Stockport Homes Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2026

Company Number: 04521257

Social Housing Provider registered with the
Regulator of Social Housing, number: 4619

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Executives and advisors for the year ended 31 March 2026

Board of management

Stephen Partridge, Chair
Phillip Argument
Priti Butler
Alistair Chapman
Maria Earl
Nasrin Fazal
Alison Foster
Marie Gilluley
Carol Jack
Karen Mitchell
Paula King

Executive management

Helen McHale	Chief Executive (left the organisation on 31 January 2026)
Carmel Chambers	Chief Executive (appointed to the role on 1 February 2026)
Anne-Marie Heil	Director of Customer Services
Tim Pinder	Director of Property (left the organisation on 16 December 2025)
Paul Worthington	Director of Property (appointed to the role on 3 November 2025)
John Kennedy	Director of Finance and Resources (appointed to the role on 16 February 2026)

Registered office
Stockport Homes Ltd
Cornerstone
2 Edward Street
Stockport
Cheshire
SK1 3NQ

Principal Solicitors
Stockport MBC
Town Hall
Edward Street
Stockport
SK1 3XE

Auditors
Menzies LLP,
One Express Building
1 George Leigh Street
Manchester
M4 5DL

Bankers
Barclays Bank Limited
PO Box 190
Leeds
LS1 5WU

The Directors present their report and the audited Financial Statements for the year 1 April 2025 to 31 March 2026. The report and accompanying statements have been compiled in line with the Statement of Recommended Practice (SORP) for registered social housing providers (2018). Stockport Homes complies with the NHF Code of Governance (2020) for NHF members which ensures the highest standards of corporate governance. These Financial Statements include the results of Stockport Homes Limited and its subsidiary companies: Three Sixty SHG Limited, Viaduct Partnerships Limited and SKylight Proud to be Part of SHG. Collectively these companies are branded as Stockport Homes Group, 'SHG'.

Principal activities and review of business

The Company's principal activity is to manage and maintain the stock of properties owned by Stockport Metropolitan Borough Council, ('the Council'), including the management of the capital programme for the build and modernisation of the properties, and the properties owned by Stockport Homes itself. In total 12,557 properties were managed or owned at 31 March 2026. This is covered in further detail in the strategic report.

Qualifying third party indemnity provisions

The company has no qualifying third party indemnity provisions in place for the directors of Stockport Homes Limited.

Compliance with Governance and Financial Viability Standard

Stockport Homes operates within the Regulator of Social Housing's Regulatory Framework for Social Housing in England. Stockport Homes has been classed as a 'small provider' within the Regulatory Framework as it has owned less than 1,000 social housing homes. The position as at 31 March 2026 is that Stockport Homes owned exactly 1,000 units. It is expected that this figure will reduce from 1,000 units during 2026/27 due to the completion of the current SHG development programme, with no further additions currently planned, and further shared ownership staircasing in the coming months / years which will reduce the number of owned units. Stockport Homes is engaging with the Regulator of Social Housing to clarify the future position.

There is a requirement in the Regulatory Framework for the Board to set out compliance with the 'Governance and Financial Viability Standard'. Stockport Homes undertakes annual compliance assessments against the full Regulatory Framework, including the revised Consumer Standards which were in place from 1 April 2024, to ensure it works in line with best practice in the sector. The self-assessment was provided to the Board, and it confirmed that Stockport Homes complies with the requirements of the Regulatory Framework for Social Housing in England. As part of this assessment, compliance with the NHF Code of Governance was reviewed and confirmed by the Board as at 23 March 2026.

Going concern

At its meeting on 27 July 2026, the Board of Stockport Homes Limited ('SHL') approved the statement that in their opinion, Stockport Homes Limited has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements. This was based on the contract in place with the Council to pay Management Fees in return for delivery of housing management and maintenance services, as prescribed in the 27-year Management Agreement that was approved by the Council's Executive on 21 July 2015.

The financial statements have been prepared on a going concern basis. The company's Balance Sheet shows a net asset position which includes defined benefit pension assets required under FRS 102, though the pension scheme has previously been reported in a liability position in recent years. Should pension liabilities arise, the Council has agreed within the Management Agreement that it will ensure that SHL is able to discharge its liabilities for the pension costs attributable to Stockport Homes' past, present and future employees. The defined benefit pension funds were valued at an asset value of £49.268m as at 31 March 2026 (asset of £45.058m as at 31 March 2025), but after the asset ceiling restriction an asset of £nil was recognised at 31 March 2026 (£nil as at 31 March 2025).

Assessment of the effectiveness of internal control

The Board accept their ultimate responsibility for ensuring Stockport Homes has in place a robust system of internal control.

Whilst no system can provide absolute assurance or eliminate all risks, SHG has adopted a system that is appropriate to the work that it undertakes and the environments in which it operates, in order to provide reasonable assurance that:

- key business aims, objectives and targets will be delivered;
- financial and operational information is reliable;
- proper accounting records are maintained;
- assets are safeguarded against unauthorised use, loss or disposal.

The system of internal controls includes the following key elements:

- A Governance Scheme of Delegation which sets out the powers and duties of the Non-Executive and Executive Directors. The Governance Scheme of Delegation also sets out the powers and duties at a subsidiary Board level. Alongside this exists Terms of Reference for the three Committees and a code of conduct for all Board Members. The Board Member Code of Conduct was updated during 2024-25 and approved by Board. The Board(s) and Committees receive regular reports outlining the delivery of objectives and outcomes.

- A Risk Management Framework is in place, which was approved by SHG Board during 2025-26. This describes the framework by which risk and opportunity management takes place across the company. A suite of annual risk registers are developed, setting out the key corporate and subsidiary level risks and the actions to mitigate those risks. A Risk Appetite has also been developed to inform decision making. SHG's Risk Appetite was re-affirmed by the Board during 2025-26.

- Internal Audit provides an independent assessment and assurance over key business processes and management controls. From 1 April 2024, BDO were appointed as Stockport Homes' internal auditor. The internal audit plan is risk based and updated each year to reflect current areas of risk / audit requirement. The plan is agreed with the Audit and Risk Committee and all audit reports are presented to that Committee. Board Members have the opportunity to meet with the Internal Auditors without officers being present. Where internal audit reports relate to subsidiary Board functions, they are also made aware of the assurance provided by internal audit. A key component of the internal audit function is to ensure recommendations raised to better manage risk are implemented in a timely manner. There are processes in place to ensure this happens and is reported back to the Audit and Risk Committee.

- External Audit provides an independent examination of the financial statements prepared by Stockport Homes, and auditors are given the opportunity to meet with Board Members without officers present to allow them to raise any concerns directly.

- Strategic and Business Planning Process which includes the thirty-year HRA Business Plan, a five year Delivery Plan 2021 - 2026, the three-year SHG Business Plan 2023-26, and thirty year SHG financial plan. Updates to these are presented to Board on a periodic basis. These documents are supplemented by other Business Plans, Strategies and Policies to ensure aims and objectives are delivered. During 2025-26, work has taken place to review and refine the SHG Aims, as well as develop and agree a new Delivery Plan and a new Corporate Plan for 2026—31. This further enhances SHG's approach to business planning by having two complementary plans in place for the forthcoming five years.

- Development of new business is undertaken following a thorough appraisal of new initiatives, assessment of risk, production of a cost benefit analysis and a defined process for approval. An approach to approving new business opportunities has been approved by Board and is built into the Financial Scheme of Delegation.

- Production of monthly management accounts ensures that senior management have oversight of expenditure, budgeting and forecasting. Financial information is presented to the Board (including Subsidiary Boards) and the Audit and Risk Committee on a quarterly basis. This process ensures that any significant variances are investigated, and any necessary management action taken to ensure objectives are delivered to budget.

- Financial Regulations, a Financial Scheme of Delegation and Contract Procedure Rules outline the parameters by which expenditure can be undertaken by officers, clearly identifying segregation of duties and the financial approvals required. These are kept up to date as the business evolves and grows, with updated Contract Procedure Rules being approved during 2025-26.

- A Treasury Management Strategy ensures adequate return on investments are obtained and that only those institutions offering adequate security as defined in the Treasury Management Practices are utilised. Reports are presented to the Audit and Risk Committee to provide assurance over treasury arrangements.

- During 25/26, SHG has continued to deliver its Data Strategy objectives, with core actions relating to data governance, culture, literacy and quality substantially complete. A formal Data and Information Governance Framework has been launched, clarifying data ownership, strengthening governance and oversight, and supporting regulatory compliance through improved data quality. Other key impacts of this approach include improved analytics and insight, supporting improvements to customer experience. Key Performance Indicators, including Tenant Satisfaction Measures, continue to be reported quarterly to the SHG Board, demonstrating delivery against key outcomes and providing an overview of areas requiring improvement. Performance benchmarking against sector peers has been further strengthened, via Housemark and Greater Manchester Housing Providers (GMHP) enabling more robust challenge and assurance; in addition, SHG has enhanced its approach to Value for Money (VFM) cost understanding and comparison, expanding benchmarking to include detailed cost versus performance analysis. This will continue to be developed during 2026/27 to further inform efficiency, comparability and investment decisions.

- The People and Organisational Development Strategy recognises the importance of recruitment, retention and development of staff. The strategy ensures that SHG is led by experienced and knowledgeable individuals and that services can be delivered by qualified and experienced officers. One way in which this is delivered is through the design of training matrices which articulate the skills, knowledge and behaviour of all colleagues. A new People and OD Strategy launched during 2025 with a particular focus on workforce planning to support SHG in being future ready to meet key challenges such as skills shortages, increased customer demand and regulation.

- Insurance Policies provide cover for a range of losses, liabilities and eventualities to protect and safeguard company assets. Additional cover is put into place as required by the growth and expansion being undertaken by the business. Processes are in place to ensure SHG is able to properly defend claims that arise.

- A range of policies and procedures are in place to guide and direct officers in specific activities. Policies around money laundering, whistle blowing, fraud and bribery exist for staff to follow in the course of their day to day duties.

- A Customer Voice and Influence Strategy is in place to ensure customers are at the heart of service design and decision making. A Customer Feedback Service ensures the organisation is continually monitoring the customer experience and seeking ways in which to improve and strengthen processes. The Customer ASPIRE Panel provides a platform for customers to voice their opinions and influence decision making processes. The panel's feedback is directly communicated to the Customer Focus Committee, ensuring that customer perspectives are heard at the highest levels.

Board Members' Responsibilities

The Board Members are responsible for preparing the strategic report and report of the Board and the financial statements in accordance with applicable law and regulations.

Company law and social housing legislation require the Board Members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Board Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the organisation and of the surplus or deficit of the organisation for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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

The Board Members are responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018.

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

Auditors

All of the current Board Members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Board Members are not aware of any relevant audit information of which the auditors are unaware.

The auditor, Menzies, is deemed to be reappointed in accordance with section 487 of the Companies Act 2006.

By order of the Board

Stephen Partridge
Chair of the Board

Date: 27 July 2026

The Board present the Strategic Report for the year ended 31 March 2026.

The Strategic Report has been compiled in line with best practice as outlined in the Statement of Recommended Practice (SORP) for Registered Social Housing Providers (2018). Stockport Homes has continued to operate efficiently, pro-actively and effectively within the terms of the Management Agreement with the Council.

This is the ninth year that Stockport Homes has operated as a group entity. For branding purposes, Stockport Homes Group ('SHG') is adopted to reflect the umbrella role needed over the separate entities within the Group, however the parent company remains Stockport Homes Limited ('SHL').

Statement by the Board Members in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006

The Board Members consider that they have acted in good faith, in the way most likely to promote the success of the organisation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act). Stockport Homes identifies its main stakeholders as: its parent company Stockport MBC; its customers, employees and suppliers; and its regulatory body, the Regulator of Social Housing. The following paragraphs summarise how the Directors have fulfilled their duties in this regard, and in doing so have regarded (amongst other matters):

The likely consequences of any decision in the long term

Delivery of the organisations aims is managed through an effective business planning framework, where the consequences of decisions over the long term are considered. A five-year Delivery Plan governs service delivery, and a three-year Business Plan outlines principles for transformation and growth. These are supported by a thirty-year financial plan to ensure the long-term financial health of the organisation, which is stress tested against a range of scenarios and key risks. Progress against these plans is reviewed regularly, with updates being provided to Stockport Homes' Wider Leadership Team, its Board and the parent Council. In addition to this, an Improvement and Innovation Board is in place which considers major change initiatives and associated resources, and a Regulation Board focussed on the delivery of the Consumer Standards and wider regulatory compliance.

The interests of the organisation's employees

Stockport Homes recognises that its employees are the most important asset to the organisation. The work of the People & Organisational Development (OD) team focuses on enabling the service to increase employee engagement through the implementation of the People & OD Strategy, specific actions and service improvements (see page 23).

The need to foster the organisation's business relationships with suppliers, customers and others

Stockport Homes places relationships with its customers at the heart of its strategic aims and recognises that the success of these relationships are key to its success. Customers are engaged at every level of decision making and wider consultation is used to support service development and improvement. These relationships are fostered in a number of ways, including: customer representation on the Board, a Customer Aspire Panel who review performance, new policies, procedures and customer feedback, and a Customer Voice and Influence Strategy with five ambitious aims which place customers, wider community engagement and accountability at the heart of all activity.

In relation to suppliers, Contract Procedure Rules are in place which set out the approach to procurement required across the business in order to be compliant with public procurement legislation and guidance. Stockport Homes utilises a procurement portal to ensure tenders are undertaken in a compliant manner and can reach relevant suppliers when advertised. Contract Leads manage relationships with suppliers to ensure contracts are fulfilled as expected and customer service expectations are delivered. In addition, SHG has a Value for Money Strategy which incorporates key themes relating to procurement and social value.

The impact of the organisation's operations on the community and environment

Stockport Homes recognises its role as an anchor institution within the borough of Stockport and its reach into, and impact upon, local communities. Provision of quality, affordable accommodation and developing thriving and sustainable communities is the organisation's core purpose, with decisions on how Stockport Homes can support and shape communities considered within a wide range of strategies and plans including the Customer Voice and Influence Strategy, the Age Friendly Strategy, Homelessness & Rough Sleeping Strategy, and Supporting Communities Strategy.

Through its Asset Management Strategy, the organisation continues to be active in the delivery of low carbon technology through projects such as Social Housing Decarbonisation Funds, Heat Networks Efficiency Scheme and installing Solar PV as a standard measure on re-roofing programmes; though it is clear that there are challenges ahead in achieving the Greater Manchester Combined Authority's target of net carbon zero by 2038.

The desirability of the organisation maintaining a reputation for high standards of business conduct

As a registered social housing provider, regulated by the Regulator of Social Housing (RSH), and an ALMO of Stockport MBC, Stockport Homes desires to maintain the highest standards of conduct. Stockport Homes complies with the RSH's Regulatory Standards and is proactive in ensuring it does so (see page 4). The organisation's desire to maintain its reputation is demonstrated in Stockport Homes' robust approach to governance, complying with the NHF Code of Governance 2020, which ensures the highest standards of corporate governance. The organisation's policies and procedures are designed to comply with relevant laws and regulations, with non-financial KPI's set to monitor key areas of compliance (see pages 16-23) and a range of policies around money laundering, whistle blowing, fraud and bribery exist for staff to follow in the course of their day-to-day duties.

Information on Director's remuneration and management costs, required as part of the Regulator's Transparency, Influence and Accountability Standard, can be found within notes 5 and 10 to the financial statements.

Stockport Homes is committed to supporting human rights, including preventing slavery and human trafficking in all of its business activities. More information on this can be found within Stockport Homes' Modern Slavery Statement available on its website: https://www.stockporthomes.org/about-us/open-and-transparent/modern-slavery-act/

The need to act fairly as between members of the organisation

There is clear framework in place to manage arrangements between members of the organisation. This includes Articles of Association for the company and its subsidiaries, and an Intra-Group Agreement which sets out roles, responsibilities and processes for dispute resolution. A long-term Management Agreement is place between Stockport Homes and the Council which also sets out roles and responsibilities.

Principal decisions

During the year, a number of principal decisions were made by the Board, which were material to the activities of the organisation or key stakeholder groups. In making the following principal decisions, the Board considered their responsibilities listed above, with regards s172, along with the outcomes of stakeholder engagement. These principal decisions included:

- Approval of Corporate Plan 2026-31
- Approval of Delivery Plan 2026-31
- Approval of Asset Management Strategy 2026-31 & 5-year Capital Programme
- Approval of Customer Experience Strategy 2026-29
- Approval of Risk Management Framework 2026-31
- Approval of Risk Registers for 2026-27
- Approval of service charges for 2026-27
- Approval of rent increases (SHL owned stock) for 2026-27, and recommending HRA rent increases to the Council, in line with the Government's rent policy
- Approval of the SHG Financial Plan, HRA business plan and SHG budgets for 2026-27

- Approval of Gift Aid proposal 2026-27
- Appointment of a new Chief Executive
- Approval of open recruitment process to appoint a new Chair
- Approval of Financial Regulations
- Approval of Financial Parameters for Development
- Approval of Contract Procurement Rules 2025-30
- Approval of the Self-Assessment of Compliance against NHF Code of Governance 2025-26

Objectives and strategies to achieve those objectives

Mission and Aims

Through the group structure, Stockport Homes continues to explore new business opportunities and is innovating in order to support the Council in the achievement of its objectives and the ever changing economic and political environment in which it operates. Regulation has less emphasis on prescribing how services should be delivered but setting principles by which providers should structure their service delivery models to ensure required outcomes for customers are delivered. As part of the co-regulatory approach, SHG has a customer assurance panel (ASPIRE) who are actively engaged in monitoring performance, scrutinising front-line services and reports their findings to Board. The organisation believes its Mission and Aims are flexible and outcome-focused and will allow Stockport Homes to continue to evolve and expand its role to meet the changing demands of its customers, the Council and other stakeholders.

Stockport Homes' Mission and Aims are designed to guide the organisation through the changing environment in which it operates and to help it assist in delivering the Council's objectives:

Mission

One Team – Transforming Lives

Stockport Homes Aims:

- Deliver excellent customer service, driven by customer feedback and experience
- Provide safe, sustainable homes in neighbourhoods where communities can thrive
- Contribute to making Stockport fairer by reducing inequality, poverty and supporting customers in all aspects of their lives
- Maximise the impact of resources through growth, efficiency, and business transformation
- Work collaboratively, influencing locally, regionally, and nationally to achieve more
- Be an inclusive great place to work, where our values shine through everyone and everything we do

Three Sixty SHG Aims

- Provide a high quality, innovative service resulting in an exceptional customer experience;
- Generate a profit which is used to deliver real social value;
- Be an employer of choice, attracting and retaining the best talent;
- Reduce the inequality that exists within construction and society at large;
- Deliver low carbon and environmental best practice through all operations

SKylight Aims

- Supporting people into employment, relieving poverty, relieving food poverty and developing digital skills,
- Supporting customers in local communities and delivering support services to help people live independently,
- Empowering communities to develop networks of support including targeted work with people who may experience more disadvantage including people with disabilities, from BME communities and those with complex needs,
- Working in partnership to reduce demand on statutory services, and
- Supporting the development of the third sector, ensuring additional resources and services are secured

Viaduct Partnerships Aims

- Maximise opportunities to build homes across all tenures, using any available funding, with a focus on affordable housing
- Maximise social value in the supply chain by creating local jobs and good quality apprenticeships
- Engage local people in development strategies and design
- Invest surpluses from work done in Stockport into providing more homes

Delivery of the Mission *and Aims through strategic, financial and business planning*

Delivery of the SHG aims is managed through an effective business planning framework. A five-year Delivery Plan governs service delivery, and a three year Business Plan outlines general principles for transformation and growth. Progress against these plans is reviewed regularly, with updates being provided to Stockport Homes Leadership Team, its Board and the Council.

Both of these plans come to an end on 31 March 2026. During 2025-26, work has taken place to review and refine the SHG Aims, as well as develop and agree a new Delivery Plan and a new Corporate Plan for 2026–31. These launched on 1 April 2026 and frame the next five years of SHG's operations.

These are supported by a thirty-year financial plan. An annual planning cycle ensures the delivery against each plan. This involves strategic planning sessions with both the SHG Board and the Leadership Team.

Business model

Nature of the business

Stockport Homes Limited is an Arms-Length Management Organisation or ALMO. This means that while the Council established the company and is the single shareholder, Stockport Homes operates independently from it on day-to-day matters. Under a 27 year Management Agreement with the Council, Stockport Homes Limited receives a Management Fee to carry out the business of managing and maintaining the housing stock on behalf of the Council. The Management Fee and related charges for 2025/26 totalled £41.999 million (2024/25: £40.291 million)

Stockport Homes has established three subsidiary Companies. Three Sixty SHG and Viaduct Partnerships are limited by shares, with Stockport Homes Limited as the sole corporate shareholder. SKylight Proud to be part of SHG is a Registered Society limited by shares. It was originally formed in December 2018 as Foundations Stockport Limited, but in August 2022 was renamed. Stockport Homes and SKylight Board Members are the shareholders.

Three Sixty SHG Limited ('Three Sixty') is primarily a construction and maintenance company, established to deliver core elements of the Housing Revenue Account (HRA) capital programme in a cost effective way whilst maximising social value. Since its inception, Three Sixty's service offer has expanded to include repairs and maintenance services and the insourcing of key workstreams. Its latest Business Plan sets out its aspirations over the short to medium term. 2025/26 was a successful year for Three Sixty with strong financial performance and operational improvements delivered across divisions.

Viaduct Partnerships Limited ('Viaduct') is a development company that enables the development of new build homes for rental or sale purposes to be delivered in a cost efficient way, thereby freeing up more resources for investment. During 2025/26, 94 units were delivered via Viaduct Partnerships, with turnover for the financial year of £5.3m compared to £10.9m in the previous year. For 2026/27, the expectation is that no new development schemes will commence on site, with a focus instead on assessing options for future delivery.

SKylight Proud to be part of SHG ('SKylight') is a charitable Community Benefit Society registered with the Financial Conduct Authority and Companies House. SKylight was formed to deliver more social inclusion and health related initiatives for the Stockport community. A number of projects are underway within SKylight in line with its charitable aims, and the company continues to develop its service offer, with turnover of £4.7m in 2025/26, compared to £3.8m in the previous year.

Principal activities

The Company's principal activities are to manage and maintain the stock of housing properties owned by the Council, and the properties owned by Stockport Homes itself. In total 12,557 properties were managed or owned at 31 March 2026. This includes both the management of the capital programme for the modernisation of the properties, and delivery of core works within this. Stockport Homes manages the allocation of homes and works on behalf of the Council to fulfil a number of their statutory responsibilities including preventing homelessness, managing private sector renewals and disabled adaptations, and provision of sheltered housing. Stockport Homes is also proactive in the development and acquisition of housing stock, both as a registered provider and also on behalf of the Council as a development partner.

Stockport Homes commenced building new build properties in 2009-10 and has been continuing to build and acquire homes ever since. Stockport Homes now owns a total of 1,000 properties at the end of March 2026 (see page 48 for further details). The majority of the acquired properties have been part-subsidised with grant funding from schemes such as Mortgage Rescue, Empty Homes or the Affordable Homes Programme. Shared owners continue to fully or partially staircase out, with associated grant being added to the Recycled Capital Grant Fund.

Stockport Homes also manages the delivery of the Housing Revenue Account (HRA) new build programme (Council owned properties). A further 40 new social housing homes are under construction as at March 2026, which will sit within the Council's HRA once completed.

Stockport Homes completed three new build schemes in 2025/26 which had received funding from Homes England through the Affordable Homes programme, and from the Greater Manchester Combined Authority through the Brownfield Housing Fund. A pipeline of new schemes is being progressed which are expected to be delivered in the Council's HRA rather than funded using Stockport Homes' loan facility. The pipeline will deliver a range of affordable tenures including social or affordable rent and shared ownership, with the focus in the short to medium term being on supported housing.

Stockport Homes continues to strengthen its position by effectively using its core skills to deliver related services, both within Stockport Homes Limited and through its subsidiary companies. In 2025/26 Three Sixty continued newbuild development on previously stalled Stockport Homes sites and SHG continued to deliver: security services to the Council and external parties; maintenance, repairs and capital works management services to schools and public buildings; private landlord management services; and a number of projects which are focussed on the charitable objectives of SKylight. These works continue to prove successful, and Stockport Homes will continue to seek opportunities to deliver related services in the most resource effective way.

Since Stockport Homes was set up, it has continued to grow and develop through delivering new services, more efficient ways of working, and working closely in partnership with the Council and its family of companies. Stockport Homes prides itself on delivering excellent, value for money services to its customers, and has won many accolades and awards that are testament to this achievement.

Development and performance during the financial year and financial position at the year end

Financial planning and reporting

Quality financial management and planning are a key priority for the Group, and Stockport Homes continues to have a strong track record in this area. It recognises that robust financial planning enables the best use of money by ensuring services are delivered in the most cost effective and efficient way. A 30-year Group financial plan is in place which aligns with strategic objectives, and is stress tested against a range of scenarios and key risks. A mitigation plan is also in place which outlines potential options to improve SHG's financial position in the event of risks crystallising.

The continued growth and transformation of SHG is set out in the Group's five-year Corporate and Delivery Plans, 2026 - 2031, and in the business plans of its subsidiary companies. The financial governance implications of this period of change are set out in a three-year Corporate Finance Strategy 2023 - 2026. This strategy provides a clear structure and action plan to financially support and enable the on-going developments during this period of growth and transformation, which is crucial to the overall financial governance framework.

Each year a detailed budget is set that supports the Delivery Plan and Corporate Plan objectives. Budget setting for 2025/26 included assessing forthcoming risks, with the budget being stress tested against these risks across a range of scenarios. As Stockport Homes continues to grow, the Management Fee and related charges, at £41.999 million, continues to be the largest single element of its £81.435 million turnover. However, other income streams are continuing to grow including rental income from owned properties and income for third party works. In addition, the impact of the group structure significantly increases SHG's overall turnover.

Stockport Homes produces comprehensive monthly management accounts to maintain effective financial control. The accounts include projected year end forecasts alongside comprehensive commentaries of variances against budgets. This regular reporting ensures that progress against budgeted objectives is monitored, and that issues are highlighted in a timely fashion to facilitate any remedial actions required.

Stockport Homes continues to work in a financially challenging environment including providing year on year efficiency savings within the Management Fee, alongside ongoing pressures resulting from macro-economic factors and Welfare Reform. Stockport Homes is responsible for the collection of housing rental income on behalf of the Council as well as its own income streams. During 2025/26 the Money Advice team received a total of 2,832 referrals, supporting customers to access additional income amounting to just over £10 million. The Managed Migration programme gathered pace and has now been fully completed, with all affected customers offered support through the process. In total 1,656 customers were offered help with their new Universal Credit claims, with 90% that engaged with the service receiving their first payment as expected and paying their rent in full and on time. Rent collection performance remains strong despite the continued cost of living pressures on household incomes, and a further increase in Universal Credit claimants bringing the total to 6,846 households (61%). Over the last 12 months there has been the migration of some of our most vulnerable customers to Universal Credit, but cash collection has exceeded target at 100.98%. Arrears as a % has reduced to 1.60% with 139 fewer customers in arrears compared to the previous year, which reflects the work the team has invested into supporting customers who are experiencing financial difficulties.

Stockport Homes is responsible for the management and maintenance of the Council's 30-year Housing Revenue Account (HRA) Business Plan. The Plan was updated during 2025/26 and stress tested against a range of scenarios and key risks. The Plan demonstrates a sustainable model going forward can be achieved, against a range of competing priorities, though financial risks are recognised.

Financial performance

During 2025/26 SHG has reported a surplus for the year before pension accounting valuation adjustments, and which is an improved position from the previous year. SHG has achieved cost savings across several areas which have supported the annual surplus. Financial performance has also been supported by positive performance in the Three Sixty subsidiary, and the organisation has benefitted from interest earned on its cash holdings. During 2025/26 the development programme which had previously experienced delays and associated cost increases, substantively completed. Previously forecast costs to complete were not as acute as expected, resulting in the reduction in impairment costs previously recognised. Cost impact mitigations included the successful award of further developments grants, and the continued success of the sales programme. As for many organisations though, the economic environment continues to present a number of challenges, following high inflation across a number of key cost areas, increasing demands upon services and the ongoing cost of living crisis. These factors continue to present financial pressures which are expected to challenge future financial performance over the short to medium term.

The overall financial operating outcomes for 2025/26 (before pension accounting valuation adjustments) are favourable and have surpassed the original budgeted expectations. Budgets and financial plans beyond 2025/26 have been revised in light of economic pressures and robustly stress tested for further pressures beyond base assumptions. Future financial performance is expected to remain sustainable over the longer-term, as the organisation continues its business and digital transformation journey which will result in future efficiencies.

Overall, the net asset value before the pension provision has increased by £2.686m due to the effective and efficient financial management of the organisation. This is a positive result against the in-year deficit originally budgeted for the year. The outlook for 2026/27 is more challenging, with a prudent surplus budgeted for the year ahead and stress tested against a range of risks. As SHG's development programme is substantively complete, the organisation will continue to benefit from the income generated from the properties built through this programme but will no longer benefit from the development property sales surpluses previously seen. This change has been expected for some time and built into the organisation's financial plans. Through this robust financial planning, financial performance is expected to remain sustainable beyond 2026/27, whilst continuing to deliver services and projects that will continue to generate ongoing benefits for customers.

Overall reported financial performance for the year is supported by the annual GMPF pension valuation for accounting purposes, which has improved to an asset of £49.268 million at March 2026. Though none of this surplus is recognised in the Statement of Financial Position due to the statutory pension asset ceiling restriction rules, it is a more stable reported position from recent years where previous volatility in the pension accounting valuation has significantly affected SHG's reported position, particularly in years where a pension liability has arisen.

It is Stockport Homes' strong financial control framework and robust governance structure that has enabled it to continue to generate efficiencies and financial surpluses for investment back into service delivery during challenging operational conditions.

Future prospects

The Board of Stockport Homes considers that the Company has strong and sound future prospects. This is demonstrated by the following:

- Strong and effective governance arrangements;
- A sound financial planning framework which demonstrates a robust and healthy financial outlook in the short, medium and long term. This is supported by a 30-year Group financial plan, which is stress tested against a range of key strategic risks and scenarios;
- A clear strategic direction as set out in the Group's Delivery Plan and Corporate Plan for 2026—31;
- Continued strong performance of key indicators such as rent collection and void turnaround which has contributed to mitigating key financial risks arising from changes in government policy;
- The continued delivery of the principal activities related to the management of the Council's housing stock, which represents Stockport Homes' largest source of income. This was reaffirmed following the Council's independent review of its housing management arrangements in 2024/25, which concluded that the ALMO model should be retained;
- The regulatory judgement for Stockport MBC following an inspection against the Consumer Standards completed in May 2026. This regulatory judgement confirms a consumer grade of C1

demonstrating the highest level of compliance with the Regulator's Consumer Standards, with these services delivered by Stockport Homes.

- The ongoing demand for the provision of social housing and home ownership which is not expected to decrease in the longer term.

Principal risks and uncertainties

This section of the strategic report sets out SHG's approach to risk management, alongside an evaluation of key strategic risks.

SHG has a Risk Management Framework in place and a suite of risk registers are produced on an annual basis. These include a corporate risk register, a HRA risk register and a risk register for each of the subsidiaries: Three Sixty, SKylight and Viaduct.

This approach enables SHG to manage risk and embrace opportunities, and therefore deliver agreed strategic objectives. Each year, Stockport Homes assesses the internal and external operating environment and identifies those risks and opportunities which could affect business performance and achievement of agreed objectives. This exercise is carried out as part of the business planning process and ensures the current operating environment is rigorously assessed to inform the risk management framework at SHG.

The risk registers describe the risk, the potential consequences if that risk was realised, the ongoing assurance being obtained around that risk, and the actions that have been agreed to be put into place to mitigate and manage the risk further.

The risk registers also outline existing and proposed risk control actions which are to be delivered within the financial year and who is responsible for delivery. A member of Executive Leadership Team is responsible for each individual risk to ensure that there is strategic leadership of risk management.

The suite of risk registers are approved by individual subsidiary Boards (as applicable) and the SHG Board, with the Audit and Risk Committee reviewing them all prior to Board approval being sought. Subsequent quarterly risk update reports are then provided to Executive Leadership Team, respective subsidiary Boards and the Audit and Risk Committee. The Audit and Risk Committee are responsible for scrutinising and challenging the organisation's approach to managing risk throughout the financial year. Risk update reports describe progress against delivery of risk control actions, highlight any exceptions and identify any new or emerging risks which SHG needs to take account of. Where necessary, the agreement to changes to any risk scores is also reported via this process. SHG Board receive an overview of risk on a quarterly basis via a dedicated Finance, Risk and Regulation Report which ensures Board Members are sighted on key financial metrics and risk issues.

One of the risk registers which is produced is the HRA risk register, which is shared with the Council. This has been in place since the start of self-financing in 2012. This register is specific to the 30-year HRA Business Plan and looks at those risks which could affect the achievement of the self-financing Business Plan or have a negative impact on the assumptions on which the plan is founded, for example around the Government's rent policy, capital investment requirements, inflation levels or the volume of Right to Buy sales.

The Three Sixty, SKylight and Viaduct risk registers contain risks (and mitigation actions) which are specific to that particular subsidiary company and its strategic aims, objectives and Business Plans. The subsidiary risk registers are approved by each respective subsidiary Board, as well as the SHG Board, and are monitored quarterly by each respective subsidiary Board and the Audit and Risk Committee.

Risk management is embedded throughout SHG. There are a number of ways in which this is maintained and developed:

- By having a SHG Risk Management Framework to provide clarity around the approach to risk management within the company

- By having an embedded risk management system that ensures a culture exists which gives due consideration to risk and opportunity facing SHG

- By ensuring that risk and opportunity management is a key consideration of the business planning process each year
- By holding risk workshops on an annual basis with each Directorate Management Team
- By ensuring that Executive Leadership Team are part of the quarterly risk reporting process, consider risk in their service areas and actively raise any areas of emerging risk to the Head of Assurance
- By ensuring quarterly risk reporting to Audit and Risk Committee and Board to enable them to be sighted on SHG's key risks and how they are being mitigated / managed
- By setting out an agreed risk appetite for SHG and its subsidiary companies, which is regularly reviewed, and embedded into decision making
- By ensuring that all Board reports have considered the related risks and provided explanations of how they will be managed, as necessary
- By ensuring that all Business Plans within the company consider and identify key risks to their successful achievement.

Strategic risks in 2025-26

For the 2025-26 financial year, the corporate risk register was reviewed and updated to reflect the corporate risks which SHG was facing.

The key strategic risks were agreed as:

- The relationship with the Council is not strong, supportive and effective
- SHG and the Council are not adequately prepared for a proactive inspection of the Consumer Standards by the Regulator of Social Housing
- SHG's IT systems do not meet the evolving needs of the business and the implementation of new systems is ineffective / not well managed
- SHG is not able to meet the long-term stock investment needs of the stock, including maintaining all legal and statutory compliance requirements for homes, communal areas and neighbourhoods
- SHG is not able to meet GM / national targets relating to zero carbon due to lack of funding available
- Building Safety Cases are not of sufficient quality to obtain a Building Assessment Certificate from the Building Safety Regulator (BSR)
- SHG is unable to deliver an ambitious and varied new build development programme
- Health and safety obligations to customers aren't fulfilled, including gas safety, electrical safety, fire safety, legionella, lift safety, asbestos and carbon monoxide

Financial and non-financial key performance indicators

Stockport Homes monitors performance against a suite of operational and corporate indicators and measures. This year has seen the third annual collection of Tenant Satisfaction Measure (TSM) data for the sector, consisting of a set of prescribed management and perception survey-based measures. The corporate performance report includes 14 management TSM measures and 12 perception-based measures, results of which are reported to SHG Board each quarter. These indicators demonstrate the health of the business and also customer satisfaction with a range of services provided, for example repairs, Anti-Social Behaviour, and complaints. The TSM outcomes can be found at Tenant Satisfaction Measures Year end 2025 - Stockport Homes

SHG have used feedback from customers via Tenant Satisfaction Measures to generate improved business insight which has been shared with customers via the ASPIRE panel. The panel routinely receives performance information they have specifically requested, covering a defined set of nine management and perception-based Tenant Satisfaction Measures. This enables customers to scrutinise SHG's performance more closely and hold the organisation to account, directly reflecting the customer voice. Targets set against these indicators represent Stockport Homes' ambition to improve on the previous year's performance. As a key component of SHG's annual target setting process, additional corporate performance indicators are defined to supplement insight provided by TSM's. SHG reports a total of 21 indicators with targets and 7 measures that do not have targets however provide a broader illustration of performance across Stockport Homes. This framework of measures provides a consistent view of SHG's performance for both internal and external audiences. The key performance indicators, which assess cost and service quality, are reported regularly to the Executive Leadership Team, Wider Leadership Team, the Board and Stockport Council, and are also used as part of external benchmarking through the Greater Manchester Housing Partnership.

Tenant Satisfaction Measures are used to determine performance against the commitments made by SHG to customers via the Customer Charter. The charter covers how services should be provided and includes being respectful, being a listening organisation, being responsive, flexible and fair, and being great at communication which are all aligned with TSM definitions.

To monitor rent collection two main rent collection measures are mapped against challenging monthly 'targets' and 'tolerance' scenarios. Stockport Homes' effective management of rent collection and associated work, such as money advice, has resulted in rent collection and rent arrears performing better than tolerances set for both these critical indicators. This shows that the organisation is working hard to successfully prevent the build-up of significant additional arrears, despite pressures on household budgets and the increase in the number of customers in receipt of Universal Credit.

Of the 22 key performance indicators with targets, 9 met target, 11 were slightly outside of the year-end target but remained within an acceptable tolerance, and 2 were out of tolerance. Full commentary on performance is provided in the year-end performance report presented to the Board. SHG met target for all of the 12 perception based Tenant Satisfaction Measures, using benchmarks against sector peers as the basis for comparison.

Performance indicators monitored at corporate level in 2025/26

Performance indicator[1]	2025/26 target	2025/26 outturn
Proportion of homes for which all required gas safety checks have been carried out	100%	100%
Proportion of homes with a valid electrical installation condition report	100%	99.95%
Proportion of homes for which all required Fire Risk Assessments have been carried out	100%	100%
Number of high-risk Fire Risk Assessment (FRA) actions overdue	0	39
Number of overdue Fire Risk Assessment (FRA) actions on planned programme	0	564
Proportion of homes for which all required communal passenger lift safety checks have been carried out	100%	100%
Proportion of homes for which all required legionella risk assessments have been carried out	100%	100%

[1] The Regulator of Social Housing's TSM definition will be utilised where the KPI is a regulatory measure

Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	100%	100%
Proportion of gas supplied homes with a Carbon Monoxide (CO) detector	98%	99.57%
Percentage of ASB complainants satisfied with the outcome of their case	85%	82.60%
Percentage satisfaction with repair (transactional)	91%	85.4%
Rent collected as a percentage of rent due	100.84%	100.98%
Rent arrears as a percentage of rental debit	1.56%	1.60%
Average time taken to re-let empty dwellings (all re-lets)	13 days	15.6 days
Availability of core IT systems	99.8%	99.77%
Percentage of estate inspections rated at least 'good'	98%	98.19%
Percentage sickness absence	2.25%	3%
Number of ASB cases (including hate incidents) opened per 1000 homes	Target not applicable	106.3
Number of ASB cases that involve hate incidents opened per 1000 homes	Target not applicable	3.24
Proportion of Homes that do not meet the Decent Homes Standard	0%	0%
Proportion of emergency responsive repairs completed within the landlords target timescale	99.8%	99.6%
Proportion of non-emergency responsive repairs completed within the landlords target timescale	88%	92.22%
Number of stage one complaints received per 1000 homes	Target not applicable	40.18
Number of stage two complaints received per 1000 homes	Target not applicable	9.72
Proportion of stage one complaints completed within the Housing Ombudsman's complaint handling code timescales	100%	97%
Proportion of stage two complaints completed within the Housing Ombudsman's complaint handling code timescales	100%	98%
Percentage of people threatened with homelessness where homelessness is then prevented	Target not applicable	60.42%

Number of evictions where the tenant is still in situ	Target not applicable	6

There are 13 Stockport Homes corporate indicators for which performance can be benchmarked against other social housing organisations, which is carried out through Housemark. A snapshot of the position for the month of March 2026 is outlined in the table below.

Overall, Stockport Homes compares very well both against Local Authorities (LA's) and Arm's Length Management Organisations (ALMO's) and in wider comparison against all North of England Housing providers. In particular Stockport Homes has continued to perform highly in relation to gas and electrical safety compliance, responsive repairs completed within timescale, the percentage of dwellings void and available to let, average re-let time in days and tenant satisfaction with the overall service the landlord provides (perception).

Performance at March 2026 (in month)	SHG Performance	North of England	All LA's and ALMO's	Does a higher or lower result indicate better performance[2]
		Quartile 1	Quartile 1	
Percentage of homes with a valid gas safety certificate	100%	100%	100%	Higher
Percentage of domestic properties with EICR certificates up to five years old	99.95%	99.93%	99.74%	Higher
Responsive repairs completed per 1000 properties	351.54	388.28	377.85	Neutral
Responsive repairs completed within target timescale	97.31%	91.46%	94.07%	Higher
Satisfaction with repairs (transactional)	84.96%	91.02%	94.24%	Higher
Percentage of dwellings vacant but available to let	0.04%	0.37%	0.24%	Lower
Average re-let time in days (standard re-lets)	12.32 days	27.55 days	41 days	Lower
New ASB cases reported per 1000 properties	5.69	4.99	5.49	Neutral
Formal Stage 1 and Stage 2 complaints received per 1000 properties	6.74	9.08	8.53	Neutral
Stage 1 and Stage 2 complaints resolved within timescale (%)	98.51%	100	97.18%	Higher
Working days lost to sickness absence (%)	3.5 days	3.11 days	3.66 days	Lower
Voluntary staff turnover (%)	0.86%	0.59%	0.46	Lower
Percentage of tenants satisfied with the overall service their landlord provides (perception) - in month	97.35%	81.85%	81.43%	Higher

[2] Following Housemark definitions, whether higher or lower results indicate positive performance. Neutral is when neither higher or lower scores indicate positive performance and must be analysed contextually

Value for money

At the forefront of Stockport Homes' financial management is its consistent and dedicated approach to value for money, which is integral to achieving the aims of its business plan.

Robust approach to Value for Money

SHG has in place a three-year Value for Money Strategy (2024-27) which sets out key priority areas focussed on the culture of the organisation, understanding cost of service delivery, the role of procurement in value for money, how social value can be improved and the way in which transformational change contributes to optimisation of resources. This is underpinned by an action plan that supports the delivery of the strategy objectives.

A key part of Value for Money delivery is to understand the cost of service delivery and the impact decisions make across both short-term and longer-term horizons. SHG has a well-embedded approach to budget setting and ongoing management of those budgets to ensure income and expenditure forecasts are accurate and the long-term financial viability of the business is sustained.

SHG is committed to delivering social value, not just financial savings, through services and procurement to optimise the outcomes achieved from the resources invested. Social value refers to the economic, environmental, and social benefits created for our customers and the community. A wide range of services across SHG deliver social value, reflecting the organisation's mission to transform lives. During 2025-26, SHG has continued to review its approach to social value in procurement to ensure it gains the most benefit from contracts. In some cases, contractors are able to offer innovative social value solutions, whereas other organisations provide donations towards key services, such as the food pantries or holiday clubs within SKylight, to deliver social value outcomes.

Performance management and Scrutiny

Senior Leaders continue to manage and scrutinise the organisation's finances with monthly reviews of management accounts, variance analysis and continual forecasting. This allows thorough transparency and effective decision making in the release of monies for expenditure within the business. Business planning remains a primary focus for Stockport Homes, with the aim of achieving a comprehensive understanding of the organisation's threats and opportunities going forward.

Services are also subject to scrutiny by the customers. SHL has a long-standing commitment to customer scrutiny. Since 2024/25 a customer assurance panel (called ASPIRE) has been in operation enabling the scrutiny of a wider range of information and assurance on service delivery, performance and risks. The panel:

- Provides a platform for performance monitoring and constructive challenge by customers
- Facilitates customer consultation on strategies, policies, and projects
- Commissions and oversees scrutiny exercises on a task and finish basis

The panel has reviewed performance data, including Tenant Satisfaction Measures and corporate performance indicators, and customer feedback data. It has reviewed and provided feedback on key customer facing policies, such as Tenancy Sustainment and also key strategies such as Asset Management and Customer Experience as part of wider consultation before Board approval. It also contributed to and commented on the Annual Report to Customers.

An initial schedule of scrutiny reviews was been approved by the ASPIRE panel and during 2025-26 scrutiny reviews were conducted on Customer Communications and a scrutiny review SHG's approach to Safer Neighbourhoods / Anti-social behaviour is on-going.

Stockport Homes produces an Annual Report for customers which includes information on value for money in a customer focused way. It is available on the Stockport Homes website. In addition customers can find out more about value for money or make suggestions on Stockport Homes' approach through the website - http://www.stockporthomes.org/about-us/how-we-are-doing/value-for-money/.

Understanding costs and outcomes

Stockport Homes has continued to consistently out-perform the key financial assumptions within the HRA Business Plan which has been increasingly difficult, due to continued cost pressures, the ability of many customers to pay has reduced and as housing policy changes take effect. Stockport Homes and the Council continue to jointly seek to mitigate the impact of this by working together to ensure sustainable budgets for the HRA going forward, combining maximum efficiency targets with continually looking at how things can be done differently to maintain and supplement core services.

Stockport Homes has continued to address the impact on its own business through a combination of making efficiencies and growing its commercial income. Most notably, since 2016 it has moved towards a Group Structure, with three subsidiary companies now fully established. Viaduct Partnerships is a Development Company that works in partnership with the Council to increase the supply of affordable housing within the Borough. Three Sixty is a construction and maintenance services company, delivering investment and repairs & maintenance works on the Council's housing stock in a cost effective and socially valuable way. SKylight was established in December 2018 and uses its charitable status to bring a range of benefits into the Stockport Borough.

Overall, Stockport Homes' priorities will continue to be the provision of high-quality management, maintenance and support services to core customers through achieving the objectives of the Delivery Plan and Corporate Plan 2026-31. Stockport Homes' sound financial planning and management tools ensure it has visibility at all times of available resources and future investment opportunities. The organisation's ethos will remain to invest in the short term, where it can, in initiatives that will deliver efficiencies in the medium or longer term.

Stockport Homes manage the HRA Business Plan and much of its operational activity, such as minimising rent arrears, which significantly impacts on the health and success of the HRA. An updated HRA Business Plan was presented to the Stockport Homes Board in December 2025, which demonstrates a continued sustainable model in Stockport for the next thirty years based on current housing policy and assumptions. The financial performance for the HRA 2025/26 exceeded the revised Business Plan forecast performance for another year running, despite the wider economic cost of living challenges and ongoing right to buys. This is another example of the strong management, performance and commitment of Stockport Homes.

The requirements of the Regulator of Social Housing's Value for Money Standard include reporting on the set of nine VFM metrics which have been defined by the Regulator. The outcomes of these metrics for Stockport Homes Group in 2025/26 are shown below alongside: the original forecast for the year, forecast outcomes for the following year, and the actual results from the two years prior for comparison. Stockport Homes Group has benchmarked itself against all providers owning and/or managing more than 1,000 homes, via the data published by the Regulator in the Global Accounts. Further narrative for these results is provided below.

VFM Metric	**2023/24 Out-turn**	**2024/25 Out-turn**	**2025/26 Budget Forecast**	**2025/26 Out-turn**	**2026/27 Budget Forecast**	***2024/25 Global Accounts Median***
Reinvestment %	6.5%	11.0%	3.6%	**5.6%**	1.0%	*7.5%*
New supply delivered (Social housing units) %	2.8%	7.9%	8.8%	**9.8%**	0%	*1.6%*
New supply delivered (Non-social housing units) %	0%	1.4%	1.7%	**1.4%**	0%	*0.2%*
Gearing %	60.4%	56.4%	55.4%	**49.3%**	43.1%	*45.5%*
EBITDA MRI Interest Cover %	169.2%	265.7%	58.7%	**339.1%**	171.0%	*113%*
Headline social housing cost per unit	£1,554	£3,352	£3,722	**£3,624**	£3,653	*£5,688*
Operating margin (social housing lettings) %	47.5%	10.1%	5.1%	**7.3%**	6.7%	*20.0%*
Operating margin (overall) %	2.4%	5.1%	(1.1%)	**6.8%**	3.1%	*17.4%*

Return on capital employed	1.5%	3.0%	(0.5%)	**4.7%**	1.9%	*3.0%*

Reinvestment % - the scale of investment into development of new and existing housing
The median Reinvestment % outcome for all providers was 7.5% in 2024/25. SHG reinvested less than the median during 2025/26 with a result of 5.6%. SHG is forecasting a further decrease to this metric during 2026/27 in line with the completion of the current SHG development pipeline, along with the relatively new age profile of existing housing which requires less investment as a result. Beyond 2025/26 development activity is expected to be channelled through the Council's HRA, and hence future Reinvestment % results are likely to remain relatively low. The out-turn result of 5.6% was higher than budget due to higher development spend due to delays in the previous year which resulted in more spend within 2025/26.

New Supply Delivered (Social housing units) % - new social housing units developed or acquired during the year as a proportion of existing stock
SHG has historically delivered a high proportion of new social housing stock in relation to its existing stock base through its successful development programme. The outcome of 9.8% in 2025/26, comfortably exceeds the median outcome for all providers of 1.6%. This outcome is higher than the original expectations for the year as a result of delays from the previous year's development programme, As with the Reinvestment %, beyond 2025/26 new supply is expected to be delivered through the Council's HRA, with no new supply currently expected in SHG as a result.

New Supply Delivered (Non-social housing units) % - new non-social housing units developed or acquired during the year as a proportion of existing stock
SHG's development programme contained non-social housing units which had been in progress for some time and completed within 2025/26. As with the New Supply Social Housing metric, following the completion of SHG's development programme and future delivery in the Council's HRA, no new supply is currently expected in SHG as a result.

Gearing % - the proportion of borrowing in relation to the size of the asset base
As expected, SHG's Gearing % of 49.3% at the end of 2025/26 exceeds the median outcome for all providers of 45.5%. The result is less than originally expected for the year as a result of less new borrowing than expected. SHG has had higher gearing than the median for some time, and this can seen to be decreasing year on year. SHG's gearing has been relatively higher for several reasons, which include: as the age of the Group's social housing stock is relatively new, a high proportion of loan debt is still in place which will decrease as the loans amortise going forward; the Group does not have a restrictive gearing based loan covenant with its loan provider Stockport Metropolitan Borough Council, meaning that the Group is able to take advantage of higher levels of loan funding than other providers; the Regulator's calculation of this metric includes all debt, hence includes the debt relating to the Group's Head Office, but the corresponding cost is not included within the asset base, hence distorting the result.

EBITDA MRI Interest Cover % - measures by how much surpluses generated cover interest payable costs
SHG is reporting a positive outcome for this metric in 2025/26, with a result of 339.1% which is greater than the median outcome of 113%. The outcome for 2025/26 is better than the original expectations for the year as a result of the higher surpluses achieved. This metric is forecast to decrease in 2026/27 in line with the approved 2026/27 budget.

Headline Social Housing Cost per Unit - social housing costs per unit
Stockport Homes Group continues to have a relatively low Headline Social Housing Cost per Unit with an outcome of £3,624 for 2025/26 which compares favourably to the median for this metric. This outcome is in part a reflection of the relatively new age of the Group's owned housing stock, meaning that costs have not been incurred which may be required with more mature stock. This metric includes the revenue costs and units associated with the management of the Council's social housing properties. As SHG does not incur the capital expenditure spent on maintaining the Council's properties the outcome from this metric may be lower than for other providers. Including the Council's capital expenditure gives an outcome for 2025/26 of £4,850.

Operating Margin (Social Housing Lettings) % - operating surplus as a proportion of turnover from social housing lettings
SHG's 2025/26 result of 7.3% is less than the median outcome for all providers for this metric of 20%. A key reason for this level of performance relates to a considerable amount of the Group's turnover being obtained from the Management Fee paid by the Council to manage the Housing Revenue Account housing stock. Whilst other providers require higher operating margins in order to help fund capital expenditure, Stockport Homes Group does not have that requirement with regards to the Council's housing stock, as the HRA capital expenditure is incurred by the Council. This brings a low level of return from this activity for SHG, hence has a significant impact on the overall operating margin of the Group. This metric is therefore forecast to continue at relatively low levels in the near future. The 2025/26 outcome is higher than expected as a result of the higher surpluses reported for the year.

Operating Margin (overall) %- operating surplus as a proportion of turnover from the overall Group
As with Operating Margin (Social Housing Lettings) %, SHG expects to have lower Operating Margin (overall) % outcomes than the median for the reasons outlined above. The 2025/26 outcome is higher than expected as a result of the higher surpluses reported for the year. The outcome for 2026/27 is expected to decrease as a result of the approved 2026/27 budget with a lower surplus expected than achieved in 2025/26.

Return on Capital Employed - compares operating surplus to asset values, to assess the efficiency of capital invested
Similar to the results for Operating Margin (overall) %, this result is based on the Group's operating surplus or deficit. The higher than expected operating surplus reported for 2025/26 results in a higher ROCE than expected of 4.7% for the year. This result is higher than the median outcome, though is expected to decrease in 2026/27 in line with the budgeted outcomes for that year.

Employee Involvement

Stockport Homes has an establishment of 705 posts across the Group at 31 March 2026, and is well established in the local community. Stockport Homes continues to recognise that employees are the most important asset to the organisation. The work of the People & Organisational Development (OD) team focuses on enabling the service to increase colleague engagement and experience through the implementation of the People & OD Strategy, specific actions and service improvements.

Stockport Homes has retained its Platinum accreditation of Investors in People (IIP) since 2022 which demonstrates the continued commitment in creating a progressive, continuous improvement approach over the previous three years. Stockport Homes previously exceeded the industry benchmark in terms of people management and development for all of the nine indicators, demonstrating 'high performing' level against seven of the nine indicators, and advanced in the remaining two. This puts Stockport Homes in the top one percentile of organisations assessed against this standard. Stockport Homes will have annual IIP reviews until its next full review in March 2028.

During 2025/26 Stockport Homes invested in a range of engagement and wellbeing initiatives to support its colleagues and to continue developing its culture as a great place to work. These initiatives are created based on the latest people data and insight gathered across a variety of forums including, Colleague Voice, EDI groups and the organisations Mental Health First Aiders, the Active Listeners.

In 2025/26 Stockport Homes continued to invest in its people managers by running regular leadership development activity including Directorate Management Seminars and their first ever Leadership Conference with a focus on developing practical management skills and creating a space for the sharing of best practice. As part of these sessions, Stockport Homes began consulting with managers on the creation of their new leadership framework "The SHG Way to Lead". The framework will be developed during 2026 and will provide clarity on leadership expectations as well as providing a frame to deliver future leadership development.

Equality and Diversity

Stockport Homes is committed to fairness, equality and inclusion across all aspects of employment. This commitment is embedded through a range of employment policies that ensure legal compliance, prevent discrimination, provide equal access to learning and development, and create a workplace where colleagues feel valued and included.

The organisation has a companywide Equality, Diversity and Inclusion (EDI) policy which sets out its approach to EDI for both colleagues and customers, supported by several corporate strategies where EDI is a key theme. Stockport Homes strives to be an inclusive employer, offering equal opportunities to all and working towards a workforce that reflects the local communities it serves. Employment policies and practices are regularly reviewed and monitored to ensure they are applied fairly and promote positive working relationships and best practice. Annual reporting and strategic updates are provided to ELT and SHG board, enabling them to gain an overview of any EDI change initiatives.

Stockport Homes has a vision for an inclusive workplace, #BeYou, which is based on the belief that a successful workplace is one that values everyone, has a culture of inclusivity, and embraces both similarities and differences. This vision is embedded through several colleague groups who work with the organisation to raise awareness and champion EDI. These include:

- Empower - representing ethnically diverse colleagues
- Enable - representing colleagues with physical and mental disabilities/health conditions
- Proud - representing LGBTQ+ colleagues
- Carers - representing colleagues who have specific caring responsibilities
- Menopause & Hormonal Health - representing those colleagues experiencing the menopause

Each colleague group is led by a colleague chair and supported by a Leadership Team member as their sponsor. The groups work with the People & OD team to create and deliver a series of colleague activities designed to educate all colleagues and continually embed the principles of #BeYou.

Stockport Homes continue to achieve positive outcomes with external accreditations including being a Stonewall Proud Employer, a Disability Confident Employer and a member of the Race at Work Charter. They also work closely with Housing Diversity Network to champion EDI across the social housing sector and take part in regular networking and best practice sharing activities.

Stockport Homes is signed up to the GMHP 'BOOST' programme, a programme developed as part of GMHP's project 'Generating Routes for Black, Asian and Minority Ethnic (BAME) Leadership' which was run by Manchester Metropolitan University. The 'BOOST' programme shares ethnically diverse experiences between up-and-coming ethnically diverse staff and senior leaders to identify wider organisational issues and empower mentors and mentees to act as agents of change. Over the past three years, Stockport Homes have developed and delivered actions as part of the BOOST programme ranging from development of Inclusive Recruitment Practices to delivery of Inclusive Leadership Masterclasses and tailored personal development pathways. In particular during 2025, working jointly with Stockport Council, Stockport Homes ran the "Global Majority Leadership Programme" which saw five colleagues embark on a six-month leadership development journey to support them in preparing for future leadership roles.

Governance

The Board of Stockport Homes is responsible for the strategic direction of the organisation and Board Members are registered as the Company Directors with Companies House. They have been selected to collectively provide the skills and competencies to successfully steer the company in accordance with its Mission and Aims.

The Board consists of customers, independent and stakeholder members, and a number of Board Members also sit on the Boards of the subsidiaries, Three Sixty, SKylight and Viaduct. There are two Board Observers nominated by Stockport Council to attend all SHG Board Meetings.

Stockport Homes has a constructive relationship with Stockport Council and SHG officers regularly attend the Housing, Environment & Environment Scrutiny Committee, the Cabinet Housing Committee and the seven Area Committees plus a range of strategic officer and Council leadership meetings.

Stockport Homes has an Executive Leadership Team which is led by the Chief Executive, supported by three Directors and is responsible for the day-to-day operations of the organisation. The Chief Executive reports to the Board of Stockport Homes.

The Board meets four times per year to make decisions concerning the strategic direction of the organisation. The Board is supported by three committees: Audit & Risk, Customer Focus and People & Governance, all of which have clear terms of reference, reviewed annually. The Board and Committees are supported by the Governance Team which uses a range of tools to ensure the effectiveness of the Board's decision-making. This includes a thorough forward planning process and procedures for following actions that are agreed in minutes.

A robust Board Member biennial appraisal process completed in 2025-26. It involved self-assessment by all members, individual appraisal meetings, Board input into the Chair's appraisal and input from the Executive Leadership Team. A Governance Development Plan is adopted by the Board to deliver collective actions arising from the process. Outcomes of the appraisals also informs the Board skills matrix, future training, recruitment and succession planning.

During 2025-26, the Board undertook training and attended externally hosted events to widen their knowledge of issues relevant to their roles. Virtual training and consultation sessions are regularly held with the Board. Subjects covered include a workshop on Benchmarking Performance information, Preparation for Inspection, Inclusive Leadership, Building Safety Regulation of high rise blocks, and use of Artificial Intelligence in the SHG and social housing sector. Board Away Days have been used to discuss issues relating to sector risk and horizon scanning and focus on core issues such as customer experience and quality and safety of homes.

The Board, via the Customer Focus Committee, receives an ASPIRE Panel Annual Report that demonstrates the impacts of the panel's work, and the panel's contribution to Stockport Homes meeting its co-regulatory responsibilities during the previous year. The report summarises how the panel:

- Is led by customers and supported by the organisation,
- Allows customers the opportunity to participate, contribute and challenge,
- Influences the strategic direction of Stockport Homes,
- Results in a positive impact on tenants.

Approval

This Strategic Report was approved by order of the Board on 27 July 2026.

Stephen Partridge, Chair of the Board

Independent Auditor's Report to the Members of Stockport Homes Limited

Opinion
We have audited the financial statements of Stockport Homes Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise the Consolidated and parent Company Statement of Comprehensive Income, the Consolidated and parent Company Statement of Financial Position, the Consolidated and parent Company Statement of Changes in Reserves, the Consolidated 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 parent Company's affairs as at 31 March 2026 and of the Group's income and expenditure and the parent Company's income and expenditure 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 Companies Act 2006, 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 parent Company 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 Group's or the parent Company'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 the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent Company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of directors
As explained more fully in the Statement of Board Members' Responsibilities set out on page 7, 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 Group's and the parent Company'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 Group or the parent Company or to cease operations, or has 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 web-site at http://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 parent Company, 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 Companies Act 2006, 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, 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 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 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 our report
This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Menzies LLP

Maria Hallows BA FCA DChA (Senior Statutory Auditor)
For and on behalf of
Menzies LLP
Statutory Auditor
One Expresss
1 George Leigh Street
Manchester
M4 5DL

Date: 27th July 2026

Stockport Homes Limited

Consolidated Statement of Comprehensive Income for the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Turnover	4	81,438	74,822
Cost of sales	4	(15,009)	(14,115)
Operating costs	4	(60,918)	(56,867)
Gain on sale of fixed assets	6	411	142
Operating surplus/(deficit)	4	5,922	3,982
Other interest receivable and similar income	12	725	723
Interest and financing costs	13	(2,183)	(1,926)
Net interest on pension	26	34	(4)
Change in Valuation of investment properties	17	5	50
Surplus/(deficit) before taxation		4,503	2,825
Taxation on surplus /(deficit)	14	(646)	(411)
Surplus/ (deficit) for the financial year		3,857	2,414
Actuarial gains on defined benefit pension scheme	26	433	45,163
Pension surplus not recognised	26	(1,598)	(45,058)
Total comprehensive income for year		2,692	2,519

The notes on pages 36 to 68 form part of these financial statements.

All activities relate to continuing operations.

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2026.

Stephen Partridge

Chair of the Board

Stockport Homes Limited

Company Statement of Comprehensive Income for the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Turnover	4	73,656	68,769
Cost of sales	4	(7,525)	(7,913)
Operating costs	4	(60,082)	(56,464)
Gain on sale of fixed assets	6	411	141
Operating surplus/(deficit)	4	6,460	4,533
Other interest receivable and similar income	12	594	502
Interest and financing costs	13	(2,183)	(1,926)
Net interest on pension	26	34	(4)
Change in Valuation of Investment Properties	17	5	50
Surplus/(deficit) before taxation		4,910	3,155
Taxation on surplus/(deficit)	14	(626)	(355)
Surplus/(deficit) for the financial year		4,284	2,800
Actuarial gains on defined benefit pension scheme	26	433	45,163
Pension surplus not recognised	26	(1,598)	(45,058)
Total comprehensive income for year		3,119	2,905

The notes on pages 36 to 68 form part of these financial statements.

All activities relate to continuing operations.

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2026.

Stephen Partridge
Chair of the Board

Stockport Homes Limited

Consolidated Statement of Financial Position at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible fixed assets - housing properties	15	98,891	96,473
Tangible fixed assets - other	16	15,198	15,799
Investment Property	17	1,355	1,350
		115,444	113,622
Current assets			
Stocks	19	2,634	9,882
Debtors	20	9,126	8,458
Cash and cash equivalents		17,883	17,100
		29,643	35,440
Creditors: amounts falling due within one year	21	(20,128)	(17,877)
Net current assets		9,515	17,563
Total assets less current liabilities		124,959	131,185
Creditors: amounts falling due after more than one year	22	(94,260)	(103,172)
Net assets excluding provisions		30,699	28,013
Provisions for liabilities			
Pension asset	26	0	0
Net assets		30,699	28,013
Capital and reserves			
Income and expenditure reserve		30,699	28,013
		30,699	28,013

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2026.

Stephen Partridge
Chair of the Board

The notes on pages 36 to 68 form part of these financial statements.

Company number 04521257

Stockport Homes Limited

Company Statement of Financial Position at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible fixed assets - housing properties	15	98,891	96,473
Tangible fixed assets - other	16	15,198	15,799
Investment property	17	1,355	1,350
Investment in subsidiaries	18	10	10
		115,454	113,632
Current assets			
Stocks	19	2,313	9,567
Debtors - receivable within one year	20	8,671	8,629
Debtors - receivable after one year	20	-	-
Cash and cash equivalents		12,869	11,650
		23,853	29,846
Creditors: amounts falling due within one year	21	(18,482)	(15,827)
Net current assets		5,371	14,019
Total assets less current liabilities		120,825	127,651
Creditors: amounts falling due after more than one year	22	(94,260)	(103,172)
Net assets excluding provisions		26,565	24,479
Pension asset/liability	26	0	0
Net assets		26,565	24,479
Capital and reserves			
Income and expenditure reserve		26,565	24,479
		26,565	24,479

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2026.

Stephen Partridge

Chair of the Board

The notes on pages 36 to 68 form part of these financial statements.

Company number 04521257

Stockport Homes Limited

Statement of Changes in Reserves for the year ended 31 March 2026

Group	2026	2025
	£'000	£'000
Income and Expenditure Reserves Balance at 1st April	28,013	25,494
Surplus/(deficit) for the year	3,857	2,414
Actuarial gains on defined benefit pension scheme	433	45,163
Pension surplus not recognised	(1,598)	(45,058)
Total comprehensive income for the year	2,692	2,519
Income and Expenditure Reserve Balance at 31 March	30,699	28,013

Company	2026	2025
	£'000	£'000
Income and Expenditure Reserves Balance at 1st April	24,479	22,046
Surplus/(deficit) for the year	4,284	2,800
Actuarial gains on defined benefit pension scheme	433	45,163
Pension surplus not recognised	(1,598)	(45,058)
Total comprehensive income for the year	3,119	2,905
Gift aid paid	(1,030)	(472)
Income and Expenditure Reserve Balance at 31 March	26,565	24,479

Stockport Homes Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Cash flows from operating activities			
Surplus for the financial year		3,851	2,414
Adjustments for:			
Depreciation of fixed assets - housing properties	15	1,476	1,276
Depreciation of fixed assets - other	16	649	589
Amortised grant	23	(1,441)	(2,435)
Interest payable and finance costs	13	2,183	1,926
Interest received	12	(725)	(723)
Taxation expense	14	(607)	209
Taxation reclaim		5	11
(Increase)/decrease in valuation of property	17	(5)	(50)
Gain on disposal of fixed assets	6	(411)	(141)
Difference between net pension expense and cash contribution		(1,165)	105
(Increase)/Decrease in trade and other debtors		(2,428)	2,970
(Increase)/Decrease in Stocks		8,115	8,325
(Decrease)/Increase in trade creditors		(400)	(2,509)
Cash from operations		9,098	11,967
Taxation paid/(reclaimed)		629	(156)
Net cash generated from operating activities		9,727	11,811
Cash flows used in investing activities			
Purchase of fixed assets - housing properties		(4,914)	(11,187)
Purchases of fixed assets - other		(48)	(201)
Receipt of grant		2,059	1,489
Proceeds from sale of fixed assets		411	769
Interest received		691	730
Net cash from investing activities		(1,801)	(8,400)
Cash flows from financing activities			
Interest paid		(2,183)	(2,083)
New loans		1,854	1,610
Repayment of loans		(6,816)	(2,636)
Net cash used in financing activities		(7,145)	(3,109)
Net increase in cash and cash equivalents		781	302
Cash and cash equivalents at beginning of year		17,100	16,798
Cash and cash equivalents at end of year		17,881	17,100

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General notes

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Statement of financial position related notes

1 Legal status

Stockport Homes Limited is registered with Companies House as a company limited by guarantee and is registered with the Regulator of Social Housing as a social housing provider. The Company is incorporated in England. Its registered address is: Cornerstone, 2 Edward St, Stockport, SK1 3NQ.

The group comprises the following entities:

Name	Incorporation	Registered/Non-registered
Stockport Homes Ltd	Companies Act 2006	Registered
Three Sixty SHG Ltd	Companies Act 2006	Non-registered
Viaduct Partnerships Ltd	Companies Act 2006	Non-registered
SKylight Proud to be Part of SHG	Co-operative and Community Benefit Societies Act 2014	Non-registered

2 Accounting policies

Basis of accounting

The financial statements have been prepared on a going concern basis, in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Stockport Homes includes the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, the Accounting Direction for Private Registered Providers of Social Housing 2022.

In applying FRS 102, the financial statements are presented in £ sterling and rounded to the nearest £'000. As a public benefit entity, the Group has applied the public benefit entity "PBE" prefixed paragraphs of FRS 102.

Parent Company Disclosure Exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company
- Disclosures in respect of the parent company's financial instruments have not been presented, as equivalent disclosures have been provided in respect of the Group as a whole
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

Basis of consolidation

The consolidated financial statements incorporate the results of Stockport Homes Limited and all of its subsidiary undertakings as at 31 March 2026. The group accounts consolidate the accounts of the company and its subsidiaries at 31st March 2026 using the purchase method. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying accounting policies.

The following principal accounting policies have been applied:

2 Accounting policies *(continued)*

Income

Income is measured at the fair value of the consideration received or receivable. The Group generates the following material income streams:

- Management fee income from Stockport Council
- Rental income receivable (after deducting lost rent from void properties available for letting)
- First tranche sales of Low Cost Home Ownership housing properties developed for sale
- Service charges receivable
- Grant income for specific initiatives
- Revenue grants and proceeds from the sale of land and property
- Construction contract income from Stockport Council
- Charitable income through SKylight

Rental income is recognised from the point when properties under development reach practical completion and are formally let. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

Service charges

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

Management of units owned by others

Management fees receivable and reimbursed expenses are shown as income and included in management fees receivable. Costs of carrying out the management contracts and rechargeable expenses are included in operating costs.

Current and deferred taxation

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Value Added Tax

Stockport Homes charges Value Added Tax (VAT) on the majority of its income and is able to recover the corresponding majority of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by Stockport Homes and not recoverable from HM Revenue and Customs. Non-recoverable VAT arises from exempt and partially exempt activities and is debited to the Statement of Comprehensive Income.

Finance costs

All Stockport Homes' borrowing is on fixed Public Works Loan Board rates. Interest is capitalised on borrowings related to the development of qualifying assets, to the extent that it accrues in respect of the period of development. Other interest payable is charged to the Statement of Comprehensive Income in the year.

2 Accounting policies *(continued)*

Pension costs

The Group participates in two pension schemes, the Greater Manchester Pension Fund (GMPF) and the Social Housing Pension Scheme (SHPS).

The SHPS is a defined contribution scheme for which costs are charged to the Statement of Comprehensive Income on an accruals basis.

The GMPF is a defined benefit pension scheme and retirement benefits to the employees of the Company are funded by contributions from all employers and employees in the scheme.

Payments are made to a fund operated by Tameside Metropolitan Borough Council. These payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable to the various participating organisations. All costs, liabilities, assets and investment returns are accounted for in accordance with FRS 102.

The difference between the fair value of the assets held in the defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that Stockport Homes is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Tangible fixed assets - Housing Properties

Housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in Property Plant and Equipment and held at cost less any impairment, and are transferred to completed properties when ready for letting.

Depreciation of housing property

Housing land and property is split between land, structure and other major components that are expected to require replacement over time.

Land is not depreciated on account of its indefinite useful economic life.

Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

The cost of all other housing property (net of accumulated depreciation to date and impairment, where applicable) and components is depreciated over the useful economic lives of the assets on the following basis:

Freehold land is not depreciated.

2 Accounting policies *(continued)*

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life as follows:

Description	Economic useful life (years)
New build housing structure (including on-costs)	100
Other housing structure	50
Boundary walls & car hard-standings	50
Roofs	70
Windows	30
Electrical	30
Bathrooms	30
Structural cladding	25
Front Doors	25
Back Doors	30
Boilers	20
Heating systems	30
Kitchens	20
Photovoltaic Panels	25
Lifts	15

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease; when the lease and building elements are depreciated separately over their expected useful economic lives.

Shared ownership properties and staircasing

Under low-cost home ownership arrangements, Stockport Homes disposes of a long lease on low cost home ownership housing units for a share ranging between 25% and 75% of value. The Buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low-cost home ownership properties are split proportionately between current and fixed 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 included in turnover. The remaining element, "staircasing element", is classed as PPE and included in completed housing property at cost less any provision for impairment. Sales of subsequent tranches are treated as a part disposal of PPE. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Allocation of costs for mixed tenure and shared ownership developments

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 or unit basis depending on the appropriateness for each scheme.

Investment Properties

Investment properties include commercial and other properties not held for the social benefit of the Group. 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 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.

2 Accounting policies *(continued)*

Tangible fixed assets - Other

Other tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Assets under construction

Assets under construction are stated at cost. The company adds to the carrying amount when the cost is incurred. Assets under construction are not depreciated until they are brought into use.

Depreciation of other tangible fixed assets

Other fixed assets are included in the Balance Sheet at historical cost, less depreciation where appropriate. A de minimus value of £5,000 applies to individual items. Items are capitalised where they are for ongoing use in the business. Depreciation is provided at a rate calculated to write off the cost of fixed assets, less their estimated residual value over their estimated useful lives on the following basis:

- Computer Equipment	33.33% Straight line
- Photovoltaic panels	4% Straight line
- Motor vehicles	33.33% Straight line
- Site set up	20% Straight line
- Tools and equipment	20% Straight line
- Office furniture and IT fit out	20% Straight line
- Housing Management System	10% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

Government grants

Grant received in relation to property construction is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the useful economic life of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected.

Where social housing grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the income and expenditure account.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

Grants due from government organisations or received in advance are included as current assets or liabilities.

2 Accounting policies *(continued)*

Impairment of fixed assets

The housing property portfolio for the Group is assessed for indicators of impairment at each balance sheet date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts. An option appraisal is carried out to determine the option which produces the highest net realisable value. Valuations on rental return or potential sale proceeds are obtained and used to inform the options. The Group looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the organisation as the existing property. No properties have been valued at VIU-SP.

The Group defines cash generating units as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger cash generating units. Where the recoverable amount of an asset or cash generating unit is lower than its carrying value an impairment is recorded through a charge to income and expenditure.

Stock

Stock represents work in progress and completed properties, properties developed for outright sale, and shared ownership properties. For shared ownership properties the value held as stock is the estimated cost to be sold as a first tranche.

Stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs. When net realisable value exceeds costs an impairment loss is recognised. Where the reasons for a previously recognised impairment no longer exist, the impairment is reversed, but only to the extent that the revised carrying amount does not exceed the original cost of the stock.

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.

Recoverable amount of rental and other trade receivables

Stockport Homes estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

Rent and service charge agreements

The Group has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

Loans, Investments and short term deposits

All loans, investments and short term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however Stockport Homes has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instrument are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

2 Accounting policies *(continued)*

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position consists of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

Contingent liabilities

A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

A contingent liability exists on grant repayment which is dependent on the disposal of related property.

Reserves

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds. Realised and unrealised gains and losses on assets held by these funds are also allocated to the fund.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the key judgements have been made in respect of the following:

- whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, what constitutes the cash generating unit, and the viability and expected future performance of that unit. The members have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The members have also considered impairment based on their assumptions to define cash or asset generating units.

- the anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, they then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the member's best estimate of sales value based on economic conditions within the area of development.

- the carrying value of stock, and that this can be disposed of at a value at least equal to the carrying value, due to property market conditions.

- the appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership between current and fixed assets.

- the categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset

3 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 15 and 16)

  Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as condition and continued usage are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal value

  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.

- Rental and other trade receivables (debtors) (see note 20)

  The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

- Pension liabilities (see note 26)

  The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, property valuations, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the asset or liability recorded and annual defined benefit expense. There is evidence from the external management expert that though the accounting valuation of the scheme results in a surplus, applying the asset ceiling restriction rules results in no economic benefit to the organisation. As such none of the pension asset at March 2026 is deemed to be recoverable, and hence no asset has been recognised in the Statement of Financial Position.

4 Particulars of turnover, cost of sales, operating costs and operating surplus

Group	Turnover	Cost of sales	Operating costs	Operating (deficit)/ surplus
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	47,934	-	(44,446)	3,488
Other Social Housing Activities				
First tranche low cost home ownership sales	9,248	(7,525)	(610)	1,113
Homelessness Services	4,186	-	(4,950)	(764)
HRA Capital programme	11,668	(5,464)	(4,462)	1,742
Other Activities	7,738	(2,020)	(6,858)	(1,140)
Activities other than social housing				
Security Services	664	-	(723)	(59)
Net pension cost	-	-	1,131	1,131
	33,504	(15,009)	(16,472)	2,023
Gain on disposal				411
Total	81,438	(15,009)	(60,918)	5,922
Analysis of disposal				
Shared Ownership Staircasing Sales (Note 6)	1,289	(860)	(18)	411
Total	1,289	(860)	(18)	411

Group	Turnover	Cost of sales	Operating costs	Operating (deficit)/ surplus
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	45,599	-	(40,985)	4,614
Other Social Housing Activities				
First tranche low cost home ownership sales	8,368	(7,913)	(659)	(204)
Homelessness Services	3,171	-	(4,083)	(912)
HRA Capital programme	10,121	(5,111)	(4,275)	735
Other Activities	6,982	(1,091)	(6,031)	(140)
Activities other than social housing				
Security Services	581	-	(733)	(152)
Net pension cost	-	-	(101)	(101)
	29,223	(14,115)	(15,882)	(774)
Gain on disposal				142
Total	74,822	(14,115)	(56,867)	3,982
Analysis of disposal	588	(442)	(4)	142
Shared Ownership Staircasing Sales (Note 6)				
Total	588	(442)	(4)	142

4 Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

Company	Turnover	Cost of sales	Operating costs	Operating surplus/(deficit)
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	47,934	-	(44,446)	3,488
Other Social Housing Activities				
First tranche low cost home ownership sales	9,248	(7,525)	(94)	1,629
Homelessness Services	4,186	-	(4,717)	(531)
HRA Capital programme	4,527	-	(3,995)	532
Intercompany Charges	1,869	-	(1,869)	-
Other Activities	5,228	-	(5,406)	(178)
Activities other than social housing				
Security Services	664	-	(686)	(22)
Net Pension Cost	-	-	1,131	1,131
	25,722	(7,525)	(15,636)	2,561
Gain/loss on sale of fixed asset				411
Total	73,656	(7,525)	(60,082)	6,460
Analysis of disposal				
Shared Ownership Staircasing Sales (Note 6)	1,289	(860)	(18)	411
Total	1,289	(860)	(18)	411

Company	Turnover	Cost of sales	Operating costs	Operating surplus/(deficit)
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	45,599	-	(40,985)	4,614
Other Social Housing Activities				
First tranche low cost home ownership sales	8,368	(7,913)	(104)	351
Homelessness Services	3,171	-	(3,873)	(702)
HRA Capital programme	4,461	-	(3,947)	514
Intercompany Charges	1,937	-	(1,937)	0
Other Activities	4,652	-	(4,822)	(170)
Activities other than social housing				
Security Services	581	-	(695)	(114)
Net Pension Cost	-	-	(101)	(101)
	23,170	(7,913)	(15,479)	(222)
Gain/loss on sale of fixed asset				142
Total	68,769	(7,913)	(56,464)	4,533
Analysis of disposal				
Shared Ownership Staircasing Sales (Note 6)	588	(442)	(4)	142
Total	588	(442)	(4)	142

5 Income and Expenditure from social housing lettings

Group and Company

	General needs 2026 £'000	Low cost home ownership 2026 £'000	Total 2026 £'000	Total 2025 £'000
Income				
Rents net of identifiable service charges	4,037	1,148	5,185	4,679
Service charge income	325	123	448	355
Amortised government grants	202	102	304	274
Fees for management of Council properties	41,731	266	41,997	40,291
Turnover from social housing lettings	46,295	1,639	47,934	45,599
Expenditure				
Management	(8,716)	(219)	(8,935)	(8,492)
Service charge costs	(274)	(103)	(377)	(352)
Maintenance	(24,272)	(402)	(24,674)	(22,448)
Bad debts	(23)	-	(23)	(22)
Depreciation of housing properties: - annual charge	(1,178)	(298)	(1,476)	(1,275)
Other costs	(8,749)	(213)	(8,962)	(8,396)
Operating expenditure on social housing lettings	(43,212)	(1,235)	(44,447)	(40,985)
Operating surplus on social housing lettings	3,083	405	3,487	4,614
Void losses	(91)	-	(91)	(25)

	2026	2025
Total management costs (social housing lettings) in relation to the period of account	£8,935,500	£8,492,000
Total social housing units owned and/ or managed at period end (Note 7)	11,896	11,868
Management costs relative to the size of the landlord (costs/units)	£751.13	£715.54

6 Gain on disposal of fixed assets

Group and Company	2026 £'000	2025 £'000
Shared Ownership Staircasing Sales		
Proceeds of sales	1,289	588
Less costs of sales	(860)	(442)
Less capital grant recycled (note 24)	(18)	(4)
Surplus	411	142

7 Units of housing stock

Group and Company	2026 Additions	2026 Disposals	2026 Total Number	2025 Total Number
General needs housing:				
- Social Rent	15		170	155
- Affordable Rent			294	294
- Intermediate Rent	2		94	92
- Rent to buy			5	5
Low cost home ownership	81	(13)	437	369
Total Social Housing owned			**1,000**	**915**
Total Social Housing managed for others	55	(112)	**10,896**	**10,953**
Total Owned and Managed Social Housing			**11,896**	**11,868**
Stockport Homes - fully staircased Low Cost Home Ownership where freehold is retained	3		**20**	**17**
Accommodation Managed for Others Social Housing - RTB Leaseholders	23		**461**	**438**
Total Owned and Managed Social Housing (including RTB Leasehold and Fully Staircased Shared Ownership)			**12,377**	**12,323**
Stockport Homes Owned Stock Non-Social Housing:				
- Market Rent	1		2	1
- 3rd Party Rents			2	2
Total Non - Social Housing owned			**4**	**3**
Total Non-Social Housing managed for others		**(9)**	**176**	**185**
Total Owned and Managed for others Non-Social Housing			**180**	**188**
Total Owned and Managed Social and Non-Social Housing			**12,557**	**12,511**
Social Housing units under construction - SHG			0	87
Social Housing units under construction - HRA			40	89

8 Operating surplus

Group - Restated	2026 £'000	Restated 2025 £'000
This is arrived at after charging:		
Depreciation of housing properties	1,476	1,275
Impairment of stock	(641)	549
Depreciation of other tangible fixed assets	649	589
Operating lease charges - land & building	294	159
Operating lease charges - other	650	554
Auditors' remuneration (excluding VAT):		
- fees payable to the company's auditor for the audit of the company's annual accounts	47	49
- fees for tax computations	4	4
Defined benefit pension adjustment	(1,131)	101

Note - 2025 results have been restated to include £315,000 within the Operating Lease Charges - Other in relation to the Three Sixty fleet, which was reprocured to Three Sixty during 2025/26.

8 Operating surplus (continued)

Company - Restated

	2026 £'000	Restated 2025 £'000
This is arrived at after charging:		
Depreciation of housing properties	1,476	1,276
Impairment of stock	(641)	549
Depreciation of other tangible fixed assets	649	589
Operating lease charges - land & building	294	159
Operating lease charges - other	269	554
Auditors' remuneration (excluding VAT):		
- fees payable to the company's auditor for the audit of the company's annual accounts	27	32
- fees for tax computations	1	1
Defined benefit pension adjustment	(1,131)	101

Note - 2025 results have been restated to include £315,000 within the Operating Lease Charges - Other in relation to the Three Sixty fleet, which was reprocured to Three Sixty during 2025/26.

9 Employees

Group

	2026 £'000	2025 £'000
Staff costs (including Executive Management Team) consist of:		
Wages and salaries	25,741	24,621
Social security costs	3,283	2,492
Cost of defined benefit scheme (see note 26)	2,892	2,855
Cost of defined contribution scheme (see note 26)	572	507
Pension Valuation Adjustments	(1,131)	101
	31,357	30,576

The average number of employees based on headcount (including Stockport Homes Management Team) during the year was as follows:

	2026 Number	2025 Number
Administration	105	104
Repairs and Maintenance	213	207
Housing, Support and Care	387	398
	705	709

The average number of employees (including Stockport Homes Management Team) expressed as full time equivalents (calculated based on a standard working week of 37 hours) during the year was as follows:

9 Employees (continued)

	2026 Number	2025 Number
Administration	100	99
Repairs and Maintenance	223	216
Housing, Support and Care	360	368
	683	683

Company	2026 £'000	2025 £'000
Staff costs (including Executive Management Team) consist of:		
Wages and salaries	14,520	14,164
Social security costs	1,865	1,437
Cost of defined benefit scheme (see note 26)	2,602	2,543
Pensions Valuation Adjustments	(1,131)	101
	17,856	18,245

The average number of employees based on headcount (including Stockport Homes Management Team) during the year was as follows:

	2026 Number	2025 Number
Administration	81	81
Repairs and Maintenance	55	50
Housing, Support and Care	263	280
	399	411

The average number of employees (including Stockport Homes Management Team) expressed as full time equivalents (calculated based on a standard working week of 37 hours) during the year was as follows:

	2026 Number	2025 Number
Administration	76	76
Repairs and Maintenance	55	49
Housing, Support and Care	241	255
	372	380

10 Directors' and senior executive remuneration

The directors are defined as the members of the Board of Management, the Chief Executive and the Executive Management Team disclosed on page 3. These are judged to be the key management personnel.

Group	**2026** **£'000**	**2025** **£'000**
Executive directors' emoluments	591	546
Amounts paid to non-executive directors	52	44
Contributions to defined benefit pension schemes	69	65
Employers NI contributions	85	70
	797	725

Group and company

The Board of Management received £496 (2025: £234) for board expenses during the year. Compensation for loss of office payments for the year totalled £nil (2025: £nil).

The total amount payable to the Chief Executive, who was also the highest paid director in respect of emoluments was £180,321 (2025: £192,379). The outgoing Chief Executive had opted out of the Local Government Pension Scheme and received an additional payment in lieu of an additional employers pension contribution. The total amount payable to the current Chief Executive is £161,204.

Remuneration payable to the highest paid Director relative to the size of the landlord:

	2026	**2025**
Remuneration of highest paid Director (excluding pension and National Insurance contributions)	£161,204	£162,994
Total Social Housing units owned/managed (Note 7)	11,896	11,868
The remuneration payable to the highest paid Director, relative to the size of the landlord	**£13.55**	**£13.73**

The aggregate amount of remuneration paid to Directors, relative to the size of the landlord:

	2026	**2025**
Total aggregate Directors' remuneration (including pension and National Insurance contributions), payable to Directors or former Directors in relation to the period of account	£797,274	£725,000
Total Social Housing units owned/managed (Note 7)	11,896	11,868
The aggregate amount of remuneration paid to Directors, relative to the size of the landlord	**£67.02**	**£61.09**

There were 5 directors in the local government pension scheme during the year (2025: 5).

The remuneration paid to staff (including Executive Management Team) earning over £60,000 upwards:

	2026 **No.**	**2025** **No.**
£60,000 - £69,999	15	14
£70,000 - £79,999	4	3
£80,000 - £89,999	3	-
£90,000 - £99,999	4	5
£100,000 - £109,999	1	1

10 Directors' and senior executive remuneration (continued)

£110,000 - £119,999	1	-
£120,000 - £129,999	-	-
£130,000 - £139,999	-	1
£140,000 - £149,999	1	-
£150,000 - £159,999	-	-
£160,000 - £169,999	1	-
£170,000 - £179,999	-	-
£180,000 - £189,999	-	-
£190,000 - £199,999	-	1

11 Board Members

Board Member	SHG Remuneration £	Member of Audit and Risk Committee	Member of Customer Focus Committee	Member of People and Governance Committee
Steve Partridge	6,347.02			*
Priti Butler	2,613.96	*		
Alistair Chapman	3,702.00	*		
Nasrin Fazal	3,845.10		*	*
Maria Zywica (Earl)	3,873.95			*
Marie Gilluley	3,701.98	*	*	
Philip Argument	2,613.96		*	
Carol Jack	2,613.96	*	*	
Paula King	2,613.96		*	*
Alison Foster	2,613.96	*		
Karen Mitchell	3,702.00	*		
Phil Pemberton	3,702.00			
John Barrow	2,613.96			
Tony Williams	2,613.96			
Nicola Firth	2,613.99			
Tessa Wiley	2,613.99			

12 Interest receivable and income from investments

Group	2026 £'000	2025 £'000
Interest receivable and similar income	725	723
	725	723

Company	2026 £'000	2025 £'000
Interest receivable and similar income	594	502
	594	502

13 Interest payable and similar charges

Group and company	2026 £'000	2025 £'000
Loans from group undertakings	2,295	2,276
Less Capitalised Interest	(112)	(350)
	2,183	1,926

14 Taxation on surplus/(deficit) on ordinary activities

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to surplus before tax. The differences are explained below:

Group	2026 £'000	2025 £'000
UK corporation tax		
Current tax on surplus for the year	655	438
Adjustment in respect of previous periods	(9)	(27)
Taxation on surplus on ordinary activities	646	411
Surplus/(deficit) on ordinary activities before tax	4,101	2,812
Surplus / (deficit) on ordinary activities at the standard rate of corporation tax in the UK of 25%	1,025	699
Effects of:		
Expenses not deductible for tax purposes	(366)	(261)
Adjustment to tax charge in respect of previous periods	(13)	(27)
Total tax charge for period	646	411

14 Taxation on surplus/(deficit) on ordinary activities (continued)

Company	**2026** £'000	**2025** £'000
UK corporation tax		
Current tax on surplus for the year	635	382
Adjustment in respect of previous periods	(9)	(27)
Taxation on surplus on ordinary activities	626	355

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to surplus before tax. The differences are explained below:

	2026 £'000	**2025** £'000
Surplus /(Deficit) on ordinary activities before tax	4,100	3,155
Surplus /(Deficit) on ordinary activities at the standard rate of corporation tax in the UK of 25%	1,025	789
Effects of:		
Income/Expenses not deductible for tax purposes	(390)	(407)
Adjustment to tax charge in respect of previous periods	(9)	(27)
Total tax charge for period	626	355

15 Tangible Fixed Assets - Housing Properties

Group and Company	General needs completed	General needs under construction	Shared ownership completed	Shared ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2025	65,487	5,216	30,480	4,683	105,866
Additions	-	85	-	5,367	5,452
Completed schemes	5,301	(5,301)	9,029	(9,029)	-
Transfer (to)/from stock	-	-	154	(1,021)	(867)
Component Addition	160	-	-	-	160
Component Disposal	(60)	-	-	-	(60)
Staircasing Disposal	-	-	(910)	-	(910)
At 31 March 2026	70,888	0	38,753	0	109,641
Depreciation:					
At 1 April 2025	(8,125)	-	(1,268)	-	(9,393)
Charge for the year	(1,178)	-	(298)	-	(1,476)
Staircasing Disposal	-	-	59	-	59
Component Disposal	60	-	-	-	60
At 31 March 2026	(9,243)	-	(1,507)	-	(10,750)
Net book value at 31 March 2026	61,645	0	37,246	0	98,891
Net book value at 31 March 2025	57,362	5,216	29,212	4,683	96,473

15 Tangible fixed assets - Housing properties (continued)

The net book value of housing properties may be further analysed as:

	2026 £'000	2025 £'000
Freehold	91,272	88,660
Long leasehold	7,619	7,813
	98,891	96,473

Works to properties

	2026	2025
Improvements to existing properties capitalised	160	96
	160	96

Total Social Housing Grant received or receivable to date is as follows:

	2026	2025
Capital grant - Housing Properties	33,190	34,255
	33,190	34,255

Impairment

Stockport Homes considers each scheme to represent separate cash generating units (CGU's) when assessing for impairment in accordance with the requirements of FRS102 and SORP 2018.

At 31 March 2026 an assessment of impairment indicators was undertaken. No such indicators were identified.

16 Other tangible fixed assets

Group

	Office Buildings £'000	Fixtures, fittings, tools and Equipment £'000	Total £'000
Cost			
At 1 April 2025	13,947	5,978	19,925
Additions	-	48	48
Disposals	-	-	-
At 31 March 2026	**13,947**	**6,026**	**19,973**
Depreciation			
At 1 April 2025	(1,630)	(2,496)	(4,126)
Charge for year	(202)	(447)	(649)
Disposals	-	-	-
At 31 March 2026	**(1,832)**	(2,943)	**(4,775)**
Net book value			
At 31 March 2026	12,115	3,083	15,198
At 31 March 2025	12,316	3,483	15,799

Company

	Office Buildings £'000	Fixtures, fittings, tools and equipment £'000	Total £'000
Cost			
At 1 April 2025	13,947	5,958	19,905
Additions	-	48	48
Disposal	-	0	0
At 31 March 2026	**13,947**	**6,006**	**19,953**
Depreciation			
At 1 April 2025	(1,630)	(2,476)	(4,106)
Charge for year	(202)	(447)	(649)
Disposal	-	0	0
At 31 March 2026	**(1,832)**	**(2,923)**	**(4,755)**
Net book value			
At 31 March 2026	12,115	3,083	15,198
At 31 March 2025	12,316	3,483	15,799

17 Investment Properties held for letting

Group and Company	Total 2026 £'000	Total 2025 £'000
At 1 April 2025	1,350	1,300
Additions	-	-
Gain from adjustment in fair value	5	50
At 31 March 2026	1,355	1,350

Investment properties were valued on 10th March 2026 by Thomson & Associates. The valuations have been undertaken in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

18 Investments in subsidiaries

Company	Total 2026 £'000	Total 2025 £'000
Cost		
At 1 April 2024	10	10
Additions	-	-
At 31 March 2025	10	10

Investments comprise of 10,000 shares in Viaduct Partnerships Ltd, Cornerstone, Registered Office: Cornerstone, 2 Edward Street, Stockport, SK1 3NQ

19 Stock

Group	Other consumables 2026 £'000	First tranche shared ownership properties 2026 £'000	Total 2026 £'000	Total 2025 £'000
Work in progress	-	-	-	6,576
Completed properties	-	1,938	1,938	3,263
Consumables	321	-	321	315
Impairment	-	375	375	(272)
	321	2,313	2,634	9,882

19 Stock (continued)

Company	First tranche shared ownership properties	Total	Total
	2026 £'000	2026 £'000	2025 £'000
Work in progress	-	-	6,576
Completed properties	1,938	1,938	3,263
Impairment	375	375	(272)
	2,313	2,313	9,567

20 Debtors

Group	2026 £'000	2025 £'000
Due within one year		
Rent and service charge arrears	204	174
Less: Provision for doubtful debts	(72)	(69)
	132	105
Amounts owed by the Council and associated companies	6,923	5,518
Trade debtors	1,769	980
Less: Provision for doubtful debts	(1,105)	(786)
Other debtors	141	294
Prepayments and accrued income	1,259	2,286
Social housing grant receivable	-	-
Taxation	7	61
	9,126	8,458

Company	2026 £'000	2025 £'000
Due within one year		
Rent and service charge arrears	204	174
Less: Provision for doubtful debts SHL Rent & Service Charge arrears	(72)	(69)
	132	105
Amounts owed by the Council and associated companies	5,680	4,813
Trade debtors	1,725	942
Less: Provision for doubtful debts	(1,105)	(786)
Other debtors	4	2

20 Debtors (continued)

Prepayments and accrued income	1,118	2,100
Social housing grant receivable	-	-
Taxation and social security	2	50
Amounts owed from group undertakings < 1 year	1,115	1,403
	8,671	8,629

21 Creditors: amounts falling due within one year

Group	2026 £'000	2025 £'000
Loans and borrowings (note 25)	9,310	6,806
Trade creditors	2,629	2,138
Social housing grant in advance	0	-
Amounts owed to the Council and associated companies	1,454	1,565
Taxation and social security	1,136	1,349
Other creditors	1,251	1,552
Deferred capital grant (Note 23)	691	550
Accruals and deferred income	3,657	3,917
Recycled Capital Grant (Note 24)	-	-
	20,128	17,877

Company	2026 £'000	2025 £'000
Loans and borrowings (note 25)	9,310	6,806
Trade creditors	1,512	1,690
Social housing grant in advance	-	-
Amounts owed to the Council and associated companies	1,454	1,557
Taxation and social security	813	1,014
Other creditors	814	817
Deferred capital grant (Note 23)	691	550
Accruals and deferred income	2,505	2,598
Recycled Capital Grant (Note 24)	-	-
Amounts owed to Group undertakings < 1 year	1,383	795
	18,483	15,827

22 Creditors: amounts falling due after more than one year

Group	2026 £'000	2025 £'000
Loans and borrowings (Note 25)	57,964	65,430
Deferred capital grant (Note 23)	35,377	36,654
Recycled capital grant (Note 24)	329	161
Amounts owed to group undertakings	-	481
Sinking Fund	590	446
	94,260	103,172

Company	2026 £'000	2025 £'000
Loans and borrowings (Note 25)	57,964	65,430
Deferred capital grant (Note 23)	35,377	36,654
Recycled Capital Grant (Note 24)	329	161
Amounts owed to group undertakings	-	481
Sinking Fund	590	446
	94,260	103,172

23 Deferred capital grant

Group and Company

	2026 £'000	2025 £'000
At 1 April	37,204	36,486
Grants received during the year	468	3,231
Released to income during the year	(1,441)	(2,435)
Recycled Grant Fund	(163)	(78)
At 31 March	36,068	37,204
Amount due to be released < 1 year	691	550
Amount due to be released > 1 year	35,377	36,654

24 Recycled capital grant fund

Group and Company	2026 £'000	2025 £'000
At 1 April	161	78
Inputs from Deferred Capital Grant	291	79
Inputs from Shared Ownership Staircasing Sales	18	4
Outputs to Deferred Capital Grant	(141)	(0)
At 31 March	329	161

25 Loans and borrowings

Maturity of debt:

Group and Company

	2026 £'000	2025 £'000
In one year or less, or on demand	9,310	6,806
In more than one year but not more than two years	4,745	10,070
In more than two years but not more than five years	5,954	9,738
In more than five years	47,265	45,622
	67,274	72,236

Of the loans of £67.3m, £38.0m has an interest rate of less than 3%, £24.4m has an interest rate between 3% and 5% with the remaining £4.9m at a rate greater than 5%.

26 Pensions

Group

The Group participates in two pension schemes, the Greater Manchester Pension Fund (GMPF) and the Social Housing Pension Scheme (SHPS). The GMPF is a multi-employer defined benefit scheme. Stockport Homes Ltd and Three Sixty SHG Ltd are the only members of the Group who participate in the GMPF, the details of which are below. Stockport Homes Ltd is the sponsoring employer for the GMPF plan, and as such recognises the net defined benefit liability of the plan as a whole. The SHPS is a defined contribution scheme. The charge for the period for the SHPS is £571,968 (2025: £507,419), and at the Statement of Financial Position date there were contributions outstanding of £47,557 (2025: £41,450).

Group and Company

Defined benefit pension scheme

The Company joined the Greater Manchester Pension Fund, administered by Tameside Metropolitan Borough Council, on 1 October 2005 with its employees transferring from Stockport Metropolitan Borough Council.

The 31 March 2026 accounting figures are now based on the 2025 funding valuation results from this valuation have been rolled forward to 31 March 2026 using approximate methods. The roll-forward allows for:

- Changes in financial assumptions
- Additional benefit accrual
- Actual pension increase orders
- Estimated cash flows over the period, and
- Membership information.

A summary of the data used for valuation is as follows:

26 Pensions (continued)

- Individual membership data submitted as at 31 March 2026
- Individual pensioner data in respect of LGPS unfunded pensions
- Employer and employee contributions up to the latest available date and payroll data (in order to estimate contribution income and pensionable payroll for the accounting period)
- Actual split of Fund assets as at the latest available date
- Actual Fund returns provided up to the latest available date
- The bid market value of Fund assets as at the latest available date, and
- Any new early retirements to the latest available date on unreduced pensions which are not anticipated in the normal employment service cost

A full actuarial valuation of the defined benefit scheme was carried out during 2025. The accounting balance sheet position as at 31 March 2026 is based on a roll forward from the 2025 formal valuation. Contributions to the scheme are made by the group based on the advice of the actuary and with the aim of making good the deficit over the remaining working life of the employees.

There were no changes to the scheme during the year and £nil was owing to the scheme at the year-end (2025: £nil).

	2026 £'000	2025 £'000
Reconciliation of present value of plan liabilities		
At the beginning of the year	(73,775)	(84,940)
Current service cost	(1,772)	(2,498)
Interest cost	(4,301)	(4,164)
Actuarial gains/(losses)	(2,822)	17,290
Benefits paid	1,007	995
Business combinations and disposals	-	-
Past service costs	-	(458)
At the end of the year	(81,663)	(73,775)

	2026 £'000	2025 £'000
Reconciliation of fair value of plan assets		
At the beginning of the year	118,833	112,547
Interest income on plan assets	6,947	5,499
Actuarial gains/(losses)	3,255	(1,073)
Contributions by employer	2,903	2,855
Business combinations and disposals	-	-
Benefits paid	(1,007)	(995)
At the end of the year	130,931	118,833

Fair value of plan assets	130,931	118,833
Present value of plan liabilities	(81,663)	(73,775)
Surplus not recognised	(49,268)	(45,058)
Net pension scheme asset/(liability)	-	-

26 Pensions (continued)

The plan has an unadjusted surplus at the reporting date of £49,268,000 and the Group has recognised an asset in the balance sheet to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds from the plan. The adjusted plan surplus (asset ceiling) has been calculated by the scheme actuary to be £nil (2025: £nil) and therefore surplus totalling £49,268,000 (2025: £45,058,000) has not been recognised in the balance sheet as a result.

Amounts recognised in other comprehensive income are as follows:	**2026 £'000**	**2025 £'000**
Included in administrative expenses:		
Current service cost	1,772	2,498
Past service cost	0	458
	1,772	2,956
Amounts included in other finance costs:		
Interest income on scheme assets	6,947	5,499
Interest costs on scheme liabilities	(4,301)	(4,164)
Interest on the effect of the asset ceiling	(2,612)	(1,339)
Net interest income/(cost)	34	(4)

Analysis of actuarial gain /(loss) recognised in Other Comprehensive Income	**2026 £'000**	**2025 £'000**
Actual return less interest income included in net interest income	5,040	(1,073)
Experience gains and losses arising on the scheme liabilities	(8,292)	782
Changes in assumptions underlying the present value of the scheme liabilities	3,685	16,508
Changes in the effect of the asset ceiling	(1,598)	28,946
`	(1,165)	45,163

	2026 £'000	**2025 £'000**
Composition of plan assets		
Equities	64%	65%
Bonds	17%	17%
Property	10%	9%
Cash	9%	9%
Total plan assets	100%	100%
Actual return on plan assets	10%	3.9%

Principal actuarial assumptions used at the balance sheet date

	2026	**2025**
Discount rates	4.5%	5.80%
Future salary increases	3.00%	3.55%
Future pension increases	6.30%	2.75%
Average future life expectancies		
for a male aged 65 now	20.8 years	19.9 years
at 65 for a male member aged 45 now	22.1 years	21.3 years
for a female aged 65 now	24.2 years	23.7 years
at 65 for a female member aged 45 now	26 years	25.2 years

27 Contingent liabilities

Group and Company

Stockport Homes Limited previously acquired properties with associated government grant. In the event of these properties being disposed, Stockport Homes Limited is liable for the recycling of the associated government grant. At 31 March 2026 the value of this liability is £3.904m (2025: £3.904m).

28 Operating leases

The group and the association had minimum lease payments under non-cancellable operating leases as set out below:

Group

Amounts payable as Lessee

Leases expiring in:	2026 £'000	2025 £'000
Not later than 1 year	1,310	1,363
Later than 1 year and not later than 5 years	3,815	3,769
More than 5 years	448	639
Total	5,572	5,771

Company

Amounts payable as Lessee

Leases expiring in:	2026 £'000	2025 £'000
Not later than 1 year	615	655
Later than 1 year and not later than 5 years	1,588	1,386
More than 5 years	448	639
Total	2,651	2,680

29 Capital commitments

Group and Company	2026 £'000	2025 £'000
Commitments contracted but not provided for	1,020	3,691
Commitments approved by the Board but not contracted for	524	1,294
	1,544	4,985

Capital commitments will be funded as follows:

	2026 £'000	2025 £'000
Social Housing Grant	0	272
New loans	13	299
Sales of properties	641	2,933
Highway Bond Grant	129	848
Reserves	761	633
	1,544	4,985

30 Related party disclosures

The ultimate controlling party of Stockport Homes is Stockport Metropolitan Borough Council.

Associated companies

The following transactions took place between Stockport Homes, Stockport MBC and its associated ventures during the year

	Stockport Council		Totally Local Company	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Net loan movements advances/(repayments)	(4,962)	(1,026)		
Net sales and purchases of goods and services	14,035	17,777	35	43
Management fees received	37,665	36,909		-

	Stockport Council		Totally Local Company	
Payable by Association to associated companies	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Loan advances	67,274	72,236	-	-
Trading Balances	1,454	1,557	-	-

30 Related party disclosures (continued)

Payable to Association from associated companies	Stockport Council 2026 £'000	Stockport Council 2025 £'000	Totally Local Company 2026 £'000	Totally Local Company 2025 £'000
Trading Balances	6,923	5,510	4	-

Totally Local Company is a subsidiary undertaking of Stockport Metropolitan Borough Council and therefore a fellow subsidiary of Stockport Homes.

In 2025/26 Stockport Homes Group (Three Sixty) have charged schools within Stockport £538k (2025: £668k) in relation to the provision of repairs and maintenance services and security.

As at 31 March 2026, Stockport Homes' bank balances were held by the same bankers as those of Stockport Metropolitan Borough Council, however the Council does not have control of the bank balances of Stockport Homes.

The Stockport Homes Board includes three tenant members who hold a tenancy agreement on normal terms. These members cannot use their position to their advantage. At 31 March 2026 tenant members of the Stockport Homes Board comprised Paula King, Carol Jack and Phillip Argument. Rent charged to Stockport Homes tenant Board members during the period was £16,081. Stockport Homes tenant Board members had no arrears (2025 £460.59) at the reporting period end. Paula King's tenancy ended on the 1st March 2026 as she purchased the property through Right to Buy

Alison Foster is the Assistant Director of Finance at Bolton at Home, an organisation that owns, manages, and maintains properties, primarily in Bolton, and provides housing, support, and community services. Stockport Homes received income during the period of £51,180 (2025 £5,432).

Karen Mitchell is a Non Executive Director at Borough Care Ltd an organisation that provide residential care. Three Sixty SHG received income of £17,268 during the period (2025 £19,675).

Stephen Partridge is a Director of Savills (UK) Ltd, an organisation specialising in residential estate, Stockport Homes made payments to Savills of £10,440 during the period (2025 £3,955).

Tessa Wiley is a Trustee at Groundwork Greater Manchester an organisation that aims to create a greener, fairer, and stronger future for people. Stockport Homes made payments to Groundwork Greater Manchester of £149,752 during the period (2025 £130,924).

Group companies

Stockport Homes Limited is the parent company of the following entities:

i. Three Sixty SHG Ltd
Registered under the Companies Act 2006, the principal activities of the company are construction and related services.

ii. Viaduct Partnerships Ltd
Registered under the Companies Act 2006, the principal activities of the company are the development and construction of social housing.

iii. SKylight Proud to be Part of SHG
Registered under the Co-operative and Community Benefit Societies Act 2014, the principle activities of the company are to deliver the organisation's charitable aims.

Stockport Homes Limited provides management services, other services and loans to its subsidiaries. Stockport Homes Limited also receives charges from its subsidiaries. Charges between Group members are based on cost with an agreed mark-up methodology.

30 Related party disclosures (continued)

During 2025/26 charges between Stockport Homes Limited and its subsidiaries were as follows:

Three Sixty SHG Ltd

Stockport Homes Limited charged Three Sixty SHG Ltd £1,262,931 and received charges of £20,104,530.

Viaduct Partnerships Ltd

Stockport Homes Limited charged Viaduct Partnerships Ltd £188,901 and received charges of £5,300,875.

Three Sixty charged Viaduct Partnerships Ltd £3,790,415.

SKylight Proud to be Part of SHG

Stockport Homes Limited charged SKylight Proud to be Part of SHG £417,646 and received charges of £2,480,481.

31 Analysis of changes in net debt

Group

	At 1 April 2025	Cash flows	Other non-cash changes	At 31 March 2026
	£'000	£'000	£'000	£'000
Cash	17,100	781	-	17,881
Debt due within one year	6,806	(6,816)	9,320	9,310
Debt due after one year	65,430	1,854	(9,320)	57,964
Total	89,336	(4,181)	-	85,155

Company

	At 1 April 2025	Cash flows	Other non-cash changes	At 31 March 2026
	£'000			
Cash	11,650	1,219	-	12,869
Debt due within one year	6,806	(6,816)	9,320	9,310
Debt due after one year	65,430	1,854	(9,320)	57,964
Total	83,886	(3,743)	-	80,143