SAXON WEALD

Great homes, building futures

GROUP ANNUAL REPORT & FINANCIAL STATEMENTS

for the year ended 31 March 2026

Saxon Weald is a Community Benefit Society registered with the Financial Conduct Authority Number 7971

Registered with the Regulator of Social Housing number L4299

Contents

Strategic report and report of the Board

Who we are

Established in 2000, Saxon Weald manages close to 7,000 homes across Sussex and Hampshire.

Our purpose

At the heart of Saxon Weald is our purpose – we enable positive life chances by providing safe and secure homes.

Our values

Saxon Weald's values are what matter to us most. They guide us every day in everything we do. At Saxon Weald, we will:

- Be customer led
- Be one team
- Be forward thinking
- Be inclusive
- Do the right thing

What we do

We provide affordable rented and shared ownership homes, including 11 extra care schemes for older residents with support needs. We also manage leasehold homes and a small number of homes for market rent. 95% of our turnover is from social housing lettings.

We are a community benefit society, which means we do not distribute our profits to shareholders; any surplus we make is retained to improve our existing homes and services and to invest in building more homes.

In 2025/26, we invested £20.5m in improving our existing homes and £18.5m in building new homes. We spent £7.1m on repairs to our homes.

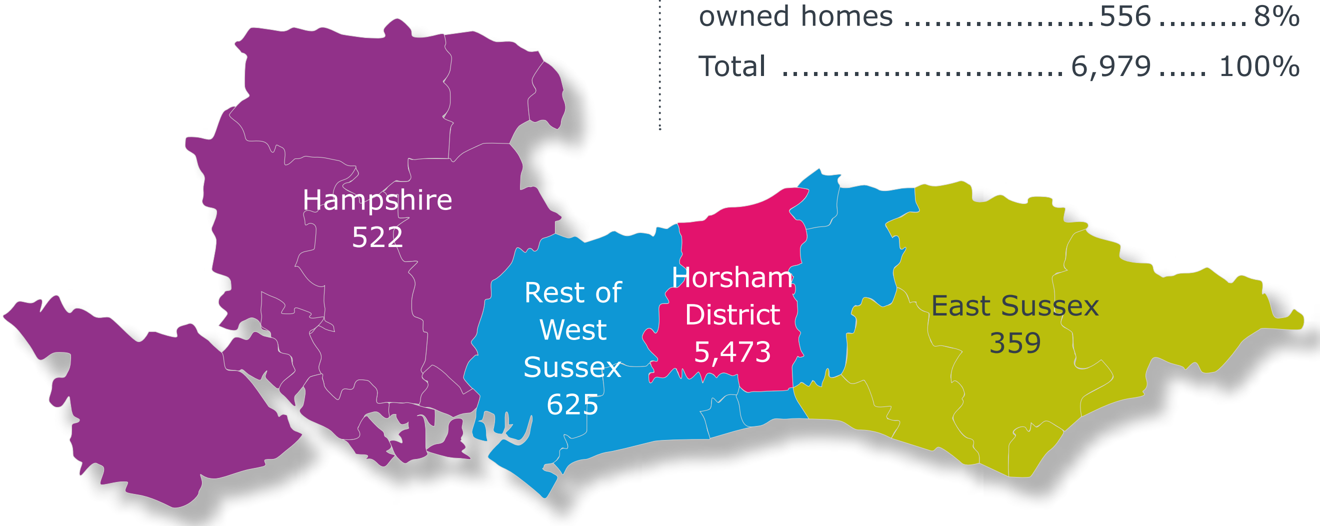



What we do

As at 31 March 2026, we had 6,979 properties in the following key areas and with the following tenures:

AREA	NO. OF HOMES	% OF HOMES
Horsham District	5,473	78.4%
Rest of West Sussex	625	9%
East Sussex	359	5.1%
Hampshire	522	7.5%
Total	6,979	100%

TENURE	NO. OF HOMES	% OF HOMES
Social and affordable rented (owned and/or managed)	5,838	83.7%
Shared ownership (owned and/or managed)	320	4.6%
Leasehold for older people	157	2.2%
Market rent	108	1.5%
Freehold of privately owned homes	556	8%
Total	6,979	100%



Who are our customers?

Some information about who our customers are:

- 37% of our customers are aged 65+.
- West Sussex County Council estimates that Horsham district, our core area, will see the County's biggest growth in the proportion of older people over the next 10 years. Add to this our high number of retirement and extra care properties, and it is inevitable that we have a large proportion of older customers.
- 22% of customers have under 18s living at home.
- 49% of our customers live alone, making social inclusion an important aspect of our customer engagement work.
- 45% of customers have been with Saxon Weald for 10 years or more.
- 58% of customers are impacted by their health on a daily basis. Of those with a health concern or disability, a third are impacted by limited mobility. Noticeably, 20% have mental health issues, leading to training for frontline staff in how best to help people who may be in mental distress.

Who are our customers?

Our customers have told us they want our services to feel more personal. Our corporate plan responds to this by committing us to delivering services that are tailored to meet differing needs, with strong support for those who need it. Our customer data strategy looks at how we will develop our understanding of customers, and how we will use that knowledge in both daily interactions and strategic planning of services.

Performance highlights 2025/26

FINANCIAL & GOVERNANCE HIGHLIGHTS

TURNOVER £59m
£58.6m 2024/25

OPERATING MARGIN 26%
23% 2024/25

EBITDA-MRI interest cover 98%
86% 2024/25

CREDIT RATING (MOODY'S) A3 STABLE
A3 STABLE 2024/25

REGULATORY GRADING G2/V2/C2
G1/V2/C2 2024/25

PROPERTY HIGHLIGHTS

NEW HOMES COMPLETED 62
67 in 2024/25

NEW HOMES IN PIPELINE 130
Not reported in 2024/25

HOMES AT EPC C OR ABOVE 61%
55.5% 2024/25

TOTAL INVESTED IN OUR HOMES (REVENUE & CAPITAL) £20.5m
£20.8m 2024/25

TOTAL SPENT ON REPAIRING HOMES £7.1m
£7.1m 2024/25

OPERATIONAL HIGHLIGHTS

OVERALL RESIDENT SATISFACTION WITH OUR SERVICES 84.1%
81.4% in 2024/25

RESIDENT SATISFACTION WITH REPAIRS SERVICE 83.1%
81.9% 2024/25

EMPLOYEE NET PROMOTER SCORE +13
+20 in 2024/25

No. TIMES WE ENGAGED WITH CUSTOMERS 7,687
10,511 in 2024/25

Commended entry to Housing Technology Awards 2026 (AI category)

Accredited by the Domestic Abuse Housing Alliance (2025/26)

Chair and Chief Executive statement

Simon Hardwick
Chair

Corinna Bishopp
Chief Executive

We are pleased to present our financial statements for 2025/26.

It has been a year of significant change at Saxon Weald. Corinna Bishopp arrived as our new Chief Executive in May 2025, and we commenced work on our new corporate plan for the next three years.

Our top priority continues to be keeping our customers' homes and neighbourhoods safe. We completed close to 7,500 safety checks and worked with customers to improve our approach to managing anti-social behaviour.

By listening to customers and working closely with partners, we have made several significant improvements over the year.

We know that customers value our repairs service, largely delivered by our in-house team. In consultation with customers, we introduced new ways to tailor the service to individual needs. This includes prioritising repairs for people where their health or other circumstances make the issue more pressing. We also improved our overall response times, with 81% of customers happy with the time taken to complete their repair. More efficient planning and parts supply has also meant we have reduced our cost per job.

We have also improved our knowledge about our homes. At the date of publication, we have up-to-date stock condition data on 76.2% of homes, with plans to increase that number over the coming year towards 90%. This is enabling us to plan our programme of major works for the next three years, with a planned investment of around £70m in improving existing homes. This year, we were pleased to receive £1.8m in funding from the Government's Warmer Homes fund. We have completed environmental improvements at 30 homes, with a further 150 still to benefit. Improved insulation, upgraded glazing and environmentally conscious heating solutions should mean significantly lower bills for customers.

Our tenant satisfaction measures have risen in most areas, with a 3% increase in overall satisfaction up to 84%. The introduction of more comprehensive cleaning services resulted in a 4% increase in satisfaction with communal areas. And a focus on putting things right quickly and learning from mistakes paid off with a 5% increase in satisfaction with how we manage complaints.

While our focus has predominantly been on existing homes, we also invested in developing new homes, taking handover of 62 new homes this year. With a further 130 in the pipeline for 2026, this is a modest but meaningful contribution to tackling the chronic shortage of affordable homes across the southeast. We have also worked closely with Horsham District Council on keeping properties in social housing use, where they may otherwise be financially unviable to maintain.

In August 2025, Saxon Weald received an updated regulatory judgement adjusting our governance grading from G1 to G2. This reflected concerns we self-reported to the Regulator of Social Housing in relation to overdue fire safety actions and budget overspends in addressing the problem. We are pleased to report the significant and sustained progress we have made over the course of the year in addressing these concerns. This includes improvements in our fire safety performance, financial controls and procurement and in our approach to data, including stock condition. We thank the Regulator for its support and are optimistic of returning to G1 during the coming year.

Chair and Chief Executive statement

The year’s uncertain political and economic landscape has brought with it significant challenge for many housing associations. As costs rise for our business, our colleagues and our customers, we have had to work smart and focus on where we can have the greatest impact.

We have worked with customers, colleagues and stakeholders to develop an ambitious new three-year corporate plan, which we have called ‘Delivering Better Together’. It brings a continued focus on safe, warm homes and reliable services. This is coupled with a promise to improve communication, provide even more support for those that need it and foster a culture where every voice counts. We know our financial performance is not at the level we aspire to, so the corporate plan also places significant focus on this area.

Looking to the future, we are working on transforming our technology. We have sought out systems that give both better outcomes for customers and more efficient ways of working. We have introduced a new customer contact system, helping us keep more comprehensive records across the business. Our innovative use of AI to direct emails from a central point earned us a commended entry in the 2026 Housing Technology awards. We have also developed a bespoke module for managing cases of damp and mould, helping us meet the stringent requirements of Awaab’s Law.

Saxon Weald’s 25th anniversary offered the ideal opportunity to reflect on all that has been achieved, whilst recognising that we have more to do. We look forward to rising to the challenges ahead. The dedication and passion of our colleagues and Board makes us sure we will continue to deliver homes and services to be proud of.

S. J. Hardwick.

Simon Hardwick (Chair) & **Corinna Bishopp** (Chief Executive)

Case study 1 – care for our community

Saxon Weald believes in its local focus and the role we have in supporting the community we work in. So, when charity Horsham Matters put out the call for local heroes, Saxon Weald was happy to help. Over three days we transformed the donation drop-off point and spruced up the office, creating a safe and welcoming new space.

Kelvin Glen, CEO for Horsham Matters said "We’re incredibly grateful to Saxon Weald for stepping up and standing alongside us to support our local community. Their generosity, time, and teamwork have made a real difference — transforming our space into a more welcoming and dignified environment for those we serve. This act of kindness reflects exactly what community spirit looks like, and we’re proud to have them as local heroes."

The improvement work was made possible thanks to generous sponsorship from Saxon Weald’s partner, materials supplier Jewsons Partnership Solutions (JPS).

Performance against our corporate plan

Our last corporate plan was launched in 2021, taking us through to 2025. This plan put customers at the heart of what we do, focusing on the quality of the service and the homes we provided. Alongside this, the plan made provision for investment in new technology to underpin our services and improve operational efficiency. We also committed to continuing to build new homes.

The three pillars of the plan were to:

- Focus on customers
- Invest in homes
- Be a great place to work

Our progress in these areas is shared below.

Focus on our customers

KPI	Actual 25/26	Target 25/26
TP01: Proportion of respondents who report that they are satisfied with the overall service from their landlord	84.1%	85%
TP02: Proportion of respondents who have received a repair in the last 12 months who report they are satisfied with the overall repairs service	83.1%	82%
TP06: Proportion of respondents who report they are satisfied their landlord listens to tenant views and acts on them	73.4%	72%
TP08: Proportion of respondents who report they agree their landlord treats them fairly and with respect	88.5%	86%
CH02 1: Proportion of stage one complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	94.8%	100%
CH02 2: Proportion of stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	95.9%	100%
Rent loss from voids	1.2%	1.3%
Current tenant arrears	2.2%	2.7%

Our corporate plan objectives were:

- Building on the progress made by the customer Task & Finish Group to review and improve our services.
- Using customer feedback and data to ensure we improve what we do in line with customer priorities.
- Improving the quality and speed of our HomeFix repairs service.
- Through our digital transformation programme, designing services that are customer focussed, highly efficient and lead to greater trust and customer satisfaction.
- Making sure that instances of damp, mould and condensation are responded to in a timely and effective way.
- Ensuring that empty properties are refurbished quickly and efficiently to provide an affordable home for new customers.

Performance against our corporate plan

Our performance against customer-focused objectives remains strong with overall resident satisfaction of 84.1%. While this is slightly below our targeted 85%, we perform strongly against sector benchmarks and have improved overall satisfaction from 81.4% in 2024/25.

Our customer Task and Finish Group is instrumental in holding us to account for the quality of our services and how we can improve. In 2025/26, it completed reviews on the standard of re-lets and our estates services. Outcomes from these included a more consistent approach to the quality of re-let homes and improved communication on estate inspections and ground maintenance. Colleagues and customers worked together in an honest, open, transparent way on these reviews, leading to a high degree of trust and engagement. The group appointed a customer Chair in the year (previously an independent Chair) resulting in a more inclusive culture. The group has a direct link to our Customer Experience Committee, ensuring the customer voice is heard at a strategic level. The Task and Finish Group is one part of a broader customer engagement framework offering a wide range of engagement and feedback opportunities.

The performance of our in-house repairs service, HomeFix, improved throughout 2025/26. The introduction of a new materials supplier has supported this momentum with more reliable van stocks and better availability of materials at the store. A review of the customer experience in repairs resulted in improvements to our service offer for customers who may be vulnerable or at risk. We now tailor our repairs service to customer circumstances to a greater extent than before, completing works more quickly or carrying out works that would usually be out of scope based on the customer's need. Pleasingly, customer satisfaction with repairs has continued to increase, with a full year result of 83.1%, above the target of 82%. The number of non-emergency jobs completed within target timescales has also improved, remaining above the target of 85% throughout the year. A benchmarking exercise in Q4 2025/26 with 20 other providers showed that our productivity (measured by number of jobs per operative per day) compares well to similar organisations and our average cost per job was in the lowest 20% of the benchmark group.

We began our Evolve programme of IT system replacement and digital transformation with the rollout of a new customer relationship management system. This included the introduction of Smart Assist, an artificial intelligence tool which creates cases and routes incoming e-mails to the relevant teams. We are now capturing incoming customer contacts in a consistent way and have improved our ability to monitor call back performance. Subsequent modules delivered in 2025/26 were damp and mould management and an updated telephony system.

In response to Awaab's Law, we have set up a dedicated in-house damp and mould team responsible for triaging, monitoring of cases and delivery of works. A multi-disciplinary steering group, sponsored by the Executive Team, provides oversight of our approach. A new damp and mould IT solution was delivered in October 2025. This supports accurate triage of cases, tracking of progress as well as generating the required customer letters. Performance against the mandated timeframes has been positive. In March 2026, 85% of emergency hazards were removed within 24 hours, 99% of significant safety works were completed within five days and 98% of written summaries were sent to customers within three days.

We improved our performance in getting homes ready to let during the year, completing works to 331 properties. The void rent loss in the year was 1.21%, a significant improvement to the previous year.

Invest in our homes

KPI	Actual 25/26	Target 25/26
TP04: Proportion of respondents who report they are satisfied their home is well maintained	81.1%	82%
TP05: Proportion of respondents who report they are satisfied their home is safe	85.4%	86%
Communal: % of blocks with an in-date gas certificate	100%	100%
Domestic: % of properties with an in-date gas certificate	99.98%	100%
% of carbon monoxide detectors inspected	99.95%	100%
Communal: % of blocks with an in-date electrical certificate	99.49%	100%
Domestic: % of properties with an in-date electrical certificate	99.64%	100%
Emergency light systems with in-date tests	100%	100%
Solid fuel appliances with in-date tests	95.65%	100%
BS02: Proportion of homes for which all required fire risk assessments have been carried out	100%	100%
BS03: Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	85.3%	100%
BS04: Proportion of homes for which all required legionella risk assessments have been carried out	100%	100%
BS05: Proportion of homes for which all required communal passenger lift safety checks have been carried out	100%	100%
RP01: Homes not compliant with Decent Homes Standard (based on 2,004 homes inspected in the year)	24	0
Homes at EPC C or above	61%	n/a
Stock condition %	67.7%	90%

Our corporate plan objectives were:

- Obtaining good quality data on all our homes to improve our investment decisions.
- Enhancing the warmth and energy efficiency of our homes through a fabric-first approach.
- Making sure that our homes are safe and secure, quickly dealing with any issues reported or found through our comprehensive inspection routines.

Performance against our corporate plan

- Ensuring that communal areas are looked after well.
- Delivering a sustainable programme of good-quality, energy-efficient new homes that meet the needs of our customers.
- Finding solutions for homes that do not meet customer or business expectations through disposal, regeneration or redevelopment.

During the year, we invested £20.5m in improving our existing homes and a further £7.1m on responsive repairs. We replaced 177 boilers, 219 kitchens and 144 bathrooms. We spent £1.2m replacing 74 roofs and provided new windows to 81 properties to ensure they continue to meet the Decent Homes Standard.

We continued our stock condition survey programme in 2025/26, surveying 2,004 homes. As at 31 March 2026, 67.7% of our homes now have survey data that is less than five years old, and since the year end this has increased to 76.2%. These surveys assess both the condition of our homes and compliance with the Housing Health and Safety Rating System. As at 31 March 2026, we had identified 24 homes that did not meet the Decent Homes Standard. In the majority of cases where homes did not meet the standard, this was due to the thermal comfort of the home. Works to resolve this include improving the insulation of homes. Work is continuing to address the remaining homes. The number of non-decent homes has since reduced to 15. Looking ahead, we plan to increase the proportion of homes with survey data less than five years old to 90% during 2026/27.

We continued to collect detailed information on the energy efficiency of our homes through our annual energy surveys. Based on this work and the improvements completed during the year, we know that 61% of our homes meet EPC C. Maintaining accurate energy performance data helps us target investment more effectively and prioritise the homes most in need of improvement. We were pleased to be awarded £1.8m in funding from the Government's Warm Homes Social Housing Fund to support our work in this area. During the year, we invested £820k to improve 30 homes to EPC C standard through our retrofit programmes. These 30 homes represent phase one of the wider 181-home improvement project being delivered through this funding. We will also continue our energy survey programme to hold up-to-date energy performance data for 90% of homes by September 2026.

Property safety remains a key focus, and throughout the year we maintained our inspection programmes across the 'big six' compliance areas: gas, asbestos, fire, electrical, water hygiene and lifts. We also continued transferring compliance data from manual processes into our automated IT system. By year end, only asbestos data remained to be migrated. During the year, we spent £6.1m, including £1.7m specifically on fire safety remediation work, and carried out close to 7,500 safety checks.

Performance against our corporate plan

In 2025/26, we delivered 62 much-needed affordable homes, comprising 51 for rent and 11 for shared ownership. We aim to deliver a further 130 homes in 2026/27. For several years, development activity in Sussex was affected by water neutrality constraints, which slowed progress on some schemes, until this restriction was lifted in October 2025. Despite this, we continued to play an important role in bringing forward much-needed affordable homes and maintaining momentum in our development programme. Notable completions include:

- **Cobblers Court, Slinfold:** The redevelopment of existing retirement housing into 12 flats for general needs, affordable rent. Construction had stalled for eight months when the original contractor entered administration in 2024.
- **Sandygate Lane, Lower Beeding:** A rural scheme of eight houses and flats for affordable rent and shared ownership sale.
- **New Monks Farm, Lancing:** A further phase of 28 affordable rent flats. When fully complete, this scheme will deliver 148 homes for rent and shared ownership in this south coast location.




Be a great place to work

KPI	Actual 25/26	Target 25/26
Rolling staff turnover	10.6%	15%
Sickness absence	3.2%	3%
Staff satisfaction – employee net promoter score (eNPS) “How likely are you to recommend our organisation as a good place to work?”	13	20
Staff engagement index	7.4	7

We aim to create a workplace where people feel empowered, valued and proud to contribute. This underpins our ability to deliver excellent service to our customers.

Our corporate plan objectives were:

- Ensuring our behaviours and practices embrace and value diversity and are inclusive for all.
- Improving accountability and responsibility across Saxon Weald’s leadership team.
- Embedding Saxon Weald’s values into our customer focussed culture.

Performance against our corporate plan

- Focussing the training programme on customer service excellence and improving our digital and analytic skills.
- Making sure that our employment offer remains competitive.
- Advancing a more professional housing service by promoting and achieving recognised qualifications.

During the year, we:

- Introduced a new pension plan and a new occupational health provider to support wellbeing.
- Targeted learning initiatives to enhance customer service, improve quality conversations and feedback and embed a new written communications standard.
- Expanded our colleague network groups, which now include menopause and neurodiversity. Additional groups for men’s mental health and the LGBTQIA+ community are planned for 2026.
- Saw strong internal mobility, with one third of our vacancies filled through internal promotions and lateral moves.

We performed well against our 15% staff turnover target. We saw rolling staff turnover decrease from 20.7% in March 2025 to 10.6% in March 2026.

Sickness absence was 3.2%, slightly above the target of 3%. Proactive attendance management led to a reduction in short-term absence; however, this was offset by a rise in long-term absence over the same period. We continue to take a preventative approach by promoting wellbeing, intervening early and providing tailored support.

Saxon Weald has an ambitious employee Net Promoter Score (eNPS) target of +20, which reflects our commitment to being a great place to work. By the end of the financial year, our organisational eNPS had improved from +6 in March 2025 to +13. Key drivers of engagement at Saxon Weald are clear communication of organisational goals and strategies, strong role modelling from senior leads and a culture of openness and transparency. This has been a focus during 2025/26 and will remain a priority in 2026/27.

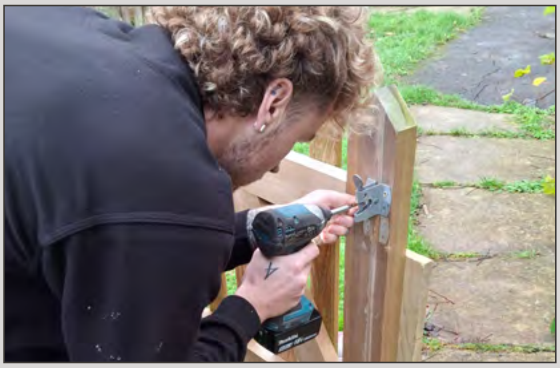
Our engagement index, measuring pride, advocacy and loyalty, increased to 7.4 out of 10 in the February 2026 staff survey, up from 7.2 in February 2025, demonstrating a positive upward trend in colleague engagement.

We continue to strengthen our understanding of the drivers behind eNPS at a team level, using colleague feedback and insight to shape our approach. This ensures employee voice informs targeted, meaningful actions that have the greatest impact on improving colleague experience.

Case study 2 – growing talent

Apprenticeships play a vital role in helping people begin, grow and thrive in their careers. In Autumn 2025, we were pleased to take on three new trades apprentices from Crawley College. Michael, Samuel and Shaun have brought energy and new perspectives into our teams in return for a clear pathway for development.

Samuel shares his perspective: "My apprenticeship training is helping me get more of an understanding of different trades. I'm learning how to perform them and what the common defects are in the building trade. Before, I only had a small amount of practical experience, so this apprenticeship is helping me get much more hands on and feel more involved."



Looking forwards –

DELIVERING BETTER
TOGETHER

In March 2026, we launched our new corporate plan for the next three years, Delivering Better Together.

To shape our new corporate plan, we spent time listening to our customers, our colleagues and those who help us deliver homes and services. Our response is a promise to:

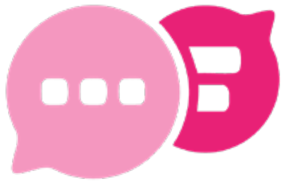
- Deliver even better homes and services, strengthening our communication and helping customers to feel safe.
- Create an even better experience for colleagues, with better systems and a culture where every voice counts.
- Be an even better partner in our community, contributing to local projects and supporting the neighbourhoods we work in.

We know achieving the plan will not be easy. Like many social landlords, we are facing the challenges of increasing costs, more complex customer needs and increased safety regulation.

We have four key areas of focus to help us deliver the plan:

Technology, tools and data

Harnessing data and technology to reshape how we work and deliver services. For customers, this means faster, more personalised and more reliable services.



Communication and trust

By reviewing how we share information, we aim to build trust and support a culture where everyone feels informed, respected and understood.

Leadership and culture

We are developing a culture built on accountability, openness and collaboration.

Value for money

We are embedding a disciplined, transparent approach to financial management, where every pound spent delivers clear value.

Our four key measures of success by 2029 are:

- **Customer satisfaction:** We want 89% of our customers to agree that they are satisfied with the overall service Saxon Weald provides. It currently stands at 84%.
- **Staff satisfaction:** We believe colleagues who feel valued provide a better service. We measure this through an employee net promoter score. This currently stands at 13 and we want it to reach 20.
- **Financial strength:** Ongoing financial resilience is critical for us to be able to achieve our objectives. We want our EBITDA MRI interest cover to be 90% by 2029 and at least 100% by 2031. This target takes account of our anticipated level of investment into our homes.
- **Good quality homes:** We want to have a stock condition survey no older than five years for more than 90% of our homes.

Case study 3 – recognising young achievers

In December 2025, we held our fourth annual Youth Awards, celebrating the achievements of young people making a positive difference in their communities.

Winners of the six categories were selected by members of Saxon Weald staff and Board, as well as Youth Provision Officer for Horsham District Council, Dan Fairchild. Our 2025 awards were generously sponsored by Jewson Partnership Solutions and kindly hosted by Horsham District Council.

Horsham District Council Cabinet Member for Housing and Communities, Cllr Sam Raby, said: “Horsham District Council has had the joy of being part of the judging panel for the Saxon Weald Youth Awards for the past four years, and every year we’re blown away by the incredible achievements of young people across our District. All too often, young people make headlines for negative reasons, so for me there’s no better way to celebrate and highlight the talent, resilience and positive impact of so many of these amazing young people.”

Financial performance

Performance overview

Our financial performance over the three years is summarised below:

Financial performance	25/26	24/25	23/24
	£000	£000	£000
Turnover	59,028	58,610	56,838
Operating costs and cost of sales	(43,682)	(44,303)	(43,289)
Operating surplus before surplus on sale of fixed assets	15,346	14,307	13,549
Gain on sale of fixed assets	2,438	5,091	4,159
Operating surplus before fair value adjustments	17,784	19,398	17,708
Fair value adjustments	22	(625)	862
Net interest charges	(13,168)	(13,130)	(12,369)
Taxation	(1)	(10)	-
Surplus for the year	4,637	5,633	6,201
Housing properties at cost	397,238	378,042	367,264
Net current assets	8,960	22,313	27,139
Long term liabilities	333,487	331,770	331,888
Total net assets	111,126	106,489	100,856
Operating margin (excluding gain on sale of fixed assets)	26%	24%	25%
EBITDA-MRI interest cover	98%	86%	122%
Gearing % (Net debt as a proportion of housing properties measured at cost)	49%	49%	52%

Saxon Weald generated an overall surplus of £4.6m in the year ended 31 March 2026. This decreased from £5.6m in the prior year primarily due to a lower surplus on existing property disposals.

The Group achieved EBITDA-MRI interest cover, as per the Regulator of Social Housing's Value for Money Metric, of 97.7% (2025: 86.1%) reflecting strong performance in our core housing operations, market rent and sales of the first tranche of shared ownership properties.

Turnover increased year on year by £0.4m to £59.0m (2025: £58.6m). This was mainly the result of a statutory rent increase of 2.7% and the completion of 51 new properties for rent and 11 for shared ownership during the year. Operating costs increased by £1.0m to £43.3m (2025: £42.3m). This achieved an operating margin of 26.1% (excluding surplus on disposal of existing properties) (2025: 24.4%).

The Group's core activity is the letting of social housing. With 95% of turnover generated from this activity (2025: 91%), social housing lettings generated an operating surplus of £13.5m during the year (2025: £11.8m). This has increased as a result of the inflationary increase in income being greater than the increase in social housing related operating costs year on year. This represents an operating margin on social housing lettings of 24.1% (2025: 22.2%).

The majority of the Group's income on social housing lettings comes from general needs properties, which generated an operating margin of 28.2% (2025: 27.9%).

We also hold a sizeable portfolio of housing for older people and supported housing properties, which generated a margin of 8.7% (2025: 8.7%). These properties are more costly to manage, with limitations on our ability to recover some of these costs through service charges, reducing the overall margin achieved on social housing lettings. Repairs and maintenance costs remained relatively stable across all our properties year on year.

There were four sales of the first tranche of shared ownership properties during the year, generating a surplus of £0.1m (2025: £0.5m) and a margin of 22.5% (2025: 18.3%). The Group also maintains a portfolio of 108 market rent properties, which generated a surplus of £1.0m (2025: £0.9m) and a margin of 65.0% (2025: 65.0%).

The Group disposed of seven existing properties in the year as they became void, which together with right to buy, right to acquire and staircasing sales generated a surplus of £2.4m (2025: £5.1m). We dispose of assets that do not align to our strategic objectives or sometimes where the cost of investment required in an asset exceeds the future income it will generate, in line with our disposal of assets policy.

Despite the challenging economic environment that continues to impact our residents, ongoing support for residents and effective arrears management led to a stable current tenant arrears position year on year with arrears at the year end of 2.2% (2025: 2.3%).

We continued our focus on investing in our homes, spending £7.1m on responsive repairs (2025: £7.1m) and £20.5m on planned maintenance and major repairs across revenue and capital (2025: £20.8m).

We invested £18.5m in the development of new homes (2025: £9.9m) and at the year-end had 71 properties under construction across three local authority areas.

We have maintained a strong financial position with housing assets and investment properties of £431.7m (2025: £412.6m). We had cash balances of £20.5m (2025: £32.6m) at the year end and undrawn loan facilities of £50.0m (2025: £70.0m) representing total liquidity of £70.5m (2025: £102.6m) to support continued investment into existing and new homes.

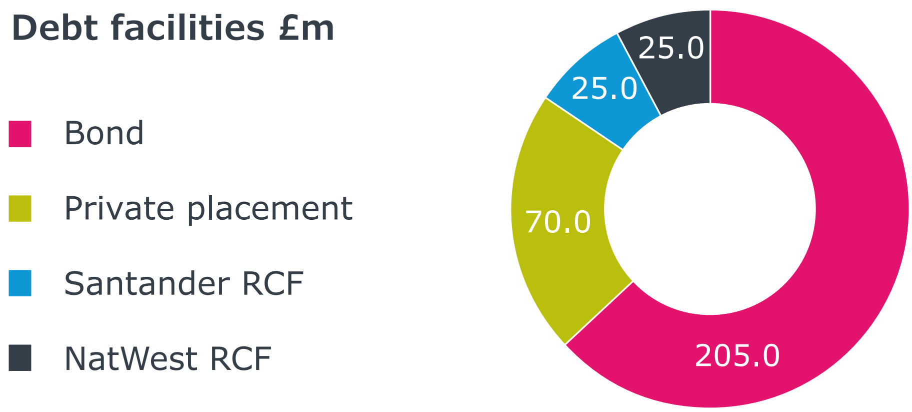
Saxon Weald maintains a 30-year business plan to demonstrate the continued viability of the business, ensure continued covenant compliance and plan the use of our resources. The business plan informs our risk appetite and investment decision making. The plan is updated regularly and approved by the Board at least annually. The latest plan, approved by the Board in June 2026, includes provision to invest in our existing homes to ensure their continued quality and safety and improve their energy performance. In addition, it ensures that we are resourced to deliver a high service standard to our customers and to make investment into our business infrastructure and technology. The plan also includes capacity to develop a steady pipeline of new homes.




Treasury

Our treasury management policy and robust cashflow forecasting ensure that we maintain a strong liquidity position. We hold cash balances with highly rated institutions or funds to manage our counterparty risk.

LENDER	Total facility £m	Drawn £m	Available £m	Final repayment date
Bond	205.0	205.0	0.0	June 2042
Private placement	70.0	70.0	0.0	February 2057
Santander RCF	25.0	0.0	25.0	July 2030
NatWest RCF	25.0	0.0	25.0	July 2030
TOTAL	**325.0**	**275.0**	**50.0**	



Our loan portfolio is made up of our 2042 bond, a private placement and Revolving Credit Facilities. Our total available funding from these sources is £325m (2025: £345m), of which £275m was drawn at the year-end (2025: £275m).

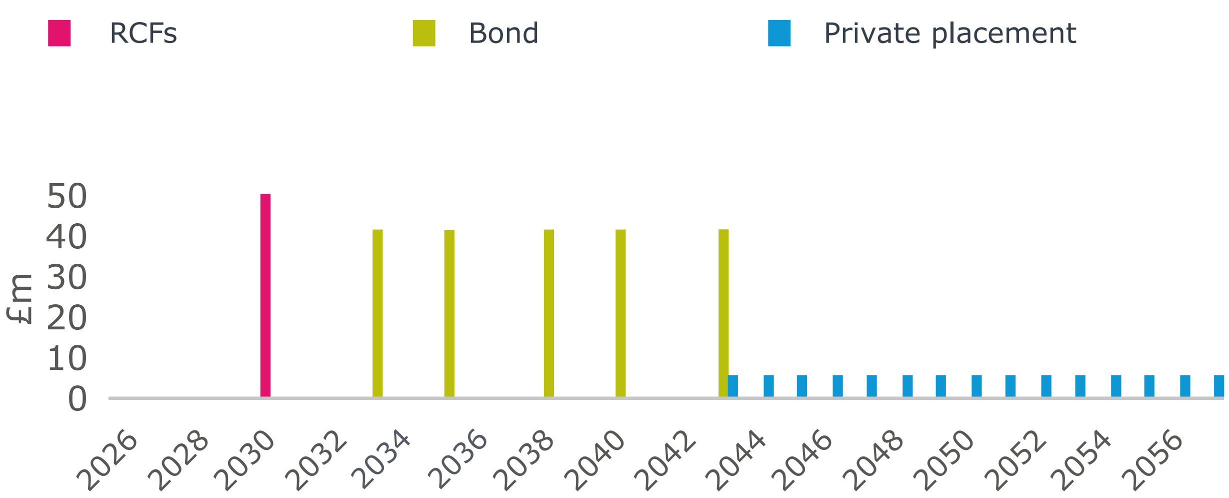
We have limited refinancing risk with no debt repayment due until 2029 and the majority due for repayment in more than five years. Our Revolving Credit Facilities are currently undrawn.

Our debt is secured against our housing assets, which are independently valued for this purpose. The total value of charged assets is £544.2m (52% above what is required by our lenders) with a further £229m available to charge.

Liquidity

Our treasury management policy requires us to maintain sufficient liquidity to meet our cash requirement for the next 24 months. This requirement was met throughout the year. At the year-end, we had £70.5m of available liquidity, which is sufficient to meet our forecast cash outflow for the next 42 months. During 2025, we renewed the terms of our revolving credit facilities for five years.

Debt repayment timeline



Interest rate risk

Our exposure to interest rate risk is limited with 100% of our debt currently at fixed rates of interest. Our treasury management policy requires a minimum of 80% of our debt to be at fixed rates of interest. Our average cost of borrowing was 5.09% during 2025/26.

Covenant compliance

The Group's covenants are primarily based on interest cover (excluding capital major works) and gearing ratios. Covenants are monitored monthly and all covenants were comfortably met throughout the year.

Value for money

We are committed to achieving value for money (VfM) and ensuring we use our resources in a way that maximises the benefits delivered for our customers. Rising costs and a challenging external economic environment make this more critical than ever.

At Saxon Weald, we achieve VfM by:

- A budget setting and business planning process where areas of expenditure are scrutinised and the balance of resource allocation between investing in services, existing homes and new homes is carefully considered.
- Regular monitoring of financial and operational performance against key performance indicators.
- Ensuring that VfM is part of our procurement process through competitive tenders or utilising appropriate frameworks for direct awards. We also take the opportunity to consider the efficiency of current processes and our service specifications when procuring. For services that impact our customers, they are consulted as part of the process.
- Delivering a technology transformation programme that identifies opportunities to improve performance. In 2025/26, we went live with a new housing management system and a telephony system, which have streamlined processes and improved data collection and case management.
- Appraising the performance of our existing assets as well as proposals for new investments to inform decision making, assessing their alignment with strategic and VfM objectives.

We will continue to deliver VfM by:

- Delivering against our new corporate plan, of which VfM is a core area of focus.
- Continuously improving our financial controls and our approach to procurement.
- Continuing to identify areas for improvement and working systematically to drive improved performance, productivity and outcomes for our customers through our Evolve transformation programme.
- Work to embed a culture where VfM is at the heart of decision making, including engaging with customers to ensure we are delivering the best quality and value we can.

Value for money

Benchmarking against peer group organisations is one way that we evaluate whether we are delivering value for money. Below, we report on the seven VfM metrics defined by the Regulator. Other operational and financial performance measures are covered elsewhere in this report.

RSH VfM metrics	Actual 2025/26	Budget 2025/26	Actual 2024/25	Peer Group* Median 2024/25
VfM 1 – Re-investment	5.6%	6.7%	4.1%	6.3%
VfM 2a – New supply social housing	1.0%	0.8%	1.1%	1.9%
VfM 2b – New supply non-social housing	0.0%	0.0%	0.0%	0.0%
VfM 3 – Gearing	49.0%	54.8%	49.1%	51.6%
VfM 4 – EBITDA MRI Interest cover	97.7%	75.2%	86.1%	114.5%
VfM 5 – Headline social housing cost per unit	£6,972	£7,294	£6,911	£5,402
VfM 6a – Operating margin (social housing lettings)	24.1%	24.1%	22.2%	20.6%
VfM 6b – Operating margin (overall)	26.0%	26.0%	23.3%	19.5%
VfM 7 – Return on capital employed	4.0%	4.4%	4.3%	3.4%

** The 2024/25 Peer Group Median is from Saxon Weald's Housemark Benchmark Group. It is defined as similar housing associations (with an in-house repairs service) in the South-West and South-East.*

Our metrics show that our core operating business performs well compared to benchmarks, driven by relatively high margins on our general needs properties, market rent and the sales of the first tranches of shared ownership properties. From specific benchmarking we have performed on our repairs service, HomeFix, we know it is relatively efficient with the number of jobs our operatives deliver per day and the average cost per job comparing positively to peer organisations.

Underlying this, our social housing cost per unit, which also includes capital spend, is relatively high. This may be in part driven by the £9.9m capital investment into improving

our properties made during the year as well as our relatively high proportion of housing for older people, which has higher associated support costs. This metric, however, suggests there are opportunities for us to operate more efficiently in some areas, which is a focus of our new corporate plan.

All our debt is currently at fixed rates, and our cost of finance is relatively high with an average interest rate of 5.09% in 2025/26. This impacts our interest cover performance, which is below the benchmark despite an operating margin that is relatively high and despite being less highly geared than is typical for our peer group.

In recent years, we have significantly increased the level of investment into improving our homes with £20.5m invested in 2025/26 including £9.9m of capital expenditure. This compares with £10.0m of capital expenditure in 2024/25 and £6.1m in 2023/24, and lower amounts in years prior to that. While in 2025/26 we invested more in our existing homes than ever before, this fell short of our targeted amount. We continue to evolve our plans for investment into our existing homes based on improved stock condition data.

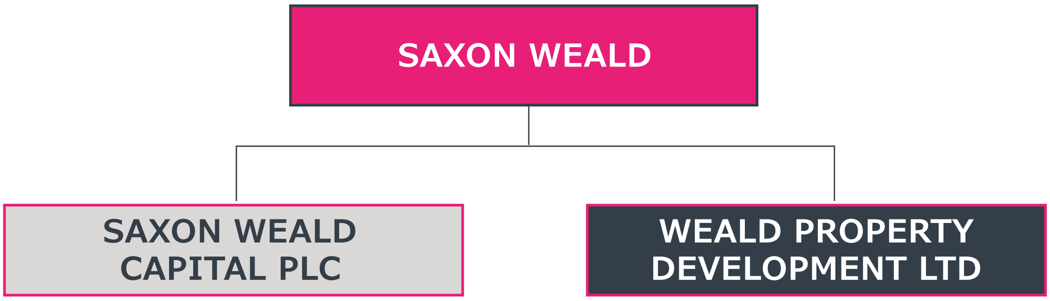
While we are significantly investing in our existing homes, our re-investment percentage, which reflects the value of investment into new and existing properties as a proportion of our total existing property value, is lower than the median benchmark and lower than our target for 2025/26. This aligns with our new supply metric, which shows that we have developed or acquired fewer new homes than the median benchmark. We have a steady pipeline of new homes in development and capacity to continue this throughout the period of our business plan. Growing our portfolio brings economies of scale that should improve efficiency as well as delivering much needed social housing. We plan to have commenced construction on a total of 341 new homes by 2029. Of this total, 217 homes are already in contract.

Governance

Group structure and regulation

Saxon Weald is an exempt charity and a registered society under the Co-operative and Community Benefit Societies Act 2014 (registration number 7971) and a Registered Provider of Social Housing (registration number L4299). Saxon Weald is regulated by the Regulator of Social Housing (RSH).

Saxon Weald Capital plc is a public limited company (company number 08050531) and Weald Property Development Limited is a limited company (company number 10401302) which is dormant. Both companies are fully owned by Saxon Weald. Saxon Weald Capital plc has a listed security in issue and complies with the applicable sections of the Disclosure and Transparency Rules of the FCA Handbook. The company is not categorised as a Commercial Company by the FCA and is therefore not required to comply with the UK Corporate Governance Code.



The Board has assessed compliance with the RSH's economic and consumer standards for the year ended 31 March 2026 and confirms Saxon Weald was compliant with the standards throughout the year ended 31 March 2026 and at the date of signing the financial statements.

In September 2024, following an in-depth assessment, Saxon Weald received gradings from the RSH of G1 for governance, V2 for financial viability and C2 for compliance with consumer standards. In August 2025, Saxon Weald received an updated regulatory judgement adjusting its governance grading to G2. This reflected concerns Saxon Weald reported to the RSH in relation to overdue fire safety actions and budget overspends in addressing the problem.

While G2 remains a compliant grading, Saxon Weald recognises the importance of strengthening oversight on property safety and financial controls. Since August 2025, significant progress has been made against our comprehensive action plan to address these areas. This includes a substantial reduction in overdue safety actions, and improvements to processes to manage actions arising from inspections, improvements in our repairs service and implementation of strong financial and procurement controls. We have also increased our data on the condition of our homes and our customers to better inform our investment into our homes and better respond to the individual needs of customers. The percentage of our properties with an in-data stock condition survey had improved to 67.7% by 31 March 2026 and since then has improved further to 76.2%.

Code of Governance

The Board is committed to achieving the highest standards of corporate governance and Saxon Weald has adopted the National Housing Federation's (NHF) 2020 Code of Governance. The Board confirms compliance with the Code for the year ended 31 March 2026.

Board and committees

Saxon Weald's Board is its ultimate governing body. The Board meets at least four times a year and consists of a minimum of five and a maximum of 12 members, with executive members in a minority. Our current Board has 10 members, with one executive member, the Chief Executive.

The Board is responsible for setting Saxon Weald's strategic objectives and service standards, setting the corporate plan, approving budgets and long-term business plans and monitoring performance against them on a regular basis. The Board is responsible for ensuring these plans and objectives and the culture of the organisation is focused on the needs of current and future customers and other key stakeholders. It ensures the overall financial viability of the Group and that appropriate financial control and risk management systems are in place.

The Board selection process ensures that members of the Board and committees are appropriately diverse and have the experience and skills required to capably manage the governance and performance of the organisation.

Board and Committee members are individually appraised on an annual basis and the whole Board also reviews its effectiveness annually. During the year, the Board has undertaken a review of all its governance arrangements and has made amendments to its governing documents, including Board and Committee Terms of Reference and Standing Orders.

Committees

The Board delegates certain governance responsibilities to committees, which operate to terms of reference approved by the Board. Day-to-day management and delivery of the strategic objectives and corporate plan approved by the Board is delegated to the Executive Team.

The Board is supported by the following committees:

Audit and Risk Committee (ARC)

The Committee's responsibilities include but are not limited to:

- Oversight of risk management, internal controls and the internal audit programme.
- Oversight of compliance with legal and regulatory requirements.
- Oversight of the external auditor's performance.
- Scrutiny of the financial statements.
- Monitoring arrangements for data governance.

Remuneration and Nominations Committee (RNC)

The Committee's responsibilities include but are not limited to:

- Considering and making recommendations on Board and committee appointments.
- Remuneration matters for the Board, Executive and staff of Saxon Weald, including pensions and staff benefits.
- Reviewing Board effectiveness and individual Board member appraisals.
- Setting the organisation's people strategy.

Customer Experience Committee (CEC)

The Committee's responsibilities include but are not limited to:

- Oversight of service delivery and customer engagement, providing assurance to the Board on the performance, quality and value for money of services provided to current and future customers.
- Ensuring the customer voice plays a key role in shaping and improving services.
- Ensuring compliance with the RSH's consumer standards.
- Scrutinising service delivery against KPIs including the Tenant Satisfaction Measures.

Asset Management and Development Committee (AMDC)

The Committee's responsibilities include but are not limited to:

- Providing assurance to the Board that asset management and development activity is in line with strategy, policy and financial parameters and in line with legal and regulatory requirements.
- Scrutinise the Group's asset management strategy and stock investment plan.
- Ensure that tenants' homes meet decency standards and are safe.
- Scrutinise the Group's development activity including the approval of new schemes.
- Ensure that Saxon Weald holds sufficient data on its properties.

Board and committee membership details, remuneration and meeting attendance for the year are summarised below:

Name / Remuneration	Board	ARC	RNC	CEC	AMDC	Board attendance
Number of meetings in 25/26	**6**	**6**	**3**	**3**	**5**	
Simon Hardwick (£14,205)	Chair		•			6
Gary Bellenger (from 18/11/25) (£2,079)	•			•	•	3
Jo Boswell (£7,791)	•	•		Chair		6
Julian Chun (to 30/11/25) (£3,728)	•			•	•	4
Laila Court (£5,592)	•	•	•			6
Hannah Eaton (Vice Chair) (£9,252)	•		Chair	•		6
Kalwant Grewal (£7,318)	•	•			•	6
Susan Morris (£7,791)	•		•	•	•	6
Neil Perrins (£6,065)	•	Chair				6
Graham Stark (£7,791)	•				Chair	6

Name / Remuneration	Board	ARC	RNC	CEC	AMDC	Board attendance
Number of meetings in 25/26	6	6	3	3	5	
Corinna Bishopp (from 12/05/25) Chief Executive	•					6
Michael Chinn (to 12/02/26) Executive Director – Finance & Governance	•					5
Richard Stevens (to 31/07/25) (£1,050) Audit and Risk Committee member	n/a	•	n/a	n/a	n/a	n/a
Andrew Wiseman (from 02/02/26) (£525) Audit and Risk Committee member	n/a	•	n/a	n/a	n/a	n/a
William Dulake (to 31/10/25) (£1,838) Customer Experience Committee member	n/a	n/a	n/a	•	n/a	n/a
Jacqueline Garman (£3,150) Customer Experience Committee member	n/a	n/a	n/a	•	n/a	n/a
Adam Curtis (from 02/02/26) (£525) Customer Experience Committee member	n/a	n/a	n/a	•	n/a	n/a

At 31 March 2026, four members of the Board were female (40%), four were male (40%) and two preferred not to say (20%). One (10%) Board member was aged over 65 years, four (40%) were 55-64 years and five (50%) were aged 45-54 years. Seven (70%) of the Board were White, two (20%) preferred not to say and one (10%) was Multiple ethnic group White & Asian. No Board members identified as having a disability, although one preferred not to say.

Engaging with residents

We want our customers' voice to be heard at the most strategic level. We do this by ensuring customers have direct input, with two customers sitting as members of the Board and having four (out of a total of six) customer members on our Customer Experience Committee.

We also provide a direct route to our Customer Experience Committee for our customer scrutiny panel, known as our Task and Finish Group. The group report their findings directly to the Committee, with the Committee and Task and Finish Group then holding management to account for implementing recommendations.

To inform decision making on our new corporate plan, we carried out a customer consultation with specialist research agency, Vision One. This gave the Board a clear overview of customer concerns and priorities and provided assurance that acting on feedback had been central to creating the plan.

Board and committee members are invited to take part in customer engagement activities and events, with those attending reporting back on their experience. During the year, six Board members attended events including Love Your Estate Days, community days, scheme visits, customer contact centre call listening, Task and Finish Group meetings and focus groups.

Risk management

Our risk management policy outlines our overarching approach to identifying and managing risks. Our Board, supported by the Audit and Risk Committee and the Executive Team, is responsible for ensuring risks to Saxon Weald are managed appropriately. The Board reviews its risk appetite at least annually and this is aligned to our corporate plan and long-term business plan. The Board is willing to take on risk where it is considered beneficial to achieve our objectives. Areas where the Board has higher risk appetite include adopting new technologies, business transformation, colleague recruitment and retention and innovating in approaches to customer engagement.

We undertake regular reviews of our risks, monitoring the external environment as well as internal data, controls and actions where we identify risks may require additional controls or mitigations. We classify our risks into strategic and operational risks with strategic risks monitored by the Board, the Audit and Risk Committee and Executive Team and operational risks monitored through regular reviews with operational management. We stress test our business plan for the impact of strategic risks crystallising. Our three-line assurance model supports our risk management plans.

Accountabilities for risk governance are as follows:

Board

- Ultimate responsibility for risk management
- Determines risk appetite
- Regularly monitors risks
- Approves risk management policy

AUDIT AND RISK COMMITTEE

- Monitors overall risk appetite, tolerance and strategy
- Provides assurance to the Board that risks are within risk appetite
- Provides assurance to the Board that appropriate arrangements are in place for risk management

EXECUTIVE TEAM

- Champions risk management and ensures it is embedded across the organisation
- Ensures effective risk management framework and appropriate controls are in place across Saxon Weald
- Identifies emerging risks and reviewing recorded risks, escalating to Board where appropriate

RISK MANAGEMENT CO-ORDINATOR/RISK TEAM

- Embeds risk management culture
- Reviews all strategic risks with risk owners on a regular basis
- Monitors and coordinates control and assurance activities

Risk management

OPERATIONAL MANAGEMENT

- Maintains records of risks for their business area
- Ensures a robust control environment in their business area
- Feeds into regular reporting of risk and control

ALL STAFF

- Maintains strong internal controls
- Identifies and assesses risks and reports as appropriate

Key strategic risks

The Board and Executive Team consider the following to be the key areas of risk facing Saxon Weald at the current time.

Risk area	Commentary and mitigations
Inadequate funding or failure to maintain the liquidity required to support the delivery of the corporate plan, as a result of internal or external factors.	We are operating in an increasingly volatile economic environment and managing this uncertainty coupled with the need to invest in our homes as well as continue to build more homes means we need to exercise careful financial management. We monitor our cash flow and our compliance with covenants and core financial metrics closely, maintaining a stress tested 30-year business plan.
Failure to deliver a service that meets the expectations of our customers and our regulator.	Failures in service delivery may lead to decreasing resident satisfaction, increased complaints and increased costs and reputational risk. We closely monitor our Tenant Satisfaction Measures and other key metrics on service delivery. Data and customer feedback is used to drive service improvement, and we have various ways in which we consistently engage with residents.
Failure of quality assurance over and management of data, leading to poor service delivery and reputational or regulatory risk.	Data quality is critical to being able to manage and measure our service delivery and performance against our corporate plan, as well as meet regulatory requirements. Recent legislative changes have brought heightened scrutiny of this area. We have a data strategy that sets out our approach to collecting, managing and reporting on data and targets areas for continuous data quality improvement. Data protection policies are in place and regularly reviewed. We have a dedicated data protection lead to manage GDPR compliance and subject access requests. A core objective of Evolve, our IT transformation programme, is to improve our data collection and management as well as our ability to use the data we have to make better decisions.

Risk management

Risk area	Commentary and mitigations
Failure to maintain the organisation's housing stock to the agreed standards, including compliance with all statutory and regulatory requirements, within agreed resources.	Providing safe and high-quality homes to our customers is at the core of our purpose as an organisation. In recent years, a number of events have highlighted areas that the social housing sector needs to do better on including fire and other safety issues with buildings, damp and mould and listening to and acting on the concerns of residents. In the worst scenarios, failures of social housing providers in these areas have led to the deaths of social housing residents. Our homes should also be modern, comfortable to live in and affordable to heat. We have significantly improved the level of data we hold on the condition of our stock in recent years and are focusing on improving it further. Key metrics on property safety are scrutinised regularly by the Executive Team and Board. We regularly review our stock investment programme based on updated condition data.
Inadequate IT systems or cyber-attack or ransomware disables or prevents us accessing our systems.	There is continual risk of cyber-attacks and housing associations have been previously targeted with some high-profile cases in the sector in the last few years. We have a disaster recovery plan in place that is regularly tested and we have third party security solutions in place with regular monitoring.
Failure to attract, retain and develop a skilled, diverse and motivated workforce aligned with our values and strategic objectives.	Having the right people is crucial to achieving the objectives of the corporate plan. We need to be an attractive organisation to work for to attract and retain the right talent. A diverse Board and Executive Team supports strong governance and innovative thinking. We have a focus on employee engagement and regularly monitor staff survey results to understand satisfaction and where we can do things differently. We are committed to learning and development and support professional qualifications and other types of learning opportunities for our people.
Failure to maintain the health and safety of our homes, residents, premises, staff, etc. while complying with all statutory and regulatory requirements.	Failure to manage risks to health and safety could result in harm to our customers, employees, contractors or others. We have a dedicated health and safety team and a health and safety management system. We continually review health and safety practices and have recently undertaken a communications campaign to ensure a safety culture is embedded across the organisation.

Statement of internal control

The Board has ultimate responsibility for Saxon Weald's system of internal control and for reviewing its effectiveness.

Saxon Weald's system of internal control is designed to manage the risk of failure to achieve key business objectives. It also exists to provide assurance about the reliability of financial information and to safeguard the Group's assets. It is designed to manage rather than eliminate risk and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board confirms that processes are in place for identifying, evaluating and managing significant risks and have been in place throughout the period from 1 April 2025 up to the date of approval of these financial statements.

Key elements of the system of risk management and internal control in operation throughout the period include:

- Regular reporting on risks and mitigations to ARC and the Board.
- Board-approved terms of reference for Board and committees and delegated authorities that define which decisions can be taken by Board, committees and staff members.
- A review of legal and regulatory compliance reported annually to the Board.
- Annual review and assessment of compliance with the RSH's regulatory standards.
- The Executive Team assesses the effectiveness of the systems of internal control and reports to the Board at least annually, with certain areas of risk monitored more frequently.
- Instances of fraud, whistleblowing, bribery, money laundering, data breaches and health and safety issues reported to ARC.
- A Board-approved corporate plan with key performance indicators and regular monitoring in place.
- Robust financial planning processes including a Board-approved annual budget and 30-year business plan, with regular monitoring of performance against budget and reforecasting.
- Processes in place for approving major investment decisions, clearly defining what is scrutinised by committees and approved by Board.
- ARC reviews and approves the internal audit plan, reviews audit reports produced and an annual internal audit report.
- Anti-fraud and corruption policies supported by mandatory staff training.
- External audit and reporting by the external auditors to the Board.

The Board confirms that Saxon Weald has an anti-corruption policy, the purpose of which is to ensure that timely and effective action can be taken to:

- Prevent further loss of funds or other assets where fraud has occurred and to maximise recovery of losses.
- Identify the fraudster and maximise the success of any disciplinary/legal action taken.
- Minimise any adverse publicity for Saxon Weald as a result of the fraud.
- Identify any lessons that can be acted upon in managing fraud in the future.
- Reduce the adverse impact on Saxon Weald.

The Board delegates the regular review of the effectiveness of the Group's systems of internal control to ARC, while retaining ultimate responsibility. ARC has reviewed the effectiveness of Group's system of internal control for the period from 1 April 2025 up to the date of signing these financial statements. It has not identified any weaknesses sufficient to cause material misstatement or loss or which require disclosure in the financial statements.

Statement of responsibilities of the Board

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year. Under those regulations, the Board has elected to prepare the financial statements in accordance with UK Accounting Standards, including Financial Reporting Standard 102, and applicable law.

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

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and the Statement of Recommended Practice: Accounting by Registered Housing Providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Saxon Weald will continue in business.

The Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Saxon Weald and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, The Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The Board is responsible for safeguarding the assets of Saxon Weald and for taking reasonable steps to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of corporate and financial information included on the Group's website.

Provision of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Going concern

Saxon Weald maintains a 30-year business plan that is shared annually with the RSH and provides assurance that the Group complies with the Regulatory Framework and that the Group has adequate resources to continue operating as a going concern. The Board has assessed the resources available to the Group and is satisfied that it is appropriate to continue to prepare the financial statements on a going concern basis. The Board reviews and approves the business plan at least annually. The business plan is subjected to rigorous stress-testing to assess its ability to withstand significant risks and various combinations of risks. The Board is satisfied that financial viability and loan covenant compliance is maintained throughout the life of the plan. The business plan is supported by a treasury management policy that ensures the Group has sufficient liquidity to meet its objectives.

The Group has also maintained a strong credit rating with Moody's of A3, stable outlook. The most recent programme inspection from the Regulator of Social Housing resulted in a V2 viability grading, reflecting that the Group has financial capacity to deal with a range of adverse scenarios, but needs to manage material risks to ensure continued compliance with the Governance and Financial Viability Standard.

Auditors

Menzies LLP is the appointed auditor. They have expressed their willingness to continue in office. Accordingly, a resolution is to be proposed for the re-appointment of Menzies LLP as auditor.

On behalf of the Board

S. J. Hardwick.

Simon Hardwick
Chair

28 July 2026

Independent auditor's report to the members of Saxon Weald

Opinion

We have audited the financial statements of Saxon Weald (the 'Association') and its subsidiary (the 'Group') for the year ended 31 March 2026 which comprise the Group and Association Statement of Comprehensive Income, the Group and Association Statement of Financial Position, the Group and Association Statement of Changes in Reserves, Group Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2026 and of its result for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises all information included other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 34, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

Use of the audit report

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

Lee Cartwright ACA, LLB (Senior Statutory Auditor)

For and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

The Colmore Building
20 Colmore Circus
Queensway
Birmingham
B4 6AT

6 August 2026

Group and Saxon Weald statement of comprehensive income

for the year ended 31 March 2026

		Saxon Weald		Group	
	Note	**2026 £000**	**2025 £000**	**2026 £000**	**2025 £000**
Turnover	3	59,028	58,610	59,028	58,610
Cost of sales	3	(345)	(2,007)	(345)	(2,007)
Operating expenditure	3	(43,337)	(42,296)	(43,337)	(42,296)
Surplus on sale of fixed assets - Housing properties	3 / 7a	2,438	5,091	2,438	5,091
Unrealised (loss) / gain on investment properties	11c	22	(625)	22	(625)
Operating surplus	**3**	**17,806**	**18,773**	**17,806**	**18,773**
Interest receivable	5	911	1,241	911	1,244
Interest and financing costs	6	(14,079)	(14,374)	(14,079)	(14,374)
Surplus before taxation	**7**	**4,638**	**5,640**	**4,638**	**5,643**
Taxation	9	(1)	(9)	(1)	(10)
Total comprehensive income for the year		**4,637**	**5,631**	**4,637**	**5,633**

All amounts relate to continuing activities.

The notes on pages 44 to 79 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 28 July 2026 and signed on its behalf by:

Simon Hardwick
Chair

Corinna Bishopp
Chief Executive

Rachel McGoff
Executive Director - Finance & Governance

Community Benefit Society Registration No: 7971

Group and Saxon Weald statement of financial position

for the year ended 31 March 2026

		Saxon Weald		Group	
	Note	2026 £000	2025 £000	2026 £000	2025 £000
Fixed assets					
Intangible assets	10	811	174	811	174
Housing properties	11a	397,238	378,042	397,238	378,042
Other fixed assets	11b	3,124	3,283	3,124	3,283
Investment properties	11c	34,602	34,547	34,602	34,547
Investment in subsidiaries	12	50	50	-	-
		435,825	**416,096**	**435,775**	**416,046**
Current assets					
Properties held for sale	14	2,298	444	2,298	444
Stock	15	72	83	72	83
Trade and other debtors	16	4,172	4,507	4,172	4,507
Cash and cash equivalents		20,490	32,638	20,502	32,652
		27,032	**37,672**	**27,044**	**37,686**
Creditors: amounts falling due within one year	17	(18,085)	(15,373)	(18,085)	(15,373)
Net current assets		**8,947**	**22,299**	**8,959**	**22,313**
Total assets less current liabilities		**444,772**	**438,395**	**444,734**	**438,359**
Creditors: amounts due after more than one year					
Bond	18	-	-	202,163	201,976
Loans from group companies	18	202,163	201,976	-	-
Loan Facilities	18	69,173	69,242	69,173	69,242
Long-term creditors - due to group companies		38	38	-	-
Grant creditors	18	62,151	60,552	62,151	60,552
		333,525	**331,808**	**333,487**	**331,770**
Provisions for Liabilities					
Other provisions	23	121	100	121	100
		121	**100**	**121**	**100**
Total Net Assets		**111,126**	**106,487**	**111,126**	**106,489**
Reserves					
Share Capital	24	-	-	-	-
Income and Expenditure reserve		111,126	106,487	111,126	106,489
Total Reserves		**111,126**	**106,487**	**111,126**	**106,489**

In view of the constitution of the society, all shareholdings relate to non-equity interests, as disclosed in note 24. The notes on pages 44 to 79 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 28 July 2026 and signed on its behalf by:

Simon Hardwick
Chair

Corinna Bishopp
Chief Executive

Rachel McGoff
Executive Director - Finance & Governance and Company Secretary

Saxon Weald
Community Benefit Society Registration No: 7971

Group and Saxon Weald Statement of Changes in Reserves

for the year ended 31 March 2026

	Income & expenditure reserve 2026 £000
Balance at 1 April 2024	100,856
Total comprehensive income for the year	**5,633**
Balance as at 31 March 2025	106,489
Total comprehensive income for the year	**4,637**
Balance as at 31 March 2026	**111,126**

The notes on pages 44 to 79 form part of these financial statements.

Group statement of cash flows

for the year ended 31 March 2026

	Note	2026 £000	2025 £000
Operating activities			
Net cash generated from operations	25	20,839	30,980
Cash flow from investing activities			
Acquisition and construction of housing properties		(16,131)	(9,062)
Acquisition and works to investment properties		(33)	(388)
Component replacement		(9,955)	(9,962)
Sale of properties		5,084	6,751
Purchase of other tangible fixed assets		(153)	(190)
Purchase of intangible fixed assets		(743)	(39)
Grants received		2,462	414
Interest received	5	911	1,244
Net cash flow used in investing activities		**(18,558)**	**(11,232)**
Cash flow from financing activities			
Repayment of bond / loans		-	-
Proceeds of new borrowings		-	-
Interest paid		(14,431)	(14,512)
Net cash from financing activities		**(14,431)**	**(14,512)**
Net (decrease) / increase in cash and cash equivalents		**(12,150)**	**5,236**
Cash and cash equivalents at beginning of year		**32,652**	**27,416**
Cash and cash equivalents at end of year		**20,502**	**32,652**

Group and Saxon Weald notes to the financial statements

for the year ended 31 March 2026

1. Legal status

Saxon Weald (the "Society") is a public benefit entity registered under the Cooperative and Community Benefit Societies Act 2014 and is an English registered social housing provider. The address of the registered office is Saxon Weald House, 38-42 Worthing Road, Horsham, West Sussex, RH12 1DT.

Saxon Weald's primary business is to build and rent homes for those who cannot afford to buy or rent in the private market and/or who, as a result of age or other characteristics, need additional support to maintain an independent home and lifestyle.

2. Accounting policies

Basis of accounting

These consolidated financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022, under the historical cost convention, modified to include investment properties at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Basis of consolidation

The consolidated financial statements incorporate those of the Society and all of its active subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2026.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

Reduced disclosures

In accordance with FRS 102, the Society has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues'

– Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedge fair value changes recognised in the statement of comprehensive income and in other comprehensive income.

Going concern

At the date of these financial statements, the Board members have carried out a detailed and comprehensive review of the business and its future prospects. In particular, they have considered the forecast future performance, anticipated cash flows and the ability of the parent to meet interest payments for 12 months from the date of signing the accounts. The Board continues to monitor the short and long-term health of the association and is content that the measures taken by the association, together with a robust business plan, provide assurance that the going concern basis is appropriate in preparing the financial statements.

Turnover

Turnover comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, other services provided at the invoice value (excluding VAT) and revenue grants receivable in the period.

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

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met and are applied under the accruals method of grant accounting. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with administering authorities.

Service charges

Service charges on rented properties are recognised on an accrual basis. Service charges on rented properties are recognised in the financial statements when the weekly rent debit is raised. Service charges on shared ownership properties are credited monthly. The Society operates variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used, the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the statement of financial position.

Supporting People income and expenditure

Supporting People income is recognised on the basis of contracted hours worked. Supporting People contract income received from administering authorities is accounted for as income in turnover as per note 2 and recognised on the basis of contracted hours worked. The related support costs are matched against this income in the same note. Expenditure relating to Supporting People activities is recorded as incurred. Support charges included in the rent are included in the statement of comprehensive income from social housing lettings note 3 and matched against the relevant costs.

Other income

Other income is included at the invoiced value of goods and services provided. Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Intangible fixed assets - software

Intangible assets comprise of software and is stated at cost, less accumulated amortisation. Software is capitalised and written off using the straight line method of amortisation as in the opinion of the directors, this represents the period over which the software is expected to give rise to economic benefits. Currently this is four years.

Intangible fixed assets - it systems development

Intangible fixed assets which comprise of systems development spend are stated at cost, less accumulated amortisation. Systems development spend is capitalised and written off using the straight line method of amortisation as in the opinion of the directors, this represents the period over which the software is expected to give rise to economic benefits. Currently this is ten years.

System development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the system software so that it will be available for use or sale.
- The intention to complete the system software and use or sell it.
- The ability to use the system software or to sell it.
- How the system software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the system software during its development.

Tangible fixed assets - housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent and shared ownership. Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, directly attributable development costs, interest at the average cost of borrowing for the development period and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Works to existing properties which

Group and Saxon Weald notes to the financial statements

replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income.
- A material reduction in future maintenance costs.
- A significant extension to the life of the property.

In other cases, major repairs are charged to the statement of comprehensive income as incurred.

Land or other assets which have been donated by a government source are added to cost of assets at the fair value of the land at the time of the donation. The difference between the fair value of the asset donated and the consideration paid is treated as a non-monetary government grant and included within the statement of financial position as a liability. The terms of the donation are considered to be performance related conditions. Where the donation is not from a public source, the value of the donations less the consideration is included in income.

Depreciation of housing properties

Component	Years from date of aquisition or practical completion
Structure: Flats & houses	100
Studio flats	50
Pre-cast reinforced concrete structure	30
Pitched roof	60
Heating systems	40
Complete re-wire	40
Bathrooms	30
Lifts	30
Windows	30
Fire doors	30
Flat roof	25
Kitchens	20
Communication systems	20
Commercial kitchens	20
Solar panels	20
Boilers	15
Sewage pumps	15
Stairlifts	15
Commercial washing machines	15
Fire safety equipment	10
Kitchen equipment	10
Heat recovery fans	10

Leasehold properties are depreciated over the lesser of the above lives or the remaining length of the lease. Freehold land is not depreciated.

Housing properties in the course of construction are stated at cost and are not depreciated. Housing properties are either transferred to completed properties when they are ready for letting and are stated at cost or transferred at cost to investment properties and then valued at 31 March and stated at fair value.

A mixed tenure development is evaluated and considered on the basis of how the costs incurred in acquiring and developing the land are attributed to each element of the scheme. For mixed tenure housing properties, costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure, costs are allocated on a floor area for each scheme.

Investment properties

Investment properties (including properties held under an operating lease) consist of commercial properties and properties not held for social benefit. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

Government grants

Government grants include grants receivable from Homes England (HE), local authorities and other government bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Grants are received both in advance and in arrears for a grant funded scheme, assurance of receipt of the grant is given prior to commencement.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that the Group will comply with the conditions and the funds will be received, under the accruals model.

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through the statement of comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Society would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the statement of comprehensive income. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income.

Non-Financial assets

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

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Capitalisation of interest and development and asset management staff administration costs

Costs including staff costs and loan interest relating to development and asset management activity are capitalised only where the costs are incremental and directly related to either bringing new properties into working condition for their intended use or carrying out capital works to improve exisiting properties. Interest on loans financing development is capitalised from the date the works commence up to the date of practical completion of the scheme. The interest capitalised is either on borrowings specifically taken to finance a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. This treatment applies irrespective of the original purpose for which the loan was raised. The average cost of borrowing in the year is used to calculate the interest capitalised, which is 5.09%.

Property sales income

Completed properties and properties under construction for sale, either as first tranche Low Cost Home Ownership (LCHO) sales or outright sale, are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour, direct development overheads and capitalised interest. Net realisable value is based on estimated sales prices after allowing for all further costs of completion and disposal. Until sold, these properties are held as current assets. The sale of housing properties are recorded net of carrying value as a gain or loss on disposal.

Shared ownership properties are split proportionally between fixed assets and current assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds are included in turnover. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Where the first tranche has been sold prior to the acquisition of the properties, these are included in fixed assets only. Shared ownership structure is depreciated in line with other social housing properties.

Other tangible fixed assets

Depreciation is charged on other fixed assets to write off the cost less estimated residual values on a straight line basis over the useful lives shown below:

Freehold office building 50 years straight line
Freehold office fixtures and fittings 25 years straight line
Office furniture and equipment 7 years straight line
IT equipment 4 years straight line
IT software 4 years straight line
IT systems development 10 years straight line

Freehold land is not depreciated.

Value added tax

All expenditure is stated including irrecoverable value added tax.

Low cost home ownership properties

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

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

Stock

The stock holding relates to materials held on vans for the in-house repairs team to use for completing repairs jobs. The materials are charged to the cost of the job once the repair is complete and are recorded at original cost.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Society's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Loan interest costs

Loan interest costs are calculated using the effective interest rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined based on the carrying amount of the financial liability at initial recognition.

Loan finance issuance costs and breakage fees / receipts

Arrangement fees, agency fees and related legal fees payable when entering into new loans are capitalised then charged to the statement of comprehensive income over the life of the loan via the effective interest method. Breakage fees / receipts, relating to cancelled loans, are recognised in the Statement of Comprehensive Income in the year they are charged / received.

Taxation

By virtue of s.478 Corporation Tax Act 2010, the Society has charitable status and is not subject to corporation tax on surpluses as a result of, or earned in furtherance of, charitable objectives. The Society's subsidiary, Saxon Weald Capital plc, does not have charitable objectives and are subject to taxation. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised directly in equity is also recognised indirectly in equity. Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tax is payable on the profits arising from Group's non-charitable subsidiary companies and on commercial activities carried out within Saxon Weald.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Group and Saxon Weald notes to the financial statements

Holiday pay

Short-term employee benefits, including holiday pay, are charged to the statement of comprehensive income in the period in which they accrue. Holiday entitlement due but not yet taken, is included in the statement of financial position as an accrual.

General repairs and maintenance allowance

This represents a provision, under the new leases for Shared owners, for the general repairs and maintenance allowance of £500 per annum plus the amount of any unused allowance from the previous year that has been rolled over.

Defined contribution pensions

The Society provides a defined contribution stakeholder pension scheme for all employees. The employer contribution to the scheme is charged to the statement of comprehensive income as it becomes payable. The assets of the scheme are kept separately from those of the Society.

Financial instruments

The Group and Society have elected to apply the provisions of Section 11 'Basic Financial Instruments' in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Such debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for the impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the statement of comprehensive income for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the statement of comprehensive income.

Financial liabilities

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with such creditors constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

The provision for bad debts is based upon the age of arrears. Arrears in respect of former tenants and in respect of current tenants where the debt is over 52 weeks old are fully provided for. Arrears which are over seven weeks old are provided for at 10% and increase in % terms depending on age up to 36 weeks where they are provided at 75%.

Operating leases

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Investment in subsidiaries

Investments in subsidiaries are recorded at cost less any impairment for permanent diminutions in value.

Critical accounting estimates and areas of judgement

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 accounting estimates and assumptions

In preparing these financial statements, the Group and Society make the following estimates and assumptions concerning the future:

Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives, taking into account residual values where appropriate.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

The freehold of the investment properties is professionally valued annually based on 90% of the market value. Market value being the estimated amount for which a property could be sold at valuation date but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

Group and Saxon Weald notes to the financial statements

Allocation of land for mixed tenure developments

Management estimates the proportion of the land cost to allocate to different tenure types for mixed developments based upon actual data, where available, otherwise this is based upon an allocation using EUV-SH, open market and investment values for each unit in the development.

Critical areas of judgement

Estimates and judgments 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.

The items in the financial statements where these judgements and estimates have been made include:

Impairment - fixed assets and debtors

The Group and Society make judgements regarding the level of impairment on the carrying value assets including debtors and fixed assets. Triggers of impairment of assets are considered annually. For debtors, this judgement is on the basis of discounted net present value. For fixed assets, the judgement is assessed on a combination of existing use value - social housing, discounted cash flow and depreciated replacement cost.

Schemes under development

The anticipated costs to complete a development scheme are based on the estimated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Where schemes are mixed tenure, costs are allocated based on area split. The allocation of properties under construction costs relating to shared ownership schemes between current and fixed assets is determined by the predicted amount to be sold for each property within a year.

Accruals

Accruals for certain items are based on work completed but where no invoice has been issued at the reporting date or in subsequent weeks. Management are satisfied that estimates made are reliable and in line with expectations.

Disposal of property

The Group and Society make a judgement that the gain or loss on the disposal of properties including Right to Acquire, Right to Buy and the staircasing of properties are included within operating surplus, together with first tranche sales. These sales and disposals form part of its core operating activities and therefore the Group and Society consider it appropriate to include these sales and disposals within operating surplus.

3. Group and Society turnover, operating costs and operating surplus

				2026	2025
	Turnover £000	Cost of sales £000	Operating costs £000	Operating surplus £000	Operating surplus £000
Social housing lettings					
General needs, housing for older people, supported and shared ownership housing (See note 3a)	55,952	-	(42,483)	13,469	11,834
Other social housing activities					
Shared ownership first tranche sales	445	(345)	-	100	451
Other social housing activities	189	-	-	189	519
Grants taken to income	133	-	-	133	-
Non social housing activities					
Garage lettings	716	-	(56)	660	544
Market rent lettings	1,482	-	(517)	965	910
Sale of water neutrality credits	111	-	(281)	(170)	49
	59,028	(345)	(43,337)	15,346	14,307
Disposal of fixed assets	-	-	-	2,438	5,091
Unrealised (loss) / gain on investment properties	-	-	-	22	(625)
	59,028	**(345)**	**(43,337)**	**17,806**	**18,773**

3a. Group and Society income and expenditure from social housing lettings

	General needs	Housing for older people & supported housing	Shared ownership	2026 Total	2025 Total
	£000	£000	£000	£000	£000
Income					
Rents receivable net of identifiable service charges	34,378	10,187	2,140	46,705	44,790
Service charge income	1,439	6,807	293	8,539	7,911
Amortised government grants	241	437	30	708	685
Turnover from social housing lettings	**36,058**	**17,431**	**2,463**	**55,952**	**53,386**
Expenditure					
Management	(3,100)	(1,688)	(127)	(4,915)	(4,846)
Service charge costs	(3,359)	(6,702)	(185)	(10,246)	(9,731)
Responsive maintenance (routine maintenance)	(4,899)	(2,184)	(13)	(7,096)	(7,133)
Planned and cyclical maintenance	(5,429)	(2,353)	(14)	(7,796)	(8,132)
Major repairs expenditure	(1,993)	(744)	(9)	(2,746)	(2,675)
Bad debts	(175)	(65)	(10)	(250)	(152)
Depreciation of housing properties*	(5,882)	(2,185)	(330)	(8,397)	(7,961)
Other costs	(1,037)	-	-	(1,037)	(922)
Operating costs on social housing lettings	**(25,874)**	**(15,921)**	**(688)**	**(42,483)**	**(41,552)**
Surplus on social housing lettings	**10,184**	**1,510**	**1,775**	**13,469**	**11,834**
Voids - rent lost through dwellings being vacant	**(344)**	**(294)**	**(4)**	**(642)**	**(908)**

* Includes accelerated depreciation of £245,000 (2025: £333,000).

Management costs relative to the size of the landlord are calculated as total management costs relating to social housing lettings divided by the total number of social housing units owned and/or managed at the end of the reporting period. The management costs were £778 per social housing unit (excluding leasehold properties) (2025: £772).

4. Accommodation in management and development

Group					
Under management at end of year:	2025 Number	Additions Number	Disposals / Demolished Number	Category Reclassification Number	2026 Number
Social housing					
General needs at social rent	3,291	-	(23)	2	3,270
General needs at affordable rent	875	51	-	-	926
Owned general needs managed by others at social rent	63	-	-	(2)	61
Extra care at social rent	328	-	-	-	328
Extra care at affordable rent	105	-	-	-	105
Retirement - supported at social rent	960	-	-	-	960
Retirement - supported at affordable rent rent	65	-	-	-	65
Retirement - non-supported at social rent	76	-	-	-	76
Retirement - non-supported at affordable rent rent	47	-	-	-	47
	5,810	**51**	**(23)**	**-**	**5,838**
Owned shared ownership	313	11	(4)	-	320
Leasehold for older people	157	-	-	-	157
Total social housing	**6,280**	**62**	**(27)**	**-**	**6,315**
Non-social housing					
Market rent	108	-	-	-	108
Leasehold flats	551	5	-	-	556
Total owned and managed	**6,939**	**67**	**(27)**	**-**	**6,979**

Group				
Under development at end of year:	2025 Number	Handover into Management Number	New under construction Number	2026 Number
Social rent	8	-	-	8
Affordable rent	76	(49)	31	58
Shared ownership	32	(7)	23	48
Total under development	**116**	**(56)**	**54**	**114**

5. Interest receivable and similar income

	Saxon Weald		Group	
	2026 £000	2025 £000	2026 £000	2025 £000
Interest on bank deposits	911	1,241	911	1,244
	911	**1,241**	**911**	**1,244**

6. Interest payable and similar charges

	Saxon Weald		Group	
	2026 £000	2025 £000	2026 £000	2025 £000
Interest on inter-company loan	11,019	11,019	-	-
Interest on bond	-	-	11,019	11,019
Bank charges and arrangement fees	70	69	71	69
Amortisation of bond discount and fees	187	177	187	177
Interest on loan	2,982	2,982	2,982	2,982
Amortisation of loan discount and fees	118	99	118	99
Loan non-utilisation fees	242	344	242	344
Capitalised interest on development*	(550)	(326)	(550)	(326)
Interest charged on Recycled Capital Grant Fund	11	10	11	10
	14,079	**14,374**	**14,080**	**14,374**

* Interest costs directly attributable to the financing of housing property developments were capitalised at the weighted average cost of the related borrowings (see note 11a) which was 5.09% (2025: 5.09%).

7. Group surplus on ordinary activities before taxation

	Saxon Weald		Group	
Is stated after charging:	2026 £000	2025 £000	2026 £000	2025 £000
Depreciation of housing properties (including accelerated depreciation of £245k (2025: £333k) (note 11a))	8,397	7,961	8,397	7,961
Depreciation of other tangible fixed assets (note 11b)	310	330	310	330
Amortisation of intangible fixed assets (note 10)	103	82	103	82
Employer contributions to Group's defined contribution pension scheme	1,637	1,594	1,637	1,594
Fees payable to Menzies LLP in respect of both audit and non-audit services are as follows;				
Audit services* - statutory audit of the Society (excluding VAT)	58	58	58	58
Audit services - statutory audit of the Subsidiary (excluding VAT)	18	18	18	18
Non-audit services (excluding VAT)	4	-	4	-
Total audit services	**80**	**76**	**80**	**76**
Operating lease expenditure	951	899	951	899
Salaries capitalised to housing properties and other fixed assets.	1,330	781	1,330	781

* In the year, Saxon Weald met the statutory audit costs on behalf of its subsidiary, Saxon Weald Capital plc.

7a. Group and Society surplus on sale of fixed assets - housing properties

	Right to Buy and Right to Acquire Sales £000	Low-Cost Home Ownership Staircasing £000	Other Disposals £000	2026 £000	2025 £000
Disposal proceeds	2,746	924	1,526	5,196	7,075
Homes England grant	27	-	-	27	41
Carrying value of fixed assets	(262)	(423)	(128)	(813)	(1,177)
Payable to Horsham District Council	(1,833)	-	-	(1,833)	(483)
Other costs to sell	(19)	(2)	(118)	(139)	(365)
	659	**499**	**1,280**	**2,438**	**5,091**
Capital grant recycled (note 19)	0	25	0	25	118

8. Group and Society employees

The average monthly number of persons (including directors) employed by the Society during the year was:	2026 Number	2025 Number
Actual		
Office and management	158	154
Housing support and care	36	37
Maintenance	94	95
Board and Committee Members	11	11
	299	**297**

The average annual full time equivalent of persons (including directors) employed by the Society during the year was:	2026 Number	2025 Number
Full time equivalents		
Office and management *	148	149
Housing support and care **	30	31
Maintenance ***	92	90
Board and Committee Members ****	12	10
	282	**280**

* Full time equivalents are calculated based on a standard working week of 37 & 40 hours.

** Full time equivalents are calculated based on a standard working week of 24 & 37 hours.

*** Full time equivalents are calculated based on a standard working week of 40 hours.

**** Full time equivalents are calculated based on a standard working week of 2 hours.

Staff costs for the above	2026 £000	2025 £000
Wages and salaries	11,853	11,551
Social security costs	1,504	1,225
Defined contribution pension scheme	1,637	1,594
	14,994	**14,370**

From 1 April 2024, employees were able to opt into salary exchange. The salary exchange acts to reduce the employees salary, and in exchange the same monetary value (plus the relevant National Insurance savings) are converted into employer pension contributions and paid into the employees defined contribution pension scheme.

8. Group and Society employees (continued)

The full time equivalent number of staff with remuneration in the bandings below (inc. Employer pension contributions.)	2026 Number	2025 Number
£60,000 to £70,000	16	17
£70,001 to £80,000	7	5
£80,001 to £90,000	2	3
£90,001 to £100,000	3	1
£100,001 to £110,000	3	3
£110,001 to £120,000	1	1
£120,001 to £130,000	1	1
£150,001 to £160,000	1	0
£160,001 to £170,000	3	3
£170,001 to £180,000	0	1
£180,001 to £190,000	1	0
£190,001 to £200,000	0	1
	38	**36**

Executive Directors, Board and Committee Members

Executive Directors	2026 £000	2025 £000
Remuneration and fees	703	677
Group contribution to money purchase pension schemes	146	184
Money value of benefits in kind	2	3
	851	**864**

Total remuneration paid to the Board and Executive Team, relative to the size of the housing association, was £147.27 per social housing unit (excluding leasehold properties) (2025: £149.68).

8. Group and Society employees (continued)

Highest paid director:	2026 £000	2025 £000
Remuneration (includes benefits in kind and excluding pension)	156	137
Society contributions to pension scheme	27	59
	183	**196**

The Chief Executive was a member of the Society's defined contribution pension scheme on ordinary terms. No enhanced benefits apply and the Society does not make any additional pension contributions on their behalf.

The remuneration paid to the highest paid director for the year, relative to the size of the housing association, was £28.98 per social housing unit (excluding leasehold properties) (2025: £28.25).

Board and committee members':	2026 £000	2025 £000
Emoluments	79	76
	79	**76**

9. Group taxation on surplus on ordinary activities

	Saxon Weald		Group	
	2026 £000	2025 £000	2026 £000	2025 £000
Corporation tax				
UK corporation tax on surplus for the period	-	9	-	10
UK corporation tax adjustment on surplus for the prior period	1	-	1	-
	1	**9**	**1**	**10**
Factors affecting charge for the period				
Surplus on ordinary activities before taxation	4,639	5,640	4,639	5,643
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2024/25: 25%)	1,160	1,409	1,160	1,411
Effects of:				
Charitable exemption	(1,159)	(1,400)	(1,159)	(1,402)
Current tax charge for the period	**1**	**9**	**1**	**9**

Factors that may affect future tax charges

By virtue of s.478 Corporation Tax Act 2010, the Society has charitable status and is not subject to corporation tax on surpluses as a result of, or earned in furtherance of, charitable objectives. The Society's subsidiary, Saxon Weald Capital plc, does not have charitable objectives and are subject to taxation. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised directly in equity is also recognised indirectly in equity. Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tax is payable on the profits arising from Group's non-charitable subsidiary companies and on commercial activities carried out within Saxon Weald.

Group and Saxon Weald notes to the financial statements

10. Group and Society intangible fixed assets

	System development costs	Software	Total
	£000	£000	£000
Cost			
At 1 April 2025	9	1,519	1,528
Additions	729	5	734
Disposals	-	(39)	(39)
At 31 March 2026	**738**	**1,485**	**2,223**
Accumulated amortisation			
At 1 April 2025	-	1,354	1,354
Charged to expense	23	80	103
Disposals	-	(45)	(45)
At 31 March 2026	**23**	**1,389**	**1,412**
Carrying amount:			
At 31 March 2026	**715**	**96**	**811**
At 31 March 2025	**9**	**165**	**174**

11a. Group and Society tangible fixed assets - housing properties

	Completed properties available for letting		Properties under construction		
	Rented £000	Shared ownership £000	Rented £000	Shared ownership £000	Total £000
Cost					
At 1 April 2025*	402,181	47,586	10,718	1,333	461,818
Additions	-	-	12,050	6,448	18,498
Schemes completed	14,234	2,641	(14,234)	(2,641)	-
Replacement components	9,955	-	-	-	9,955
Disposals**	(602)	(448)	-	-	(1,050)
Transfer to WIP	(74)	-	-	-	(74)
Components disposed of	(1,705)	-	-	-	(1,705)
At 31 March 2026	**423,989**	**49,779**	**8,534**	**5,140**	**487,442**
Depreciation					
At 1 April 2025*	81,477	2,299	-	-	83,776
Charge for the year	7,795	357	-	-	8,152
Disposals	(211)	(29)	-	-	(240)
Transfer to WIP	(24)	-	-	-	(24)
Components disposed of	(1,460)	-	-	-	(1,460)
At 31 March 2026	**87,577**	**2,627**	**-**	**-**	**90,204**
Carrying amount:					
At 31 March 2026	**336,412**	**47,152**	**8,534**	**5,140**	**397,238**
At 31 March 2025	**320,704**	**45,287**	**10,718**	**1,333**	**378,042**

The Society had property with a net book value of £234m pledged as security as at 31 March 2026 (2025: £233m).

The cumulative amount of capitalised interest included in fixed asset housing properties at 31 March 2026 was £10,636,000 (2025 £10,086,000).

* Included within the cost of fixed assets is grant of £9.4m which has been offset against historical cost. Further details are included within note 28: Contingent liablities.

11a. Group and Society tangible fixed assets - housing properties (continued)

Housing properties book value net of depreciation	2026 £000	2025 £000
Freehold properties	380,911	361,436
Long leasehold properties	16,327	16,606
	397,238	**378,042**
Works to existing rented properties		
Replacement components capitalised as above	9,955	9,962
Major repairs, planned and cyclical works charged to revenue (note 3) ***	10,542	10,807
	20,497	**20,769**

All housing properties are for social housing use.

**Disposals relate to sales of Right to Buy, Right to Acquire, shared ownership staircasing and other property sales.

*** Prior year comparative amended to also include spend on planned and cyclical works in addition to major repairs spend previously stated.

11b. Group and Society tangible fixed assets - other

	Freehold office £000	Office equipment £000	IT equipment £000	Total £000
Cost				
At 1 April 2025	3,393	509	1,003	4,905
Additions	3	-	150	153
Disposals	-	(14)	-	(14)
At 31 March 2026	**3,396**	**495**	**1,153**	**5,044**
Depreciation				
At 1 April 2025	620	281	721	1,622
Charge for the year	114	66	130	310
Disposals	-	(12)	-	(12)
At 31 March 2026	**734**	**335**	**851**	**1,920**
Carrying amount:				
At 31 March 2026	**2,662**	**160**	**302**	**3,124**
At 31 March 2025	**2,773**	**228**	**282**	**3,283**

11c. Group and Society investment properties

Group	Garage stock £000	Market rented properties £000	2026 £000	2025 £000
At 1 April	7,881	26,666	34,547	34,784
Additions and works	4	29	33	388
(Decrease) / Increase in value	(23)	45	22	(625)
Value as at 31 March	**7,862**	**26,740**	**34,602**	**34,547**

All investment properties were valued as at 31 March 2026 by Savills (UK) Limited, Chartered Surveyors. The valuation of the Group's investment properties was carried out in accordance with the Royal Institute of Chartered Surveyors ("RICS") Appraisal and Valuation Manual. A discounted cash flow methodology was followed in undertaking the valuation. The historical cost at 31 March 2026 was £24,460,000 and at 31 March 2025 was £24,444,000.

In 2024/25, we invested in EPC improvement works for market rent homes, helping our customers with affordability and quality of accommodation. Reduced demand for our garages has affected the portfolio, easing the overall value from £34.8m to £34.5m at 31 March 2025. Garages are considered for redevelopment and improvements within our Asset Management Strategy, aiming for the best outcomes for our customers and the business.

The key assumptions used for the garage properties valuation were:	2026	2025
Long-term rental increases	CPI + 1%	CPI + 1%
Void rate	25%	20%
Maintenance costs per unit per annum	£50	£50

The key assumptions used for the market rent properties investment valuation were:	2026	2025
Gross annual rental income	£1,616,400	£1,518,806
Voids (as a % of Rent Debit p.a)	5-7%	5-7%
Management (as a % of Rent Debit p.a)	10-12%	10-12%
Maintenance (as a % of Rent Debit p.a)	10-12%	10-12%
Net Yield	4.6%	4.4%
Gross Yield	6.0%	5.8%

12. Society investment in subsidiaries

Cost	2026 £000	2025 £000
At 1 April	50	50
At 31 March	**50**	**50**

Saxon Weald is the parent company of Saxon Weald Capital plc and owns 100% of the share capital. Its nature of business is group financing and is registered in England and Wales with the Companies Registrar.

Saxon Weald is the parent company of Weald Property Development Ltd and owns 100% of the share capital. The company is dormant and is registered in England and Wales with the Companies Registrar.

13. Subsidiary undertakings

Saxon Weald's subsidiary undertakings are:

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Nature of business
Saxon Weald Capital Plc.*	Ordinary	100% (2025: 100%)	Group financing
Weald Property Development Ltd **	Ordinary	100% (2025: 100%)	Dormant

* Saxon Weald Capital plc has issued £50,000 of share capital of which £12,500 is paid up.

** Weald Property Development Ltd is exempt from the requirement to have their financial accounts audited by virtue of Section 480 of the Companies Act 2006.

14. Group and Society properties held for sale

	2026 £000	2025 £000
Shared ownership - completed properties	584	148
Work in progress	1,714	296
	2,298	**444**

15. Group and Society stock

The stock holding relates to materials held on vans for the in-house repairs team to use for completing repair jobs. The value of stock held as at 31 March 2026 was £72,000 (2025: £83,000).

16. Group and Society debtors

	2026 £000	2025 £000
Due within one year		
Amounts receivable within one year:		
Rents and services receivable	1,989	1,842
Less: provision for bad debts	(898)	(769)
	1,091	**1,073**
Other debtors	652	842
Prepayments and accrued income	2,429	2,592
	3,081	**3,434**
	4,172	**4,507**

17. Group and Society creditors: amounts falling due within one year

	2026 £000	2025 £000
Housing loan interest	4,257	4,257
Contractors for certified work	3,297	1,534
Other taxes and social security costs	374	348
Rent charged in advance	729	831
Rent paid in advance	1,024	879
Trade creditors	1,376	1,299
Deferred capital grant	754	707
Recycled capital grant	230	107
Other creditors	4,211	4,928
Due to Horsham DC re. RTB sales receipts	1,833	483
	18,085	**15,373**

18. Group and Society creditors: amounts falling due after more than one year

	2026 £000	2025 £000
Debt (note 22)	202,163	201,976
Loan facilities (note 22)	69,173	69,242
Recycled capital grant fund (note 19)	149	236
Deferred capital grant (note 20a)	61,479	60,316
Warm Homes: Social Housing Fund (note 20b)	523	-
Amounts owed by group	333,487	331,770
Due to group companies	38	38
Amounts owed by society	**333,525**	**331,808**

19. Group and Society Recycled Capital Grant Fund (RCGF)

Funds pertaining to activities within areas covered by:	Homes England 2026 £000	Homes England 2025 £000
Opening balance inputs to RCGF:		
As at 1 April	236	215
RCGF short term from prior year	107	-
Grants recycled	25	118
Interest accrued	11	10
Recycling of grant:		
New build	-	-
Transfers to RCGF short term	(230)	(107)
Closing balance	**149**	**236**
Short-term Recycled Capital Grant Fund	**230**	**107**
Long-term Recycled Capital Grant Fund	**149**	**236**
Amounts 3 years or older where repayment may be required:	**111**	**-**

Group and Saxon Weald notes to the financial statements

20a. Group and Society deferred capital grant

	2026 £000	2025 £000
Grant		
As at 1 April	70,034	69,721
Additions	2,462	414
Disposals	(25)	(101)
As at 31 March	**72,471**	**70,034**
Amortisation		
As at 1 April	(9,010)	(8,333)
Credit for the year	(708)	(685)
Eliminated on disposal	3	8
As at 31 March	**(9,715)**	**(9,010)**
Carrying amount at 31 March	**62,756**	**61,024**

Social Housing Grants (SHG) are repayable in the event of the disposal of the related property. When this occurs, the total original grant is repayable and this comprises the unamortised balance together with the amortised amount. At the end of the year, the total amount of SHG potentially repayable was £72,471,000 (2025: £70,034,000).

20b. Warm Homes: Social Housing Fund

The Warm Homes: Social Housing Fund (WH: SHF) is a government-led initiative with the aim to improve the energy performance of social rented homes in the UK, ultimately pushing forward to achieve an EPC rating of C or higher across all housing stock. The terms of the grant funding received is to match it for decarbonisation spend. The total grant pot is £1.9m so Saxon Weald will match that with an additional £1.9m, resulting in a total £3.8m on spend.

In the current financial year, a total of £0.5m grant was received and in accordance with the grant agreement £0.5m of the grant was utilised.

	2026 £000	2025 £000
Deferred WH: SHF grant (other creditors)		
As at 1 April	-	-
Grant received in year	539	-
Grant matched to revenue works	(16)	-
Grant matched and utilised to components under construction	(523)	-
As at 31 March	**-**	**-**

The grant utilised on warmer homes components are under contruction, once complete, the grant will commence amortisation.

	Completed £000	Under construction £000
Grant utilised		
As at 1 April	-	-
Grant utilised on components under construction	-	523
Grant allocated to revenue works	16	-
As at 31 March	**16**	**523**

21. Group and Society financial instruments

Group surplus on ordinary activities before taxation	2026 £000	2025 £000
Financial assets:		
Measured at cost		
Cash and cash equivalents	20,503	32,652
Measured at amortised cost		
Other financial assets (included in note 16)	1,743	1,915
Total	**22,246**	**34,567**
Financial liabilities		
Measured at amortised cost		
Debt *	271,336	271,218
Other financial liabilities (included in note 17, 19)	15,726	13,189
Total	**287,062**	**284,407**

* Further details are provided within note 22

22. Group and Society borrowings

On 6 June 2012, Saxon Weald Capital plc successfully issued a £225m bond at a coupon of 5.375% for an average of 25 years. The bond was issued at a discount of 1.623%, so that the funds received were £221.3m which equates to a fixed interest rate of 5.496%.

The cost of issuing the bond was £1.3m leaving a net of £220m available to repay existing loans and to fund future development. The underlying assets of the issuance belong to Saxon Weald through a security trust arrangement with the M&G Trustee Company Limited.

The bond discount and the costs of issue are amortised over the average term of the bond of 25 years. Saxon Weald is liable to Saxon Weald Capital plc for both the bond coupon and the amortisation cost of the bond discount and issue cost.

In October 2023 a transaction was completed whereby Saxon Weald redeemed £20m in nominal value of the bond for consideration of £19.5m. The total bond in issue is now £205m, with all other terms unchanged.

The fair value (market value) of the bond at 31 March 2026 was £192,103,450 (£190,937,000 in 2025).

Saxon Weald holds two revolving credit facilities, £25m with Santander and £25m with Natwest.

Saxon Weald agreed a £70m private placement with Legal and General Investment Management in August 2022. This was drawn in four tranches, the first two of which, totalling £40m, were received in the year 2022-23 with the last two tranches totalling £30m received last year. It has an average term 27.5 years at an average interest rate of 4.26%, with an ESG linked discount applicable in 2030 in the event agreed EPC (C) levels are achieved by this point.

	Saxon Weald		Group	
In year bond redemption	**2026 £000**	**2025 £000**	**2026 £000**	**2025 £000**
Loans to Group undertakings	202,163	201,976	-	-
Total	202,163	201,976	-	-
Bond	-	-	205,000	225,000
Bond repayment	-	-	0	(20,000)
Bond discount and fees	-	-	(2,837)	(3,024)
Net bond	**202,163**	**201,976**	**202,163**	**201,976**
Loans	70,000	70,000	70,000	70,000
Loan discount and fees	(827)	(758)	(827)	(758)
Net Loan	69,173	69,242	69,173	69,242
Total borrowings	**271,336**	**271,218**	**271,336**	**271,218**

22. Group and Society borrowings (continued)

	Saxon Weald		Group	
Loans repayable by instalments:	**2026 £000**	**2025 £000**	**2026 £000**	**2025 £000**
In five years or more	271,336	271,218	271,336	271,218
	271,336	**271,218**	**271,336**	**271,218**

All loans are secured by way of specific charges on housing properties (See note 11a).

23. Group and Society provisions for liabilities

	General Repairs and Maintenance Allowance £000	Holiday pay £000	Total £000
As at 1 April 2025	10	90	100
Increase in provision in year	12	9	21
As at 31 March 2026	**22**	**99**	**121**

Holiday pay

This represents holiday accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the contractual cost payable for the period of absence.

General Repairs and Maintenance Allowance

This represents a provision, under the new leases for shared owners, for the General Repairs and Maintenance Allowance of £500 per annum plus the amount of any unused allowance from the previous year that has been rolled over.

24. Society share capital

Saxon Weald is a Community Benefit Society. Non-executive Board members shall be the only shareholders and become shareholders on appointment. The liability of each member is limited to £1. Each share has full voting rights. The shares do not have a right to any dividend or distribution in a winding up and are not redeemable. When a shareholder ceases to be a member, that share is cancelled. All shareholdings relate to non-equity interests.

	2026 £	2025 £
As at 1 April	11	10
Issued during the year	2	2
Cancelled during the year	(3)	(1)
At the end of the year	**10**	**11**

25. Group and Society reconciliation of surplus after tax to net cash generated from operations

	2026 £000	2025 £000
Surplus after tax for the year	4,637	5,633
Non-cash adjustments for:		
Depreciation of tangible fixed assets	8,707	8,291
Amortisation of intangible assets	97	82
Amortisation of government grants	(708)	(685)
Fair value (gains) / loss on investment properties	(22)	626
Increase in provisions	21	1
(Increase) / Decrease in properties held for sale	(1,853)	1,015
Cash adjustments for:		
(Gain) on disposal of housing fixed assets	(2,438)	(5,091)
Investing activity adjustment for:		
Interest receivable	(911)	(1,244)
Financing activity adjustment:		
Interest and financing costs	14,079	14,374
Taxation	1	10
Operating cash flows before movements in working capital	**21,610**	**23,012**
Decrease in stock	10	55
Decrease in trade and other debtors	272	7,791
(Decrease) / Increase in trade and other creditors	(1,053)	122
	(771)	**7,968**
Cash generated from operations	**20,839**	**30,980**

Cash and cash equivalents	2026 £000	2025 £000
Cash and cash equivalents represent:-		
Cash at bank *	20,503	32,652
	20,503	**32,652**

* Cash at bank includes £1,286,000 (2025: £1,149,000) which is ring fenced for sinking funds and tenancy deposits.

25. Group and Society reconciliation of surplus after tax to net cash generated from operations (continued)

Reconciliation of net cash flow to movement in net debt	2026 £000	2025 £000
(Decrease) / Increase in cash in the year	(12,150)	5,236
Changes in net debt resulting from cashflows	(11,963)	5,236
Non - cash movement	(305)	(246)
Net debt at beginning of year	(238,566)	(243,556)
Net debt at end of year	**(250,834)**	**(238,566)**

Net debt reconciliation	At 31 March 2025 £000	Cashflow £000	Non-cash movement* £000	At 31 March 2026 £000
Cash at bank and in hand	32,652	(12,150)	-	20,502
Bond debt due after one year	(201,976)	-	(187)	(202,163)
Loan debt due after one year	(69,242)	187	(118)	(69,173)
	(238,566)	**(11,963)**	**(305)**	**(250,834)**

* Non-cash movements are the amortisation costs in relation to the bond premium and loan issue costs.

26. Group and Society capital commitments and other contractual obligations

	2026 £000	2025 £000
Capital expenditure for new development / acquisition that has been contracted for but has not been provided for in these financial statements		
To be spent within 1 year	22,351	21,387
To be spent after 1 year	3,608	13,710
	25,959	**35,097**
Capital expenditure for new development / acquisition that has been authorised by the Board but has not been contracted for	-	-
	25,959	**35,097**
The Group and Society expects to finance the above commitments by:		
Social housing grant receivable	402	2,265
Property sales	5,907	3,636
Loan	4,147	1,544
Cash	15,503	27,652
	25,959	**35,097**
In addition to the above, the Board has authorised capital expenditure on property components which have not been contracted for totalling:	**13,610**	**13,000**

27. Group and Society commitments under operating leases

	2026 £000	2025 £000
As at 31 March 2026, the total future minimum lease payments under non-cancellable operating leases not relating to land and buildings as set out below:		
Less than one year	862	553
Between one and five years	2,169	321
	3,031	**874**

28. Contingent liabilities

The group and society had no contingent assets at 31 March 2026 (2025: nil).

The group receives a capital grant from Homes England, which is used to fund the acquisition and development of housing properties and their components. In certain circumstances upon disposal of grant funded properties, the group is required to recycle this grant by crediting the Recycled Capital Grant Fund.

In addition to the grant referenced within Notes 19 and 20, there is an additional £9.4m of grant which is reflected within the relevant properties contained in Note 11a. This recognises the relevant properties at the fair value for which they were acquired. Should these properties be disposed of, this would create a relevant event and the grant would have to be recycled into the Recycled Capital Grant Fund.

At 31 March 2026, the group has disposed of properties, which had received £25,000 (2025: £118,000) of grant funding. The disposal of these properties has given rise to a relevant event for the purposes of recycling the grant and is shown within "grants recycled" in Note 19.

30. Events after the end of the reporting period

At the date of publishing, there have been no known adjusting or non-adjusting events after the end of the reporting period, that impact the accounts of Saxon Weald.

31. Related Parties

Two members of the Board and two members of Committees were residents of the Society during year to 31 March 2026. Their tenancies are subject to the same terms and conditions as all other tenants. The annual rent in relation to Board and Committee members during their Board tenure is £32,000 and there were nil arrears on the accounts of current Board members at 31 March 2026.

Details of key management personnel's remuneration are included in note 8. Key management personnel are non-executive directors of the Board, members of the Executive Team and the Assistant Directors. There are no other parties regarded as key management personnel who have a controlling interest or influence over the society.

Saxon Weald has paid interest of £11.2m (2025: £11.2m) to Saxon Weald Capital plc, its subsidiary company, during the year. Details of the outstanding liabilities to Saxon Weald Capital plc are disclosed in note 22.

Saxon Weald received a gift aid payment from Saxon Weald Capital of £2,000 in 2025/26.

Registered Office, Advisers and Lenders

Registered Office
Saxon Weald House
38-42 Worthing Road
Horsham
West Sussex
RH12 1DT

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

Solicitors
Trowers & Hamlins
3 Bunhill Row
London
EC1Y 8YZ

Main Bankers
National Westminster Bank Plc
47 Carfax
Horsham
RH12 1FD

The Board, Committee Members and Executive Team

The Board

Members of the Board of Saxon Weald who served throughout the year, unless otherwise shown, were:

Simon Hardwick
(Chair)

Hannah Eaton BSc
(Vice Chair)

Corinna Bishopp BA (Hons), FCA (Chief Executive)
(from 12/05/2025)

Gary Bellenger MCIOB
(from 18/11/2025)

Jo Boswell
BA (Hons)

Michael Chinn FCCA, CPFA
(Executive Director)
(to 12/02/2026)

Julian Chun
BSc (Hons), CMCIH
(to 30/11/2025)

Laila Court
BA (Hons)

Kalwant Grewal
ACCA, MInstLM

Susan Morris
BSc (Hons)

Neil Perrins MBA,
BSc (Hons), FCMA

Graham Stark

Committee Members

Committee Members of Saxon Weald who served throughout the year, unless otherwise shown, were:

Adam Curtis
(from 02/02/2026)

William Dulake
(to 31/10/2025)

Jacqueline Garman

Richard Stevens FCA
(to 31/07/2025)

Andrew Wiseman LLB (Hons) OBE (from 02/02/2026)

Executive Directors

Executive Directors of Saxon Weald who served throughout the year, unless otherwise shown, were:

Corinna Bishopp
BA (Hons), FCA
(from 12/05/2025)
Chief Executive

Michael Chinn FCCA, CPFA
(to 12 February 2026)
Executive Director – Finance & Governance and Company Secretary, Acting Chief Executive (from 01/02/2025 to 11/05/2025

Debbie Chun
BA (Hons)
Chief Information Officer

Kath Hicks BSc (Hons)
Executive Director – Customer Operations

Rachel McGoff BA, MSt, ACA(from 2 March 2026)
Executive Director – Finance & Governance

Becky Utuka MSc, PGDip, BSc (Hons)
Executive Director – Asset & Development

SAXON WEALD

Great homes, building futures

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