and the communities they serve.

Ciara was appointed Member Responsible for Complaints in January 2026 and is the Board’s representative for Digital Transformation.

Anna Moore (Board Member of Rooftop Housing Group and Rooftop Housing Association)

Anna Moore is Founder and CEO of Domna, a housing asset management and retrofit platform serving over 10,000 socially rented homes a year across the UK. Anna holds senior board and advisory roles across housing and infrastructure including the Built Environment Trust, the National Retrofit Hub, and the City of London's Skills for a Sustainable Skyline Task Force. Previously, Anna was a Partner at McKinsey & Company, where she led the Firm's UK Construction and Materials practice, co-led its European Sustainability practice, and stood up its Net Zero Built Environment practice and Sustainable Materials Hub.

Anna Moore is a member of the Audit and Risk Committee.

Rooftop
Housing Group

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