

**Annual report and financial statements for the year ended
31 March 2026**

East Boro Housing Trust Limited

Co-operative and Community Benefit Societies Act 2014 number 16946R

East Boro Housing Trust Limited

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East Boro Housing Trust Limited

Legal and Administrative Details

Registered office: Sarsen Court, Horton Avenue, Cannings Hill, Devizes, Wiltshire, SN10 2AZ

Legal status:

East Boro Housing Trust Limited ('the Trust') is incorporated under the Co-operative and Community Benefit Societies Act 2014 number 16946R and is a subsidiary of Aster Group Limited and a member of the Aster Group ('the group').

The Trust is registered with the Regulator for Social Housing.

Members of the board:

The directors of the Trust who were in office during the year and up to the date of signing the financial statements, unless otherwise indicated, are set out below.

Stephen Trusler	Chair
Mehul Desai	
Clive Barnett	Resigned - 7 September 2025
Richard Hughes	Appointed - 8 September 2025
Nicola Frayne	Appointed - 1 October 2025
Mat Cooling	Appointed - 8 November 2025
Mike McCullen	Senior Independent Director appointed - 10 February 2026
Tracey Peters	Senior Independent Director - Resigned - 30 September 2025
Caroline Wehrle	Resigned - 7 November 2025
Claire Whitaker OBE	Resigned - 31 March 2026

Executive Team:

Bjorn Howard	Group Chief Executive Officer
Chris Benn	Chief Financial Officer
Rachel Credidio	Chief Innovation Officer & Enham Lead
Dawn Fowler-Stevens	Chief of Staff
Amanda Williams	Chief Investment Officer
Emma O'Shea	Chief Operating & Technology Officer

Company Secretary:

David Betteridge	Resigned - 1 September 2025
Dawn Fowler-Stevens	Appointed - 1 September 2025

Independent Auditor:

KPMG LLP
15 Canada Square
London
E14 5GL

Principal Banker:

Barclays Bank Plc
1 Churchill Place
Canary Wharf
London
E14 5HP

Principal Solicitor:

Steele Raymond LLP
Richmond Point
43 Richmond Hill
Bournemouth
Dorset
BH2 6LR

East Boro Housing Trust Limited

Report of the Board

The board presents its report and the audited financial statements for the year ended 31 March 2026.

Principal activities

The Trust's principal activity is to provide affordable homes and associated services as a Registered Provider.

The board does not anticipate any significant changes in the Trust's activities in the foreseeable future.

Results for the year

The loss for the year was £604,000 (2025: £375,000 profit).

The Board

The members of the board are listed on page 1. No members of the board held, at any time during the year, any beneficial interest in the shares of the Trust.

Directors' indemnities

The Trust is a member of the Aster Group which has made qualifying third party indemnity provisions for the benefits of its directors and officers (which extend to the performance of any duties as a director or officer of an associated company or subsidiary). The provisions have been in place throughout the year and remain in force at the date of this report.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors, after reviewing the Trust's budgets for 2026/27, and taking assurance the fellow subsidiaries across the group along with the Trust, have prepared budgets and cash flow forecasts, for a period of at least 12 months from the date of approval of these financial statements, that have been subject to review and scrutiny by their own boards and included in the group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, the trust will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Reduced reporting disclosures

Section 1.12 of FRS 102 allows subsidiaries to take advantage of certain disclosure exemptions in their financial statements. The following exemptions have been taken:

- a) A Statement of Cash Flows as outlined in section 7 of FRS 102;
- b) The detailed disclosures of financial instruments, carrying values, terms and conditions and hedging relationships outlined in paragraph 11.41, 11.42, 11.44, 11.45, 11.48, 12.27, 12.29 and 12.29A of FRS 102;
- c) The requirement to disclose key management personnel compensation outlined in paragraph 33.7 of FRS 102; and
- d) The requirement to disclose related party transactions outlined in paragraph 33.11 of FRS 102.

The Trust has taken advantage of some of these exemptions this year as set out in note 3. A full set of disclosures are included in the group's consolidated financial statements.

Paragraph 4.4 of the Housing SORP 2018 allows registered providers that are subsidiaries of a group to opt out of providing a Strategic Report. The Trust has taken this exemption and not produced a Strategic Report. The group's strategic report, including East Boro Housing Trust Limited, is accordingly represented in the financial statements of Aster Group Limited.

East Boro Housing Trust Limited

Report of the Board (continued)

Review of the Trust's business

East Boro Housing Trust is a Housing Association specialising in providing housing, care and support services to vulnerable adults throughout Dorset, Poole, Bournemouth and East Hampshire.

East Boro is part of the Aster Group after joining on 31st March 2020.

Operational performance

The Trust's turnover increased by £0.3 million to £7.1 million. Income from First Tranche Sales was £1.0 million (2025: £1.8 million). Income from lettings increased by £1.0 million to £5.0 million, due to both the annual rent increase and additional new development properties, as well as an increase of £0.5 million of service charge income. Care and Support income was £1.1 million (2025: £1.0 million).

The trust made a profit on disposal of housing property of £31,000 (2025: £0.4 million).

The Trust's operating costs increased by £0.7 million to £7.1 million. Increases in lettings expenditure of £1.3 million and Care and support costs of £0.1 million were partially offset by a reduction in Property Sales Costs of £0.7 million.

The Trust, alongside Aster Property Limited providing asset management and maintenance services, is committed to embedding Value For Money (VFM) within the Customers Services Strategy by delivering efficient and value for money services, without compromising on health and safety.

The following table sets out the Trust's key performance indicators (KPIs):

	2025/26 Target	2025/26 Actual	2024/25 Actual
% rent loss through vacant properties	1.50%	4.46%	3.34%
Average number of days to re-let - All (not private rent)	21	82	90
Current tenant arrears %	2.50%	1.23%	2.17%
Overall satisfaction %	80.0%	67.0%	66.7%
New homes delivered	34	31	40

Rent loss through vacant properties was 4.46%, an increase of 1.12% on 2025 and over the target for the year of 1.50%. The Trust's average re-let time has reduced to 82 days (2025: 90 days).

The Trust's arrears percentage has reduced to 1.23%, an improvement of 0.94% compared to the prior year (2025: 2.17%) and has continued to perform better than the target of 2.50%.

Overall customer satisfaction has remained at the same level as last year with a 67% satisfaction rate (2025: 67%). The group's customers are at the heart of the business and providing a safe and reliable service is a key priority for the group, one which the customer services directorate is charged with continuously improving.

East Boro Housing Trust Limited

Report of the Board (continued)

Value for Money (VfM) Statement - Aster Group

East Boro Housing Trust Limited is part of the wider Aster Group. The Board follows the approach laid out in the Group Value for Money Statement in our Group Financial Statements, and progress against our Strategic Priorities is monitored quarterly by our Executive and Overlap Boards. Value for Money forms a central part of our business and organisational culture. Our Value for Money metrics are also available in our Group Annual Report.

Principal risks

Throughout 2025/26, the Board maintained active oversight of the Group's ten strategic risk themes, recognising their potential impact on the delivery of strategic objectives and the provision of effective services to customers.

The Board also considered uncertainties within the operating environment that may present opportunities to enhance delivery against the Group's vision and purpose. The principal risks set out below reflect the Board's assessment of the Group's risk profile at 31 March 2026.

Customer Satisfaction and wider perception - Our service delivery doesn't meet customers' needs and expectations, or significant events erode stakeholder trust

Our response:

Delivery against customer satisfaction and reputation continues to be a core focus through the Group's strategic priorities. Activity has remained focussed on improving core services, investing in customers' homes, and strengthening the customer contact experience through a consistent and modern omni-channel offer, delivered through the Group's Modernisation Programme.

Customer insight is drawn from a range of sources, including Tenant Satisfaction Measures, operational performance data, transactional feedback and colleague and customer surveys. Benchmarking through membership of the Institute of Customer Service supports an objective assessment of performance and informs priority-setting within the programme.

Customer voice is embedded through consultation forums and involved customer groups, which have been refreshed and expanded during the year. Learning from complaints has been deepened and used alongside service reviews and performance insight to shape improvements to operational delivery structures and service design, with a clear focus on improving outcomes for customers and the quality of homes.

Service delivery and performance are monitored through a defined framework of Operational Performance Indicators (OPIs), dashboards and monthly Key Performance Indicator (KPI) reporting. This information enables timely identification of emerging issues, supports accountability for delivery, and informs targeted improvement activity.

Delivery of new homes - External factors restrict the ability to deliver the planned developer led or land led new build programmes

Our response:

The Group takes a proactive and planned approach to the delivery of new homes, underpinned by strong stakeholder engagement with developers, contractors and local authorities. This supports effective management of external dependencies such as planning, supply chain capacity and market conditions.

Oversight of delivery performance and forecasted outputs is provided through the Group Investment and Asset Panel (GIAP), which regularly reviews progress against approved programmes. This is supported by a series of management controls, including development review meetings, KPI and OPI monitoring, programme forecasting and forward-looking risk assessment.

The Living Business Plan is updated to reflect changes to delivery assumptions, timescales and handover forecasts, ensuring that strategic planning and financial projections remain aligned to the evolving operating environment.

The Group's land-led development programme is delivered through a mini-framework agreement, helping to provide consistency and manage counterparty risk. All build contracts are subject to financial scrutiny, with additional contractual protections and security arrangements applied proportionately where risk levels are higher. During 2025/26, strong contract management and oversight helped mitigate contractor insolvency risk, enabling the Group to deliver its new home targets despite a challenging operating environment.

Investment in Homes and Sustainability - Investing in homes to meet current and future decent home and building fabric requirements, carbon reduction milestones

Our response:

The Group maintains assurance over the condition of customers' homes through comprehensive stock condition survey data, which provides a robust and evidence-based view of asset performance. This data is regularly refreshed and has continued to inform investment planning throughout the year.

Insights from stock condition surveys have been reflected within the Living Business Plan, supporting an increased and targeted programme of investment works over the coming years. This approach is complemented by the planned disposal of homes that perform least well for customers and would require disproportionate investment to meet required standards.

Planned investment programmes are designed to align related workstreams into coordinated delivery phases wherever possible. This maximises value for money while minimising disruption to customers by reducing repeat visits and improving delivery efficiency.

During 2025/26, survey coverage was maintained and investment delivery was achieved in line with agreed targets. In parallel, work commenced on the development of a new environmental sustainability strategy, providing a framework to support future building standards and the Group's longer-term carbon-reduction ambitions.

East Boro Housing Trust Limited

Report of the Board (continued)

Principal risks (continued)

Property Market - The property market experiences a slowdown and/or a reduction in property values

Our response:

The Group maintains active oversight of property market conditions through regular marketing and sales intelligence reporting to the Group Investment and Asset Panel (GIAP). While this reporting is primarily retrospective, it provides assurance over market conditions and acts as an early indicator of changes in risk profile.

Sales and market performance are monitored monthly by GIAP and the development leadership team. This includes analysis of key indicators such as levels of unsold stock, off-plan sales rates, average initial tranche share purchased, first-time buyer demand and market valuation trends. This monitoring informs timely decision-making on pricing, tenure mix and development phasing.

The Group undertakes regular stress testing across a range of scenarios, including a property market downturn. These scenarios are also modelled alongside other adverse factors, such as sustained higher borrowing costs, to understand compounded risk exposure and inform strategic and financial planning.

During 2025/26, the housing market remained challenging, with reduced buyer confidence, increased interest rates and wider economic uncertainty contributing to lower sales performance and reduced average first-time share purchases. Although sales targets were not achieved, the Group's risk management approach and stress testing provided continued assurance over financial resilience and supported informed management of development plans in a volatile environment.

Financial Performance and Resilience - Below acceptable operating and profit margins and /or challenges accessing viable funding and re-financing options

Our response:

The Group maintains a disciplined approach to financial management, supported by robust budgeting, forecasting and performance monitoring arrangements. Budgets are rigorously set and regularly re-forecast throughout the year, with outputs feeding into the Living Business Plan to ensure continued alignment between financial performance, strategic priorities and delivery plans.

Financial performance is monitored on an ongoing basis through a defined suite of KPIs and OPIs, with results regularly reviewed against budget and against the key metrics and financial parameters set out within the Group's Treasury Management Policy. This enables timely identification of emerging pressures and supports effective management action where required.

The Group undertakes regular stress testing using multi-variant scenarios, covering a range of potential economic conditions, including interest rate movements and wider market volatility. Additional scenarios are modelled as appropriate to assess resilience to emerging risks and inform strategic decision-making.

During 2025/26, operating margin performance was slightly ahead of target, and net profit was significantly better than budget. This reflected stronger-than-planned operating performance and interest costs that were lower than forecast, providing additional assurance over the Group's financial resilience in a challenging operating environment.

Regulatory Standing - Our governance, service delivery or an incident result in a decline in our relationship and reputation with a regulator

Our response:

The Group places a strong emphasis on preventing non-compliance through effective governance, robust controls and high standards of service delivery. Alongside this, the Group recognises the importance of maintaining open, transparent and constructive relationships with its regulators.

Oversight is provided through a comprehensive compliance framework covering all applicable legal and regulatory obligations. This framework supports regular review of services, controls and assurance arrangements against regulatory standards, enabling early identification of gaps and timely management action.

The Board and its Committees maintain rigorous oversight of regulatory and safety-related activity, supported by clear accountability and robust scrutiny arrangements. Continued focus is placed on the integrity, accuracy and timeliness of data used in regulatory returns, recognising the importance of data quality in maintaining regulatory confidence.

Strong governance, probity and assurance arrangements reduce the likelihood of regulatory non-compliance and minimise the potential for a significant corporate or regulatory incident. During the year, the Group continued to engage in regular and open dialogue with the regulator, supporting transparency and reinforcing trust.

Health and Safety - A health & safety issue leads to serious injury or ill health

Our response:

The Group's Health and Safety Policy, supporting arrangements and management system provide a clear and consistent framework for maintaining a strong safety culture across the organisation.

Property safety activity is managed through system-driven compliance programmes, covering cyclical inspection, servicing and remedial works. Delivery against these programmes is monitored through defined KPIs and OPIs, reported monthly, with clearly established tolerances reflecting the critical nature of the risks and potential consequences of non-compliance.

During the year, the Group strengthened its organisational structure and assurance model for property compliance, providing clear separation between operational delivery, oversight and independent assurance.

The evolving assurance regime will include enhanced data validation, exception reporting and anomaly analysis, third-party sampling across compliance workstreams, and physical verification of remedial action completion. These arrangements are being embedded progressively and will continue to develop as implementation progresses.

East Boro Housing Trust Limited

Report of the Board (continued)

Principal risks (continued)

Technology and change management - Our technology infrastructure is unable to support our current or future needs, and/or our change activity and investment is unsustainable, uncoordinated or misdirected

Our response:

Change initiatives are aligned to the Group's strategic priorities, key enabling activity and regulatory-driven requirements. This ensures that investment and organisational capacity are focused on the activity most critical to the delivery of core services and strategic objectives.

During the year, the Group undertook a significant reset of its approach to strategy delivery, change management and technology. This included changes to leadership and the organisational structure supporting change delivery, alongside strengthening governance and oversight arrangements.

All change activity is now subject to a structured business planning process, aligned to budget setting and financial capacity. This approach supports clearer prioritisation, ensuring that the scale and pace of change remains manageable and focused on the highest-impact activity, with priority given to legally and regulatory- required change over optional initiatives.

Oversight of delivery has been provided through the Operational Scrutiny and Assurance Panel (OSAP), supported by targeted groups overseeing integration activity or sets of linked projects. This enables active monitoring of progress, dependencies and risk, and supports timely intervention where required to maintain delivery confidence.

People and culture - We don't have the culture, people, diversity of thought or skills we need to realise our potential into the future

Our response:

Colleague insight and engagement have shaped the Group's People and Culture Plan, which began delivery during 2025/26. The plan focuses on strengthening the employment offer, enabling colleagues to do their best work, and supporting the attraction and retention of a diverse range of talent aligned to the Group's long-term ambitions.

A strategic approach to workforce planning enables the Group to identify and develop the skills and capacity required to support both future needs and effective operational delivery. This supports resilience in key roles and helps ensure capability remains aligned to strategic and regulatory priorities.

The Group's apprenticeship programme and use of the apprenticeship levy continue to provide opportunities for colleagues to develop new skills and access professional qualifications. This supports internal progression, upskilling and reskilling, and the development of future talent, contributing to retention and succession planning.

During the first year of delivery of the People and Culture Plan, improvements were seen in colleague engagement and net promoter scores. In parallel, planning and preparation commenced for the implementation of a new talent management system in 2026, designed to further strengthen capability, performance and succession management across the Group.

Data Security, Quality and Integrity - A lack of quality data or a breakdown in data integrity control frameworks, or an IT security breach causing data loss and/or system compromise/failure

Our response:

During the year, the Group recognised that its approach to data management, governance and assurance needed to further mature to support effective decision-making, regulatory confidence and efficient delivery. In response, external expertise was commissioned to undertake a comprehensive data management maturity assessment, providing a clear and objective baseline.

A clear data improvement roadmap is being developed for implementation from 2026/27 over a 12–18 month period. This will focus on improving data quality, governance and assurance, strengthening the integrity of management information, and enabling better use of data insight and dashboards to support decision-making at all levels.

Together with the establishment of a revised data operating model and new leadership accountability, these changes represent the foundations of a strengthened and more coordinated approach to data across the Group. Previously separate data teams are being aligned to improve clarity of ownership, consistency of standards and efficiency of delivery.

In parallel, the Group maintains a strong focus on information security. Cyber Essentials accreditation is held, proactive security monitoring remains in place, and disaster recovery and cyber incident response plans are regularly tested to maintain preparedness and resilience against cyber threats.

Treasury policy

The Group operates a centralised Treasury Management function whose primary purpose is to manage liquidity, funding, investment and the Group's financial risk, including risk from volatility in interest rates and liquidity. The Group Treasury and Finance Committee reviews and approves the Group Treasury Policy before recommending it to the Group Board. Details of the policy are included in the Aster Group's consolidated financial statements.

East Boro Housing Trust Limited

Report of the Board (continued)

Corporate and Social Responsibility

People & Culture

Our people are central to delivering safe, high-quality services. During 2025/26, we made good progress by strengthening leadership, improving culture, and enhancing colleague experience.

We launched a refreshed People and Culture Plan in response to financial pressures, regulatory change and rising expectations. Its aim is to create an environment where colleagues feel supported to do their best work.

The plan focuses on six key priorities: trust and flexibility; leadership support; belonging; reduced hassle; an enhanced offer; and future readiness. These priorities are informed by colleague feedback, including innovation cafés and a group-wide survey, ensuring we respond to the needs of different roles and career stages.

Alongside this, we supported our ongoing leadership development programmes by introducing a Leader Playbook, a Leadership Community, and events and initiatives including New World Leadership and reverse mentoring for the Executive Board.

Professional development has also continued, with 16 colleagues undertaking the Women in Leadership apprenticeship, and 28 studying for Chartered Institute of Housing (CIH) qualifications, helping to build future readiness across the organisation. There is a need for a large number of our colleagues to undertake the housing competence and conduct qualification, and we will be supporting them to do so.

We strengthened our culture through the relaunch of The Aster Way and Culture Handbook, aligned with the CIH Code of Conduct and Code of Ethics. This was supported by the launch of the CIH Club.

We also modernised our People systems by introducing a new People Information System. This has consolidated ten payrolls and is improving data quality, automation and consistency.

We invested in our entire workforce by awarding a 2.5% cost of living pay increase in April 2025.

Inclusion and wellbeing remain a priority. We expanded learning programmes and maintained external recognition, including being recognised as a HouseProud Pledge Pioneer, achieving a TIDE silver award, and retaining our Menopause Friendly accreditation.

Our Gender Pay Gap reduced to 11.6%, below the UK average of 12.8%, reflecting stronger governance and more consistent pay practices.

These improvements are reflected in colleague feedback. Engagement increased to 63% (the highest since 2021), and turnover reduced to 14.36%, below the national average. Flexibility and wellbeing continue to be strengths, supported by initiatives such as Employment Plus, which provides tailored support for colleagues with disabilities and health conditions.

While progress is positive, challenges remain. Sickness absence has increased in some areas, leadership consistency needs further development, and colleague experience is not yet consistent across all teams. We are addressing these through targeted wellbeing support, clearer expectations for leaders, and focused interventions.

Looking ahead to 2026/27, we will focus on:

- embedding consistent leadership behaviours
- strengthening wellbeing through The Way We Work programme
- introducing a new Talent Management approach
- modernising the colleague offer
- improving People data.

Together, these actions will help build a more connected, capable and resilient workforce.

Environmental and Social - Energy efficiency action

We have continued to develop our Sustainability Strategy, which we plan to finalise in 2026/27. This will include plans to better understand where to focus efforts to reduce our energy consumption and carbon emissions in the coming years, and to better understand our vulnerability to a changing climate.

We have made significant reductions on the environmental impact of our operations in recent years. This includes making better use of office space, using leased accommodation where appropriate, and supporting hybrid working. These changes help improve efficiency and maintain flexibility.

We remain committed to delivering energy-efficient homes while balancing affordability.

- 100% of new homes achieved an EPC rating of B or above
- over 450 new homes included low-carbon technologies such as air source heat pumps and solar panels.

Environmental technologies are a key feature of our new developments, with 175 air source heat pumps and 203 solar arrays installed in 2025-26. In addition, 495 of our new homes completed last year have electric vehicle (EV) charging available, either from dedicated individual or communal charging units.

East Boro Housing Trust Limited

Report of the Board (continued)

Environmental and Social - Energy efficiency action (continued)

During 2025/26, we also began a three-year retrofit programme supported by the Warm Homes: Social Housing Fund initiative. This programme is helping to reduce energy use and emissions, improve comfort and affordability, and support more sustainable communities.

At two of our housing schemes, the large non-condensing commercial boilers were replaced with more efficient condensing boilers, reducing gas consumption by over 20%. At a third, thermostatic radiator valves were installed in customers' homes, giving occupants greater control over indoor temperatures and reducing fuel consumption, whilst at a fourth the hot water system was upgraded, resulting in reduced plant running times and therefore gas use.

In 2026-27 we are planning to deliver over 900 new affordable homes, although the actual number delivered will depend on planning and programme constraints. We anticipate that all homes will be at least EPC B-rated and that a large number of them will incorporate technologies such as air source heat pumps, solar PV and EV charging.

Delivery of the retrofit programme will continue, and through our planned maintenance programme we plan to upgrade the loft insulation on over 500 homes and eleven blocks, add cavity wall insulation to 60 homes and 30 blocks, and replace the windows of more than 1,200 homes. We also plan to upgrade the heating systems in approximately 2,500 homes.

In addition, we plan to upgrade five of our large commercial boilers, which is predicted to improve energy efficiency by approximately 10% on average, and we will also be updating the heating controls at three schemes. This will enable the heating systems to respond better to fluctuating external temperatures to help prevent flats overheating and is also predicted to reduce heating energy consumption by approximately 20% at these sites.

Through our Strategic Partnership with Homes England, we secured additional funding to deliver 39 homes using Modern Methods of Construction (MMC) Category 2a. This supports lower carbon construction and helps build capability for the future. We have significantly exceeded this target, with 248 homes completed to date meeting Category 2a standards with a further 125 compliant homes in construction.

We have also taken steps to prepare for new Heat Network regulations. These changes will strengthen customer protections, improve transparency, provide access to the Energy Ombudsman and support more efficient shared heating systems.

At Enham Resource Centre, we installed an 84-panel solar PV system, predicted to generate around 40MWh of green energy per year and expected to save around £6,000 per year in energy costs. We also began planning biodiversity and community initiatives to support the village and further afield.

Our vehicle fleet is also being modernised. In 2026/27, we will introduce 65 Euro 6e vehicles, with a further 60–80 older vehicles to be replaced.

Our successful salary sacrifice scheme for staff enables them to purchase low emissions vehicles, and in 2025-26 eight employees acquired fully electric cars and a further two purchased hybrid vehicles. A further seventeen colleagues joined the cycle2work scheme covering bicycles and associated safety equipment.

Viability Statement

In accordance with principle C and provision one of the 2018 Corporate Governance Code, the Directors have assessed the viability of the Group and have selected a period of seven years for the assessment. The Group has a property development programme that runs for a rolling seven-year period. This programme forms the basis of the Group's financial plan that covers the seven-year period and is then extrapolated over a further 23 years, resulting in a 30-year plan. For these reasons the Group uses a seven-year strategic planning cycle and the Directors have determined that seven years is also an appropriate period over which to provide its viability statement.

The financial plan considers the Group's future financial stability, property development and investment strategies and the viability of future expense reduction programmes by measuring a broad range of financial metrics and other key metrics such as exposure to the property market. In addition, the Group closely monitors its financial covenants being primarily asset cover, interest cover and net worth over the seven-year period together forming the Group's financial plan tolerances.

The interest cover and net worth covenants are the prominent covenants the Group has in its loan agreements. These covenants, coupled with the Group's other financial plan standards, are used as the basis for a full suite of multi-variate stress testing over the life of the plan on several severe but plausible, market relevant scenarios.

The stress testing considers the principal risks assessed to have the greatest impact. The Group's focus for stress testing in its 2026 financial plan is on the continued risks and disruption as a result of the wider macro-economic environment, particularly around the collection of rent, higher borrowing costs, delays and increases to major repair and maintenance spend, property market downturn, inflations and disruption from geopolitical volatility.

These scenarios are designed to stress and, in some cases, breach the Group's covenants. The Group applies mitigating items from its established mitigations toolbox to recover these scenarios back to a compliant level. These mitigations include reducing investment in the development programme, issuing emergency liquidity, deferring maintenance expenditure and several other operating cost mitigations.

Based on the results of this analysis, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next seven years.

East Boro Housing Trust Limited

Report of the Board (continued)

Statement of Directors' responsibilities in respect of the Report of the Board and the financial statements

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

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

The financial statements are required by law to give a true and fair view of the state of affairs of the association and of its 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;
- assess the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Attendance at board meetings - Overlap Boards

Non-executive directors

Clive Barnett
Mike McCullen
Tracey Peters
Caroline Wehrle
Claire Whitaker CBE
Mehul Desai
Stephen Trusler
Richard Hughes
Nicola Frayne
Mat Cooling

Aster Group Limited		
Total	Possible*	%
3	3	100%
8	8	100%
3	4	75%
4	4	100%
7	8	88%
8	8	100%
8	8	100%
5	5	100%
4	4	100%
4	4	100%

Executive directors

Bjorn Howard
Chris Benn
Amanda Williams

8	8	100%
8	8	100%
7	8	88%

*Possible attendance may be lower than the total number of meetings held due to the director only holding office for part of the year.

Disclosure of information to auditor

So far as the board is aware, there is no relevant information of which the association's auditor is unaware. The board has taken all reasonable steps that ought to have been taken to make itself aware of any relevant audit information, and to establish that the association's auditor is aware of that information.



Dawn Fowler-Stevens
Company Secretary
8 September 2026

Independent Auditor's report to the members of East Boro Housing Trust Limited

Opinion

We have audited the financial statements of East Boro Housing Trust Limited ("the Association") for the year ended 31 March 2026 which comprise the Association's the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves and related notes, including the accounting policies in notes 2,3 and 4.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of affairs of the Association as at 31 March 2026 and of its income and expenditure for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Association's Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the Association or to cease its operations, and as they have concluded that the Association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the Association's business model and analysed how those risks might affect the Association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Association will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and internal audit as to the Association's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Association's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Group Risk & Audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls in particular the risk that management may be in a position to make inappropriate accounting entries.

On this audit we do not believe there is a fraud risk related to revenue recognition due to limited scope for manual interventions and the homogeneous nature of the majority of the revenue streams. We have also specifically considered revenue from property sales, including first tranche shared ownership. As revenue from these sales is recognised upon legal completion, there is limited opportunity for management to fraudulently manipulate the timing of revenue recognition. We have therefore rebutted the presumed fraud risk in relation to revenue recognition across the Association's material revenue streams.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation of the Association wide fraud risk management controls.

Independent Auditor's report to the members of East Boro Housing Trust Limited (continued)

We also performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries and other adjustments posted during the final days of the reporting period.
- assessing whether the judgements made in the accounting estimates are indicative of potential bias including assessing the assumptions used in the value of properties developed for sale held in current assets.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Board (as required by auditing standards), and from inspection of the Association's regulatory and legal correspondence and discussed with the Board the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related co-operative & community benefit society legislation), pensions legislation, specific disclosures required by housing legislation, and requirements imposed by the Regulator for Social Housing and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: health and safety (including related fire safety and building standards), anti-bribery and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Association's Board is responsible for the other information, which comprises the Board's Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Independent Auditor's report to the members of East Boro Housing Trust Limited (continued)

Board's responsibilities

As explained more fully in their statement set out on page 9, the Association's Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Joanne Lees
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

11 September 2026

East Boro Housing Trust Limited

Statement of Comprehensive Income

for the year ended 31 March 2026

	Note	2026 £000	2025 £000
Turnover	5	7,116	6,813
Operating expenditure before impairment	5	(7,155)	(6,350)
(Loss) / profit on disposal of housing property, plant and equipment	6	(64)	411
Operating (loss) / profit		(103)	874
Loss on disposal of other property, plant and equipment	10	-	(204)
(Loss) / profit before interest and taxation		(103)	670
Interest receivable and similar income	11	53	139
Interest payable and similar charges	11	(538)	(434)
Net fair value loss on financial instruments	11	(16)	-
Net finance expense		(501)	(295)
(Loss) / profit before taxation		(604)	375
Tax on profit	13	-	-
(Loss) / profit for the year		(604)	375
Other comprehensive income			
Effective cash flow hedge fair value gain	12	173	-
Other comprehensive income for the year		173	-
Total comprehensive (expense) / income for the year		(431)	375

Statement of Changes in Reserves

for the year ended 31 March 2026

	2026			
	Profit and loss reserve £000	Merger reserve £000	Restricted reserve £000	Cash flow hedge reserve £000
Balance at 1 April 2025	13,202	462	5	-
Release of restricted reserve	-	-	(5)	-
Other comprehensive income	-	-	-	173
Loss for the year	(604)	-	-	-
Balance at 31 March 2026	12,598	462	-	173

	2025			
	Profit and loss reserve £000	Merger reserve £000	Restricted reserve £000	Cash flow hedge reserve £000
Balance at 1 April 2024	12,827	462	5	-
Transfer from restricted reserve	-	-	-	-
Profit for the year	375	-	-	-
Balance at 31 March 2025	13,202	462	5	-

The accompanying notes form part of these financial statements.

East Boro Housing Trust Limited

Statement of Financial Position

as at 31 March 2026

	Note	2026 £000	2025 £000
Fixed assets			
Property, plant and equipment (social housing)	14	51,350	46,914
Property, plant and equipment (other assets)	15	824	490
Investments in subsidiaries	16	-	-
		<u>52,174</u>	<u>47,404</u>
Non-current assets			
Debtors: amounts falling due after more than one year	17	174	-
Current assets			
Debtors: amounts falling due within one year	18	458	440
Properties held for sale	19	53	328
Cash and cash equivalents	20	349	2,854
		<u>860</u>	<u>3,622</u>
Creditors: amounts falling due within one year	21	<u>(3,380)</u>	<u>(3,152)</u>
Net current assets		<u>(2,520)</u>	<u>470</u>
Total assets less current liabilities		<u>49,828</u>	<u>47,874</u>
Non current liabilities			
Creditors: amounts falling due after more than one year	22	(36,595)	(34,205)
Net assets		<u>13,233</u>	<u>13,669</u>
Capital and reserves			
Called up share capital	26	-	-
Profit and loss reserve		12,598	13,202
Merger reserve	27	462	462
Restricted reserve	27	-	5
Cash flow hedge reserve	27	173	-
Total capital and reserves		<u>13,233</u>	<u>13,669</u>

The accompanying notes form part of these financial statements.

The financial statements on pages 13 to 32 were approved and authorised for issue by the board on 8 September 2026 and were signed on its behalf by:



Stephen Trusler
Chair



Bjorn Howard
Group Chief Executive Officer



Dawn Fowler-Stevens
Company Secretary

East Boro Housing Trust Limited

Notes to the Financial Statements

1 Legal status

East Boro Housing Trust Limited ('the Trust') is incorporated under the Co-operative and Community Benefit Societies Act 2014 number 16946RR and is a member of the Aster Group ('the group').

2 Basis of preparation

The financial statements of the association have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102), the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers, and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The association is classified as a Public Benefit Entity under FRS 102.

The financial statements are presented in Sterling (£).

Application of accounting policies

The association's accounting policies have been applied consistently throughout the year with the exception of depreciation which has been aligned with the group's depreciation policy.

Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors, after reviewing the trust's budgets for 2026/27, and taking assurance the fellow subsidiaries across the group, along with the Trust, have prepared budgets and cash flow forecasts, for a period of at least 12 months from the date of approval of these financial statements, that have been subject to review and scrutiny by their own boards and included in the group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, the trust will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Presentation

The Trust has elected not to produce a statement of cash flows, detailed disclosures of financial instruments, disclosure relating to key management compensation and related party transactions within the individual subsidiary financial statements in line with exemptions available within FRS 102.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

3 Accounting policies

Turnover

Turnover represents:

Rental, service charge income and garage lettings - recognised from the point at which the properties under development reach practical completion or otherwise become available for letting.

Service charge income - a fixed budgeted service charge for the year.

Revenue fees and grants from local authorities and the Regulator of Social Housing (RSH) - recognised over the period the related costs are incurred.

Asset related fees and grants from local authorities and the RSH - recognised over the life of the related asset. For grants relating to completed properties the grant is amortised through turnover over the effective useful life of the property's structure.

Income from first tranche sales of New Build HomeBuy and housing properties developed for sale - recognised at the legal completion of the sale.

Other income, such as domiciliary care and services provided in the year - recognised when the performance of a service is completed, or when the requirements of an agreement with a third party or other group subsidiary are met.

Operating Profit

The Trust has chosen to show operating profit on the face of the Statement of Comprehensive Income. This figure represents income, less the costs and expenses incurred to generate it, from the Trust's principal activities that are not investing or financing activities.

Social housing properties and depreciation

Properties rented for social benefit are classified as property, plant and equipment and referred to as social housing. These properties are rented at below market rate to people put forward by the relevant local authorities and the Performing Rights Society from their housing lists. Social housing properties under construction are stated at cost and are not depreciated. These are reclassified as social housing properties on practical completion of construction with cost apportioned by key components.

Freehold land is not depreciated. Freehold properties are depreciated by component on a straight line basis over the estimated useful economic lives of the component categories.

Social housing properties are split between the structure and those major components which require periodic replacement. Capitalised major components are depreciated over the following UEL:

Component	UEL (years)
Structure (see below)	100
Roof	60
Heating Distribution Systems	15 - 30
Boiler	15
Bathroom	30
Windows/Doors	30
Kitchen	20
Electrical wiring	30

Impairment reviews are carried out at each reporting date. If impairment is present the asset's carrying value is reduced to its depreciated replacement cost, as outlined in the impairment policy, unless it is being demolished or remodelled when the carrying value is reduced to that of the remaining components.

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

Depreciation on freehold properties and long leasehold social housing properties is provided to write off the cost less the estimated residual value of social housing properties by equal instalments over their remaining estimated UEL. Any additions and improvements are depreciated over the remaining life of the premises.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

3 Accounting policies (continued)

Property, plant and equipment and depreciation, non-social housing

Property, plant and equipment, is stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Subsequent expenditure is capitalised where it increases the value of the asset or extends its life. Completed social housing properties are covered by a separate policy. Depreciation is charged on a straight line basis over the expected remaining UEL of the assets as follows:

Asset	UEL (years)
Leasehold non-housing properties	Life of the lease
Furniture, fixtures and fittings	3
Motor vehicles	4 - 5

Office premises (non-social housing properties) depreciation is provided to write off the cost less estimated residual value over the UEL of the property. Any additions and improvements are depreciated over the remaining life of the premises.

Assets under construction are stated at cost (as defined above). They are presented separately in the note to the financial statements and not depreciated until they are completed and brought into use. The UEL of all property, plant and equipment is reviewed annually.

Interest receivable and payable

Interest is recognised on an accruals basis, using the effective interest rate method recognised in the Statement of Comprehensive Income over the life of the financial instrument.

Leased assets

Where assets are financed by leasing agreements that transfers substantially all the risks and rewards of ownership, they are treated as if they had been purchased outright. The amount capitalised is the lower of the present value of the minimum lease payments payable during the lease term or the fair value of the leased asset. The corresponding leasing commitments are shown as the present value of the obligations to the lessor. Lease payments are treated as consisting of a finance charge and a reduction in the liability. The finance charge is charged to the Statement of Comprehensive Income for the period using the effective interest method.

Rentals paid under operating leases are charged to the Statement of Comprehensive Income for the period on a straight line basis over the period of the lease.

Inventories

a) General inventories

Inventories are valued at the lower of cost and net realisable value, after making allowances for any obsolete and/or slow moving items. Net realisable value is the price which inventories can be sold for in the normal course of business after allowing for the costs of realisation. Inventories are valued using a first-in-first-out methodology.

b) Properties developed for market sale

Properties that have been developed for market sale are recognised at cost less cost to sell. Cost comprises materials, direct labour, direct development overheads and attributable interest. Sales proceeds are included in turnover.

Impairment

a) Other tangible assets

Other tangible assets are reviewed for impairment if there is an indication that impairment may have occurred. Where there is evidence of impairment, the affected assets are written down to the recoverable amount. Any such write down is charged to the Statement of Comprehensive Income for the year.

b) Social Housing

Social Housing properties are subject to impairment trigger reviews on completion and then annually thereafter. If there is a trigger and evidence of impairment is found the carrying value of the property is compared to its depreciated replacement cost. This represents the amount it would cost the group to replace the property. For properties built or acquired prior to 1 April 2014 this replacement cost is depreciated from 1 April 2014. For properties built or acquired after 1 April 2014 depreciation starts from the build or acquisition date. If the property's carrying value is higher than its depreciated replacement cost the carrying value must be reduced to the depreciated replacement cost, the write down is charged to the Statement of Comprehensive Income for the year.

Where an impairment review indicates that their useful economic life is likely to be less than the standard policy they have been re-life to 10 years.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

3 Accounting policies (continued)

Accrued income

When, as a result of performing a service or otherwise meeting the requirements of an agreement with a third party, income falls due but has not been invoiced in the period, an accrual is made for this income.

Deferred income

Where payment has been received for goods or services not yet delivered, the amount is initially recorded as a liability in the Statement of Financial Position and recognised as turnover once the delivery has been made.

Financial instruments

Section 11 Basic Financial Instruments of FRS 102 permits an accounting policy choice for financial instruments. The group has chosen to adopt sections 11 and 12 of FRS 102 as permitted by this section.

a) Rent arrears and other debts

Rent arrears, other amounts due from tenants and other miscellaneous debts are recognised and carried at original amount of the charge, less provision for impairment. A provision is made and charged to the Statement of Comprehensive Income for the year when there is objective evidence that the group will not be able to collect all amounts due in accordance to the original terms.

Any tenants or miscellaneous debtors who have a payment arrangement to pay their debts over a period of longer than the normal terms of business are treated as having a financing transaction. These transactions are recognised at their present value rather than transaction value. The discount rate used for the present value calculation is based upon an estimate of the rate the debtor could obtain in their own right.

b) Cash and cash equivalents

Cash and cash equivalents includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of twelve months or less.

c) Trade creditors

Trade creditors are not interest-bearing and are stated at their transaction value.

d) Committed borrowings and bank overdrafts

Interest-bearing loans and overdrafts are recorded at the amounts received, net of direct issue costs, using the effective interest method. Direct issue costs are amortised over the period of the loans and overdrafts to which they relate. Finance charges, including premiums payable on settlement or redemption, are charged to the profit or loss for the period as incurred using the effective interest rate method and are added to the carrying value of the borrowings or overdraft to the extent they are not settled in the period in which they arise.

When a loan facility agreement is entered into, any associated costs are capitalised, discounted at the prevailing market rate of interest amortised over the life of the related loans.

Social housing and other grants

Social housing grant (SHG) is receivable from the RSH. It is accounted for under section 24 of FRS 102 'Government Grants' using the accrual model. Once properties have been completed the grant is classified as a long-term creditor and amortised to the Statement of Comprehensive Income for the year over the life of the properties' structure. Where grants are paid in advance, they are included in creditors until performance is completed.

If a property which received a grant is subsequently sold, or another relevant event takes place the SHG appears as a creditor due in less than one year. It can be recycled for use in a project approved by the RSH or repaid to the RSH if it is not used within the agreed timescale.

Prior to transition to FRS 102 the Trust held its social housing properties at valuation. On transition this became the deemed cost. All SHG received prior to transition on 1 April 2014 was transferred to the profit and loss reserve. It is recycled from this reserve if a relevant event occurs.

Government grants received after 1 April 2014 are recognised in income over periods in which the related costs are recognised for which the grant is intended to compensate, over the useful economic life of the property's structure.

Other Government grants received are also accounted for under section 24 of FRS 102 using the accrual model.

When part of the government grant is deferred, it is recognised as deferred income within creditors and allocated between due within one year and due after more than one year as appropriate.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

3 Accounting policies (continued)

Pension Costs

The trust operated a Royal London defined contribution scheme for the benefit of its employees. From 30 November 2024 the scheme was closed, and members were transferred to the Group's Aegon defined contribution scheme.

From 1 April 2022, employees can opt to join the Aegon defined contribution pension scheme, offered by the Aster Group.

The expenditure represents the employer's contributions payable to the scheme for the Accounting period.

4 Critical accounting judgements and estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates, which are shown below.

Estimates and judgements 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.

Critical judgements in applying the Trust's accounting policies.

Fair value

The directors have made the following judgements regarding fair value:

- If land is donated at below market cost it is recognised at its fair value. The directors judge this to be its market value at the time of the donation.

Cash generating units

When reviewing social housing properties for impairment the directors are required to consider the level of cash generating unit. For impairment purposes, the directors consider that each individual property constitutes a cash generating unit as it generates cash flows that are largely independent of the cash flows generated by other assets.

Useful lives of social housing property assets

Social housing property assets are split into their component parts, with each component being depreciated over a separate estimated useful economic life. The annual depreciation charge for social housing property assets in total is sensitive to changes in these estimated useful economic lives. The useful economic lives of individual components are re-assessed as part of a rolling stock condition survey, examining approximately 20% of the stock annually, and amended where necessary. See note 3 for the useful economic lives for each class of component.

Impairment triggers for housing properties

On completion each development scheme is reviewed for impairment triggers using the group's property impairment flow chart. If it is judged that there is evidence that the scheme has activated one of the triggers in the flow chart an impairment review is undertaken. Where impairment is found the carrying value of the properties in the scheme is reduced to their depreciated replacement cost. This process is also applied to completed properties annually.

Critical accounting estimates and assumptions

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

Rebalancing surpluses from first tranche shared ownership sales

Where social housing development schemes consist of social rental and shared ownership properties the cost of development is split between the individual properties by property classification. As these costs cannot be accurately assigned to individual properties management assumes that they are evenly spread by floor area.

The shared ownership property costs are then further split between the percentage of the property to remain as property, plant and equipment and the current asset based on the percentage to be sold as the first tranche sale.

The exception to this treatment is where the overall surplus on first tranche shared ownership sales on mixed tenure developments is restricted to the net present value of future cash flows on shared ownership properties.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

5 Turnover, operating expenditure and profit

5a

		2026		
	Note	Turnover	Operating expenditure/ cost of sales	Operating profit / (loss)
		£000	£000	£000
Income and expenditure from lettings				
Housing accommodation before impairment	5b	4,984	(5,328)	(344)
Other income and expenditure				
Social Housing				
Support & care contracts		1,132	(923)	209
Development costs not capitalised		-	(77)	(77)
		1,132	(1,000)	132
Non Social Housing				
Other		38	-	38
		38	-	38
Total income and expenditure		6,154	(6,328)	(174)
Other income and cost of sales - Social Housing				
First tranche shared ownership		962	(827)	135
Total other income and cost of sales		962	(827)	135
Total		7,116	(7,155)	(39)
Loss on sale of housing property, plant and equipment	6	306	(370)	(64)
Operating loss				(103)

		2025		
	Note	Turnover	Operating expenditure/ cost of sales	Operating profit / (loss)
		£000	£000	£000
Income and expenditure from lettings				
Housing accommodation before impairment	5b	4,000	(3,914)	86
Other income and expenditure				
Social Housing				
Support & care contracts		1,036	(813)	223
Development costs not capitalised		-	(62)	(62)
		1,036	(875)	161
Non Social Housing				
Other		3	-	3
		3	-	3
Total income and expenditure		5,039	(4,789)	250
Other income and cost of sales - Social Housing				
First tranche shared ownership		1,774	(1,561)	213
Total		6,813	(6,350)	463
Surplus on sale of housing property, plant and equipment	6	858	(447)	411
Operating profit				874

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

5 Income and expenditure from lettings

5b

	2026			
	Needs Housing £000	Supported Housing £000	Shared Ownership £000	Total £000
Income				
Rents	636	2,408	150	3,194
Service charges	48	1,327	183	1,558
Amortisation of government grants	31	153	3	187
Other revenue grants	2	44	(1)	45
Total net rents from lettings	717	3,932	335	4,984
Expenditure				
Management	(154)	(742)	(61)	(957)
Services	(255)	(1,226)	(100)	(1,581)
Routine maintenance	(84)	(402)	(33)	(519)
Planned maintenance	(98)	(471)	(39)	(608)
Major improvements and repairs	(142)	(683)	(56)	(881)
Bad debts	(4)	(17)	(1)	(22)
Depreciation of housing properties	(110)	(530)	(43)	(683)
Loss on component disposals	(12)	(60)	(5)	(77)
Operating costs on lettings	(859)	(4,131)	(338)	(5,328)
Operating profit / (loss) on lettings activities	(142)	(199)	(3)	(344)
Rental income is stated net of void losses as set out below:				
Void losses	20	187	3	210

	2025			
	Needs Housing £000	Supported Housing £000	Shared Ownership £000	Total £000
Income				
Rents	349	2,371	80	2,800
Service charges	56	945	10	1,011
Amortisation of government grants	-	175	2	177
Other revenue grants	6	6	-	12
Total net rents from lettings	411	3,497	92	4,000
Expenditure				
Management	(134)	(894)	(56)	(1,084)
Services	(165)	(1,098)	(68)	(1,331)
Routine maintenance	(47)	(316)	(20)	(383)
Planned maintenance	(13)	(88)	(5)	(106)
Major improvements and repairs	(38)	(254)	(16)	(308)
Bad debts	(7)	(49)	(3)	(59)
Depreciation of housing properties	(73)	(486)	(30)	(589)
Loss on component disposals	(7)	(44)	(3)	(54)
Operating costs on lettings	(484)	(3,229)	(201)	(3,914)
Operating profit / (loss) on lettings activities	(73)	268	(109)	86
Rental income is stated net of void losses as set out below:				
Void losses	11	176	3	190

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

6 (Loss) / profit on disposal of housing property, plant and equipment

	Proceeds £000	2026 Cost of Sales £000	(Loss) / profit £000	Proceeds £000	2025 Cost of Sales £000	Profit £000
Void property disposals	250	(370)	(120)	858	(447)	411
Land disposals	56	-	56	-	-	-
	<u>306</u>	<u>(370)</u>	<u>(64)</u>	<u>858</u>	<u>(447)</u>	<u>411</u>

7 Operating profit

	Note	2026 £000	2025 £000
Operating profit is stated after charging:			
Auditor's remuneration (excluding irrecoverable VAT) In their capacity as auditors:			
Financial statements audit		26	25
Depreciation:			
Property, plant and equipment - (social housing)	14	683	589
Loss on component disposals	14	77	54
Property, plant and equipment - (other assets)	15	78	55
Operating lease payments:			
Land and buildings		6	53
Office premises		53	53
Office equipment		1	6

8 Directors' emoluments

Members of the board of management

The members of the East Boro Housing Trust Board of management received £nil during the year (2025: £2,036). These amounts are included in the association's profit for the year.

Members of the Aster Group executive board and executive management team

Directors' emoluments were not recharged (2025: £nil) to the Trust by Aster Group Limited due to the complexity of accurately apportioning these cost.

Non-executive directors

The association operates as part of the group Overlap Boards. The non-executive directors are paid by Aster Group Limited. A charge of £nil (2025: £2,036) was made for their services via the group overheads recharge to the association. This amount is included in the profit for the year.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

9 Employee information

Operating profit is stated after charging:

2026
No. 2025
No.

The average number of persons employed during the year (full time equivalents 'FTE') based on 37 hours per week

30 **31**

FTE by salary bands:

Salary includes salary, car allowance, any acting up allowances, bonuses and pension contributions made by the group.

2026
No. 2025
No.

£59,999 or less

29 30

£90,000 to £99,999

1 1

30 **31**

None of the above employees received any enhanced pension payments during the year (2025: nil).

2026
£000 2025
£000

Staff costs:

Wages and salaries

1,128 1,097

Social security costs

137 100

Other pension costs

34 35

1,299 **1,232**

10 Loss on disposal of other property, plant and equipment

	2026			2025	
	Cost of			Cost of	
	disposal	Loss	Proceeds	disposal	Loss
	£000	£000	£000	£000	£000
Office equipment	-	-	-	(204)	(204)

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

11 Finance income and expense

	Note	2026 £000	2025 £000
Interest receivable and similar income			
Interest on short term deposits		53	139
Total interest income on financial assets not measured at fair value through profit or loss		53	139
Unwinding of trade debtor discounting		-	-
		53	139
Interest payable and similar charges			
SWAP interest		7	-
Loans with other group companies		(585)	(513)
Less interest capitalised		47	80
		(531)	(433)
Recycled capital grant fund		(7)	-
Loan admin charges		-	(1)
		(538)	(434)
Net fair value loss on financial instruments	12	(16)	-
Net finance expense		(501)	(295)

12 Movement in fair value of financial instruments

Included in income and expenditure	Note	2026 £000	2025 £000
Fair value gains on			
Borrowings treated as fair value hedging instruments		356	-
Derivatives treated as cash flow hedging instruments - ineffective		1	-
		357	-
Fair value losses on			
Derivatives treated as fair value hedging instruments		(373)	-
		(373)	-
Net fair value loss on financial instruments	11	(16)	-
Included in other comprehensive income		2026 £000	2025 £000
Fair value gains on			
Derivatives treated as cash flow hedging instruments		173	-
		173	-

See note 23c for an explanation of the Trust's hedging activities.

13 Taxation

The Trust has charitable rules registered under the Co-operative and Community Benefit Societies Act 2014 and is therefore not liable to Corporation Tax on its charitable activities.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

14 Property, plant and equipment (social housing)

	Housing properties under construction £000	Completed housing properties £000	Shared ownership under construction £000	Shared ownership completed £000	Total £000
Cost					
At 1 April 2025	2,620	46,042	228	3,876	52,766
Additions	3,384	-	1,361	-	4,745
Components	-	663	-	-	663
Disposal of components	-	(144)	-	-	(144)
Completions	(5,034)	5,034	(1,469)	1,469	-
Disposals	-	(257)	-	-	(257)
At 31 March 2026	970	51,338	120	5,345	57,773
Accumulated depreciation					
At 1 April 2025	-	5,827	-	25	5,852
Charge for year	-	652	-	31	683
Disposal of components	-	(67)	-	-	(67)
Disposals	-	(45)	-	-	(45)
At 31 March 2026	-	6,367	-	56	6,423
Net book value at 31 March 2026	970	44,971	120	5,289	51,350
Net book value at 31 March 2025	2,620	40,215	228	3,851	46,914

The cost of completed properties during the year includes £47,000 (2025: £80,000) of capitalised borrowing costs at an average cost of borrowing of 1.57% (2025: 2.25%).

Net book value of property, plant and equipment - social housing by tenure

	2026 £000	2025 £000
Freehold	50,849	46,417
Long leasehold	501	497
Net book value	51,350	46,914

Current value of completed social housing properties

The below valuation was carried out by Jones Lang LaSalle Limited Chartered Surveyors on 31 March 2026, on the basis of Existing Use Value - Social Housing. The valuations were carried out in accordance with RICS Appraisal and Valuation Manual effective from 1 January 1996 (as amended).

	Housing properties under construction £000	Completed housing properties £000	Shared ownership under construction £000	Completed shared ownership properties £000	Total £000
Existing Use Valuation - Social Housing					
Valuation at 31 March 2026	-	49,740	-	3,830	53,570

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

15 Property, plant and equipment (other assets)

	Leasehold office improvements £000	Motor vehicles £000	Office & estate equipment & furniture £000	Computer Equipment £000	Total £000
Cost					
At 1 April 2025	93	31	619	-	743
Additions	14	-	398	-	412
At 31 March 2026	107	31	1,017	-	1,155
Accumulated depreciation					
At 1 April 2025	35	31	187	-	253
Charge for year	22	-	56	-	78
At 31 March 2026	57	31	243	-	331
Net book value at 31 March 2026	50	-	774	-	824
Net book value at 31 March 2025	58	-	432	-	490

16 Investments in subsidiaries

	2026 £	2025 £
East Boro Housing Services Limited	100	100

The Trust owns 100 £1 shares in East Boro Housing Services Limited.

Following the acquisition to the Aster Group in 2020, the East Boro Housing Trust Limited board made the decision to make East Boro Housing Services Limited dormant from 1 April 2021.

17 Debtors: amounts falling due after more than one year

	Note	2026 £000	2025 £000
Derivative financial instruments	23c	174	-
		174	-

18 Debtors: amounts falling due within one year

	2026 £000	2025 £000
Trade debtors	135	260
Rent arrears	229	(31)
Less provision for bad debts	(57)	(63)
	307	166
Amounts owing by group undertakings	10	126
Prepayments and accrued income	141	148
	458	440

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

19 Properties held for sale	Under construction	Completed	Total
	£000	£000	£000
1 April 2025	152	176	328
Additions	546	-	546
Completions	(645)	645	-
Disposals	-	(821)	(821)
31 March 2026	53	-	53
20 Cash and cash equivalents		2026	2025
		£000	£000
Cash at bank and in hand		349	2,854
		349	2,854
21 Creditors: amounts falling due within one year		2026	2025
		£000	£000
Trade creditors		242	138
Taxation and social security payable		-	14
Rent paid in advance		293	198
VAT payable		4	1
Amounts owed to group undertakings		1,559	710
Social housing grant		367	1,032
Recycled capital grant fund	25	5	-
Other creditors		113	245
Accruals and deferred income		784	802
Loan repayable (within 1 year)		13	12
		3,380	3,152
22 Creditors: amounts falling due after more than one year		2026	2025
	Note	£000	£000
Loans repayable			
In 1 to 2 years		13	13
In 2 to 5 years		26	39
In five years or more		-	1
		39	53
Amounts owed to other group undertakings		19,119	17,918
Derivative financial instruments	23c	373	-
Recycled capital grant fund	25	157	-
Social housing grant	24	16,907	16,234
		36,595	34,205

The amount owed to group undertakings represents £10.0 million of loan notes (2025: £10.0 million) and £9.6 million of unsecured intercompany loans (2025: £8.0 million).

The loan notes represent loans that have been received from fellow group undertakings as part of a long-term financing relationship with Aster Treasury plc. They are carried at amortised cost and are secured over specific housing assets of the original borrowers. Interest is charged on the loan notes at a fixed rate of 1.41% per annum and they are repayable on 27 January 2036. The outstanding balance on the loan notes at 31 March 2026 was £10.0 million (2025: £10.0 million) and interest accruing for the year ended 31 March 2026 was £24,452 (2025: £24,452).

There are two unsecured intercompany loans. Interest on the £8.0m unsecured intercompany loan is payable at a fixed rate of 4.5% per annum and the loan is repayable on 7 September 2029. The outstanding balance at 31 March 2026 was £8.0 million (2025: £8.0 million) and interest accruing for the year ended 31 March 2026 was £108,493 (2025: £108,493).

Interest on the £1.6m unsecured intercompany loan is payable at a fixed rate of 5.412% per annum and the loan is repayable on 20 December 2032. The outstanding balance at 31 March 2026 was £1.6 million (2025: £Nil) and interest accruing for the year ended 31 March 2026 was £15,684 (2025: £Nil).

Under the terms of an arrangement with Aster Treasury Plc, East Boro Housing Trust has guaranteed the repayment of all amounts due by Aster Communities, Synergy Housing Limited, Aster 3 Limited and Aster Group Limited to Aster Treasury plc. In the case of Aster Communities, Synergy Housing Limited, Aster 3 Limited or Aster Group Limited not making any repayments of the loan, East Boro Housing Trust will become liable to settle the amount due. The total amount payable by East Boro Housing Trust as at 31 March 2026 is £nil (2025: £nil).

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

23 Financial instruments

23a Financial instruments' descriptions

Interest rate swaps

The Trust manages the risk of changes in the fair value of its debt using interest rate swaps. During the year the Trust had one interest rate swap which exchanged fixed rate interest for floating rate interest and one interest rate swap which exchanged floating rate interest for fixed rate interest.

The value of the Trust's interest rate swaps is measured at each year end at the instrument's fair value using a mark-to-market valuation. Where an instrument has a positive mark-to-market valuation it is treated as an asset and where the mark-to-market value is negative it is treated as a liability. Any changes in the mark-to-market fair value are recognised in profit or loss unless the interest rate swap is designated as a hedging instrument in a cash flow hedging relationship for hedge accounting. Hedge accounting is outlined below.

At 31 March 2026 the Trust held £0.2 million internal interest rate swap financial assets (2025: £nil) with the parent company Aster Group Limited and £0.4 million of internal interest rate swap financial liabilities (2025: £nil) with the parent company.

Hedge accounting

Borrowings at floating rates of interest give rise to risks to future cash flows, whereas those at fixed rates of interest give rise to the risk of changes in the fair value of debt. Where appropriate, the Trust manages its risks by entering into certain interest rate derivative contracts which modify the interest rate payable on the Trust's debt instruments.

To manage its cash flow risks the Trust has one interest rate swap designated in a cash flow hedge relationship. The hedging relationship is between a floating-to-fixed interest rate swap, the hedging instrument, and the floating rate cash flows of another financial instrument, the hedged item. The relationship allows the fair value movements in the hedging instrument that are equal to the fair value movements in the hedged item, the effective part, to be recognised through other comprehensive income in the cash flow hedge reserve rather than profit or loss. Any movement in the hedging instruments which exceeds the movement in the hedged item is recognised in profit or loss as ineffectiveness. Where an interest rate swap in a hedge accounting relationship is terminated but the hedged item remains, the amount held in the cash flow hedge reserve relating to that swap is taken to profit and loss in proportion to how the underlying hedged item affects profit and loss.

To manage its fair value risks the Trust has one interest rate swap designated in a fair value hedge relationship. The hedging instrument is a fixed-to-floating interest rate swap and the hedged item is a fixed rate loan. In a fair value hedge both the hedging instrument and the hedged item are measured at fair value through profit and loss.

For the year ended 31 March 2026, the Trust recognised £0.2 million gains (2025: £nil) of net effective cash flow hedge gains in other comprehensive income and movement of £1,000 (2025: £nil) of cash flow hedge movements in profit and loss. It recognised £0.4m of losses on the fair value measurement of interest rate derivatives in fair value hedges and £0.4m of gains from remeasurement of the fair value of debt in fair value hedges.

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

23 Financial instruments (continued)

23b Maturity of borrowings

The maturity profile of the principal value of the association's loans, as shown in note 22, is:

	Reporting Year Repayment			Prior Year Repayment		
	By instalment £000	Not by instalment £000	Total £000	By instalments £000	Not by instalments £000	Total £000
0 - 1 years	13	-	13	12	-	12
1 - 2 years	13	-	13	13	-	13
2 - 5 years	27	-	27	39	-	39
Over 5 years	-	19,550	19,550	1	17,918	17,919
	<u>53</u>	<u>19,550</u>	<u>19,603</u>	<u>65</u>	<u>17,918</u>	<u>17,983</u>

The repayment profile is based on loan documentation and considering the impact of undrawn facilities.

The above borrowings are secured against the association's social housing properties. The value of the secured properties is £27 million (2025: £21 million). At 31 March 2026 properties valuing £27 million (2025: £24 million) were unsecured and available to be secured.

23c Hedge accounting

Cash flow hedge

2026

		Interest rate payable	Maturity	Cash flows	Fair value	(Credit) / Charge to OCI	(Credit) / Charge to profit or loss
Interest rate swap							
Counterparty	Principal £000	%			£000	£000	£000
Aster Group Limited	10,000	1.02	2029	Quarterly	174	(173)	(1)
	<u>10,000</u>				<u>174</u>	<u>(173)</u>	<u>(1)</u>

There were no cash flow hedges in place in 2025.

The objective of the cash flow hedge is to reduce the variability of cash flows associated with the interest payments on floating rate financial liabilities using interest rate swaps.

The cash flows of the financial liabilities hedged by the £10 million Aster Group Limited swap occur half yearly. Monthly interest accruals are used to ensure that both the hedged items and the hedging instruments affect profit and loss at the same frequency.

Fair value hedge

2026

Hedging instrument

			2026	2026	2025	2025
Interest rate swap	Principal £000	Maturity	Fair value £000	(Credit) / Charge to profit or £000	Fair value £000	(Credit) / Charge to profit or loss £000
Counterparty						
Aster Group Limited	<u>10,000</u>	2036	<u>(373)</u>	<u>373</u>	<u>-</u>	<u>-</u>

			2026	2026	2025	2025
Hedged item	Principal £000	Maturity		(Credit) / Charge to profit or £000		(Credit) / Charge to profit or loss £000
Loan from Aster Treasury plc	<u>10,000</u>	2036		<u>(356)</u>		<u>-</u>

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

24 Social housing grant

	2026 £000	2025 £000
Balance as at 1 April	17,266	16,507
Additions	180	1,060
Amortised within Statement of Comprehensive Income	(172)	(178)
Disposals	-	(123)
Balance as at 31 March	17,274	17,266
Recognised in:		
Creditors: amounts falling due within one year	367	1,032
Creditors: amounts falling due after one year	16,907	16,234
	17,274	17,266

SHG is receivable from the RSH. Grant received for properties under construction is classified as a creditor due in less than one year. Once properties have been completed the grant is classified as a long-term creditor and amortised to the profit or loss for the period over the life of the properties' structure.

Cumulative government grants received

	Note	2026 £000	2025 £000
Social housing grant		19,598	19,418
Recognised in:			
Profit and loss reserve		2,324	2,152
Creditors: amounts falling due within one year	21	367	1,032
Creditors: amounts falling due after more than one year	22	16,907	16,234
		19,598	19,418

The total accumulated amount of social housing grant relates to properties owned at the balance sheet date.

25 Recycled capital grant fund

	2026 £000	2025 £000
Balance as at 1 April	-	5
Additions:		
Interest	12	-
Loan	150	-
Withdrawals:		
New build	-	(5)
Balance as at 31 March	162	-
Analysis of Maturity:		
- in less than one year	5	-
- in one to two years	151	-
- in more than two years	6	-
	162	-

The Recycled capital grant fund relates to social housing or housing association grant previously received on social housing properties that have been disposed off. The RSH permits grants to be reinvested within a three year period and requires funds which have not been reinvested within three years to be repaid.

26 Called up share capital

	2026 £	2025 £
At 1 April	104	101
Issued during the year	3	6
Cancelled during the year	(45)	(3)
At 31 March	62	104

62 Ordinary shares allotted, issued and fully paid of £1 each

27 Other reserves

	Merger reserve £000	Restricted reserve £000	Cash Flow Hedge Reserve £000	Total £000
At 1 April / 31 March	462	5	-	467
Release of restricted reserve	-	(5)	-	(5)
Other comprehensive income	-	-	173	173
At 31 March 2026	462	-	173	635

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

27 Other reserves (continued)

Restricted reserve

The restricted reserve represents the cash received as part of transfer of assets and operations from Soroptimist (Poole) Housing Association in 2018 and King Alfred Housing Association Limited in 2019. In accordance with the agreement made, this is restricted to being utilised on, or for the benefit of, the properties and residents of those units.

Merger reserve

On 10 March 2020 the assets and operations of the Cyril Wood Memorial Trust Limited entity were transferred to East Boro Housing Trust Limited for proceeds of £nil. The transaction was treated as a group reconstruction in accordance with FRS102 and the Housing SORP. The assets acquired have been recognised at their net book value, with income of £461,862 being recognised in the merger reserve.

28 Operating leases

The Trust has total commitments under non-cancellable operating leases due to expire as follows:

	2026 £000	2025 £000
Land and buildings		
Not later than one year	1	6
Later than one but not later than five years	5	5
Later than five years	107	108
Office premises		
Not later than one year	53	53
Later than one but not later than five years	212	212
Later than five years	354	407
	<u>732</u>	<u>791</u>
Office equipment		
Not later than one year	-	6
Later than one but not later than five years	-	1
Later than five years	-	-
	<u>-</u>	<u>7</u>

29 Homes and bed spaces in management and in development

	2026 No.	2025 No.
Under development at end of year:		
Housing accommodation	21	29
Shared ownership	-	8
	<u>21</u>	<u>37</u>
Under management at end of year:		
Owned but managed by others at the end of the year		
Housing accommodation		
Social rent	24	23
Affordable rent	70	47
Supported housing		
Social rent	428	444
Shared ownership	37	29
Leasehold	23	23
	<u>582</u>	<u>566</u>

East Boro Housing Trust Limited

Notes to the Financial Statements (continued)

30 Capital commitments

	2026 £000	2025 £000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	3,998	5,662
Capital expenditure that has been authorised by the board but has not yet been contracted	-	3,094
	<u>3,998</u>	<u>8,756</u>

31 Related party transactions

The Trust receives management and other services from its holding company, Aster Group Limited, and property services from Aster Property Limited, both fellow group companies.

The Trust has taken advantage of the exemption allowed under FRS 102 Section 33 'Related Party Disclosures' not to disclose related party transactions within the group.

The Accounting Direction for Private Registered Providers of Social Housing requires disclosure of the material recharges for services between non-regulated and regulated entities during the year and the balance outstanding as at the year end. The recharges for services in the year are:

From non-regulated entity	Nature of supply	Annual recharges		Balance as at 31 March	
		2026 £000	2025 £000	2026 £000	2025 £000
Aster Property Limited	Property maintenance services	3,864	1,124	1,124	202

Recharges from Aster Property Limited are at cost plus a profit margin. All other recharges are at cost.

The Trust engaged the services of the wife of one of the senior management team as a part time carer during the year. The employment contract was on normal commercial terms.

During the year the Trust provided limited administrative facilities for Repasm Sporting Housing Trust, an entity for which one of the Trust's Board members are also on the Board. No recharges were made as a result of this provision.

During the year the Board received £nil for their services (2025: £2,036).

32 Ultimate parent company

East Boro Housing Trust Limited is a subsidiary of Aster Group Limited, the ultimate parent entity and controlling party, and whose consolidated financial statements may be obtained from the following address:

The Company Secretary, Sarsen Court, Horton Avenue, Cannings Hill, Devizes, Wiltshire, SN10 2AZ.

Aster Group Limited is the only group entity to consolidate the Trust's financial statements.