ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended
31 March 2026

Clanmil Housing Association Limited

(Co-operative and Community Benefit Society No. IP000136)
(Regulator Registration No. R11)
(NI Charity No. NIC103840)

Contents	**Page Number**

BOARD OF MANAGEMENT, DIRECTORS, AND ADVISORS

Board of Management

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M McCann MA (Vice Chair)
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S Robson BA (Hons) PgDipTP MRTPI
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T Barclay BSc FRICS MBA CMCIH MIoD
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STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026

The Board present their strategic report and the audited financial statements for the year ended 31 March 2026 of Clanmil Housing Association Limited (the "Association") and its subsidiaries (the "Group").

The Board is a voluntary Committee who have responsibility for the strategic direction, general policy and management of the Group. The day-to-day management of operations is delegated to the Group Chief Executive and the Executive Team.

Gender analysis

The Executive Team of the Association comprises 3 females and 3 males at year end. The Group had 331 employees on the 31 March 2026, both part and full time, of which 107 are male and 224 are female.

Status

Clanmil Housing Association Limited is registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (No. IP000136) and is a Registered Housing Association.

The Association is a registered charity with HMRC (Charity No. XR 43042).

The Association is registered with the Charity Commission for Northern Ireland (Registration No. NIC103840).

Group structure

Clanmil Housing Association Limited provides social and affordable housing in Northern Ireland and is the controlling member of the Group. Clanmil Developments Limited provides property development services to assist Clanmil Housing Association in delivering its social housing development programme. Clanmil Properties Limited provides services to property management companies and other Housing Associations/Organisations. Milbreen Limited is currently dormant but intends to develop housing for sale.

Refer to note 18 for details of Clanmil Housing Association Limited's investments in subsidiary undertakings.

Principal activities

The Group provides over 6,170 high quality homes throughout Northern Ireland with the majority being for social rent. It has also helped to facilitate home ownership for people who cannot afford to purchase a home outright through its shared equity product.

Our social homes are allocated to people from the housing selection scheme managed by the Northern Ireland Housing Executive.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

A wide range of people live in our homes. All share a need for a good quality home, and to be part of a sustainable community where they can live well, flourish and thrive. We offer a wide range of high-quality housing and services including:

- homes for families and single people;
- housing and support for older people;
- supported housing for older people with dementia and for people with learning disabilities and mental ill-health;
- hostels providing temporary refuge for women and their children escaping domestic violence;
- homes for Irish Travellers; and
- supported housing for young people leaving care.

Shaping our Future Strategy 2026

2025/26 was the final year of delivery of the ambitions set out in our Strategic Plan, Shaping our Future, which we launched in April 2021. This plan provided a focus in delivering homes and services that enabled our customers to thrive and flourish within sustainable communities.

Together we want to:

The five key aims of our Strategy are:

Build and maintain quality homes whilst preserving the environment

Having the right place to call home is an essential part of being able to live well. With that in mind we want to play a leading role in tackling the housing crisis in Northern Ireland. We want to strengthen existing communities and help to create new ones through the development of new sustainable homes that are built for the future. The homes we build will be well maintained, safe and energy efficient. Climate change is the challenge of a generation so we must play our part in reducing our carbon footprint. We aim to:

- Build and develop up to 1,400 well designed, energy efficient, mixed-tenure homes in the next five years.
- Target the design and delivery of new homes in both urban and rural areas with the greatest housing need.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

- Be innovative in our delivery and adopt all affordable delivery options, including modern methods of construction, to minimise our carbon footprint.
- Invest in actively managing our assets, making them safe and attractive places to live.
- Subsidise our core activity by diversifying our approach, capitalising on new opportunities for growth through initiatives such as the empty and affordable homes schemes.

Provide services that make life easier for our customers

We want our customers to sustain their tenancies for as long as they choose. It's important that we remain responsive to changing customer needs and that we make life easier for them by making it easy to do business with us. We need to build and maintain healthy, trusting and respectful relationships with our customers, so they are empowered to help shape the standard of services we provide. We will:

- Create services that provide a great customer experience, being clear about what we offer and how we work to support diverse customer needs.
- Build trusting relationships by getting to know our customers, their communities and listening to their individual needs.
- Working in partnership with other service providers, create an environment where stable communities can thrive and customers are empowered to make informed decisions that are right for them.
- Create more opportunities for regular and robust customer feedback to generate quality insights that will help us to continually enhance our services.
- Develop an excellent multi-channel approach to serving our customers, giving customers a real choice in how they want to talk to us.

Create a brilliant and sustainable organisation, fit for the future

In a world of digital, environmental and social disruption we must be ready to change and adapt to fulfil our purpose, and as a business we're only as good as our people and that's why we want to create a great place to work. We realise that to achieve our ambitions we must have financial strength and operational efficiency, and that we have to manage our business to the highest standards. This will come through robust financial management and systems, as well as seeking to potentially generate additional revenue that we can re-invest for the benefit of our customers. We seek to:

- Review our organisational design and capability to ensure we have the right people and expertise to deliver our strategy, managing and communicating change well.
- Strengthen our employer brand and offer to retain great people and attract diverse new talent.
- Lead with our new values and create the right culture where people can deliver their best work.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

- We will create more opportunities for colleagues to contribute, feel empowered, supported in personal and professional development and have their voices heard.
- Deliver organisational efficiency and operational excellence by maximising the benefits of new and existing technologies to improve our end-to-end processes.
- Optimise our financial group structure and identify opportunities for future growth through partnership or innovation, launching new effective services for our customers and communities.

Be a respected voice to grow our impact

We believe that everyone has the right to a quality home and the opportunity to live in a safe and supportive community, that's why we will stand up and be heard when it comes to social housing. We want people to understand the importance of the sector and we want to add our voice to future housing policy so that we can ensure the issues that really impact on people's lives are addressed. We will promote a positive view of Clanmil, both locally and regionally, to create both interest and demand in partnering with us or in becoming a customer. This will be achieved by:

- Creating strong, trusted and productive relationships with new and existing stakeholders.
- Initiating change, influence policy and be leaders within the housing sector to deliver our purpose.
- Powerfully communicating our new strategy and brand so people understand who we are, what we do and how we add value to people's lives.
- Using the right communication channels to effectively engage our audiences and maximise our impact, sharing our successes beyond the housing sector.
- Cultivating new partnerships with service providers that are beneficial in helping our customers to live well, whilst also addressing future societal challenges.

Reach, connect and collaborate to strengthen communities

We know that some communities do not get the chance to thrive. We believe there are more ways in which we can support people and their communities beyond simply providing them with a home. We want to help make this a more shared place and we know that shared communities have a lasting positive impact on people's lives. We appreciate the value in developing great partnerships and we understand the importance of these in supporting our customers. We want to maximise these partnerships so that customers know where to look for guidance, help and expertise. We aim to:

- Focus our resources on the people who need most support, working closely with expert partners to deliver more services that communities need.
- Commission a review of existing community development activity to identify the biggest challenges and opportunities; determining whether we lead, leave, collaborate or delegate.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

- Contribute to building stable communities by supporting people to live well and keep their homes. We will achieve this through financial inclusion services, creating opportunities and by exploring new ways of tackling isolation in a post-COVID world.
- Support our existing shared communities and deliver at least five more shared schemes that are welcoming to all and give people the choice of living alongside neighbours from many backgrounds and traditions.
- Raise environmental awareness by nurturing a community culture that values the environment, community landscapes and energy efficiency.

Our Performance

For the core business areas the Board has set a number of key performance indicators - these include rent arrears, voids, customer satisfaction, growth, maintenance repair times, staff turnover and financial stability. Our performance is also assessed through a number of statutory inspection regimes, and we are committed to continuing to achieve the highest standards where we can.

We assess our performance by how satisfied our customers are with the homes and services we provide. We regularly seek feedback from the people who live in our homes on everything from repairs to neighbourhoods

In 2025-26, customer satisfaction was strongest in relation to the safety of home (81%) and treating customers fairly and respectfully (80%).

All comparable measures have seen improvements since 2024/25. Significant increases in satisfaction were observed for timeliness of repairs (+13%), repairs service in the past 12 months (+13%), and how well our homes are maintained (+8%). These increases resulted in a 5.8% increase in overall satisfaction, to 72.8%. However, we recognise there is still work to be done to improve satisfaction levels and we will continue to work with customers, focusing on the service that matter to them.

The Group continues to grow, and efficiency savings are reinvested where appropriate to improve existing services, deliver additional services, maintain and improve the condition and value of our homes as well as the delivery of new homes.

We strive to operate efficiently and effectively, and outputs are monitored by the Board who receive performance reports covering a variety of financial and non-financial performance information.

In challenging operating conditions, the Association achieved the following performance against its key targets for 2025/26:

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Performance Indicator	Actual 2025/26	Target 2025/26	Comment
Gearing ratio	31.2%	45.0%	Gearing is calculated in line with loan covenants as debt as a percentage of gross book value of property. The Group was fully compliant with loan covenants during the year.
Interest cover	2.47 times	1.25 times	Calculated excluding major repairs. Better performance than target. Largely due to higher level of interest received during the year which lowered net interest to be covered. The Group was fully compliant with interest cover covenants during the year.
Operating margin	24.0%	24.8%	Operating margin of 24.0% is lower than budget which can be attributed to higher response repair and maintenance expenditure incurred in the year.
Social Housing arrears including rent, rates and service charges	6.5%	7.5%	Despite the ongoing impact of the cost-of-living crisis on our customers and the increase in numbers of customers moving onto Universal Credit, predictive software is helping to highlight customers who may need help before they get into significant debt.
Voids as a percentage of gross charges	1.66%	2.33%	Performance has improved due to continued focus and attention from colleagues.
Response maintenance repairs completed within timescale	84.9%	85.0%	There has been a significant improvement in performance in comparison to prior year. However, we recognise how important this service is for our customers and that there is still work to do.
Customer satisfaction	72.8%	80.0%	This continues to be a key area of focus throughout Clanmil in 2026/27.

The management of financial resources is critical to the Group's ability to meet its objectives. Whilst the registered Housing Association has voluntary non-profit making status, the generation of an annual surplus is vital to ensure the ongoing investment in our existing homes and services, the delivery of new homes to play our part in alleviating the housing crisis in Northern Ireland, providing for longer term maintenance obligations, to meet our commitments to lenders, and to generally ensure adequate protection against unforeseen circumstances.

The key strengths of the Group which enable its primary objectives to be achieved are:

- A commitment to the highest standards of corporate governance;
- A financial position which secures the confidence of funders, facilitating future investment and strategic growth opportunities;
- Professional and dedicated staff who are committed to the Group's objectives; and
- A proven ability to play its part in the delivery of the social housing development programme.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Colleagues

Our success is due to the hard work, commitment and professionalism of the people who make up Clanmil. We are very grateful to our highly motivated and engaged colleagues who are working tirelessly to deliver an improving service to our customers. They turn up every day with energy and enthusiasm to do the right thing and we really value that. We have continued with colleague pulse surveys throughout the year to help us understand what is needed to make Clanmil an even better place to work. We are also very proud to have received GOLD accreditation for Investors in People.

The Group's total staff costs increased from £11.5m in 2024/25 to £12.8m in 2025/26. As a percentage of turnover staffing costs increased from 21.0% in 2024/25 to 22.4% in 2025/26. Sickness absence levels have decreased from 5.35% in March 2025 to 3.98% in March 2026. Labour turnover has decreased from 17.80% in 2024/25 to 16.3% in 2025/26.

Value for Money ("VfM")

Our aim is to utilise our assets and resources as much as possible to meet the needs of existing and future customers.

To do this we continue to work collaboratively across Clanmil, harnessing the innovation and creativity of our people, our customers and stakeholders to deliver improvements through efficiency, effectiveness and economy.

There were 33 projects throughout the year which we assessed as having a value over the £50k threshold and therefore subject to a full tender exercise. Using the pre-tender estimates across these 33 projects of £29,465k, following a public tender exercise, tenders returned at £28,540k which provide for a saving of £925k.

11 individual quotation exercises were undertaken this year (i.e. they were under £50k each), which ensured we received the best value for money in relation to a £95k saving based on the lowest and second lowest quotation received.

Through the work of our Financial Inclusion Team we delivered strong positive social impact, whereby we:

- Assisted 1,100 customers with money advice, helping them secure £3.1m in additional income;
- Supported 105 customers to set up and run their homes by accessing discretionary support grants with an average award of £1,019 each;
- Engaged with Bryson Energy Fund to secure £19,600 in electricity top-ups for customers; and
- Worked with contractors to secure £13,557 in social value above statutory requirements.

We continue to integrate Value for Money into our operating activities with value defined from the perspective of our customers and the services we deliver.

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Delivering more social housing to address the housing need in Northern Ireland

During 2025/26 the waiting lists for social housing in Northern Ireland had increased to 50,000 households. Yet budgetary constraints in funding the delivery of new social homes meant that the sector was not given the funding necessary to deliver the 2,200 homes target in 205/26 aligned to the Housing Supply Strategy – the 15-year framework for the delivery of homes to meet Northern Ireland's current and future needs. We are grateful however that we at Clanmil, played out part, alongside our Housing Association colleagues and we were able as a sector, to deliver 1,750 new social homes in the year.

During the year there were changes to how the delivery of new social homes are funded and from 1 December 2025 the amount of Housing Association grant available to deliver new social homes was reduced from on average 54% to 46%. This has made the delivery of new social homes challenging in the context of the wider economic operating environment and we at Clanmil are having to consider how best we can maintain our strategic ambition of delivering new much needed homes in Northern Ireland and as part of this we welcome the two review groups announced by the Department for Communities and we look forward to seeing how they may help absorb the reduction in grant levels without impacting the number of new homes provided.

In that context during the year, we started construction on 338 new homes, bringing the total number of homes under construction at the end of the financial year to 856 representing an investment in Northern Ireland by Clanmil of £210m (Housing association grant and private funding). The Development team continued to manage construction contracts robustly in line with their contract terms.

Across the year we took handover of 199 new homes welcoming our new Clanmil customers. Every new home we provide represents security, opportunity and hope for the future for a family or an individual. We want the homes we provide to be welcoming to all and we were delighted that our new scheme at Deerpark in Antrim has been designated as a Housing for All scheme and our new Housing for All scheme at the Savoy in Bangor also picked up the award for residential development of the year at the Belfast Telegraph property awards. We are also promoting our recently completed homes at Dargan House at Loftlines in Titanic Quarter – the first social homes in this area – and new homes currently under construction at Garden Street in Magherafelt and Lough Neagh Terrace in Crumlin as Housing for all schemes.

To achieve this, we plan to make our assets work harder, through increasing our gearing (which remains within the covenants granted by the lending institutions that have supported us), focusing on driving improvement on voids, investigating complementary income streams and improving operational efficiency. We have £17m of cash and short-term deposits and £75m of agreed undrawn loan facilities available to assist in funding our growth strategy and meeting ongoing commitments.

We have generated modest surpluses from diversification into housing related activities. The purpose of the diversification is to provide surpluses to continue to subsidise new affordable

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

housing. These diversified activities, albeit on a relatively small scale, are successfully operating in the market rental sector, commercial retail units and Management Agent services.

Providing good quality and efficient services to tenants

During the year we spent £12.4m carrying out repairs and improvements to our existing homes, replacing kitchens, bathrooms, windows, redecoration, new heating and fire alarm systems and processed over 33,500 repair requests, with 84.9% being completed within their timeframes. We know just how important this service is for our customers and it continues to be a major focus for Clanmil. Looking ahead, we intend to deliver more of our repairs service through our in-house team.

Customer service and engagement remained a top priority for us and over the year we implemented the second phase of our Customer Resolution Centre, and we hope that this will mean that customer enquiries are resolved more efficiently. We also continued with the implementation of lettable standards, standards of service and our customer handbook to ensure both customers and colleagues are clear about the services we provide. We also introduced a new Customer Home visit protocol, visiting around 957 silent customers in their homes during the year to get to know them better and to ensure that our services are meeting their individual needs.

The rising cost of living continues to impact many of our customers and for some, bridging the gap between household income and the day-to-day cost of running a home and raising a family was extremely difficult. During the year, our team supported 1,100 customers through money and debt management advice, generating more than £3.1m in additional income for them.

Investing in our communities

Clanmil is committed to improving community cohesion and good relations by increasing the number of Housing for All Neighbourhoods across Northern Ireland. During the year we continued to deliver Good Relations Projects to strengthen relationships between our Customers and Communities within a five-mile radius in our current nine Housing for All schemes in Banbridge, Belfast (Annadale), Cookstown, Crossgar, Carrickfergus, Dundrum, Glenwhirry, Newtownabbey, Newcastle, Antrim, Bangor, and Titanic Quarter, Belfast. The Cohesion team are currently working hard to promote further schemes in Crumlin and Magherafelt.

Other value for money considerations

The Association achieved a lower than prior year operating margin of 24.0% (2025: 27.2%). Even though turnover increased, the increase in operational costs outweighed this. We continue to monitor and actively mitigate costs as far as possible.

Environment

We continue to focus on making existing homes as energy efficient as they can be, and our new Environmental Strategy 2024-2029 sets out our intent to bring all Clanmil homes to EPC rating

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

C by 2030. This Strategy is our route map towards achieving net zero by 2050. It embeds environmental protection in all that we do and includes a commitment that the heating systems in our homes will be electric first.

Our strategy has five goals:

- Design and build energy efficient homes, creating sustainable places to live;
- Effectively manage our energy use and reduce our carbon output;
- Invest in our existing homes to improve their energy efficiency, helping to minimise the impact of fuel poverty on customers and ensure homes are safe, decent and free from dampness and mould;
- Improve our environmental management of waste and water and support biodiversity and habitat; and
- Engage with our customers, colleagues and partners to inform them of our environmental management work and journey towards sustainability and net zero.

Currently 99.9% of our stock meet Decent Homes standard. We are working to improve levels of thermal comfort, as a result 88.3% of our homes are already at EPC rating C, while our average EPC SAP score is 77.3. We continued our conversion of communal gas heating to individual electric heating and this year we completed our first whole scheme individual home solar project.

Over the year we have completed construction on our exemplar project at Deerpark, Antrim to meeting EPC rating A. Our Clanmil Design Guide sets out our ambitions for our new homes so that we are minimising the environmental impact of our construction activity and providing energy efficient homes that are cost effective for our customers. We remain focused on designing and building our new homes on a fabric first basis to reduce energy use and we will continue to design and build all our new homes to EPC rating A where possible.

Energy Consumption and Emissions

For the year ended 31 March 2026 Clanmil reported the following energy usage and carbon emissions for the Group's corporate activities:

Energy consumption used to calculation emissions	2026	2025
	kWh	kWh
Gas	4,642,801	5,683,417
LPG	-	-
Gas Oil	1,339,405	1,764,308
Kerosene	49,214	124,586
Electricity	3,041,921	3,014,287
Total	**9,073,341**	**10,586,598**

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Business carbon footprint total tCO2e (Scope 1 and 2)	2026	2025
	tCO2e	tCO2e
Scope 1: Emission from consumption	1,298	#
Scope 2: Emission from purchased electricity (kgCO2e)	538	#
Total Gross (tCO2e)	**1,836**	**2,187**
Scope 3: Estimate carbon from homes (only based on EPC assessment of our homes)	11,900	#
Ratio: tCO2e/per property owned	0.30	0.37
# Prior year equivalents not collected at this reporting level.		

Our business carbon footprint of 1,836 tonnes of CO2 represents a 16% reduction from 2024/25. Figures are derived from the Energy Consumption Master Spreadsheet controlled by Clanmil Housing Association, containing Electricity, Natural Gas, LPG, Heating Oil consumption on a monthly basis sourced from invoices; company vans mileage data; and non-company owned mileage data obtained from staff mileage business mileage claims.

For the year ahead 2026/27

Our stakeholders partner with us, support us and encourage us and we are ambitious and excited about what we can deliver together and so we carried out a survey of key stakeholders during the year to gauge their experience of working with Clanmil and their perception of us. The results were very positive and have helped, alongside the views of our customers and colleagues, to shape our new 2026-31 Strategic Plan, Opportunity and Impact. This strategy will guide how we work at Clanmil and sets out our priorities for the next five years. It is based on four pillars and these are to deliver an excellent customer service, scale up to meet the housing challenge, continue investment in our existing homes and be an organisation that is ready for the future.

We want our customers to know that they can rely on us when they need us and to feel listened to and involved and we want to make it easier for them to access services that they need and to doing our very best to get things right first time.

We are stepping up by delivering 1,500 high quality energy efficient new homes over the next five years through innovative approaches and making the most of every opportunity we get to create places where people can live well. Sustainable attractive, well-designed developments that create a real pride of place.

We will also adapt in this ever-changing world and embrace the opportunities that change brings to do more and to do better. This will include major updates to our IT systems, adopting digital tools to drive efficiency and productivity and investment in training to equip our teams with the skills that enable them to deliver an excellent customer service.

We are confident in our ability to adapt and innovate to deliver our core purpose. We will continue to listen to our customers to strengthen our services. We are committed to building a

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

culture at Clanmil of collaboration and shared purpose as we want Clanmil to be known as a trusted landlord, a valued partner and a great place to work. At the heart of everything we do is the simple but powerful belief that everyone deserves a place to call home. We remain focused on doing what is right so that we can provide great homes for people to live well.

Risk Management

Clanmil continues to manage risk in line with our Risk Management Policy, framework, and governance structures. Responsibility for the identification of risk at a strategic, directorate and operational level is clearly defined, and risks are regularly assessed and reviewed.

Key risks facing the Group are considered by the Board/Group Audit and Risk Committee and the Executive Team Board on a quarterly basis and the Board has adopted a risk-aware strategic approach. Our risk appetite statement is reviewed annually to ensure continued focus on the management of risk as it drives forward the delivery of its strategic ambitions. It was fully reviewed and approved in February 2026.

Performance in the year ended 31 March 2026

Overall, the number of properties increased, with 199 new homes handed over. These were partially offset by the loss of 1 home via outright sale and 4 shared ownership homes, (where customers purchased the remaining equity in their homes). Overall, the number of properties increased from 5,980 to 6,173 (note 31).

The Association's annual review of rental charges at April 2025 resulted in a 2.7% increase in the majority of rents.

There were 856 homes under construction by the Group at 31 March 2026.

£64.7m was spent on housing properties additions and component replacement during the year (notes 14 and 17) partially funded by Housing Association Grant of £28.9m (note 15).

Turnover for the Group increased by 4.9% from £54.5m in 2024/25 to £57.2m. This was mainly due to rent increases.

Group operating costs increased by £3.7m to £43.4m and represent 75.9% of turnover (72.8% in 2024/25). This was impacted by inflationary pressures on maintenance costs, increased salary costs reflecting inflationary pressures as well as increased head count.

The surplus on ordinary activities for the Group was £9.8m, a decrease of £0.6m over 2024/25., while financing costs decreased from £6.9m in 2024/25 to £5.9m. Loan balances were £229.9m (£232.3m in 2024/25).

Investment properties comprising commercial premises to let and market rent residential property were revalued at year end 31 March 2026. Values increased by £1.5m (2024/25: increase of £0.9m).

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Events after the balance sheet

There were no post balance sheet events. The potential ongoing impact of the current economic and political uncertainty is considered under Risk Management and expected performance in 2025/26 is outlined above.

Expected performance in the year ending 31 March 2027

Notwithstanding the ongoing economic upheaval, the Group expects further growth in 2026/27, as a result of the significant on-going development programme and the requirement to include inflationary increases in rental charges. Turnover is projected to increase by around 6.8% to approximately £61.4m.

It is planned that approximately 159 additional homes will be completed during the year bringing the total homes owned or managed to approximately 6,332 units.

£5.0m of expenditure regarding the on-going programme of major repairs and improvements to properties is anticipated in the year.

The Group operates in a highly regulated environment which can result in associated cost pressures and constraints on income streams. It will continue to develop a co-ordinated corporate approach to achieving efficiency targets in line with the Strategic Plan. Priorities have been set to ensure that efficiencies are gained without an adverse impact on service delivery or service user satisfaction.

Financial sustainability

The Group has a robust and comprehensive framework of longer-term financial planning in place. The Board regularly considers the longer-term financial plan which covers a 40-year period. The plan includes sensitivity analysis and compares projected results to funders' covenants where applicable. To demonstrate the robustness of the plan, and to inform the Board of the potential risks associated with the financial plan, several scenario analyses are completed. The most recent plan was considered by the Board in March 2026. This incorporated stress testing on a multi-variate basis that considered the potential downside from economic and business risks potentially arising. This demonstrated that the financial plan does not put undue pressure on the Group, and that through the adoption of planned mitigation strategies the Group can continue to operate within its covenant limits.

By order of the Board

M McCann
Vice Chair
25 June 2026

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026

The Board present their report and the audited financial statements for the year ended 31 March 2026 of Clanmil Housing Association Limited (the "Association") and its subsidiaries (the "Group").

Board

The Board is a voluntary Committee who have responsibility for the strategic direction, general policy and management of the Group. The day-to-day management of operations is delegated to the Group Chief Executive and the Executive Team.

Performance in the year ended 31 March 2026 and expected performance in the year ended 31 March 2027

The sections on performance in the year ended 31 March 2026 and expected performance in the year ended 31 March 27 are contained in the strategic report, which forms part of this report.

Treasury

The Group's treasury management policy facilitates the effective management of cash flows, borrowings, investments and the risks associated with these activities. An update to the policy was approved by the Board in February 2026.

At 31 March 2026 the Association had loans outstanding of £229.9m, compared with £232.2m at 31 March 2025. Short-term investments and cash balances total £17.0m compared with £45.3m at 31 March 2025. Average net debt per unit was £34k at 31 March 2026 (£31k 2024/25) as 193 homes (net of disposals) were added in the year.

The Group was fully compliant with loan covenants during the year.

The Association's interest cover ratio for the year of 2.47 times and the gearing ratio as at 31 March 2026 of 31.2% comfortably meet the Association's primary lender requirements.

Responsibility for the management of interest rate risk and liquidity risk is with the Board. The Association finances its operations through a combination of borrowing and the reinvestment of reserves. The amount of borrowings and its terms are reviewed and determined by the Board. The Group engages specialist Treasury Management Advisors to assist in this process.

Interest rate risk

Exposure to fluctuating interest rates is managed by the composition of a balanced portfolio between fixed rate and variable rate loans.

Liquidity risk

The Group maintains a mixture of long-term and short-term loan finance that is designed to ensure there are sufficient funds to achieve business objectives and to facilitate planned growth.

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

As at 31 March 2026, the Group had agreed facilities unused across a number of Institutions of £75m, to assist in funding its growth strategy and meeting ongoing commitments.

Currency risk

The Association and Group do not engage in foreign currency transactions and so are not exposed to exchange risk.

Regulation

The Association's principal regulator is the Department for Communities ("DfC"). It is also regulated by the Charity Commission Northern Ireland ("CCNI"); the Northern Ireland Housing Executive ("NIHE") in its role as administrator of Supporting People funding and Manager of the Social Housing Development Programme.

The Association complies with the DfC Regulatory Standards.

Quality Management

The quality of the Association's People management systems is recognised through the Investors in People Gold accreditation awarded in May 2025, and the care homes are audited to meet the standards of the Regulation and Quality Improvement Authority. The Association also has a bronze accreditation from Diversity Mark charting our pathway on Equality, Diversity and Inclusion.

Environmental matters

The Group recognises its corporate responsibility to carry out its operations and development programme whilst minimising environmental impacts and its intent is outlined in our Environmental Strategy 2024 – 2029. The Board's continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

Audit

The Board has established a Group Audit and Risk Committee with clearly defined terms of reference. The main functions of the Group Audit and Risk Committee are to control and review the external and internal audit functions, the internal control systems and monitor the performance of the Association against the key business indicators.

The Association's internal auditors report directly to the Group Audit and Risk Committee on completion of each systems review and an annual summary report is produced by the internal auditors summarising the systems audit programme each year. The provision of the external auditor's report to those Charged with Governance also provides some assurance through the year-end audit, in addition to the provision of an internal audit report by the internal auditors.

The members of the Board and the Executive Officers of the Association are listed on page 1.

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2026 (continued)

In accordance with the Standing Orders, after a qualifying period Board members are invited to become shareholders and hold a fully paid share of £1 in the Association.

Board and Executive Officers

Independent auditors

The auditors, Sumer AuditCo NI, have indicated their willingness to continue in office, and a resolution proposing their reappointment will be proposed at the Annual General Meeting.

By order of the Board

M McCann
Vice-Chair
25 June 2026

STATEMENT OF BOARD'S RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE BOARD OF MANAGEMENT AND THE FINANCIAL STATEMENTS

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

The Co-operative and Community Benefit Societies Act and registered housing association legislation requires the Board to prepare financial statements for each financial. Under the law the Board has elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business; and
- prepare a Statement on Internal Financial Control.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and Group and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. The Board is 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 the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Information for the Auditors

The Board members have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Board members has confirmed that they have taken all the steps they ought to take as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the Board of Management

M McCann (Vice-Chair)
25 June 2026

BOARD OF MANAGEMENT'S STATEMENT OF INTERNAL FINANCIAL CONTROLS

The Board acknowledges that it has the ultimate responsibility for ensuring that the Group has in place a system of controls, appropriate for the various business environments in which it operates. These controls are designed to give reasonable assurance about:

- The reliability of any financial information that is published by, or is used within, the Group;
- The maintenance of proper accounting records; and
- The protection of the Group's assets against their unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable (and not absolute) assurance against material financial misstatement or loss. The key elements of these systems include ensuring that:

- There are formal policies and procedures in place (including the documentation of key systems and rules that relate to the delegation of authorities), which allow the monitoring of controls, and which seek to prevent the unauthorised use of the Group's assets;
- Experienced staff, who are suitably qualified, are responsible for important business functions, and are subject to annual appraisal procedures set up to maintain high standards of performance;
- Regular management accounts are prepared promptly which provide relevant, reliable and up-to-date financial information, and significant variances from budgets are investigated as appropriate;
- All significant initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant committees that are controlled by Board members;
- The Board's Group Audit & Risk Committee reviews reports (from management, and from both internal and external auditors), so that it may have reasonable assurance that control procedures are in place and are being followed. These reviews include a general review of the major risks facing the Group;
- The Group Audit & Risk Committee makes regular reports to the Board; and
- Formal procedures have been established for instituting action needed to correct weaknesses identified in the above reports.

The Board is satisfied that there have been no material losses, contingencies or uncertainties that require disclosure in the financial statements as a result of weakness in the internal financial controls.

By order of the Board

M McCann (Vice-Chair)
25 June 2026

Opinion
We have audited the financial statements, included within the Annual Statement of Accounts ("the Annual Report") which comprises the consolidated and association statements of financial position as at 31 March 2026; the consolidated and association statements of comprehensive income, the consolidated and association statement of changes in reserves, the consolidated and association statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Housing SORP – Statement of Recommended Practice for social housing providers issued by the National Housing Federation.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the association's affairs as at 31 March 2026 and of the group's and association's surplus, and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969).

Basis of 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 remained independent of the group and association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board of Management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The board is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

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

Opinion on other matters prescribed by the Companies Act
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and association and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Management.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board of management
As explained more fully in the Board of Management responsibilities statement the Board of Management 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 of Management 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 of Management is responsible for assessing the group's and 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 of Management either intend 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals along with complex transactions. We discussed these risks with client management, designed audit procedures to test a sample of journals to confirm they were appropriate, considered any complex transactions, and reviewed areas of judgement for indicators of management bias to address these risks.

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

Use of our report

This report is made solely to the Board of Management, in accordance with Article 38 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969). Our audit work has been undertaken so that we might state to the Board of Management those matters that we are required to state to them in an auditors' 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 Society and the Board of Management, for our audit work, for this report, or for the opinion we have formed.

Brian Clerkin (Senior Statutory Auditor)
for and on behalf of Sumer AuditCo NI Ltd
Statutory Auditors
Glendinning House
6 Murray Street Belfast
BT1 6DN

25 June 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Turnover	*5*	**57,205**	54,522
Less: Operating costs	*6*	**(43,435)**	(39,692)
Operating surplus	*7*	**13,770**	14,830
Surplus arising from disposals of fixed assets		**53**	239
Transfer to disposal proceeds fund	*10*	**-**	(192)
Interest receivable and similar income	*11*	**1,927**	2,368
Interest payable and similar charges	*12*	**(5,940)**	(6,852)
Other finance (costs)/income	*13*	**(40)**	(58)
Surplus on ordinary activities		**9,770**	10,335
Revaluation of investment properties	*17*	**1,474**	856
Actuarial gain/(loss) in respect of pension scheme	*34*	**(42)**	(6)
Retained surplus for the financial year		**11,202**	11,185
Retained surplus brought forward		**98,624**	87,439
Retained surplus carried forward		**109,826**	98,624

All amounts above relate to continuing operations of the Group.

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Surplus on ordinary activities previously reported		**9,770**	10,335
Prior year adjustment	*38*	**-**	-
Surplus on ordinary activities		**9,770**	10,335
Movement in share capital	*26*	**-**	-
Revaluation of investment properties	*17*	**1,474**	856
Actuarial gain/(loss) in respect of pension scheme	*34*	**(42)**	(6)
Net addition to capital and reserves		**11,202**	11,185
Opening total capital and reserves		**98,624**	87,439
Closing total capital and reserves		**109,826**	98,624

The notes on pages 29 to 58 form part of these financial statements.

ASSOCIATION STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Turnover	*5*	57,115	54,580
Operating costs	*6*	(43,345)	(39,750)
Operating surplus	*7*	**13,770**	**14,830**
Surplus arising from disposals of fixed assets		53	239
Transfer to disposal proceeds fund	*10*	-	(192)
Interest receivable and similar income	*11*	1,927	2,368
Interest payable and similar charges	*12*	(5,940)	(6,852)
Other finance (costs)/income	*13*	(40)	(58)
Surplus on ordinary activities		**9,770**	**10,335**
Revaluation of investment properties	*17*	1,474	856
Actuarial gain/(loss) in respect of pension scheme	*34*	(42)	(6)
Retained surplus for the financial year		**11,202**	**11,185**
Retained surplus brought forward		98,457	87,272
Retained surplus carried forward		**109,659**	**98,457**

All amounts above relate to continuing operations of the Association.

ASSOCIATION STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Surplus on ordinary activities		**9,770**	**10,335**
Movement in share capital	*26*	-	-
Revaluation of investment properties	*17*	1,474	856
Actuarial gain/(loss) in respect of pension scheme	*34*	(42)	(6)
Net addition to capital and reserves		11,202	11,185
Opening total capital and reserves		98,457	87,272
Closing total capital and reserves		**109,659**	98,457

The notes on pages 29 to 58 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Fixed assets			
Housing properties – depreciated cost	*14*	**676,199**	622,237
Investment properties	*17*	**21,107**	18,377
Other tangible fixed assets	*16*	**2,633**	2,168
Investments	*18*	**20**	20
		699,959	642,802
Current assets			
Debtors	*19*	**52,051**	37,559
Investments	*20*	**10,008**	24,227
Cash at bank and in hand	*21*	**7,665**	21,069
		69,724	82,855
Creditors: amounts falling due within one year	*22*	**(68,356)**	(50,689)
Net current assets		**1,369**	32,166
Total assets less current liabilities		**701,328**	674,968
Creditors: amounts falling due after more than one year	*23*	**(590,954)**	(575,468)
Pension deficit	*34*	**(548)**	(876)
Net assets		**109,826**	98,624
Capital and reserves			
Called up share capital	*26*	**-**	-
Revenue reserve		**109,826**	98,624
Total funds		**109,826**	98,624

The financial statements on pages 29 to 58 were approved by the Board on 25 June 2026 and were signed on its behalf by:

M McCann
Vice-Chair of the Board

N Hill
Board Member

C McTaggart
Group Chief Executive and Company Secretary

ASSOCIATION STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Fixed assets			
Housing properties – depreciated cost	*14*	**676,199**	622,237
Investment properties	*17*	**21,107**	18,377
Other tangible fixed assets	*16*	**2,633**	2,168
Investments	*18*	**25**	25
		699,964	642,807
Current assets			
Debtors	*19*	**51,138**	35,991
Investments	*20*	**10,008**	24,227
Cash at bank and in hand	*21*	**7,014**	20,736
		68,160	80,954
Creditors: amounts falling due within one year	*22*	**(66,963)**	(48,960)
Net current assets		**1,197**	31,994
Total assets less current liabilities		**701,161**	674,801
Creditors: amounts falling due after more than one year	*23*	**(590,954)**	(575,468)
Pension deficit	*34*	**(548)**	(876)
Net assets		**109,659**	98,457
Capital and reserves			
Called up share capital	*26*	**-**	-
Revenue reserve		**109,659**	98,457
Total funds		**109,659**	98,457

The financial statements on pages 29 to 58 were approved by the Board on 25 June 2026 and were signed on its behalf by:

M McCann
Vice-Chair of the Board

N Hill
Board Member

C McTaggart
Group Chief Executive and Company Secretary

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**2026 £'000**	2025 £'000
Net cash inflow from operating activities	*27*	**16,616**	14,518
Cash flow from investing activities			
Improvement of properties – housing stock		**(6,536)**	(3,382)
Purchase and development of housing properties		**(59,396)**	(50,404)
Housing Association Grant and other grants		**28,870**	31,321
Receipts from disposal of housing properties		**136**	2,810
Purchase of other tangible assets		**(909)**	(508)
Disposal / (purchase) of investments		**14,219**	(5,273)
Interest received		**1,927**	2,368
Net cash used in investing activities		**(21,689)**	(23,068)
Cash flows from financing activities			
New loans		**-**	30,000
Loan principal repayments		**(2,390)**	(3,106)
Allotment of shares		**-**	-
Interest paid		**(5,940)**	(6,852)
Net cash used in financing activities		**(8,330)**	20,042
Net (decrease) / increase in cash and cash equivalents		**(13,403)**	11,491
Cash and cash equivalents at the beginning of the year		**21,069**	9,578
Cash and cash equivalents at the end of the year		**7,666**	21,069

The notes on pages 29 to 58 form part of these financial statements.

ASSOCIATION CASH FLOW FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Net cash inflow from operating activities	*27*	**16,298**	14,670
Cash flow from investing activities			
Improvement of properties – housing stock		**(6,363)**	(3,382)
Purchase and development of housing properties		**(59,569)**	(50,404)
Housing Association Grant and other grants		**28,870**	31,321
Receipts from disposal of housing properties		**136**	2,810
Purchase of other tangible assets		**(909)**	(508)
Disposal / (purchase) of investments		**14,219**	(5,273)
Interest received		**1,927**	2,368
Net cash used in investing activities		**(21,689)**	(23,068)
Cash flows from financing activities			
New loans		**-**	30,000
Loan principal repayments		**(2,390)**	(3,106)
Allotment of shares		**-**	-
Interest paid		**(5,940)**	(6,852)
Net cash used in financing activities		**(8,330)**	20,042
Net (decrease) / increase in cash and cash equivalents		**(13,721)**	11,643
Cash and cash equivalents at the beginning of the year		**20,735**	9,092
Cash and cash equivalents at the end of the year		**7,014**	20,735

The notes on pages 29 to 58 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. General information

The group and association's principal activity during the financial year was providing high quality, affordable homes for rent throughout Northern Ireland. The group is registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and domiciled in the UK. The address of the registered office is Northern Whig House, 3 Waring Street, Belfast, BT1 2DX.

2. Statement of compliance

These financial statements of Clanmil Housing Association Limited have been prepared on the going concern basis in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice for Accounting by Registered Social Landlords. The principal accounting policies, which have been applied consistently throughout the year, are set out below. The presentation of the financial statements complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. The significant accounting policies adopted by the group are as follows:

Basis of preparation of financial statements
These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, except for the revaluation of investment properties. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and association accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Basis of consolidation
The group Statement of comprehensive income account and Statement of financial position include the financial statements of the group and its subsidiary undertakings made up to 31 March 2026. Intra group transactions, any unrealised profits/losses arising and intercompany balances are eliminated fully on consolidation.

Foreign currencies
Transactions and non-monetary assets, denominated in foreign currencies, are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date or the exchange rate of a related foreign exchange contract where relevant. The resulting exchange gains or losses are dealt with in the income and expenditure account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the group and association and value added taxes. The group and association bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash and cash equivalents is deferred and the arrangement constitutes a financing transaction, the fair value of the consideration is measured at the present value of all future receipts using the imputed rate of interest. The group and association recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the group and association retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow through the group and association and (e) when the specific criteria relating to each of the group and association's sales channels have been met, as described below and in note 5.

Net rental income
Income includes rent and service charge income arising from the provision of housing accommodation and the amortisation of Housing Association Grant. Income is recognised in the period to which it relates.

First tranche equity sales
Proceeds from the first tranche disposals are accounted for as turnover in the Statement of comprehensive income in the period in which the disposal occurs.

Other income
Other income is recognised in the Statement of comprehensive income and retained earnings when the terms of revenue recognition have been met.

Employee benefits
The group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

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

Defined contribution pension plans
The group operates a defined contribution scheme for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

Multi-employer pension plan

The Group operates a defined benefit scheme through the Social Housing Pension Scheme ("SHPS"). The assets and liabilities relating to the defined benefit plan have been recognised in the financial statements as at 31 March 2025 (note 33).

The assets of SHPS are held separately from those of the Group. The Group has adopted section 28 of FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measures using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Association's defined pension scheme arising from the employee service in the year is charged to operating surplus. The net interest on the deficit or surplus is included in other finance costs. Actuarial gains and losses are recognised in the statement of total recognised surpluses and deficits.

Interest receivable and interest payable

Interest income is recognised in the Statement of Comprehensive Income as it accrues, using the effective interest method.

Interest expenditure directly attributable to financing the delivery of the new build development programme is capitalised, after deduction of related grants received in advance (to the extent that they can be deemed to be financing the development programme).

Other interest payable is charged to the Statement of Comprehensive Income in the year.

Tangible fixed assets

(i) Housing properties

The group operates a full component accounting policy in relation to the capitalisation and depreciation of its completed housing stock.

(ii) Other housing properties

For housing acquired by the Association to provide a supply of affordable homes on an equity sharing basis, sales proceeds are accounted for in the Statement of Comprehensive Income account with proceeds recorded in turnover and costs in cost of sales in accordance with the Housing SORP. The Association's share of the costs of developing the property are disclosed in tangible fixed assets – housing properties (note 14).

(iii) Investment Properties

Commercial properties and residential properties for market rent are held at market valuation in the Statement of Financial Position (note 17). The aggregate surplus or deficit arising from any movement in year end valuation is accounted for in the Statement of Comprehensive Income.

(iv) Other fixed assets

Other fixed assets are stated at cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

Housing Association Grant and other grants
In line with the requirements of the Housing SORP, Housing Association Grant and other grants received as a contribution towards the capital costs of housing properties of the Association are included as 'Creditors: amounts falling due after more than one year' and 'Creditors: amounts falling due within one year' rather than set against the capital cost and are amortised to the Statement of comprehensive income as per the turnover policy above. Housing Association Grant received against revenue expenditure is credited to revenue in the period in which the related expenditure is charged.

Such grants, although treated as a grant for accounting purposes, may be repayable under certain circumstances, primarily following the sale of housing property, but any amount repayable would be restricted to the net proceeds of the sale.

Depreciation and impairment

(i) Housing properties
Housing properties are split between land, structure and major components which require periodic replacement. Replacement or refurbishment of such major components is capitalised and depreciated over the estimated useful life which has been set taking into account professional guidance and the group's asset management strategy. In determining the remaining useful lives for the housing stock, the group has taken account of views provided by both internal and external professional sources.

Freehold land is not subject to depreciation. Depreciation is charged so as to write down the cost or valuation of the freehold housing properties and major components on a straight-line basis over their expected use economic lives.

Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, over the following periods:

Main fabric	100 years
Roof structure and coverings	70 years
Windows and external doors	30 years
Heating system boilers	15 years
Kitchens	20 years
Bathrooms	30 years
Mechanical systems (heating, ventilation, plumbing)	30 years
Electrics	40 years
Lift	20 years

Housing assets are depreciated in the month of acquisition, or in the case of a larger project, from the month of completion. Where there is evidence of impairment, the fixed assets are written down to the recoverable amount and any write down would be charged to operating surplus.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

(ii) Other tangible fixed assets
Depreciation of other fixed assets is charged on a straight-line basis over the estimated useful economic lives of the assets at the following annual rates:

Freehold buildings	2% on cost
Office furniture and fittings	10% to 20% on cost
Fixed asset property	10% on cost
Motor vehicles	25% on cost

Subsequent additions and major components
Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the group and the cost can be measured reliably. The carrying amount of any replaced component is derecognised.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Derecognition
Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of comprehensive income.

Leased assets
At inception the group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leased assets
Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of one month or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Current asset investments
Current asset investments are investments in short-term deposits with an original maturity between one and twelve months.

Investment in subsidiary company
Investment in a subsidiary company is held at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

Impairment of non-financial assets

At each Statement of Financial Position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the assets.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of comprehensive income and retained earnings, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of Comprehensive Income and Retained Earnings.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income and retained earnings.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligations can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Financial instruments
The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

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

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in Statement of comprehensive income and retained earnings.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in Statement of comprehensive income and retained earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or, (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of comprehensive income and retained earnings, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

(ii) Financial liabilities
Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

3. Summary of significant accounting policies (continued)

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

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

Disposal proceeds fund
The net surpluses, after loan repayments, that arise from the sale of property to tenants under the voluntary purchase grant arrangements instituted by the Department for Communities can be utilised by the Association (note 10).

If the surpluses are not used within two years of receipt, they may be payable in part or in full to the Department for Communities. This scheme is no longer in operation.

Restricted fund
Under the terms of the Supporting People Funding Agreement (Schedule 8, paragraph 4) Supporting People funding must be identified as a Restricted Fund. Income and expenditure relating to Supporting People has been denoted as restricted (note 36).

Supporting People reserves, if applicable, are held separately and denoted as Restricted Funds. Any deficit is offset against a general reserve.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the Group and Association financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical judgement in applying the entity's accounting policies
There are no critical judgements in applying the entity's accounting policies.

(ii) Critical accounting estimates and assumptions
The Board makes estimates and assumptions concerning the future in the process of preparing the Group and Association financial statements. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

4. Critical accounting judgements and estimation uncertainty (continued)

Useful economic lives of housing properties
The annual depreciation on housing properties is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of housing properties and note 3 for the useful economic lives for each component of housing property.

There are no other critical accounting estimates and assumptions.

5. Analysis of turnover

Turnover and results relate to the group's main activities which are carried out in the United Kingdom. Turnover represents rental and service charge income and residential charges for housing with care, net of voids. It also includes first tranche equity share sales, amortisation of grants, income arising on the lease of a property to a related company, services provided to other Housing Associations and special needs management allowance (interim protection) received for the provision of housing with care.

6. Operating costs

	Group		**Association**	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Direct costs	**34,093**	31,048	**34,205**	31,220
Administration expenses	**9,342**	8,644	**9,140**	8,530
	43,435	39,692	**43,345**	39,750

7. Operating surplus

	Group		**Association**	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
This is stated after charging				
Staff costs (Note 8)	**11,681**	11,501	**11,681**	11,501
Depreciation	**11,084**	10,491	**11,084**	10,491
Amortisation of grant	**(8,048)**	(7,771)	**(8,048)**	(7,771)
Release of capital grant	**(1,569)**	(818)	**(1,569)**	(818)
Auditor's remuneration				
- audit services	**56**	50	**46**	40
- non audit services	**4**	6	**2**	3

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

8. Employee information

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Staff costs				
Wages and salaries	**9,164**	8,968	**9,164**	8,968
Social security costs	**1,121**	822	**1,121**	822
Other pension costs	**1,396**	1,711	**1,396**	1,711
	11,681	11,501	**11,681**	11,501

Average monthly number of persons employed during the financial year by activity:

Administration	**178**	174	**178**	174
Scheme co-ordinators and ancillary staff	**101**	100	**101**	100
Supported Housing	**55**	66	**55**	66
	334	340	**334**	340

9. Executive team's emoluments

The remuneration of the Executive Team of the Association during the year was:

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Aggregate emoluments	**730**	702	**730**	701
Pension contributions	**157**	176	**157**	176
	887	878	**887**	878

This includes costs paid to a new Executive Director of Finance and ICT having started mid-year, with an overlap with the previous Executive Director of Finance who retired a few months later.

The emolument to the highest paid Executive Team member (currently included within the above table) are as follows:

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Aggregate emoluments	**159**	157	**159**	157

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

9. Executive team's emoluments (continued)

The number of management team members to whom emoluments were paid during the year falls within each of the following bands:

	Group		Association	
	2026	2025	**2026**	2025
Salary Band:	**No.**	No.	**No.**	No.
£155,000 - £160,000	**1**	1	**1**	1
£150,000 - £155,000	**-**	-	**-**	-
£145,000 - £150,000	**-**	-	**-**	-
£140,000 - £145,000	**-**	-	**-**	-
£135,000 - £140,000	**-**	-	**-**	-
£130,000 - £135,000	**-**	-	**-**	-
£125,000 - £130,000	**-**	-	**-**	-
£120,000 - £125,000	**-**	-	**-**	-
£115,000 - £120,000	**-**	1	**-**	1
£110,000 - £115,000	**1**	-	**1**	-
£105,000 - £110,000	**3**	4	**3**	4
£95,000 - £100,000	**-**	-	**-**	-
£85,000 - £95,000	**-**	-	**-**	-
£75,000 - £85,000	**1**	-	**1**	-
£55,000 - £60,000	**1**	-	**1**	-
	7	6	**7**	6

Members of the Board serve in a voluntary capacity, and none were in receipt of emolument during the year.

The Board and Committee members were reimbursed for expenses totalling £5,607 during the year (2025: £5,626).

10. Transfer to disposal proceed fund

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Proceeds of disposal	**-**	431	**-**	431
Allowable costs net of grant	**-**	(239)	**-**	(239)
Transfer to disposal proceeds fund	**-**	192	**-**	192
Utilisation of disposal proceeds fund	**-**	(3,281)	**-**	(3,281)
Net change in disposal proceeds fund	**-**	(3,089)	**-**	(3,089)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

11. Interest receivable and similar income

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Interest receivable and similar income	**1,927**	2,368	**1,927**	2,368

12. Interest payable and similar income

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Housing Property Loans	**5,736**	6,683	**5,736**	6,683
Bank Interest and charges	**204**	169	**204**	169
	5,940	6,852	**5,940**	6,852

13. Other finance costs

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Other finance costs arising on pension schemes	**40**	58	**40**	58

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

14. Tangible fixed assets – Social housing properties

Group and Association	Properties Held for Lettings £'000	Housing under construction £'000	Equity Share £'000	Total £'000
Cost				
At 1 April 2025	664,671	61,864	2,324	728,859
Additions – Schemes Completed	45,119	(45,119)	-	-
Additions – Capitalised Planned Maintenance	5,280	-	-	5,280
Additions – Work in Progress	-	59,396	-	59,396
Disposals	(1,334)	-	(257)	(1,591)
At 31 March 2026	**713,736**	**76,141**	**2,067**	**791,943**
Depreciation				
At 1 April 2025	(106,451)	-	(170)	(106,622)
Charge for the year	(10,593)	-	(39)	(10,632)
Disposals	1,495	-	15	1,510
At 31 March 2026	**(115,550)**	**-**	**(194)**	**(115,744)**
Net book value				
At 31 March 2026	**598,186**	**76,141**	**1,872**	**676,199**
At 31 March 2025	558,220	61,864	2,153	622,237
Net book amount comprises:				
Freehold Property	378,093	76,141	217	454,450
Long leasehold property	220,093	-	1,655	221,749
	598,186	**76,141**	**1,872**	**676,199**
Net book amount comprises:				
Completed schemes	598,186	-	1,872	600,058
Properties under construction	-	76,141	-	76,141
	598,186	**76,141**	**1,872**	**676,199**

During the year, £2,527k of interest costs were capitalised in relation to housing properties under construction (2025: £694k).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

15. Tangible fixed assets – Housing association and other grants

Group and Association	Properties Held for Lettings £'000	Housing under construction £'000	Total £'000
Housing Association and other grants			
At 1 April 2025	(391,652)	(44,292)	(435,944)
Additions – Schemes Completed	(16,555)	16,555	-
Additions – Capitalised Planned Maintenance	(1,053)	-	(1,053)
Additions – Work in Progress	-	(27,831)	(27,831)
Disposals	1,049	-	1,049
At 31 March 2026	**(408,211)**	**(55,569)**	**(463,780)**
Amortisation			
At 1 April 2025	82,602	-	82,602
Charge for the year	8,048	-	8,048
Disposals	(1,033)	-	(1,033)
At 31 March 2026	**89,617**	**-**	**89,617**
Net book value			
At 31 March 2026	**(318,594)**	**(55,569)**	**(374,163)**
At 31 March 2025	(309,050)	(44,292)	(353,342)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

16. Other tangible fixed assets

Group and Association	Freehold Buildings £'000	Office furniture and equipment £'000	Total £'000
Cost			
At 1 April 2025	2,257	2,302	4,559
Additions	606	303	909
Disposals	-	-	-
At 31 March 2026	2,863	2,604	5,467
Depreciation			
At 1 April 2025	(1,296)	(1,095)	(2,391)
Charge for the year	(49)	(393)	(443)
Disposals	-	-	-
At 31 March 2026	(1,345)	(1,488)	(2,834)
Net book value			
At 31 March 2026	**1,518**	**1,116**	**2,633**
At 31 March 2025	961	1,207	2,168

17. Investment properties

Group	Properties held for market rent £'000	Commercial Properties £'000	Total £'000
Cost or valuation			
At 1 April 2025	17,637	740	18,377
Additions	1,256	-	1,256
Revaluation gain	1,287	187	1,474
At 31 March 2026	20,180	927	21,107

Association	Properties let to Subsidiary £'000	Commercial Properties £'000	Total £'000
Cost or valuation			
At 1 April 2025	17,637	740	18,377
Additions	1,256	-	1,256
Revaluation gain	1,287	187	1,474
At 31 March 2026	20,180	927	21,107

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

The valuation of investment properties held for letting was carried out at 31 March 2026 and is based on their market value as at that date. The valuations across the Group were carried out by CBRE Limited, a firm of RICS registered valuers in accordance with Royal Institute of Chartered Surveyors ("RICS") Valuation – Global Standards and the UK national supplement using qualified chartered surveyors who had sufficient current local and national knowledge of the particular market, and skills and understanding to undertake the valuation competently. Investment properties under construction are valued at cost. The companies have adopted the provisions under section 16.1 and 16.2 of FRS 102 in relation to the revaluation of their investment properties (fair value movements being taken to the Statement of Comprehensive Income). On consolidation of the Group's housing property values, any unrealised surpluses deriving from inter-group property sales are removed.

18. Investments

Group	**2026 £'000**
Cost	
At 1 April 2025	20
At 31 March 2026	20

The group owns an investment in share capital in MORHOMES PLC, a company registered in England and Wales. The company's registered address is the 8th Floor, 71 Queen Victoria Street, London, Greater London, EC4V 4AY. The company's principal activity is financial intermediation.

Association	**2026 £'000**
Cost	
At 1 April 2025	25
At 31 March 2026	25

As well as the Group investments listed above, the investment represents the Association's holding in wholly owned subsidiary companies, (i) Clanmil Properties Limited, (ii) Milbreen Limited and (iii) Clanmil Developments Limited. The registered addresses of these companies are Northern Whig House, 3 Waring Street, Belfast, BT1 2DX. The principal activities of these companies are (i) the management of commercial property rentals and the provision of services to housing associations and property management companies (ii) dormant company and (iii) the provision of property development services. In addition, we hold 85 shares in management companies in which the association has beneficial interests in properties. These are not consolidated within these Group accounts on the basis of materiality.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

19. Debtors

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Rental debtors gross - Technical	**2,019**	2,364	**2,019**	2,364
Rental debtors gross – Non-technical	**1,385**	1,278	**1,385**	1,278
Provision for bad debts	**(1,985)**	(1,929)	**(1,985)**	(1,929)
Net rental (including rates, service charges) debtors	**1,419**	1,713	**1,419**	1,713
Other debtors	**6,032**	6,306	**5,890**	6,032
Prepayments and accrued income	**3,223**	3,293	**1,869**	1,579
Housing Association Grant receivable	**41,377**	26,247	**41,377**	26,247
Amounts due from subsidiaries	**-**	-	**583**	420
	52,051	37,559	**51,138**	35,991

Amounts owed by subsidiary undertakings and related undertakings are unsecured, interest free and repayable on demand. Included in other debtors is £1,527,494 relating to the services equalisation account – this has decreased from a debtor of £1,596,515 in 2025.

20. Current asset - Investment

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Short term deposits	**10,008**	24,227	**10,008**	24,227

This represents cash held on deposit with an original maturity between 1 and 12 months. At the balance sheet date, the average maturity of the deposits was 3 months. The average interest rate was 3.8% (2025: 4.6%). The funds received from DfC are being temporarily held pending utilisation in accordance with the terms of the Financial Assistance Agreements.

21. Cash at bank and in hand

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Cash at bank and in hand	**7,665**	21,069	**7,014**	20,736

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

22. Creditors: amounts falling due within one year

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Bank loans (Note 24)	**2,293**	2,290	**2,293**	2,290
DfC loans (Note 24)	**100**	100	**100**	100
Other taxes and social security	**35**	17	**1**	2
Rent, rates and service charges received in advance	**1,073**	861	**1,073**	861
Housing Association Grant in advance	**37,330**	23,078	**37,331**	23,078
Deferred historic building grant	**23**	23	**23**	23
Other creditors	**10,798**	9,472	**10,304**	9,079
Amounts owed to subsidiary undertakings	**-**	-	**212**	-
Services equalisation accounts	**420**	132	**420**	132
Accruals and deferred income	**5,569**	6,944	**4,491**	5,623
Disposal proceeds fund	**-**	-	**-**	-
Housing Association Grant (Note 15)	**10,715**	7,772	**10,715**	7,772
	68,356	**50,689**	**66,963**	**48,960**

Amounts owed to subsidiary undertakings are unsecured, interest free and repayable on demand.

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

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Bank loans (Note 24)	**219,505**	221,798	**219,505**	221,798
DfC loans (Note 24)	**8,000**	8,100	**8,000**	8,100
Disposal proceeds fund	**-**	-	**-**	-
Housing Association Grant (Note 15)	**363,449**	345,570	**363,449**	345,570
	590,954	575,468	**590,954**	575,468

24. Loans

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Bank Loans				
Less than one year, or on demand	**2,293**	2,290	**2,293**	2,290
Between one and two years	**2,295**	2,292	**2,295**	2,292
Between two and five years	**21,904**	6,895	**21,904**	6,895
After more than five years	**195,306**	212,611	**195,306**	212,611
	221,798	224,088	**221,798**	224,088

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

24. Loans (continued)

The Danske Bank holds a mortgage over related housing properties as security.
First Trust and Ulster Bank loans are secured by way of mortgages upon the deeds of the related housing properties. The Housing Finance Corporation loans are secured by way of mortgages upon the deeds of the related housing properties. Senior notes are secured by way of mortgages upon the deeds of the related housing properties.

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Department for Communities – Housing property loans				
Less than one year, or on demand	**100**	100	**100**	100
Between one and two years	**100**	100	**100**	100
Between two and five years	**300**	300	**300**	300
After more than five years	**7,600**	7,700	**7,600**	7,700
	8,100	8,200	**8,100**	8,200

25. Financial instruments

	Group		Association	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Financial assets that are cash instruments measured at amortised cost				
Rental debtor (Note 19)	**1,419**	1,713	**1,419**	1,713
Other debtors (Note 19)	**6,032**	6,305	**5,890**	6,032
Housing Association Grant receivable	**41,377**	26,247	**41,377**	26,247
Investments (Note 20)	**10,008**	24,227	**10,008**	24,227
Cash at bank and in hand (Note 21)	**7,665**	21,069	**7,014**	20,736
	66,501	79,561	**65,708**	78,955
Financial liabilities measured at amortised cost				
DfC loans (Note 22/23)	**8,100**	8,200	**8,100**	8,200
Bank loans (Note 24)	**221,798**	224,088	**221,798**	224,088
Amounts owed to subsidiary undertakings (Note 22)	**-**	-	**212**	-
Other creditors (Note 22)	**10,798**	9,472	**10,304**	9,079
Accruals (Note 22)	**6,188**	6,944	**4,918**	5,623
	246,884	248,704	**245,332**	246,990

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

26. Called up share capital

	Group		Association	
	2026	2025	**2026**	2025
	£	£	**£**	£
Ordinary shares of £1 each, fully paid				
At 1 April 2025	**8**	10	**8**	10
Transfer	**-**	-	**-**	-
Allotted during the year	**2**	1	**2**	1
Transfer to reserves	**(3)**	(3)	**(3)**	(3)
At 31 March 2026	7	8	7	8

27. Net cash inflow from operating activities

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Surplus on ordinary activities	**9,770**	10,335	**9,770**	10,335
Surplus arising from disposals of housing property	**(53)**	(239)	**(53)**	(239)
Transfer to disposal proceeds fund	**-**	192	**-**	192
Interest receivable and similar income	**(1,927)**	(2,368)	**(1,927)**	(2,368)
Interest payable and similar charges	**5,940**	6,852	**5,940**	6,852
Other finance costs	**40**	58	**40**	58
Operating Surplus	**13,770**	14,830	**13,770**	14,830
Depreciation charge	**11,076**	10,490	**11,076**	10,490
Amortisation of grant	**(8,048)**	(7,771)	**(8,048)**	(7,771)
Pension costs less contributions payable	**(410)**	(620)	**(410)**	(620)
Increase in debtors	**(14,994)**	(14,061)	**(15,160)**	(13,735)
Increase in creditors	**15,222**	11,650	**15,070**	11,476
Net cash inflow from operating activities	**16,616**	14,518	**16,298**	14,670

28. Analysis of net debt

Group

	At 1 April 2025	Cashflow	At 31 March 2026
	£'000	£'000	£'000
Cash at bank and in hand	21,069	(13,403)	**7,666**
Short term investments	24,227	(14,219)	**10,008**
Cash and cash equivalents	45,296	(27,622)	**17,674**
Debt due within 1 year	(2,390)	-	**(2,390)**
Debt due after 1 year	(229,898)	2,393	**(227,505)**
	(186,992)	(25,229)	**(212,221)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

28. Analysis of net debt (continued)

Association

	At 1 April 2025 £'000	Cashflow £'000	At 31 March 2026 £'000
Cash at bank and in hand	20,735	(13,721)	**7,014**
Short term investments	24,227	(14,219)	**10,008**
Cash and cash equivalents	44,962	(27,940)	**17,022**
Debt due within 1 year	(2,390)	-	**(2,390)**
Debt due after 1 year	(229,898)	2,393	**(227,505)**
	(187,326)	(25,547)	**(212,873)**

29. Reconciliation of net cash flow to movement in net debt

Group

	2026 £'000	2025 £'000
(Decrease)/increase in cash and cash equivalents in financial year	**(27,622)**	16,763
Repayment of loans	**2,393**	2,519
New loans	**-**	(30,000)
Movement in net debt in the financial year	**(25,229)**	(10,718)
Net debt at 1 April 2025	**(186,992)**	(176,274)
Net debt at 31 March 2026	**(212,221)**	(186,992)

Association

	2026 £'000	2025 £'000
(Decrease)/increase in cash and cash equivalents in financial year	**(27,940)**	16,916
Repayment of loans	**2,393**	2,518
New loans	**-**	(30,000)
Movement in net debt in the financial year	**(25,547)**	(10,566)
Net debt at 1 April 2025	**(187,326)**	(176,760)
Net debt at 31 March 2026	**(212,873)**	(187,326)

30. Turnover, operating costs and operating surplus – Association

	Operating Turnover £'000	Operating Costs £'000	2026 Operating Surplus £'000	2025 Operating Surplus £'000
Social Housing activities	**55,536**	**(42,737)**	**12,800**	13,021
Non-Social Housing activities	**1,964**	**(939)**	**1,024**	1,809
	57,500	**(43,676)**	**13,824**	14,830

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

31. Housing Stock – Association

Number of units owned on 31 March	2026 No.	2025 No.
Self -contained		
General needs housing	**3,974**	3,815
Supported housing (including housing with care)	**122**	122
Sheltered housing	**1,741**	1,707
Shared ownership/Affordable housing	**200**	200
	6,037	5,844
Non-Self contained		
Supported	**136**	136
Total Units Owned	**6,173**	5,980

Number of units managed (but not owned) on 31 March		
Self-contained		
General needs	-	-
Total units owned and managed	**6,173**	5,980

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

32. Turnover, operating costs and operating surplus or deficit from social and non-social housing activities – Association

	General Needs Housing £'000	Independent Living and Elderly £'000	Residential Care Homes £'000	Supported Housing £'000	Total Social Housing £'000	Other Income £'000	2026 Total £'000	2025 Total £'000
Income from Social Lettings								
Rent receivable net of service charge	29,873	9,013	1,873	603	41,362	1,212	42,574	40,441
Service charges receivable	2,190	3,520	-	319	6,029	-	6,029	5,769
Supporting People hardship funding	-	34	-	-	34	-	34	6
Other	58	39	3	68	168	455	623	955
Amortisation of Housing Association Grant	6,386	1,501	5	157	8,049	-	8,049	7,771
Income from other grants (SNMA)	-	-	137	-	137	-	137	139
TBUC grant income	469	51	-	-	520	-	520	462
Less voids	(346)	(225)	(144)	(73)	(788)	(63)	(851)	(963)
Net income from rents and service charges	38,630	13,933	1,874	1,074	55,511	1,604	57,115	54,580
Operating Costs								
Services	2,501	2,455	565	299	5,820	-	5,820	5,427
Supporting People costs	-	775	-	(18)	757	-	757	837
Care costs	-	-	1,071	-	1,071	-	1,071	930
Management costs	4,973	1,962	335	432	7,702	143	7,845	6,684
Maintenance and administration costs	2,346	1,014	24	97	3,481	33	3,514	3,227
Planned and cyclical maintenance	1,228	335	3	23	1,589	3	1,592	1,722
Reactive maintenance	3,697	1,495	106	183	5,481	264	5,745	4,581
Major repairs	567	580	-	40	1,187	-	1,187	2,118
Impairment of housing properties	-	-	-	-	-	-	-	-
Property lease charges	-	-	-	-	-	-	-	-
Depreciation of housing properties	8,626	1,935	13	177	10,751	41	10,792	10,111
Bad debts (rent and service charges)	529	79	(9)	(20)	579	(11)	568	622
Rates payable	3,215	833	-	-	4,048	99	4,147	3,797
Development costs written-off	-	-	-	-	-	-	-	-
Services equalisation	(369)	262	-	51	(56)	-	(56)	(168)
Other costs	262	29	-	(1)	290	73	363	(138)
Total operating costs	27,575	11,754	2,108	1,262	42,700	645	43,345	39,750
Operating surplus/(deficit)	11,055	2,179	(234)	(188)	12,811	959	13,770	14,830

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

32. Turnover, operating costs and operating surplus or deficit from social and non-social housing activities – Association (continued)

	2026	2025
	£'000	£'000
DSD allowances		
Management allowances	**2,861**	2,697
Management costs	**(7,702)**	(6,401)
Surplus/(deficit)	**(4,841)**	(3,704)
Maintenance allowances	**2,286**	2,142
Planned and cyclical maintenance	**(1,228)**	(1,047)
Reactive maintenance	**(3,697)**	(3,394)
Surplus/(deficit)	**(2,639)**	(2,299)
Gross income from rents and service charges		
Technical	**36,682**	34,701
Non-technical	**10,709**	10,150
Total	**47,391**	44,851

33. Operating Lease

The Association has set up a 15-year operating lease with Clanmil Properties Ltd ("CPL") for its Market Rent portfolio from 1 February 2026. CPL collects rental income and processes and pays any related repairs and the Association charges CPL a quarterly management fee.

	2026	**2027**	**2028**	**2029**	**2030**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Under 1 year	670	670	670	670	670
Between 1 year and 5 years	2,680	2,680	2,680	2,680	2,680
Over 5 years	6,700	6,030	5,360	4,690	4,020
	10,050	**9,380**	**8,710**	**8,040**	**7,370**

34. Pensions

The Association participates in the defined benefit section of the Social Housing Pension Scheme ("SHPS"). The Association offers a hybrid arrangement where employees can join the Career Average Revalued Earnings ("CARE") structure with a 1/120th accrual rate, as well as receiving contributions from the Association to the defined contribution section of SHPS.

SHPS is a UK registered trust-based multi-employer pension scheme with around 400 non-associated employers. SHPS is classified as a 'last-man standing arrangement'. Therefore, the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from SHPS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

34. Pensions (continued)

Verity Trustees are responsible for running SHPS in accordance with the Trust Deed and Rules, which sets out their powers. The Trustee of the SHPS is required to act in the best interests of the beneficiaries.

The Trustee is required to carry out an actuarial valuation every 3 years. The last triennial actuarial valuation of SHPS for funding purposes was carried out as at 30 September 2023. This valuation revealed a total scheme deficit of £693m. A recovery plan has been put in place with each employer paying contributions with the aim of removing this deficit by 31 March 2028.

The Association expects to pay £334k towards the funding deficit in SHPS during the accounting year beginning 1 April 2026. The Association's share of expenses in relation to running SHPS are paid in addition. The next actuarial valuation as at 30 September 2026, is due in September 2027.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2026 at the earliest.

It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. The Association's potential share is estimated at £265k. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Pension costs for accounting purposes have been calculated using assumptions consistent and appropriate with FRS 102.

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

	2026 **£'000**	2025 £'000
Fair value of plan assets	**6,802**	6,568
Present value of defined benefit obligation	**7,350**	7,444
Deficit in plan	**(548)**	(876)
Unrecognised surplus	**-**	-
Defined benefit liability to be recognised	**(548)**	(876)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

34. Pensions (continued)

Reconciliation of opening and closing balances of the defined benefit obligation

	Period from 31 March 2025 to 31 March 2026 £'000
Defined benefit obligation at start of period	7,444
Current service cost	274
Expenses	21
Interest expense	445
Member contribution	12
Actuarial losses/(gains) due to scheme experience	(455)
Actuarial losses/(gains) due to changes in demographic assumptions	73
Actuarial losses/(gains) due to changes in financial assumptions	(128)
Benefits paid and expenses	(336)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses/(gains) on curtailments	-
Losses/(gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	7,350

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

	Period from 31 March 2025 to 31 March 2026
	£'000
Fair value of plan assets at start of period	6,568
Interest income	405
Experience on plan assets (excluding amounts included in interest income – gain/(loss))	(552)
Employer contributions	705
Member contributions	12
Benefits paid and expenses	(336)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	6,802

The actual return on plan assets (including any changes in share of assets) for the period 31 March 2026 was (£147k).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

34. Pensions (continued)

Defined benefit costs recognised in statement of comprehensive income (SOCI)

	Period from 31 March 2025 to 31 March 2026
	£'000
Current service cost	274
Expenses	21
Net interest expense	40
Losses/(gains) on business combinations	-
Losses/(gains) on settlements	-
Losses/(gains) on curtailments	-
Losses/(gains) due to benefit changes	-
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	335

Defined benefit costs recognised in other comprehensive income

	Period from 31 March 2025 to 31 March 2026 £'000
Experience on plan assets (excluding amounts included in net interest cost) - gain/(loss)	(552)
Experience gains and losses arising on the plan liabilities – gain/(loss)	455
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain/(loss)	(73)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain/(loss)	128
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain/(loss)	(42)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain/(loss)	-
Total amount recognised in Other Comprehensive Income – gain/(loss)	(42)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

34. Pensions (continued)

Assets

	2026 £'000	2025 £'000
Global Equity	**754**	736
Absolute Return	**-**	-
Distressed Opportunities	**-**	-
Credit Relative Value	**-**	-
Alternative Risk Premia	**-**	-
Liquid Alternatives	**1,211**	1,218
Emerging Markets Debt	**-**	-
Risk Sharing	**-**	-
Insurance-Linked Securities	**10**	20
Property	**332**	329
Infrastructure	**-**	1
Private Equity	**15**	6
Real Assets	**641**	786
Private Debt	**-**	-
Opportunistic Liquid Credit	**-**	-
Private Credit	**821**	804
Credit	**271**	251
Investment Grade Credit	**400**	202
High Yield	**-**	-
Cash	**1**	89
Corporate Bond Fund	**-**	-
Liquid Credit	**-**	-
Long Lease Property	**-**	2
Secured Income	**206**	110
Liability Driven Investment	**2,074**	1,989
Currency Hedging	**-**	11
Net Current Assets	**66**	14
Total Assets	**6,802**	6,568

Key Assumptions

	2026 **% per annum**	**2025** **% per annum**
Discount Rate	6.25%	6.00%
Inflation (RPI)	3.26%	3.00%
Inflation (CPI)	3.04%	2.80%
Salary Growth	4.04%	3.80%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

34. Pensions (continued)

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

	Life expectancy at age 65 (Years)
Male retiring in 2026	20.9
Female retiring in 2026	23.2
Male retiring in 2046	22.2
Female retiring in 2026	24.6

35. Contingent liabilities

The Association released Housing Association Grant (net of amortisation) of £806k during the year in relation to building components replaced arising from planned maintenance works. The accumulated position of total Housing Association Grant released at 31 March 2026 is £8,670k.

The accumulated amount of Housing Association Grant amortised and recognised as income as at 31 March 2026 is £89,617k. The possibility of any reimbursement to the Department for Communities is considered to be unlikely as the housing properties are expected to continue to be made available for social housing for the foreseeable future.

36. Capital commitments: Housing properties – Association

	2026 £'000	2025 £'000
Capital Expenditure		
Contracted for but not provided in the financial statements	106,329	68,207

The Association anticipates that this expenditure will be funded by Housing Association Grant from the Department for Communities and by private finance, both external and internal.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

37. Restricted fund – Supporting People

	Total
	£'000
Income related to Supporting People Funding	561
Additional Supporting People Hardship Funding	34
Expenditure relating to Supporting People Funding	(620)
At 31 March 2026	**(25)**

38. Related party disclosures

Details of the subsidiaries are disclosed in Note 18. The balances with the subsidiaries at the year-end were as follows:

	2026	2025
	£'000	£'000
Amounts owed by subsidiary undertakings (Note 19)		
Clanmil Properties Limited (CPL)	**347**	120
Clanmil Developments Limited (CDL)	**359**	300

	2026	2025
	£'000	£'000
Amounts owed to subsidiary undertakings (Note 22)		
Clanmil Properties Limited (CPL)	**185**	10
Clanmil Developments Limited (CDL)	**27**	-

Transactions between these related parties during the year were as follows:

	2026	2025
	£'000	£'000
Clanmil Properties Limited		
Management and administrative charges from CHA to CPL	**39**	61
Gift Aid donation from CPL to CHA	**115**	31
Clanmil Developments Limited		
Management and administrative charges from CHA to CDL	**24**	25
Development Project Charge from CHA to CDL	**-**	64
Charge from CDL to CHA for the provision of property development services	**4,575**	8,501
Gift Aid donation from CPL to CHA	**19**	55