

Birmingham Civic Housing Association Limited

FINANCIAL STATEMENTS & ANNUAL REPORT

for the year ended

31 December 2025

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

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BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

DETAILS OF THE ASSOCIATION

Registered No.

L1389

Co-operative and Community Benefits Societies Act 2014

18430R

Registered Office

230-234 Wheelwright Road
Erdington
Birmingham
B24 8EH

Chairman

Mrs D Kanco-Hammond

Members of the Board

Mr A Nash
Miss K Grealis
Mr M Tomlinson
Mr C Biddlestone
Mrs E Bailey
Mr I Stokes
Mr G Turton
Mr JL Oliveira-Priez

Officers

Mrs H Marson - Chief Executive

Bankers

Lloyds TSB Plc
12 Newhall Street
Birmingham
B3 3EW

Auditor

Menzies LLP Birmingham

4th Floor
95 Gresham Street
London
EC2V 7AB

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025

The members of the Board present their report and the audited financial statements for the financial year ended 31 December 2025.

Principal Activities

Birmingham Civic Housing Association Limited is a Registered Provider with the Regulator of Social Housing, the principal activity of the association is to provide general needs social housing to people in need. The Association owns and manages 217 properties located in Birmingham. The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is a member of the National Housing Federation. The Association is governed by a voluntary Board of Management.

The Association's purpose is to:

“Provide good quality homes and services to people in need while ensuring that the association is financially viable and adheres to relevant laws and regulations”.

With this vision in mind the Board of Management has set the following key priorities:

1. Provide high quality homes and services that meet the needs, wishes and aspirations of our tenants.
2. Invest in the quality, safety and environmental sustainability of our homes.
3. Demonstrate high standards of governance and business effectiveness to maintain a sound financial position and comply with relevant laws and regulations.

The Board of Management aims to maintain the Association's independence, financial strength and viability.

Business Strategy

The Board directs the Association's strategy and ensures that safeguards are in place to protect the current and future viability of the association, whilst delivering our purpose and value for money. The Board delegates responsibility to an Audit Committee to review performance and oversee the management of key risks.

The Board's strategy is to operate efficiently in providing good quality management and maintenance services, generating surpluses to reinvest in improving homes and purchasing additional properties.

The Board is committed to improving the thermal efficiency of all homes to achieve a minimum “C” energy efficiency rating. The Board is also committed to keeping key components in good repair and providing modern kitchens and bathrooms in all homes.

The Board of Management regularly review performance against Key Performance Indicators, a summary of performance for the year ending 31 December 2025 is provided in the following pages.

Improving our Homes

In the past year £179,687 (2024: £245,387) was spent on capitalised major works to improve energy efficiency and modernise homes.

<i>Major Repairs</i>	<i>Value (2025)</i>	<i>Value (2024)</i>
Kitchen renewal	£64,980	£34,599
Bathroom renewal	£15,533	£92,041
Boiler replacement	£14,430	£17,014
Window & Doors	£34,993	£51,697
Roof renewal	£13,920	£16,600
Insulation	£17,986	£33,436
Structure	£17,845	-
Total	£179,687	£245,387

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

In 2026 a further £230,000 will be spent on major works, principally the replacement of kitchens, bathrooms and roofs.

Following investment through our Affordable Warmth Programme, 91% of homes have now achieved a “C” energy efficiency rating, this is a significant achievement given that most of our homes are of solid wall construction. A key priority is to improve the energy efficiency of our remaining homes as soon as possible.

Repairs and Maintenance

In 2025 the Association spent £317,747 on routine maintenance, of which £109,216 was spent on repairs to vacant properties, this reflects an unprecedented number of vacant properties (10.1% of the stock compared to 3.2% in 2024), and the extensive work undertaken to refurbish properties before re-letting them. A further £87,676 was spent on planned repairs such as electrical testing and repairs, gas servicing, and environmental works.

In April 2025, the Association established a new arrangement for the responsive repairs service in partnership with Laker Building Management Solutions (Laker BMS), this includes a 24/7 repairs reporting service. The new service has been well received by tenant; this is reflected in improved tenant satisfaction levels with repairs and maintenance.

In 2025, 81% of non-emergency repairs had a target completion time of 14 days or less, the remaining 19% had a target time of 28 days. The following table provides a summary of performance on repairs and maintenance, performance on the number of emergency repairs completed within the target time improved during the second half of the year, we are confident this will be sustained for the year ahead.

<i>Repairs & Maintenance</i>	Target	2025	2024	Acuity 2024/25
<i>Homes that do not meet the Decent Home Standard</i>	0%	0%	0%	0%
<i>% dwellings with a valid gas certificate</i>	100%	100%	100%	100%
<i>% Fire safety checks complete</i>	100%	100%	100%	100%
<i>% emergency repairs completed within target timescale</i>	100%	93.55%	95.6%	95.32%
<i>% non-emergency repairs completed within target timescale</i>	85%	84.56%	72.1%	81.29%
<i>Satisfaction with repairs & maintenance</i>	86%	92%	85%	83.00%
<i>Satisfaction with time taken to complete most recent repair</i>	90%	88%	82%	81.75%
<i>Satisfaction that the home is well maintained</i>	95%	93%	89%	83.00%
<i>Satisfaction that the home is safe</i>	95%	92%	91%	86.70%
<i>Asbestos safety checks</i>	100%	100%	100%	No data
<i>Cost per property of responsive and voids</i>	No target	£1,464	£1,408	£1,029
<i>Cost per property of major repairs and planned</i>	No target	£1,232	£2,005	£1,309

Note: The Tenant Satisfaction Measures relating to water safety and lift safety are not applicable to our homes.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

Tenant satisfaction with repairs and maintenance was independently tested in 2025 through an externally validated survey conducted by Acuity Research which showed satisfaction with repairs and maintenance (92%) is significantly higher than the average for the small housing association benchmark group (83%).

Listening to our Tenants

The Association's approach to tenancy management is based on personal contact with tenants, in 2025, we made personal contact with 78% of tenants. Through this programme housing managers establish a one-to-one relationship with tenants to tailor service delivery to the tenant's specific needs, contact is maintained more frequently where additional support is required.

In 2025 a Tenant Satisfaction Survey was carried out by an independent market research company, Acuity Research, the survey collected the Tenant Satisfaction Measures as required by the Regulator of Social Housing. The results of the survey show an improvement in overall satisfaction (93% compared to 89% in the previous survey in 2023) and high level of satisfaction that the Association keeps tenants informed about things that matter to them (96%) and treats them fairly and with respect (96%), these results are largely attributed to our Tenant Liaison Visit programme and our approach to customer service and communication.

Tenant Satisfaction Measure	2025	2024	Acuity 2024/25
Overall Satisfaction	93%	89%	84.00%
Satisfaction that the Association listens to tenant views and acts upon them	87%	86%	73.00%
Satisfaction that the Association keeps tenants informed about things that matter to them	96%	91%	80.00%
Agreement that the Association treats tenants fairly and with respect	96%	90%	87.00%
Satisfaction that the Association keeps communal areas clean and well maintained	71%	90%	76.50%
Satisfaction that the Association makes a positive contribution to neighbourhoods	84%	73%	71.00%
Satisfaction with the Association's approach to handling anti-social behaviour	74%	74%	69.60%
Anti-social behaviour cases relative to the size of the Association (per 1000 homes)	14	18	No data
Anti-social behaviour cases that involve hate incidents per 1000 homes	-	-	No data

Complaints

The Association is compliant with the Housing Ombudsman's Complaint Handling Code.

In 2025 a total of 11 complaints were received, 9 of these were resolved at stage 1 of the complaint procedure. A further complaint was resolved at stage 2. One complainant remained dissatisfied and escalated their complaint to the Housing Ombudsman, the Ombudsman's review of the complaint is ongoing.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

The Board of Management have appointed a member responsible for oversight of complaints and have published an annual report on complaints on the website.

Complaints	2025	2024	Acuity 2024/25
Satisfaction with the Association's approach to handling complaints	70%	70%	45.50%
Number of Stage 1 complaints (per 1000 units)	51	46	No data
Number of Stage 2 complaints (per 1000 units)	9	5	No data
Stage 1 complaints responded to within the Complaint Handling Code timescales	90%	90%	No data
Stage 2 complaints responded to within the Complaint Handling Code timescales	100%	100%	No data

Income Management

In 2025, current tenant rent arrears as a % of rent due is 4.31, up from 4.05 in 2024, the level of rent debt reflects continuing cost of living pressures experienced by many tenants, we continue to help tenants manage rent debt and assist them to access independent money advice services while also seeking to maximise rent income.

Our strategy is to help tenants to sustain their tenancy and manage rent debt, providing help with claims for welfare benefits, discretionary housing payments and crisis funds. We have adopted the NHF eviction pledge to help tenants manage rent debt and avoid legal action and eviction wherever possible.

Rent Collection	Target	2025	2024	Acuity 2024/25
Rent arrears as % of annual debit	2.7	4.31	4.05	2.92
Rent collected as % of annual debit	99.70	98.68	98.81	99.55
Debt written off as % annual debit	No target	0.45	1.32	No data

Rent loss on vacant properties in 2025 is 1.60% of gross rent compared to 0.56% in 2024 due to the higher number of voids in the year (10.1% of stock compared to 3.2% in 2024). The average time to re-let on ordinary voids is 36 days compared to 32 days in 2024. There were 4 long term voids in the year requiring major works, one of these was converted from a 3 bedroom home to 5 bedrooms, the average re-let time including these is 60 days.

Vacant Properties

Vacant Properties	Target	2025	2024	Acuity
Average re-let time	19 days	36 days	32 days	37.6 days
Lettings as a % of stock	No target	10.1	3.2	No data
Rent loss as % of gross rent	<1.5	1.60	0.56	0.60

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

Value for Money

The Association is committed to achieving Value for Money (VfM) for its tenants and stakeholders. The Association's VfM objective is to "optimise the use of assets, be efficient in the provision of services and improve our operating cashflows to re-invest in providing good quality homes for social rent". By embracing VfM as an integral part of service delivery the Association aims to create surpluses to re-invest in existing homes and to acquire additional properties.

In 2025 the Association spent £405,423 (2024: £481,143) on routine and planned works and a further £179,687 (2024: £245,387) on capitalised major works to modernise homes and improve energy efficiency.

The Regulator of Social Housing VfM regulation requires registered providers to report performance against a standard suite of VfM metrics, performance against the metrics is provided below:

<i>Performance against VfM Metrics</i>	2025	2024	Acuity 2025
Reinvestment %	2.42	3.27	3.40
New Supply Delivered	0	0	0
Gearing	3.07	5.90	13.80
EBITDA MRI (as % of interest)	841	312	192
Headline Social Housing Cost Per Unit	£4,552	£5,165	£6,524
Operating Margin % (Social Housing)	19.87	13.53	17.30
Return on Capital Employed (ROCE) %	3.38	2.25	3.10

Expenditure on major works of £179,687 (2024:£245,387) is reflected in the re-investment metric score of 2.42 (re-investment as a % of the value of fixed assets at cost), this is lower than the 3.27 achieved in 2024 because of the lower capital spend on component renewals. In 2026 the re-investment score is expected to increase back to the 2024 level as expenditure on major works will increase to £230,000.

The Association is not a developing organisation and has not acquired any newly built housing units.

The EBITDA MRI interest measure increased to 841 from 312 in 2024 due to a combination of a higher operating surplus (£268,940 compared to £178,524 in 2024) and lower expenditure on capital funded major works (£179,687 compared to £245,387 in 2024). Interest payable was also lower in 2025 (£34,768 compared to £41,123 in 2024).

The gearing metric, which assess net debt, reduced to 3.07 (from 5.90 in 2024) reflecting the reduction in loan balances (£775,370 compared to £895,340 in 2024). Net debt remains very low compared to the Acuity benchmark group (13.80). There are no plans to take on any additional borrowing, the Association's strategy is to generate surpluses to invest in existing homes and further acquisitions.

Expenditure on major repairs is £828 per unit, down from £1,131 in 2024. Expenditure on responsive and planned maintenance is £1,868 per unit, down from £2,282 in 2024. The reduced expenditure on maintenance and major works during 2025 is reflected in the £4,552 Headline Social Housing Cost per unit (down from £5,165 per unit in 2024).

The higher operating surplus, referred to above, resulted in a higher operating margin metric (surplus as a % of turnover) which is 19.87 in 2025 up from 13.53 in 2024. The main reason for the increase in the surplus is lower expenditure on planned maintenance

The higher operating surplus of £268,940 (£178,524 in 2024) is also reflected in a higher Return on Capital Employed (ROCE) 3.38 compared to 2.25 in 2024.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

Turnover of £1,353,461 compared to £1,319,256 in 2024 reflects a rent increase of 2.7% implemented in April 2025.

Overall, financial performance in 2025 remained strong:

Financial Position

At 31 December 2025 the Association has retained reserves totalling £4,960,547 (2024: £4,730,681).

Liquidity ratio is	2.25 (2024: 1.69)
Interest cover is	7.74 (2024: 4.34)
Loan balances as % of Equity	15.63 (2024: 19.00)

Matters relating to cash inflows and outflows during the year are shown by the statement of cash flows on page 17 and in note 17a to the financial statements.

Risk Management

The Association is in a strong financial position with a healthy level of cash reserves, low gearing and only 48 of the stock holding secured against loans. All loans are at fixed rates for the full term and are therefore protected from increases in interest rates.

The Business Plan is regularly reviewed and robust stress tests are completed against a range of scenarios to assess the most significant risks to financial viability, this has identified the key risk is a rent settlement for social housing below the rate of (CPI) inflation. Other factors, such as rent loss on vacant properties, rent arrears and increased maintenance expenditure associated with Awaab's Law and other changes in building safety legislation, are unlikely to compromise the financial viability of the association in the short to medium term and the Board of Management have no reservations in presenting the financial statements on a going concern basis.

Rent Loss on Vacant Properties

In 2025 rent loss on vacant properties is 1.60% compared to 0.56% in 2024 due to an increase in the number of vacant properties (22 compared to 7 in 2024). The original budget was based on rent loss equivalent to 1.25% of gross rent, this was revised during the year to 1.75% of gross rent to reflect the numbers of vacant properties this did not have a material impact on the budget. At the close of the year 3 properties are vacant pending completion of repair work. The 2026 budget is based on a continuation of a higher number of vacant properties and rent loss equivalent to 1.75% of gross rent.

A range of stress tests against various scenarios have been completed from containing rent loss in 2026 within the budget of 1.75% up to 4% rent loss in 2026 – 2027, should this scenario become a reality the impact could be managed within available resources.

Cash Collection / Rent Debt

Around 70% of tenants are in receipt of Housing Benefit or Universal Credit and the greater proportion of this is paid direct to the association. The majority of older tenants are within the group receiving either Housing Benefit or Universal Credit with only a small number in receipt of pensions that take them above the benefit entitlement level. The remaining tenants are currently in employment and are most vulnerable to a reduction in income or unemployment,

In 2025 rent collected as a % of annual debit is 98.68% a small reduction on the 98.81% achieved in 2024. Current tenant rent arrears increased to 4.31% from 4.05% in 2024, the increase in rent debt, in part, reflects higher rents as a result of the rent increase and also the continuing cost of living pressures experienced by many tenants.

Stress tests have been completed to assess the implications of further increases in rent debt ranging from an additional £10,000 in each year between 2026-2029 to an additional £20,000 in 2026-2029. While increases in rent debt would impact on cash flow and require an increase in bad debt provision, the level of cash reserves brought forward would provide a cushion against the impact, other options are also available to manage the impact such as reducing expenditure, or raising finance from sale of assets.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

Capital Programme

In 2025, £179,687 was spent on major repairs an increase on the £245,387 in 2024. The Business Plan provides £230,000 for capital expenditure in 2026 and 2027. Should it be necessary to reduce expenditure during this period the planned replacement of components, such as kitchens, bathrooms and boilers could be re-phased over future years to preserve cash.

Acquisitions

No acquisitions are planned in 2026, however, the Association will continue to re-invest surpluses above the reserves policy threshold to improve existing homes and, if possible, to acquire additional properties.

Revenue Funded Repairs and Maintenance

The Association will continue to prioritise reactive repairs and annual servicing of gas appliances ensuring that homes are well maintained, and the safety of tenants is protected. Accordingly, the Business Plan provides sufficient resources for revenue funded programmes at CPI+1.5% maintenance cost inflation.

The Business Plan provides over £350,000 a year for responsive repairs and planned maintenance works in the period 2026- 2029, should repairs demand increase above this as a result of Awaab's Law and other changes in building safety legislation, there is scope to reduce programmes such as painting and gardening to compensate.

The Business Plan also provides £80,000 for repairs to vacant properties in 2026. A range of scenarios have been forecast in the stress tests from containing void repair costs within the budget and increasing up to £110,000 a year up to 2028.

Going Concern

The business plan is based on robust assumptions and has sufficient headroom against a range of potential risks. The greatest risk to the long-term viability of the association is continuation of a rent policy that caps annual rent increases below the rate of CPI Inflation.

The business plan demonstrates that the association will continue to make a healthy surplus in the years 2026-2029, cash reserves will exceed the reserves policy and the EBITDA metric will be higher than the 1.1 required to achieve loan covenant compliance. From 2026 onwards surpluses increase further as two loans will be fully settled. The Board of Management are confident in confirming that the association is viable as a going concern.

Governance

The Association is a community benefit society and exempt charity. In 2011 the Association converted to charitable tax status in order to benefit from charitable tax savings which could be reinvested in homes and services. The Association operates for the benefit of the community. The rules of the Association are the NHF Model Rules (2011).

The Board of Management are working toward full compliance with the NHF Code of Governance (2020) and aim to achieve this by the end of 2026.

The Board of Management, which is responsible for managing the affairs of the Association, comprises up to twelve volunteer non-executive directors. The Board meet five times a year for regular business. The Board have established an Audit Committee with delegated powers to monitor implementation of the Risk Management Plan, oversee internal and external audit programmes of work and review financial performance against the approved business plan.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 31 December 2025 (continued)

Board's Responsibilities Statement

The Co-operative and Community Benefit Societies Act 2014, and registered social housing legislation requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that year. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

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

Internal Financial Control

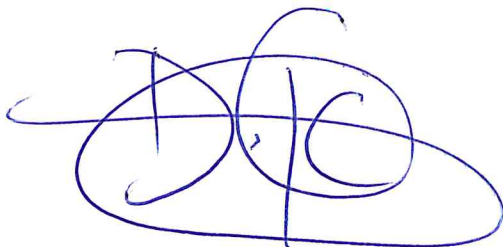
A statement of internal financial control and financial reporting is given on page 10.

Auditor

A resolution to appoint auditors for 2026 will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Management on 23rd April 2026.

**D Kanco-Hammond
Chairperson**



BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

STATEMENT OF INTERNAL FINANCIAL CONTROL AND FINANCIAL REPORTING FOR THE YEAR ENDED 31 December 2025

The Board of Birmingham Civic Housing Association Limited acknowledge their responsibility for the Association's system of internal financial control in the pursuit of safeguarding the assets of the Association and maintaining proper accounting records and reliable financial information.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has reviewed its approach to risk assessment and has in place an on-going process for identifying and managing significant risks faced by the Association. The approach is strategically based.

The Board has reviewed the effectiveness of the system of internal control. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks are managed.

Management is responsible for the identification and evaluation of significant risks applicable to their area of business together with the design and operation of suitable internal controls. These risks are assessed on a continual basis and may be associated with a variety of internal or external sources, including disruption in information systems, and regulatory requirements.

Compliance with policies and procedures is monitored by internal audit and findings are reported to the Board through the Audit Committee who also provide a degree of assurance as to the operation and validity of the system of internal control. Planned corrective actions are monitored for timely completion.

Management report regularly on their review of risks and how they are managed to the Audit Committee, whose main role is to review on behalf of the Board the key risks inherent in the business and the system of control necessary to manage such risks and to present their finding to the Board on an annual basis.

The Chief Executive also reports to the Board on significant changes in the business and the external environment which affect significant risks. The Chief Executive provides the Board with regular financial information, which includes key performance indicators. Management are committed to ensuring best value in all areas of the business and to continuing improvement. Where areas for improvement in the system are identified, the Board considers the recommendations made by management and the Audit Committee.

All material developments and new legislation have been taken into account in the preparation of the financial statements and the review of systems and procedures.

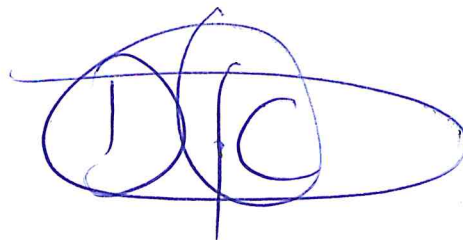
Statement of disclosure of information to auditor

We, the Board members of the Association who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Association's auditor is unaware; and
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

Signed on behalf of the Board of Management on 23rd April 2026.

**D Kanco-Hammond
Chairperson**



BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

FOR THE YEAR ENDED 31 December 2025

Opinion

We have audited the financial statements of Birmingham Civic Housing Association Limited (the 'association') for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 association's affairs as at 31 December 2025 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the 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 association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED (continued)

FOR THE YEAR ENDED 31 December 2025

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of the Board's responsibilities set out on page 9, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

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:

BIRMINGHAM CMC HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED (continued)

FOR THE YEAR ENDED 31 December 2025

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

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

Use of the audit report

This report is made solely to the association’s members as a body in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association’s members as a body for our audit work, for this report, or for the opinions we have formed.

Signed by:

 0F8E80190A27458...
Menzies LLP
 4th Floor
 95 Gresham Street
 London
 EC2V 7AB


Date 12-May-2026

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

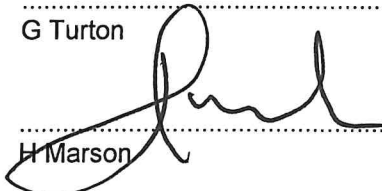
**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 December 2025**

	Note	2025 £	2024 £
Turnover	2	1,353,461	1,319,256
Operating costs	3	(1,084,521)	(1,140,732)
Operating surplus	4	268,940	178,524
Interest receivable	8	6,694	7,929
Interest payable and similar charges	9	(34,768)	(41,123)
Surplus for the year		240,866	145,330
Other Comprehensive Income			
Actuarial gain/(loss) on SHPS obligation	7	(11,000)	7,000
Total Comprehensive Income		229,866	152,330

The Association's results relate wholly to continuing activities and the notes on pages 18 to 39 form an integral part of these financial statements.


 Chairperson
 D Kaneo-Hammond


 Chair of Audit Committee
 G Turton


 Chief Executive & Secretary
 H Marson

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 December 2025**

	Share Capital	Income and Expenditure Reserve	Total
	£	£	£
Balance at 1 January 2024	16	4,578,351	4,578,367
Surplus for the year	(1)	145,330	145,329
Movement on pension scheme		7,000	7,000
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2024	15	4,730,681	4,730,696
Surplus for the year	-	240,866	240,866
Movement on pension scheme	-	(11,000)	(11,000)
	<hr/>	<hr/>	<hr/>
Balance as 31 December 2025	<u>15</u>	<u>4,960,547</u>	<u>4,960,562</u>


BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 December 2025**

Registration No: 18430R

	Note	2025		2024	
		£	£	£	£
Fixed Assets					
Tangible assets:					
Housing Properties at depreciated cost	11	7,418,025		7,514,674	
Other fixed assets	11	184,286		190,081	
		<hr/>		<hr/>	
Total Fixed Assets			7,602,311		7,704,755
Current Assets					
Debtors	12	65,143		72,101	
Cash at bank and in hand	17c	551,927		453,917	
		<hr/>		<hr/>	
			617,070		526,018
Creditors: amounts falling due within one year	13	(273,728)		(310,424)	
		<hr/>		<hr/>	
Net Current Assets			343,342		215,594
		<hr/>		<hr/>	
Total Assets Less Current Liabilities			7,945,653		7,920,349
		<hr/>		<hr/>	
Creditors: amounts falling due after more than one year	14	(2,927,214)		(3,122,626)	
Provision for liabilities – pension	7	(57,877)		(67,027)	
		<hr/>		<hr/>	
Total Net Assets			4,960,562		4,730,696
		<hr/>		<hr/>	
Capital and Reserves					
Called up share capital	16		15		15
Income and expenditure reserve			4,960,547		4,730,681
		<hr/>		<hr/>	
			4,960,562		4,730,696
		<hr/>		<hr/>	

The financial statements on pages 14-39 were approved and authorised for issue by the Board on 23rd April 2026 and were signed on its behalf by:


..... Chairperson
D Kanco-Hammond


..... Chair of Audit Committee
G Turton


..... Chief Executive & Secretary
H Marson

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 December 2025**

	Note	2025		2024	
		£	£	£	£
Net Cash generated from operating activities	17a		431,723		359,298
Cash flow from investing activities					
Interest received		6,694		7,929	
Purchase of tangible fixed assets		(185,668)		(259,579)	
Proceeds from disposal of housing properties		-		-	
Net cash (outflow) from investing activities			(178,974)		(251,650)
Cash inflow from financing activities					
Interest paid		(34,768)		(41,123)	
Repayment of borrowing		(119,971)		(108,053)	
Draw down of funds		-		-	
Net cash inflow/(outflow) from financing activities			(154,739)		(149,176)
Net change in cash and cash equivalents			98,010		41,529
Cash and cash equivalents at beginning of the year			453,917		495,446
Cash and cash equivalents at end of the year			551,927		453,917

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****1 Principal Accounting Policies****Basis of accounting**

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

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

Turnover

Turnover represents rental and service charge income receivable and also amortisation of capital grants.

Fixed assets and depreciation

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

Office Equipment – 20%
 Computer Equipment – 20%
 Vehicles – 25%
 Other Freehold Non-housing – 20%

Depreciation is provided on general needs housing at rates calculated to write off the cost of each component over its expected useful economic life ("UEL") on a straight-line basis. The components and rates applied are as follows:

	Years
Structure	50-120
Kitchen	20
Bathroom	30
Roof	50
Windows	30
Insulation	40
Central Heating	15

Freehold land is not depreciated.

A full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Expenditure on housing properties which results in a replacement of components or an enhancement of economic benefits of the asset such as an increase in the net rental stream over the life of the property is capitalised.

Any works which do not result in an enhancement of economic benefits of a property are charged to the income and expenditure account. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

1 Principal Accounting Policies (continued)

The disposal proceeds from properties owned outright and the surplus or deficit on those properties are accounted for in the Statement of Comprehensive Income in the period in which the disposal occurs as the difference between the net sale proceeds and net carrying value.

Social Housing Grant

Social Housing Grant is recognised in income over the useful economic life of the structure of the related housing asset under the accruals model. When a property is sold the full amount of the original grant is credited to a Recycled Capital Grant Fund with any previously amortised grant being set against the surplus on disposal where applicable.

Social Housing grant is repayable under certain circumstances, primarily following the sale of a property, but will normally be restricted to the net proceeds of the sale.

Recycled Capital Grant Fund

Social Housing Grant which relates to housing properties sold under Right To Buy arrangements is credited to the Recycled Capital Grant Fund insofar as it is not required to cover a loss arising on the sale.

Current Taxation

In December 2011 the Association gained charitable tax status so is no longer taxable on income generated from charitable activities.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against the Income and Expenditure account to which they relate on a straight line basis over the period of the lease.

Social Housing Pension Scheme

The Association participates in the Social Housing Pension Scheme (the scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK.

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****1. Principal Accounting Policies (continued)**

For financial years ending on or before 28 February 2019, it has not been possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus at the accounting period start and end dates. Detail of the Association's deficit contributions is provided in Section 7.

The Pension Trust Growth Plan

The company participates in The Pensions Trust Growth Plan (the scheme), a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation of the scheme was carried out at 30 September 2023. This valuation showed a deficit of £16.1m. To eliminate this funding shortfall, the trustee has asked the participating employers to pay additional contributions to the scheme. Detail of the Association's deficit contributions is provided in Section 7.

Social Housing Defined Contribution Scheme

The Association also pays contributions for members in the Social Housing Defined Contribution Scheme. Contributions to this scheme are charged to the Income and Expenditure Account in the period in which they become payable. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial Instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

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

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****1 Principal Accounting Policies (continued)****Financial assets***Debtors*

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

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

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

Financial liabilities*Trade creditors*

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

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

Borrowings

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

De-recognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Critical Accounting Estimates and Areas of Judgement.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Association makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

1 Principal Accounting Policies (continued)

Tangible Fixed Assets

Tangible fixed assets are depreciated over their estimated future 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. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Depreciation is charged on a straight line basis over the expected useful economic lives of the assets at the following annual rates:

Office Equipment – 20%	Vehicles – 20%
Computer Equipment – 20%	Other Freehold Non-housing – 2%

Depreciation is provided on general needs housing at rates calculated to write off the cost of each component over its expected useful economic life (“UEL”) on a straight-line basis. The components and rates applied are as follows:

	Years		Years
Structure	50-120	Windows	30
Kitchen	20	Central Heating	15
Bathroom	30	Insulation	40
Roof	50		

Pension Scheme Obligations

The Association in conjunction with the scheme actuary, assesses the assets and liabilities of the SHPS scheme and hence the net liability at each year end using a number of key assumptions including mortality rates, discount rates, inflation, and salary growth in order to establish the fair value of the assets and liabilities at the balance sheet date. Further, information in relation to the assumption used to evaluate the deficit as at 31 December 2025 is set out in Note 7 to these financial statements.

Tenant Board Members

In the case of any tenants of the Association also becoming board members, their tenancies will be on normal commercial terms, and they cannot use their position to their advantage.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits.

VAT

The Association is not registered for VAT. Its costs are therefore shown inclusive of VAT.

Going Concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the Association’s resources and the challenges presented by the current economic climate, Board Members are satisfied that the Association has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

The cash flow forecast and revised plan shows that the Association will have adequate reserves and will be able to meet its liabilities, even when modelling several adverse scenarios, such as an increase in void properties or an increase in rent arrears. Consequently, the Board do not consider there to be any material uncertainties in continuing to adopt the going concern basis in preparing the financial statements.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****2 Turnover, operating costs and operating surplus**

	Turnover £	2025 Operating Costs £	Operating surplus £
Income and expenditure from:			
Social housing lettings (note 3)	1,353,461	(1,084,521)	268,940
	<u>1,353,461</u>	<u>(1,084,521)</u>	<u>268,940</u>
	Turnover £	2024 Operating Costs £	Operating surplus £
Income and expenditure from:			
Social housing lettings (note 3)	1,319,256	(1,140,732)	178,524
	<u>1,319,256</u>	<u>(1,140,732)</u>	<u>178,524</u>

3 Income from Social Housing Lettings

	2025 £	2024 £
Rent Receivable	1,261,830	1,227,625
Capital Grant amortisation	91,631	91,631
Charitable Donation	-	-
Sundry Income	-	-
	<u>1,353,461</u>	<u>1,319,256</u>
Turnover from Social Housing lettings	1,353,461	1,319,256
Operating Costs on Social Housing Lettings		
Social Housing Accommodation owned and in management 217 units (2024: 217)		
Management and services	(396,987)	(377,977)
Routine maintenance	(317,747)	(305,465)
Planned maintenance	(87,676)	(175,678)
Bad debts	(5,775)	(16,304)
Depreciation of general needs housing properties	(276,336)	(265,308)
Surplus on disposal of fixed assets	-	-
Operating costs on Social Housing Lettings	<u>(1,084,521)</u>	<u>(1,140,732)</u>
Operating Surplus on Social Housing Lettings	<u>268,940</u>	<u>178,524</u>
Void losses	(20,574)	(6,897)

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

4	Operating surplus	2025	2024
	Operating surplus is stated after charging/(crediting):	£	£
	Audit fee (exclusive of VAT and expenses)		
	- in their capacity as auditor	14,810	14,435
	- in respect of other services	-	650
	Depreciation	288,112	279,016
	Amortisation of capital grant	(91,631)	(91,631)
	Operating lease rentals – Fixture & fittings	973	938
		=====	=====
5	Officers' Emoluments and Key Management Personnel	2025	2024
		£	£
	Officers who are executive staff members (including Chief Executive)	56,361	55,419
		=====	=====
		2025	2024
		£	£
	The emoluments of officers disclosed above include amounts paid to: The highest paid officer (excluding pension contributions).	56,361	55,419
		=====	=====
		2025	2024
		No.	No.
	Number of officers accruing benefit in the pension scheme	1	1
		=====	=====

The full-time equivalent number of staff who received remuneration over £60,000 (including directors):

	2025 No.	2024 No.
£60,001 – £70,000	1	1

The Chief Executive is an ordinary member of the Association's defined contribution pension scheme. The Association made £5,636 (2024: £5,542) of pension contributions during the year. No enhanced or special terms apply and there are no additional pension arrangements.

The Board of Management received no expenses or remuneration during the year.

The Association paid National Insurance Contributions of £7,408 (2024 £6,393) on the emoluments paid above.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

6 Employee Information	2025	2024
	No.	No.
The average weekly number of persons employed (including the Officers) during the year was:		
Office staff	7	7
Maintenance	2	2
	<u>9</u>	<u>9</u>
Average number of employees as full-time equivalents (calculated on a 37-hour week basis)	<u>5</u>	<u>5</u>
Staff costs (for the above persons) were:		
Wages and salaries	215,102	222,322
Social security costs	14,749	14,170
Pension costs (Employees)	22,088	24,511
Other pension costs (past service deficit)	25,309	23,464
Movement in Pension Liability	(9,150)	(26,259)
Current Pension Cost – Defined Benefit Scheme	4,000	4,000
	<u>272,098</u>	<u>262,208</u>

The estimated pension contribution for the forthcoming year is £45,256 (2024: £48,760).

This includes £25,000 annual deficit contributions and admin set by the actuary.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

7. Pension Obligations

SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK.

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028. Under the recovery plan, from 1 April 2022 the deficit contributions required from the Association are £17,607 a year increasing annually by 5.5% from 1 April 2023.

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

For financial years ending on or before 28 February 2019, it has not been possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus at the accounting period start and end dates.

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	Period Ending 31 December 2025 (£000s)	Period Ending 31 December 2024 (£000s)
Fair value of plan assets	410	396
Present value of defined benefit obligation	468	463
Surplus (deficit) in plan	(58)	(67)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(58)	(67)
Deferred tax	-	-
Net defined asset (liability) to be recognised	(58)	(67)

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****7. Pension Obligations (continued)****SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS continued)****RECONCILIATION OF THE IMPACT OF THE ASSET CEILING**

	Period Ending 31 December 2025 (£000s)
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT
OBLIGATION**

	Period Ending 31 December 2025 (£000s)
Defined benefit obligation at start of period	463
Current service cost	2
Expenses	3
Interest expense	24
Member contributions	2
Actuarial losses (gains) due to scheme experience	20
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(7)
Benefits paid and expenses	(39)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligations at end of period	468

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

7. Pension Obligations (continued)

SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period Ending 31 December 2025 (£000s)
Fair value of plan assets at start of period	396
Interest Income	21
Experience on plan assets (excluding amounts included in interest income)- gain (loss)	2
Employer contributions	28
Member contributions	2
Benefits paid and expenses	(39)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	410

The actual return on the plan assets (including any change in share of assets) over the period ended 31 December 2023 was £38,000.

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)

	Period Ending 31 December 2025 (£000s)
Current service cost	2
Expenses	3
Net Interest expense	3
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to Losses (gains) due to business changes	-
Defined benefit costs recognised in statement of comprehensive income (SoCl)	8

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

7. Pension Obligations (continued)

SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS continued)

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (SOCl)

	Period Ending 31 December 2025 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	2
Experience gains and losses arising on the plan liabilities – gain (loss)	(20)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	7
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain (loss)	(11)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain (loss)	-
Total amount recognised in other comprehensive income – gain (loss)	(11)

ASSETS

	Period Ending 31 December 2025 (£000s)	Period Ending 31 December 2024 (£000s)
Global Equity	50	46
Absolute Return	-	-
Distressed Opportunities	-	-
Credit Relative Value	-	-
Alternative Risk Premia	-	-
Liquid Alternatives	70	71
Emerging Market Debt	-	-
sk Sharing	-	-
Insurance- Linked Securities	1	2
Property	20	19
Infrastructure	-	-
Private Equity	1	-

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****7. Pension Obligations (continued)****SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS continued)**

Real Assets	46	45
Private Credit	51	50
Credit	17	15
Investment Grade Credit	15	10
Cash	-	3
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	-	-
Secured Income	7	7
Over 15 Year Gilts	-	-
Index Linked All Stock Gilts	-	-
Liability Driven Investment	127	127
Currency Hedging	-	(1)
Net Current Assets	5	2
Total Assets	410	396

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

KEY ASSUMPTIONS

	31 December 2025	31 December 2024
	% per annum	% per annum
Discount Rate	5.24	5.33
Inflation (RPI)	2.85	3.26
Inflation (CPI)	2.45	2.79
Salary Growth	3.45	3.79
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 December 2025 imply the following life expectancies:

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****7. Pension Obligations (continued)****SCHEME: TPT Retirement Solutions – Social Housing Pension Scheme (SHPS continued)**

	Life expectancy at age 65 (years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.7
Female retiring in 2044	24.5

Potential employer debt (SHPS)

As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the scheme as a whole is calculated by comparing the liabilities for the scheme with the assets of the Scheme. If the liabilities exceed the assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amount of debt can therefore be volatile over time.

The Association has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Social Housing Pension Scheme, based on the funding of the scheme as at 30 September 2024. At this date the estimated debt for The Association was £160,291.

SCHEME: TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****7. Pension Obligations (continued)****SCHEME: TPT Retirement Solutions – The Growth Plan (continued)**

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 January 2028:	£2,100,000 per annum (payable monthly)
---------------------------------------	---

Unless a concession has been agreed with the Trustee the term to 31 January 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
---------------------------------------	---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	31 December 2025 (£s)	31 December 2024 (£s)	31 December 2023 (£s)
Present value of provision	451	601	278

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 December 2025 (£s)	Period Ending 31 December 2024 (£s)
Provision at start of period	601	278
Unwinding of the discount factor (interest expense)	25	8
Deficit contribution paid	(179)	(263)
Remeasurements - impact of any change in assumptions	4	4
Remeasurements - amendments to the contribution schedule	-	574
Provision at end of period	451	601

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

7. Pension Obligations (continued)

SCHEME: TPT Retirement Solutions – The Growth Plan (continued)

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 December 2025 (£s)	Period Ending 31 December 2024 (£s)
Interest expense	25	8
Remeasurements – impact of any change in assumptions	4	4
Remeasurements – amendments to the contribution schedule	-	574
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

ASSUMPTIONS

	31 December 2025 % per annum	31 December 2024 % per annum	31 December 2023 % per annum
Rate of discount	4.05	4.90	5.31

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 December 2025 (£s)	31 December 2024 (£s)	31 December 2023 (£s)
Year 1	209	179	263
Year 2	209	209	22
Year 3	52	209	-
Year 4	-	52	-
Year 5	-	-	-
Year 6	-	-	-
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-
Year 11	-	-	-

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

7. Pension Obligations (continued)

SCHEME: TPT Retirement Solutions – The Growth Plan (continued)

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e., the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Potential employer debt (Growth Plan)

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis).

The Growth Plan is a "last man standing" multi- employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal, the liability is shared amongst the remaining employers. The participating employers are therefore jointly and severally liable for the deficit in the Growth Plan.

The Association has been notified by The Pensions Trust of the estimated employer debt on withdrawal from The Growth Plan, based on the financial of the scheme as at 30 September 2024. At this date the estimated debt for The Association was £3,413.

8 Interest Receivable	2025 £	2024 £
Interest receivable from bank deposits	6,694	7,929
	<u> </u>	<u> </u>
9 Interest Payable and Similar Charges	2025 £	2024 £
On bank loans, overdrafts and other loans:	31,743	38,115
Unwinding of discount on pension provision	25	8
Defined Benefit Pension – net interest	3,000	3,000
	<u> </u>	<u> </u>
	34,768	41,123
	<u> </u>	<u> </u>

10 Taxation

From 2 December 2011 the Association became a charitable entity for tax purposes in line with paragraph 1 of the schedule 6 of the finance Act 2010. As a consequence, no corporation tax is payable on its charitable activities.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

11 Tangible Fixed Assets

	General needs housing properties £	Office equipment and vehicles £	Computer equipment and software £	Freehold office £	Total £
Cost					
1 January 2025	11,103,230	41,571	88,030	260,200	11,493,031
Additions	-	2,484	3,497	-	5,981
Additions to existing properties	179,687	-	-	-	179,687
Disposal of components	(68,393)	-	-	-	(68,393)
Disposal of properties	-	-	-	-	-
31 December 2025	11,214,524	44,055	91,527	260,200	11,610,306
Depreciation					
1 January 2025	3,588,556	36,870	80,512	82,338	3,788,276
Charge for year	276,336	1,823	4,749	5,204	288,112
Disposal of components	(68,393)	-	-	-	(68,393)
Disposal of properties	-	-	-	-	-
31 December 2025	3,796,499	38,693	85,261	87,542	4,007,995
Net book value					
31 December 2024	7,514,674	4,701	7,518	177,862	7,704,755
31 December 2025	7,418,025	5,362	6,266	172,658	7,602,311

	2025 £	2024 £
General needs housing properties comprise:		
Freeholds (at depreciated cost)	7,418,025	7,514,674

The additions to General needs housing properties of £179,687 (2024: £245,387) include component replacements of £161,701 (2024: £211,951) and £17,986 (2024: £33,436) of improvements. Component disposals of £68,393 (2024: £60,479) relate to the residual value of components such as kitchens, bathrooms and boilers that were replaced during the year.

The depreciation charge of £288,122 includes £20,189 of accelerated depreciation relating to components disposed of in the year.

The cost of properties included £nil (2024: £nil) for direct administrative costs (excluding interest) incurred in the year, the accumulated amount being £164,377 (2024: £164,377).

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025**

12	Debtors	2025	2024
		£	£
	Amounts falling due within one year:		
	Rental debtors	63,208	61,780
	Bad debt provision	(38,921)	(34,460)
	Prepayments, accrued income and other debtors	40,856	44,781
		<u>65,143</u>	<u>72,101</u>
		<u><u>65,143</u></u>	<u><u>72,101</u></u>
13	Creditors: Amounts Falling Due Within One Year	2025	2024
		£	£
	Housing loans (note 15)	103,781	119
	Trade creditors	32,235	29,181
	Other tax and social security	-	2,593
	Rents received in advance	16,680	19,307
	Accruals	26,776	46,491
	Deferred Income	2,625	1,250
	Deferred Capital Grant (note 14a)	91,631	91,631
		<u>273,728</u>	<u>310,424</u>
		<u><u>273,728</u></u>	<u><u>310,424</u></u>

There was £6,071 in unpaid pension contributions at the year end. (2024: £6,071)

14	Creditors: Amounts Falling Due After More Than One Year	2025	2024
		£	£
	Deposits held	6	6
	Housing loans (note 15)	671,589	775,370
	Deferred Capital Grant (note 14a)	<u>2,255,619</u>	<u>2,347,250</u>
		<u>2,927,214</u>	<u>3,122,626</u>
		<u><u>2,927,214</u></u>	<u><u>3,122,626</u></u>

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2025****14(a) Deferred Capital Grant**

	£	
At 31 December 2024		2,438,881
Amortisation in year		(91,631)
Property Disposals		-
		<hr/>
At 31 December 2025		2,347,250
		<hr/> <hr/>
	2025	2024
	£	£
Analysed as:		
Estimate of amount due to be amortised in less than one year (Note 13)	91,631	91,631
Estimate of amount due to be amortised in more than one year (Note 14)	2,255,619	2,347,250
	<hr/>	<hr/>
	2,347,250	2,438,881
	<hr/> <hr/>	<hr/> <hr/>

15 Housing Loans

Housing loans are secured by specific charges on the Association's housing properties and are repayable at varying rates of interest and in instalments due as follows:

	2025	2024
	£'000	£'000
In less than one year	103,781	119,971
Between 1 – 2 years	34,036	103,781
Within two to five years	111,344	106,560
After more than five years	526,209	565,028
	<hr/>	<hr/>
	775,370	895,340
	<hr/> <hr/>	<hr/> <hr/>

Housing loans consist of six individual loan balances:

£47,187 (2024: £103,878) of bank loan accrues interest at 2.65% per annum (2024: 2.65%) per annum and is repayable in quarterly instalments - matures 2026.

£24,000 (2024: £56,000) of bank loan accrues interest at 2.35% per annum (2024: 2.35%) per annum and is repayable in quarterly instalments - matures 2026.

£109,426 (2024: £113,935) of bank loan accrues interest at 5.175% (2024: 5.175%) per annum and is repayable in monthly instalments - matures 2041.

£198,494 (2024: £207,393) of bank loan accrues interest at 4.24% (2024: 4.24%) per annum and is repayable in monthly instalments - matures 2041.

£198,684 (2024: £207,560) of bank loan accrues interest at 4.28% (2024: 4.28%) per annum and is repayable in monthly instalments – matures 2041.

£197,580 (2024: £206,575) of bank loan accrues interest at 4.04% (2024: 4.04%) per annum and is repayable in monthly instalments – matures 2041.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

16 Called-up Share Capital

Each of the 10 Board members hold a £1 share in the Association, the remaining shareholders are retired Board members who retain a shareholding. No member shall receive any property or sum beyond the repayment of the share investment.

	2025	2024
	£	£
Allotted, issued and fully paid		
At 1 January 2025	15	16
Additions in the year	-	(1)
At 31 December 2025	<u>15</u>	<u>15</u>

17a Reconciliation of surplus to net cash generated from operating activities.

	2025	2024
	£	£
Surplus for the year	240,866	145,330
Interest payable and similar charges	34,768	41,123
Interest receivable	(6,694)	(7,929)
Costs on disposal of housing property components	-	-
Surplus on disposal of fixed assets	-	-
Depreciation charges	288,112	279,016
Decrease/(increase) in debtors	6,957	(12,200)
(Decrease)/increase in creditors	(20,505)	24,840
Amortisation of grant	(91,631)	(91,631)
Pension obligation movements	(20,150)	(19,251)
Net Cash generated from operating activities	<u>431,723</u>	<u>359,298</u>

17b Reconciliation of net cash to movement in net debt

	2025	2024
	£	£
Increase/(decrease) in cash in the year	98,010	(41,529)
Cash flow from movement in financing	119,971	108,053
Change in net debt resulting from cash flows	<u>217,981</u>	<u>66,524</u>
Opening net debt	(441,424)	(507,948)
Closing net debt	<u>(223,443)</u>	<u>(441,424)</u>

17c Analysis of changes in net debt

	1 January 2025	Cash Flows	Non-Cash Flows	31 December 2025
	£	£	£	£
Cash at bank and in hand	453,917	98,010	-	551,927
Loans due within one year	(116,130)	119,971	(103,781)	(99,940)
Loans due in more than one year	(779,211)	-	103,781	(675,430)
	<u>(441,424)</u>	<u>217,981</u>	<u>-</u>	<u>(223,443)</u>

Of the £551,927 cash at bank and in hand, £309,809 is held in a 95 day notice savings account and the remainder in the current account.

BIRMINGHAM CIVIC HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

18 Capital Commitments

The Association had no capital commitments either authorised but not contracted or authorised and contracted for at the year-end (2024: £none).

19 Legislative Provisions

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014.

20 Social Housing Grant

The total accumulated amount of amortised Social Housing Grant received or receivable at the balance sheet date:

	2025 £	2024 £
Total Capital Grant	4,722,265	4,722,265
Amortised	(2,375,015)	(2,283,384)
Deferred Capital Grant (Note 14a)	<u>2,347,250</u>	<u>2,438,881</u>

21 Commitments under Operating Leases

At 31 December 2024 the Association had future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Fixtures and fittings:		
Within 1 year	938	938
Between one and five years	3,518	1,173
	<u>4,456</u>	<u>2,111</u>

22 Financial Instruments

	2025 £	2024 £
Financial assets – measured at amortised cost	63,208	61,780
Financial assets – other	<u>551,927</u>	<u>453,917</u>
Financial liabilities – measured at amortised cost	<u>834,381</u>	<u>971,012</u>