



Acis Group Limited

Annual Report and
Financial Statements

Year Ended 31 March 2025

Company No: 03593345



Our year in numbers



Our people

The average FTE over the year

270

6801

Number of
Homes

Investment in
new homes
(millions)

£39.7m

£49m

Annual
Turnover
(millions)

Net Surplus

(millions)

£5.6m

82%

Customer
satisfaction
Group services

Student
bedspaces

1654

£3,807

Social housing
cost per unit

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Board Members, Executive Officers, Advisors and Bankers

Board:

Chair	Kathryn Smart
Vice Chair	Carole Hodson
Board Members	Paul Satchwell Bruce Kerr Julie Haywood Paul Wilkin Holly Wilson John Westby Sami Mirza Matthew Adam Edward May David Glover

Please see pages 38-40 for board appointment and resignations

Executive officers:

Chief Executive	Greg Bacon
Finance Director	Adrian Chamberlain
Director for Customer Excellence	Paul Woollam
Director of Property Services	Mark Jones
Director of Community Investment	Claire Woodward
Company Secretary	Greg Bacon

Registered numbers:

Registered as a private company limited by guarantee under the Companies Act 2006, No. 03593345

Registered as a charity with The Charity Commission, No. 1141067

Registered by the Regulator for Social Housing, No. L4229

Registered office: Acis House
Bridge Street
Gainsborough
Lincolnshire
DN21 1GG
www.acisgroup.co.uk

External Auditor: Beever and Struthers
Statutory Auditors
One Express
1 George Leigh Street
Manchester
M4 5DL

Solicitors: Trowers & Hamlin
3 Bunhill Row
London
EC1Y 8YZ

Forbes Solicitors
Rutherford House
4 Wellington Street
Blackburn, Lancashire
BB1 8DD

Devonshires
37 Temple Street
Birmingham
B2 5DP

Bankers: National Westminster Bank Plc
Leicester Customer Service Centre
Bede House
11 Western Boulevard
Leicester
LE2 7EJ

Chair's Statement

Welcome to our 2024/2025 Annual Report and Financial Statements. This year has been another exciting year for us where we celebrated our 25th birthday. We ran several Acis Fest events between September and December where all colleagues were invited to celebrate our achievements as a group. At these events we looked back over our 25 years and received updates on the exciting things that are currently happening across the organisation. I was delighted to attend along with many other Board members, the events really showcased the amazing achievements and served as a good reminder of the Group's journey and the impact that we have on our local communities.

The year has been year one of delivery against our Corporate Strategy "2030 Getting There Together" and has demonstrated both growth and strong performance against our plans for this year, and shows that we have continued to focus on delivering improved services to our customers.

We started the year with the acquisition of two separate portfolios of student accommodation, totaling 523 units, located immediately adjacent to our existing stock in Nottingham. These additions join with our existing accommodation at Raleigh Park to provide a more comprehensive and integrated student accommodation offer in the city. Our strong new homes development programme has also continued this year, with 72 new homes delivered and many more currently on site for handover in the new year.

Our repairs service has been a key focus for us in recent years, as we know how much it matters to our customers. We're really pleased to see that the positive improvements we've made are continuing, with strong performance again this year. Our repairs satisfaction has further increased, and has averaged around 85% in the year with our own in-house follow up survey responses showing satisfaction in the high 90%. The service also received further external recognition after winning the 'Best Repairs and Maintenance Innovation Award' at the Housing Innovation Awards 2025.

In June, we submitted our first return under the new regulatory Tenant Satisfaction Measures for the 2023/24 financial year. We were confident that we had a good grasp on performance across these metrics with many of them already featuring in our internal reporting suite. We were therefore supportive of the approach to making this information available to customers.

The collection of these standard metrics across the sector has enabled us to better understand our performance compared to other housing providers across the country. This has shown our performance to be overall 'very good' with all of the measures being above the median and the majority being in the top quartile. We are very proud of this, but it doesn't make us complacent for continuous improvement when it comes to our customers.

Alongside our housing management services, we also offer tenants and others in our communities, the opportunities to engage with us through our education and skills activities; whether this is as a student receiving person centred pastoral care and support whilst they are resident with us, or a learner receiving education, employability skills or wellbeing activities and support. There have been some amazing success stories in the year that we are really proud of. Some of these are shared later on in this report.

As we grow, we need the necessary skills, experience, competencies and behaviours of a fully effective Board across the whole breath of our current activities. After undertaking detailed succession planning and skills assessments, we commenced a recruitment exercise to recruit both Board members and independent Committee members. We were overwhelmed by the level of interest in these roles which led to very strong appointments to all of the required roles. At the September Annual General Meeting (AGM) we welcomed three new Board members, two new trainee Board members (supported by the Housing Diversity Network) and five new independent Committee members.

As part of this ongoing succession planning, I will be stepping down as Chair of the Board at the September 2025 AGM after serving 8 years on the Acis Board. It has been a real privilege to serve Acis firstly as a Board Member and Group Audit Chair, and then for the past 3 years as Group Chair. I have been very lucky to work with talented individuals in both the Board and Executive Leadership team who continually strive to deliver the best for our customers and colleagues. I have felt very proud to represent Acis, its values and see how our services have changed, grown and evolved to be amongst the highest performers regionally and nationally. This benefits our customers and colleagues in so many different ways.

Chair's Statement Continued

I would also like to add my thanks to Board Member and Operations Committee Chair, Bruce Kerr, who is also stepping down after 8 years as part of our succession planning. Bruce has brought his housing and asset management expertise to our Board, and I am grateful for his contributions and advice over the years.

Following a robust recruitment exercise I am delighted that Peter Noble will join Acis as our Chair Designate. I will work closely with Peter over the coming months to ensure a smooth transition before Peter officially takes on the role of Chair of the Board from the September AGM. Peter brings with him a wealth of experience in education and health along with a number of non-executive roles.

With so much going on it is important to recognise the value that we place in all our colleagues and teams based across the geographical areas we serve, who are fundamental to delivering the amazing services we offer. I know we cannot achieve any of this without them. Acis has invested in its approach to being inclusive and celebrating diversity, and I am pleased that we have achieved recognition of this progress. Following an assessment by Housing Diversity Network we have been accredited for our Equality, Diversity & Inclusivity and how we display these values every day with our customers and colleagues. So, I would like to thank all our people for continuing to demonstrate focus, commitment and showing The Acis Way throughout the year.



Kathryn Smart, Chair
July 2025



Operating and Financial Review and Strategic Report

Business overview

Our roots are in housing, providing safe, comfortable and affordable homes for people. Our primary focus will always be on delivering quality homes, ensuring standards are met, and delivering a great service people expect from an excellent landlord. We've always done this, and we always will. But a home is so much more than bricks and mortar. It's a place that people want to be, where they expect to receive quality services, and which enables them to be among local people and feel part of a community.

We want to provide the best support for people in our communities and, as a Group, we bring together different services to help us do that. In addition to our core housing services, we will help people to realise their potential by offering spaces which enable people to think, learn, grow and thrive. This also includes supporting people to build the confidence they need to move towards employment, learn new skills and achieve qualifications.

Housing

We own and manage almost 7,000 homes – available to rent, buy or part own which provide safe and secure homes for more than 20,000 people.

In addition, we develop over 100 new homes each year, whether they're for rent, outright sale, shared ownership or supported housing. Our development programme works to meet the needs of our communities, so we can be there to support more people when they need us.

Our teams and services are embedded within the communities where we work, so we know the opportunities and challenges those communities face.

We are passionate about continually improving our existing homes and services whilst also growing our offer, in those areas where we see a benefit for our customers.

Education and Skills

We provide places where people can thrive. For each person we help, their journey and destination could be vastly different. But we'll always aim to help people reach their full potential. Whether it's getting them into work, support with mental health or the first steps in basic skills, our team is built specifically to engage and support. Our subsidiaries focus on specific areas to support positive progression for our customers.

Riverside Training

Riverside builds support around an individual, with a focus on employment. That could be getting into work for the first time, or getting back into work after a break – for whatever reason.

Our employment specialists provide outreach support and virtual learning, so we can make sure people can access our services where and how they need them.

Community Learning in Partnership (CLIP)

Our CLIP team members are specialists in education and wellbeing. They offer tailored, specific and specialist support and qualifications for adults and young people.

Our approach for young people is different to mainstream education, offering an alternative route to achieving key qualifications and meeting community needs for a gap in provision.

Acis Students

Acis Students offers a safe and secure base for students as they create their futures through higher education. Our teams have a laser focus on wellbeing and can access our wider group services to ensure the university experience is positive and supportive for all our students, regardless of tenancy, age or home address.

With sites currently in Nottingham and Sheffield, our accommodation gives a value for money option for people who may not otherwise be able to access a university education.

We offer affordable accommodation, with short-term let options to provide flexibility. There are a range of bedrooms too, so students can choose how they live.

Operating and Financial Review and Strategic Report (continued)

Group activities

- Acis consists of a parent registered provider, Acis Group Limited, and nine subsidiaries, as follows:
- Acis Development Services Limited
 - Riverside Access and Training Centre Gainsborough CIC
 - Community Learning in Partnership CIC
 - Acis Communities Limited (Dormant)
 - Campus for Future Living Limited (CFFL)
 - Acis HomePlus Limited (Dormant)
 - Acis Properties Limited (Dormant)
 - Acis Management Limited (Dormant)
 - Prime Repairs and Maintenance Limited (Dormant)

Acis Group Limited is the main asset-holding entity of the Group, including all the Group’s housing properties held for rent. Riverside Access and Training Centre and Community Learning in Partnership both provide a wide range of training opportunities to our customers and the wider communities. Campus for Future Living Limited manages the Campus in Mablethorpe, Acis Communities Limited will deliver all of the non-housing related activities including being the parent of Riverside, Clip and CFFL. Acis Development Services Limited provides development services within the group.

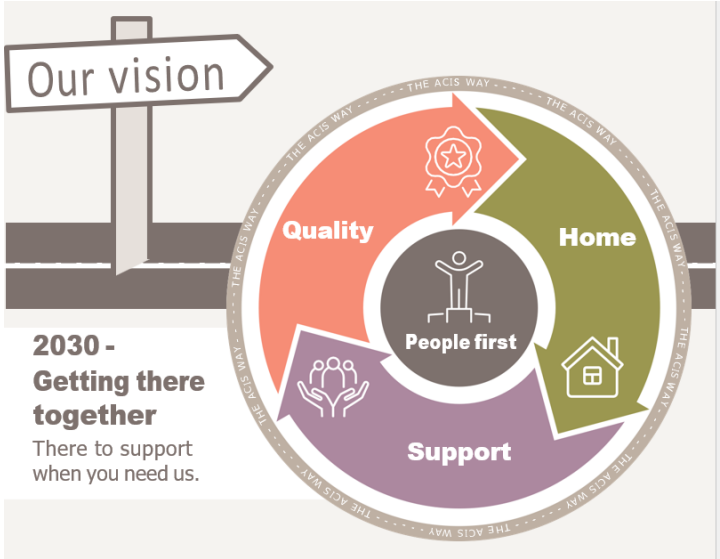
Our vision

At Acis, our vision is to be there to support people when they need us. We’ll ensure we do this by putting people first and focusing on our priority areas:

Home	Creating spaces where people can thrive.
Support	Help for people across a range of challenges.
Quality	Embedding and exceeding service standards.

We are now one year into our new Corporate Strategy entitled “2030 Getting There Together”. To define this strategy, we asked more than 7,500 people – customers, colleagues and stakeholders – to understand what they liked about the services we provide, how we could improve them and in what other ways we could offer support into the future.

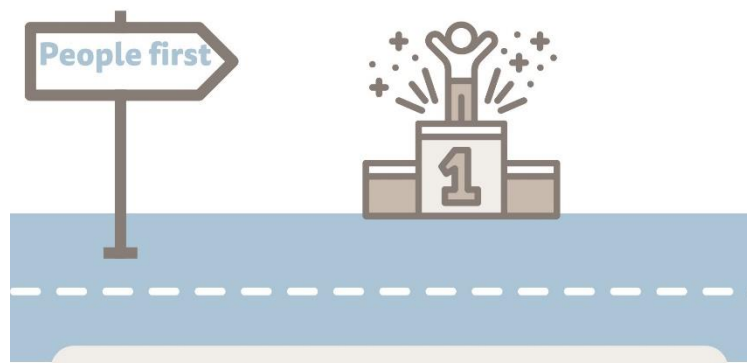
The strategy was defined and written by our people – a group of colleagues from across the organisation who have come together to develop, write and agree this strategy, ensuring it focuses on delivering what we need to achieve. And doing it by **getting there together**.



Corporate priorities

More details on our corporate priority areas, and how we will know that we have achieved our goals, are set out below:

Operating and Financial Review and Strategic Report (continued)



People first

We asked people how we could support them, and 48% felt we could help them with challenges they were facing right now.

We'll know we've achieved this priority because we'll have:

- maintained an embedded approach to safeguarding everyone
- achieved Investor in People platinum status
- achieved the Diversity Network Accreditation
- continued to increase the number of people who engage with us
- increase the number of people who engage with us digitally



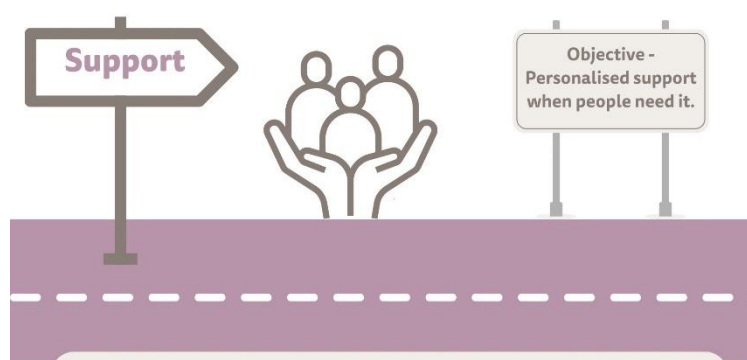
Home

Objective - To create spaces where people thrive.

Our journey started with houses – and today we talk about homes to include the people and families who live in them, not just the lead tenant.

We'll know we've achieved this priority because we'll:

- continue to maintain our high level of compliance with the Decent Homes Standard
- continue to measure our compliance standards with health and safety at the heart of what we do - we will do this through our performance management framework
- develop more than 800 new homes, and around 10% will be specialist or alternative housing to meet local community needs
- achieve EPC ratings on our properties
- develop a strategy for meeting net zero carbon objectives by 2050



Support

Objective - Personalised support when people need it.

We will provide help, guidance, signposting and encouragement when people need it. This could be one off or as often as needed to ensure people feel we are there when they need us.

We'll know we've achieved this priority because we'll:

- grow to deliver 10% of turnover through charitable purpose services which support communities where we work
- measure and monitor our social impact
 - reporting through our ESG and wider impact reports annually
 - achieving over £4 million in social value pounds in existing services
- support 20,000 people to achieve a positive destination or outcome including support to:
 - sustain their tenancies
 - increase their confidence
 - progress into full-time education, employment or further support to work in the future
- deliver top quartile performance for housing and neighbourhood services among our peer group, particularly in our customer support areas

Operating and Financial Review and Strategic Report (continued)



We'll know we've achieved this priority because we'll:

- have defined and established our Acis Stamp of Approval by 2026, and it will be embedded across the Group by the end of the strategy period
- achieve relevant annually set housing quality standards, quality and compliance targets across the group, and annual reporting against ESG to ensure we focus on our sustainable impact
- retain our G1/V2 regulatory score with the regulator for social housing
- gain key accreditations including:
 - (Housing) Customer Excellence accreditation - maintain compliance
 - (Students) Be an approved member of the National Code for Students
 - (Education) Achieve an Ofsted rating of Good
 - (Our People) Achieve ISO 45:001

When we launched the strategy we committed to undertaking a structured review of progress against the strategy targets on an annual basis. The first of these was completed in January 2025, the key highlights under each priority are:

People

- We achieved the reaccreditation of Investors in people with a solid silver grading (with some elements achieving gold).
- We launched our new people strategy.
- We completed our safeguarding project with external assurance provided as part of the Ofsted inspection and through internal audit.
- We achieved the Diversity Network accreditation.
- Customer engagement activities were continued including the launch of the Your voice digital platform.

Support

- We formed Acis Communities and the new community investment directorate.
- We gained agreement to improve our delivery centres through moves to the Campus in Mablethorpe and Old Bank in Market Rasen.
- We strengthened our board including new members with wider support expertise.
- Increased our support offer by winning new contracts in Riverside and Clip.
- Produced our first full ESG report.

Operating and Financial Review and Strategic Report (continued)

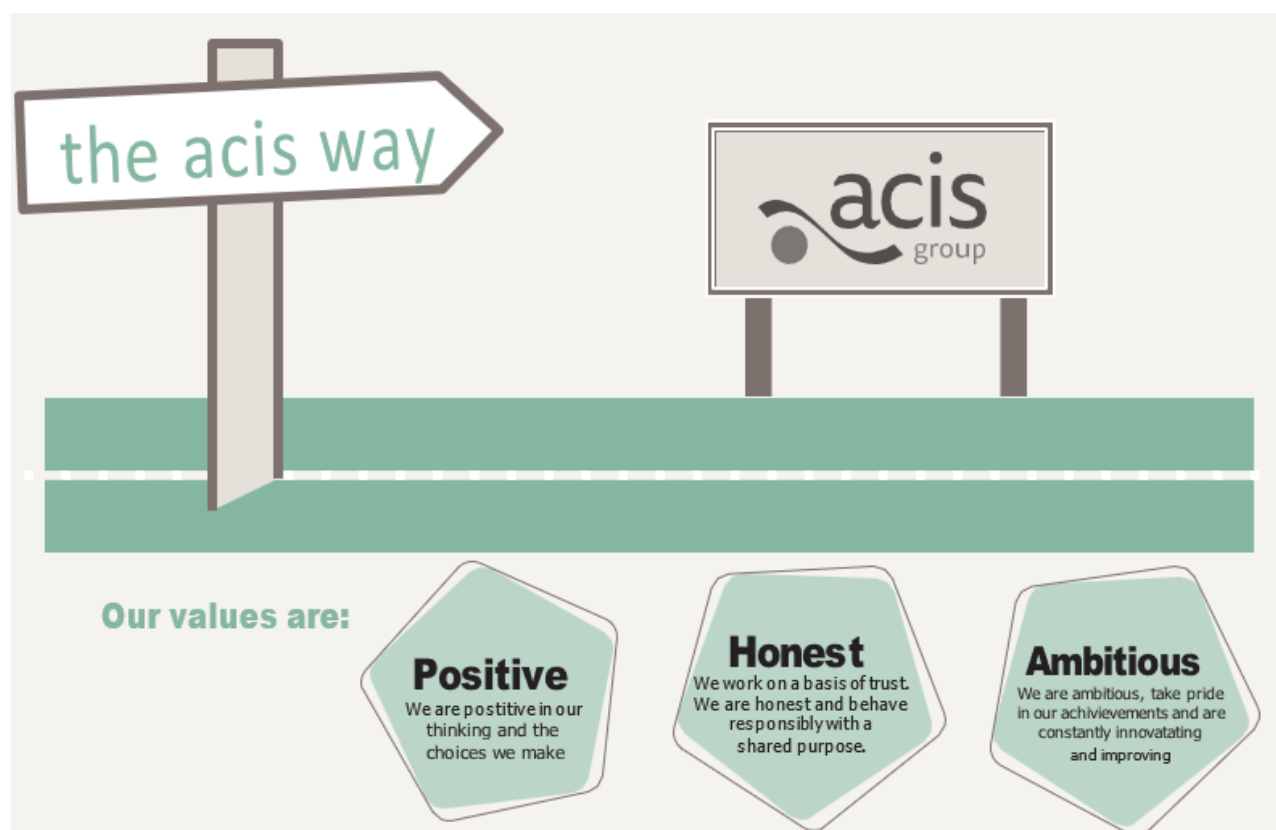
Home

- Secured over £4m of external funding and delivered energy efficiency improvement works to increase the EPC rating of many homes to C or above.
- Delivered a healthy programme of new homes.
- Acquired 523 student bedspaces.
- Secured additional funding and gained approval to proceed with Market Rasen House.
- Demonstrated strong performance against KPI's including TSM's which benchmark favorably against our peers.
- Secured strong student occupancy.

Quality

- Retained our G1/V2 RSH regulatory grading
- Retained our Ofsted Good grading
- Achieved other baseline accreditations
- Demonstrated strong performance through internal and external audit regimes

Culturally, we continue to promote and exhibit the three values that are most fundamental to how we go about our activities. These are the core values which help us to understand what behaviors and attitudes we need to exhibit in order to deliver for our customers:



Operating and Financial Review and Strategic Report (continued)

Our resources and services – in the year and looking forward

Our finances

The year has again been one of growth and strong performance, where we have continued to focus on delivering improved services to our customers. Whilst the political and economic backdrop may not have been quite so turbulent as recent years, it has certainly not been without its challenges. A change of Government, after 14 consecutive years with conservatives in power and ongoing geopolitical tensions to name a few.

We have also continued to experience inflationary pressures and increased borrowing costs throughout the year. However, our strong financial stewardship has meant that we have been able to continue to deliver improved services to our customers; and continued to grow and develop as an organisation

Our Group net surplus before taxation increased to £5.6m (2024: £4.0m) largely due to the government allowed rent increase with costs being well managed.

We again invested heavily in our existing stock with capital improvements totaling over £7.6m, allowing us to provide better homes for our customers.

Group turnover increased by £4.6m, Turnover from Social housing lettings increased by £3.4m due to increased stock holding and rent increases. Turnover generated from student activities increased by £1.7m as a result of increased occupancy and increased stock holding following the mid-year student acquisition.

Net debt (drawn loans less cash and cash equivalents held by the Group) increased to £226.7m (2024: £193.5m) mainly due to a new loan arranged in the period to fund the student acquisition along with the continued investment in our existing stock and our new build program of rental and sale homes.

Our people

Our vision, as outlined in the 2024-2030 Corporate Strategy 'Getting There Together', is to be there to support people when they need us. Central to that vision, and the heart of our corporate strategy, is People First.

We know that when we put our colleagues first, they will put our customers first. We know this positively impacts organisational success. Acis proudly recognizes and values our people. Therefore, this strategy integrates enabling people to achieve corporate goals, both deliverables and behavioral standards, with valuing their ideas and efforts.

During the year the board approved a new three-year people strategy, the people strategy underpins this ethos, emphasising the link between the deliverables within the people strategy and organisational excellence, and the centrality of our people in delivering exceptional performance, growth and being there for our customers when they need us.

Employee engagement, motivation, inclusion and development have a direct impact on overall organisation performance. Fostering our Acis Culture and way of working, our new people strategy outlines our commitments to attract, retain, develop, support and grow our employees in a safe and inclusive environment.

We continue to promote the Acis Principals that are designed to drive forward a customer focused approach across the Group, irrespective of what part of the business our people are working in. These are:

Customer First – always putting the customer at the forefront of our thinking.

Own It – take responsibility and make sure it gets done.

Connect – engage with colleagues because together we are stronger.

Be the Solution – don't just highlight problems; be involved in helping us to deliver the solution.

Do What's Right – that doesn't mean we can do everything. Be honest in what the customer can expect from us and ensure we deliver on that expectation.

Following the chair of our board adopting the NHF's Chair's Challenge, a public commitment to take the Board on a journey to understand our organisational ED&I position and to develop a proactive vision for the future. We have continued to enhance our Equality, Diversity and Inclusion (ED&I) credentials. During the year we attained the Housing Diversity Network accreditation, our first external accreditation in this area. This culminated in the Housing Diversity Network attending our Board away day in November to present the findings including many good practice observations.

Operating and Financial Review and Strategic Report (continued)

Business Infrastructure

We started the year with a significant project to acquire two separate portfolios of student accommodation totaling 523 units, immediately adjacent to our current stock portfolio in Nottingham.

The group structure changes that we started exploring last year have been progressed throughout the year. This started with amending the charitable objects of Acis Group Limited, to better reflect its wider charitable purpose. Following this we have created the new Group Entity of Acis Communities (ACL) which is being registered as a charity, and applications are pending for the conversion of Riverside Training and CLIP to charities. These Group structure changes provide clarity and segregation between the housing and community activities and better recognise the charitable and social purpose activities that we offer as a Group.

Organisational changes were not simply limited to our corporate structure, in September we commenced some restructuring of our core business development and IT teams including the creation of a new Director role (Director of Community Investment) who will provide the overall strategic lead for the group's community investment activities including CLIP, Riverside, CFFL and Acis Students as well as proposed community based initiatives which shall be undertaken through Acis Communities. Within IT we have strengthened the team in response to the increasing demands for IT security, evolving systems, better use of data and to deliver the new IT strategy commitments.

Further minor restructuring took place later in the year following the resignation of the Head of Legal and Governance. With overall responsibility for the legal and governance teams moving to our Head of Corporate Services and creation of a Legal Services Manager and a Governance and Data Protection Manager which will provide enhanced support and delivery of governance for Board administration.

Our new IT strategy was approved in September 2024 and with it sets an ambitious plan to improve business systems, knowledge and information management and a continued focus on cyber-Security.

Our customers

Our Corporate Strategy 2024-30 "Getting There Together" confirmed that we will continue to promote inclusive communities and respect diversity, and we were proud to be successful in attaining the Housing Diversity Network DNA accreditation which is a benchmark for Equality Diversity and Inclusion excellence.

We were pleased to receive positive responses from our customers to both perception and transactional surveys that were conducted throughout the year, with our Tenant Satisfaction Measures comparing very favorably against the Regulator of Social Housing's national benchmarks which were published in November 2024.

A growing number of our customers are now using the digital services that we offer, with an increase in transactions through the MyAcis platform. Following through on our stated intention to further enable digital interactions, we introduced a dedicated engagement platform in September 2024. The initial development of this was done in collaboration with customers, with the platform creating the opportunity to have a say on matters including our performance, our strategies and policies, improvement works in different locations, and community-based activity.

The platform is now the focal point for our engagement activities. We have retained the "Your Voice" identity and continue to actively promote it through different channels and as part of routine contacts. Whilst we have an increasing number of customers who are digitally enabled and use digital services, we have and will continue to maintain opportunities to have a say through face-to-face contact, with both in person meetings and community events.

Work has progressed on the Campus for Future Living, an exciting project which is focussed on improving health, wellbeing, social and economic inactivity for the community of Mablethorpe and rural and coastal areas. We are taking the lead in operating this and have been engaging with the local community, alongside other stakeholders. We held two open events, in August and September 2024 with over 450 visitors across both days and much positive interest generated. Numerous partnerships have been formed which will contribute to the delivery of services for customers using the campus.

Operating and Financial Review and Strategic Report (continued)

Our Homes

Our home safety compliance performance has remained good with tight controls continuing to be exercised over the key statutory compliance areas. Annual gas safety inspection performance has remained at 100% throughout the year; indeed, this performance is echoed around our other fuel sources including oil boilers, air source heat pumps, ground source heat pumps and solid fuel.

Electrical periodic inspection certificates less than five years is also at 100% and all passenger lift inspections have been carried out. Fire Risk assessment processes are well embedded together with follow up actions, which are monitored and reported to Board.

The focus on damp, mould and condensation issues highlighted last year has continued, with a significant increase in cases reported. Only a small number of cases were escalated and these were resolved at an early stage wherever possible.

Our Asset Management Strategy sets some of the foundations for preparing the organisation for future investment into net zero carbon. Works undertaken in conjunction with our consultant has identified significant investment challenges which are further exacerbated by skills shortages and supply chain issues which are driving retrofit prices even higher.

With currently unknown replacement technologies for our existing fuel sources and, perhaps more importantly, an unknown funding obligation on the business, our current focus is on establishing the base data from which no regret decisions can be made about improving the thermal efficiency of our existing housing stock. Whilst seeking out funding opportunities from a multitude of sources.

A Board sponsored Asset Management Working Group was formed and has met throughout the year to consider immediate actions to address hard to heat/hard to treat properties and establish a plan to deal with a small number of properties rated at EPC “D” and below.

During the year we secured over £4m of fully funded energy efficiency works, completing over 12,000 improvements across cavity wall, loft insulation and ventilation programmes. Together these have moved more than 450 properties into an EPC C compliant rating. This work also had a significant impact on reducing customers utility bills.

Building new homes

We have continued to respond to the national shortage of affordable housing in the year with 72 new rental and shared ownership homes handed over and many more on site being developed for handover in the coming years.

Our development aspirations reflect the continuing need for cross subsidy, and we intend to continue to develop on a mixed tenure basis, utilising the surpluses made from outright and shared ownership property sales to support provision of new rented homes in the communities which need them.

Mixed tenure development clearly builds housing market risk into the organisation. Our financial planning and stress-testing on both an individual scheme and organisation-wide basis factors this in, and schemes are not approved unless they add value and have a feasible exit or mitigation strategy in the event of market downturn.

Supporting our communities

During the 2023/24 academic year Clip and Riverside helped over six thousand people across 22 contracts including wellbeing, education and employment support, with many more being supported through drop ins, social events and in our cafes. In this period we are proud to have supported 250 people into work and 335 into further education.

We have grown our wellbeing services through our contracts with the NHS, Shine, active Lincolnshire and LPFT. These services help promote independence, opportunity and recovery.

We have continued to support through our education programmes across all of our centres. Offering a wide range of services, including, study programmes for 16-19 who have yet to achieve their qualifications including entry level qualifications right through to GCSE's along with qualifications for all ages focused on key sectors where we know skills are needed in our areas. This includes supporting 579 people who live in a Acis Home through our education and skills contracts.

Core to our services is ensuring we equip people with the skills and support they need to progress when they are ready. We work with people who have never worked and don't know where to start, right through to those who are in work and want to change career or gain skills to progress. We have continued to provide a wide range of services which focus on employment support to get people job ready.

Operating and Financial Review and Strategic Report (continued)

Section 172 Statement

The Directors have had regard to their duties as set out in section 172 of the Companies Act 2006. As a registered charity, the duty of a director is to act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its charitable beneficiaries. The key factors that demonstrate this duty are:

Decision making

All decisions taken by the Board are made after considering the short, medium and long-term financial and non-financial impact on the Group. The Group has a long-term financial plan which all material decisions are considered against; the plan is stress tested for multi-variable scenarios and early warning triggers are in place and reported to the Board. All investment decisions are supported by detailed financial modelling using financial assumptions set out in the Group's Investment Policy.

Examples of Board decision making in the year include:

- During the year the Board reviewed the Group's corporate structure and decided to create a new charitable organisation "Acis Communities" to hold the group's interests in CLIP and Riverside as well as providing a vehicle for wider community investment. It also agreed to convert Riverside and CLIP to charities.
- After careful consideration and detailed due diligence the board agreed to progress an opportunity to acquire two additional portfolios of student accommodation and to raise the associated additional funding.

Employee engagement

People first is a key part of our corporate strategy, we have a commitment to equip our people to ensure they have the skills, tools, support and empowerment they need to do what needs to be done to serve our customers. We regularly benchmark our salaries and benefits to ensure that they remain competitive. We have an employee forum, Our People's Voice, which meets monthly. The forum acts as the official staff consultative body for our people across the organisation. We also hold the Investors in People accreditation.

Examples of engagement with employees during the year include:

- We held a series of events for our people to celebrate the Group's 25th birthday this included time to network and celebrate all of the great achievements over the years.
- Further to our previous commitment we undertook the three yearly benchmarking of all of our salaries and shared the outcomes with our people with corrective actions completed for those that were paid below the benchmark.
- We launched our new people strategy and action plan which was informed by feedback from workshops which were held with each team across the Group.

Supplier relationships

Good relationships with suppliers are key to us being able to deliver our services to our customers. These are managed through dedicated contract managers and supported by our Procurement Manager. We work with our suppliers to develop and build effective relationships.

Examples of engagement with suppliers during the year include:

- We have worked with our outgoing fleet supplier to ensure a smooth transition to a new fleet of vans by agreeing to a short extension to the existing lease, thereby ensuring there is no disruption to services.
- Following a few supplier insolvencies we have utilised existing supplier relationships and developed new ones to ensure that services and outcomes were still delivered in line with original commitments.
- Our Finance and Development committee receives an update report at each meeting which provides details on all large-scale procurements and tracks actions against the board approved procurement strategy. These actions include work to continue to enhance our supplier management.

Operating and Financial Review and Strategic Report (continued)

Customer Engagement

The relationship with our customers is key to our success. We strive to provide an amazing service to all of our customers. Our vision is to be there to support our customers when they need us. We welcome feedback from our customers and will use it to help us improve our services and to deliver value for money.

Examples of engagement with customers during the year include:

- We continued to undertake both transactional and quarterly independent customers satisfaction surveys. The consolidated annual results of the independent survey was a further increase with overall customer satisfaction of 83%, we value and act on this feedback.
- We launched the MyAcis customer engagement portal, which was developed in collaboration with customers. The platform creates the opportunity for customers to have a say on key areas of our services.
- The hugely positive trend in the performance of our repairs service has continued in the year. Our Repairs on Demand service operates between 8am and 8pm seven days a week and our trade operatives triage repairs calls and set their own appointments to meet customer needs. This offers a much more responsive and flexible service for our customers which is being recognised through our customer satisfaction metrics.

Communities and Environment

We actively consider our effect on the wider communities and the environment. In addition to providing a large portfolio of mixed tenure housing and associated estate management services, we go beyond the bricks and mortar, to focus on the people who live in our homes and the wider communities in which they live. Our homes are the starting point to help people achieve whatever they want to and our wider service offering is continuing to grow. This now includes more training and employability support services which means we can support even more people in our communities.

Below are some of our activities in the year:

- Our education and skills business unit has continued to offer valuable services across all of the communities in which we operate. Supporting some of the most vulnerable people and really making a difference to their lives.

- During the year we secured over £4m of fully funded energy efficiency works, completing over 12,000 improvements across cavity wall, loft insulation and ventilation programmes. Together these have moved more than 450 properties into an EPC C compliant rating.
- Work has progressed on the Campus for Future Living, an exciting project which is focused on improving health, wellbeing, social and economic inactivity for the community of Mablethorpe, rural and coastal areas. The Campus opened in April 2025.

Business Conduct

The Group strives to maintain a reputation for high standards of business conduct. The Group received an in-depth assessment in May 2023 by the Regulator of Social Housing and we were pleased to retain the top governance grade (G1). We also undertake triennial independent governance reviews the latest of which was completed in December 2023, this found that governance practice at Acis were of a good standard and effective.

We continue to undertake an annual assessment of compliance against the regulatory standard. In addition, the Group also carries out an annual assessment of compliance with the adopted code of Governance.

The Group has core policies in place which the directors agree to uphold. This includes a code of conduct, Group standing orders, financial regulations and a confidential reporting (whistleblowing) policy.

The directors also complete declarations of interest disclosures to avoid any potential conflicts of interest. Collectively, these measures help to ensure that the Board acts in the best interest of the Group at all times.

Operating and Financial Review and Strategic Report (continued)

Strategic risk overview

Risk evaluation remains integral to the formulation and delivery of our business strategy. Our Board and Executive Management Team have maintained its programme of risk review throughout the year.

Operational and project specific risk maps help in support of the corporate risk register – this work has driven increased risk awareness into operational teams, providing another level of assurance that our staff are thinking about what could impede successful delivery of targets and what can be done to manage these risks.

Risk management

Our Audit and Risk Committee performs a detailed risk management scrutiny function on behalf of the Board. The most significant risks currently facing the organisation are shown in the table below. These, along with the other main risks captured on the corporate risk register, are reviewed by the Board on at least a quarterly basis and at every Audit and Risk Committee meeting. We also map our risks against external sector information including the Regulator's sector risk profile.

Our first line of defence is to ensure robust controls and processes are in place which are owned and managed by executives and senior managers responsible for business activities.

Ultimately the Board is responsible for risk including the approval of the risk management framework, risk management strategy, risk appetite, associated policies, and financial regulations.

Risk appetite

Our approach to risk appetite balances the level of risk the Board is prepared to take, with the rewards in the delivery of our strategic objectives and potential opportunities. The Board periodically reviews its risk appetite and may vary the amount of risk which it is prepared to take depending on specific circumstances.

The Board sets its appetite across a range of areas in order to determine the specific nature and extent of risk that it is, and is not, prepared to take in the achievement of its strategic objectives. Risk appetite is considered in each report to Board, and its Committees, in order to ensure appropriate alignment with current position and the risk appetite is kept under continual review throughout the year.

Stress testing

These risks link closely to the work we do to stress-test our financial plans against a range of adverse scenarios. For each of the scenarios we identify the necessary mitigations and early warning triggers which are continuously monitored and reported quarterly to the Finance and Development Committee. These triggers allow us to respond quickly if necessary.

Risk Assurance

A separate risk assurance register is maintained by the Group which sets out the various sources of assurance the Board can place reliance upon and identifies any risks where the Board may require further assurance. The register is based upon the three lines of defence methodology.

Operating and Financial Review and Strategic Report (continued)

Risk area	Consequences	Mitigation	Control measures
Cyber security	There continues to be more sophisticated hacking attempts designed to defraud, disrupt or deny services or systems. Which could result in disruption to normal business operations.	Regular user training and continued enhancements to control environment.	Data backups, software updates and network controls.
Interest rate increases on new and existing debt/availability of funding	Acis has an element of variable rate debt and a refinancing requirement. Higher rates will result in increased funding costs.	High levels of fixed rates on existing debt. Strategy for managing refinancing risk.	Risk adverse treasury policy. Stress testing with triggers. Regular reporting to committee includes cash forecasting.
Reduced demand for student accommodation	External factors such as changes in student approach to studies could lead to a short-term reduction in occupancy and income.	Strong established relationship with both Universities; close early monitoring of bookings; stock assessment taken by third party experts on a periodic basis.	Performance management. Financial planning and modelling.
Financial impact of net carbon zero agenda	To achieve the Government targets for net carbon zero there will be a requirement to improve the energy efficiency of our homes the costs of retrofit are significant.	Factor low carbon into new development design; collect EPC data for all existing stock; New asset management strategy sets path for no regrets thermal measures.	Collection of all necessary base data to make an informed decision; consultants engaged to model financial impact. Stress testing scenario to demonstrate the impact.
Health and safety compliance	Failure of health and safety responsibilities resulting in a failure to keep customers and others safe.	Good track record of compliance across all statutory duties; routine performance monitoring; working towards a ISO45001 equivalent health and safety management framework.	Performance management. Board and committee reporting.
Poor customer/stakeholder perception	Customer/stakeholders view our actions negatively resulting in reputational damage.	KPI monitoring and surveying in place; customer first approach; customer involvement and feedback promoted.	Reporting on stakeholder contact and customer satisfaction to Board.
Climate change	Impact of extreme weather events which have a financial or operational impact on the business.	Insurances in place which are revised regularly for coverage; understanding of risk areas being further developed.	Early warning measures and business continuity planning.
Development and sales	Impact of the economic environment on the development and sales programme. Including contractor solvency.	Structure deals to protect as much as possible against price changes and allow tenure change. Close monitoring of developers.	Close oversight of development and sale performance by committee.
Pension Costs	The pension scheme administrator is currently seeking a high court judgement regarding previous inflation practices	Limited mitigation is possible at this time.	Close monitoring of the case and potential impact.

Operating and Financial Review and Strategic Report (continued)

Financial Performance

The reported results for 2024/25 evidence continued strong financial performance. Despite some challenges in the year, we ended the year in-line with our approved budget whilst also investing more in our existing stock.

Income

Group turnover increased by £4.6m to £49.0m in 2024/25 mainly due to increases in stock holding, higher occupancy and rent increases in both social housing and the student portfolios.

Rent receivable from general needs, sheltered and shared ownership properties increased to £34.9m (2024: £31.6m) due to rent increases and increased stock numbers. The associated losses due to empty properties remained relatively stable increasing in line with the rent increase to £0.36m (2024: £0.34m).

Service charge income reduced slightly to £0.92m (2024 £0.93m) largely driven by higher utility costs in the prior year. Student income increased to £6.5m (2024 £4.9m) due to rent increase and increased stock numbers. Most other income streams were relatively consistent with the prior year.

When setting rents the Group ensures that rents remain affordable taking account of local factors and we ensure that all rents comply with the Regulator of Social Housing's rent standard. The rent standard allows for an element of flexibility and the Group has elected to apply a ten percent tolerance to the target rent of its supported housing and a five percent tolerance to the target rent on its general needs housing. With these tolerances applied, rents remain below affordable rent levels and within the local housing allowances in the areas in which we operate, demonstrating affordability. Applying tolerance allows the Group to remain financially viable whilst it strives to deliver additional affordable homes for more customers, in keeping with its corporate objectives.

Net Surplus

Ongoing cost efficiency continues to be embedded within our reported results. Our costs per unit benchmark particularly well against the sector, further details are available in the Value for Money Statement section of these accounts.

Group net surplus increased to £5.6m in 2024/25 up from £3.9m last year. Largely driven by increased rental income with costs being well controlled.

Surpluses generated by the Group are reinvested back into the stock primarily through a programme of capital major component replacements for the future benefit of our customers.

Statement of Financial Position

The Group Statement of Financial Position saw a net addition of £38.7m (2024: £19.3m) tangible fixed assets through the year. This is after taking account of new social housing additions of £14.7m (2024: £20.6m), student housing additions of £24.9m (2024: nil) and works to existing stock of £7.6m (2024: £6.9m).

The Group has a fully secured revolving credit facility in place with an undrawn balance of £25.1m (2024: £9.7m).

Future financial performance

Our financial results exhibit a strong and consistent trend. We want to ensure that we can make decisions about customer services delivery and asset investment from a position of choice and strength.

Our financial plan aligns with our corporate strategy, which emphasizes the need for ongoing operational efficiency to underpin service delivery, to create spaces where people can thrive, provide support for people across a range of challenges and exceed service standards. The ambition is therefore to remain on a path of continuous financial strength whilst continuing to build on all our strategic priorities.

Commercial strength is fundamental to the achievement of our broader objectives and delivery of healthy surpluses is vital to our success. Increased financial capacity leads to increased investment options – we need to evidence to our customers and stakeholders how financial strength has a direct and positive influence on our social value and particularly in the current environment, our ability to meet the demand for new housing provision.

Achievement of our goals is dependent on sound financial management at all levels of the organisation. We have made good strides with raising the profile of financial management within our business, and we have ambition to continue ratcheting up this work so that finance becomes an enabler of business transformation. We believe that it's right and natural for financial awareness and responsibility to be at the heart of all our daily actions and activities.

Operating and Financial Review and Strategic Report (continued)

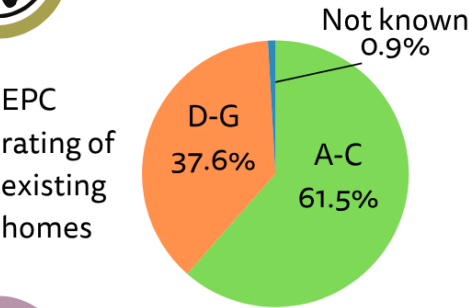
ESG in 2025

Summary of our key performance

ESG stands for Environmental, Social, and Governance. It is a way to check how a company's actions affect the environment, society, and how ethically it is run. This helps guide Acis to make sure our work and investments are sustainable and ethical.



Environmental



Greenhouse emissions (TCO₂)

Scope 1	387
Scope 2	732
Scope 3	60



Social



Completed 72 new homes

Started construction on 233 new homes



Clip maintained a 'Good' Ofsted rating

over **£5,500** raised for charity

Tenancy sustainment rate of 96.7%.



£2.6m



of external funds secured to deliver wider support to our communities



Governance



Our gender pay gap in 2025 was **17.14%**

G1 / V2
Maintained governance rating 1 / viability rating 2

Our full ESG report, with information of what we have achieved so far and how we plan to continue working towards our action plan can be found on our website by scanning this QR code.

*The scope for greenhouse gas emissions categorises emissions based on their source:
• Scope 1: Direct emissions from company-owned sources like vehicles and facilities.
• Scope 2: Indirect emissions from purchased electricity, steam, heating, and cooling.
• Scope 3: Other indirect emissions in the company's value chain, such as those from goods, services, travel, and waste.



SCAN HERE

Operating and Financial Review and Strategic Report (continued)

Treasury and Liquidity

Treasury management

Acis operates a treasury function within its core finance team, with responsibility for the management of liquidity, interest rate risk and counterparty risks. These activities are governed by a treasury management policy and strategy which are approved each year by the Board. The policy is based on industry good practice standards and was constructed with the assistance of expert external advice.

The organisation adopts a risk-based approach to liquidity and interest rate management. The overriding objective is the avoidance of unacceptable risk. Surplus cash is invested with approved banks and counterparties in line with the Treasury Management Policy (ensuring the preservation of capital rather than maximising returns). The Group is funded from a number of sources including long-term loans, retained earnings and grant (primarily provided by government agencies). All funding is in sterling and, therefore, there is no currency exchange exposure to the Group.

Loans and credit structure

Acis Group Limited ('AGL') is the parent company of the Group and the main borrowing vehicle. As at 31 March 2025 the Group had committed facilities of £256.1 million (2024: £228.9 million). Drawn loans as at 31 March 2025 totaled £231.0 million (2024: £196.7 million). Current loan facilities are sourced from the banking sector and from private placements arranged with institutional investors and include a revolving credit facility. A significant amount of debt is repayable over the next ten years and in order to deliver its long-term financial plan, the Group will require additional debt facilities to maintain its future operation.

Interest rate management

The organisation has a risk-averse attitude to interest rate movements, and our treasury strategy requires at least 50 per cent of drawn funds to be held on fixed or hedged rates of interest. As at 31 March 2025, 54 per cent of drawn monies were held on this basis (2024: 78 per cent).

All such hedges are embedded within loan agreements; the organisation has not entered into free-standing derivatives and so has no mark to market exposure. Interest and related expenses on our loans was £10.3m across the Group during the year (2024: £8.5m). The weighted average cost of funds as at 31 March 2025 was 5.06 per cent (2024: 4.56 per cent)

Covenant compliance

AGL's loan facility financial covenants are based on interest cover and gearing ratios. Interest cover is calculated on Operating Surplus after adding back housing property depreciation and generally includes surpluses from property sales and capital improvements expenditure. Gearing is based on total debt compared to the balance sheet historic cost of housing assets. Covenants are monitored monthly, reported to the Board and Finance and Development Committee on a quarterly basis and annually to the finance providers. Covenants were met as at the balance sheet date, and we expect this to continue to be the case going forward.

Liquidity and cash flow

Surplus funds from operations and drawdowns from the revolving credit facility are used for the purposes of funding new development activity. Any additional cash balances are placed on short-term deposit. The organisation will only deposit monies with institutions which comply with stringent Treasury Management Policy parameters, based on credit rating agency assessments of financial strength. The combination of internal cash generated by the organisation, cash held by the organisation and a revolving credit facility are sufficient to fund the Group's anticipated development programme for at least the next twenty four months.

Governing Document

Acis Group Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 18 December 2024. It is registered as a charity with the Charity Commission.

Value for Money Statement

Operating and Financial Review and Strategic Report (continued)

Acis Group Limited

Value for Money Statement for the financial year ended 31 March 2025

Introduction

Achieving value for money (VFM) runs through everything we do across the whole group. It's a fundamental part of how we deliver our services – working in the Acis way. It isn't always about getting things done as cheaply as possible. It's about using our resources in the best possible way to achieve the best outcomes for our customers.

We make sure we:

- Deliver the best possible experience for our customers
- Drive value for our communities as often as we can
- Secure external income so we can do more for our communities through our wider education, skills and wellbeing services

At our core, we put the people we work with first. So what we do is led by what our communities need. And we ensure we deliver value for money by exploring different funding sources to deliver solutions to meet those community needs.

Due to the significant work completed in previous years we started the year in a strong position with our costs and performance benchmarking extremely favorably with our peers. For Acis the most important measure of value for money is how highly our customers rate our services. In the year we have continued to improve our services which has further increased our customer satisfaction whilst continuing to control our costs.

In June we submitted our first return under the new regulatory Tenant Satisfaction Measures for the 2023/24 financial year. We were confident that we had a good grasp on performance across these metrics with many of them already featuring in our internal reporting suite and were therefore supportive of the approach to make this information available to customers.

The collection of these standard metrics across the sector has enabled us to better understand our performance against other providers. This has shown our performance to be generally very good when compared to other providers. There are 22 TSM's of which 12 are perception measures and 10 are direct measures.

For 2023/24 of the 12 perception measures 7 were in the upper quartile 4 were above the median quartile and one was marginally below the median. Of the 10 direct measures performance on all 10 were in the upper quartile.

Our full 2023/24 TSM report can be found by scanning this QR code:



Since the first round of TSM reporting we have continued to monitor the quarterly results closely and report these to board. The same good levels of performance have continued into the 2024/25 financial year.

Our full 2024/25 TSM report can be found by scanning this QR code:



Benchmarking

We set ourselves challenging targets across all our business activities and benchmark these against our peers. This helps us understand our costs and performance as we strive to improve. It also means that we are held to account to deliver VFM by our Board and our customers.

We recognise there will undoubtedly be variations across the peer group based on size, location and the services delivered. Even taking these factors into account, no two providers are the same. We believe that benchmarking across the whole sector is the most transparent approach which provides the largest possible data set.

In this report, we compare our 2024/25 cost per unit data and regulator metrics to the 2023/24 sector results from the Regulator of Social Housing global accounts – which includes data from 201 providers. Because of the high inflation operating environment, these benchmarks are likely to have increased when the 2024/25 data becomes available. All of our benchmarking sources are identified in the individual tables throughout this report.

Operating and Financial Review and Strategic Report (continued)

Our social housing costs

We've always been a lean organisation compared to our peers. This is evidenced by our cost per unit metrics, which we use to benchmark our cost base against the rest of the sector. Despite this solid starting position, we continue to challenge ourselves to ensure that we provide the best possible quality for our customers and that we do this as efficiently as possible.

	Headline Social Housing CPU	Management CPU	Service Charge CPU	Maintenance CPU	Major Repairs CPU	Other Social Housing CPU
Acis Group Result 2024/25	£3,807	£767	£187	£1,239	£1,474	£140
Acis Group Result 2023/24	£3,573	£741	£195	£1,211	£1,279	£147
Acis Group Result 2022/23	£3,647	£675	£183	£1,055	£1,579	£154
Acis Group Result 2021/22	£3,143	£647	£148	£931	£1,215	£202
Acis Group Result 2020/21	£2,557	£584	£148	£937	£720	£168
Acis Group Result 2019/20	£2,935	£593	£135	£907	£1,183	£117
Sector - Top 25%	£5,694	£1,564	£926	£1,814	£1,673	£331
Sector - Median	£4,746	£1,271	£592	£1,523	£1,289	£134
Sector - Bottom 25%	£4,291	£949	£356	£1,301	£964	£40

CPU = Cost per unit; top 25% equals least efficient; bottom 25% equals most efficient

Sector benchmarks are taken from the 2023/24 global accounts published by the regulator of social housing

 = most efficient
  = relatively efficient
  = relatively inefficient
  = least efficient

This benchmarking demonstrates that we have consistently performed among the most efficient organisations for our costs. We rank in the top 10 per cent of housing providers for total cost, management cost and service cost. Our maintenance costs are also favorable against our peers ranking in the top 20 percent of housing providers.

Our major repairs spend has always been an outlier, but this is a conscious decision by our Board to invest more heavily to directly benefit our customers and their homes. This is in line with our ethos to provide better homes for our customers. We see this as a positive decision which will deliver benefits in the longer term for both our organisation and our customers.

Our performance and areas for improvement

Our Board sets and approves operational targets at the start of each financial year, these targets are set at both Group and individual entity level. Our leadership team, committees, and Board monitor these closely throughout the year. We take corrective action where performance doesn't align with targets.

A selection of these operational indicators which demonstrate our performance against these targets and against our peers is set out on the following page:

Operating and Financial Review and Strategic Report (continued)

Group Wide Key performance indicators	23/24 result	24/25 result	Trend
Overall % of people satisfied with all group services	81.34%	82.63%	1.29%
Net promoter score - group wide	53.85%	51.53%	-2.32%
People - % of days lost to sickness (all)	3.09%	4.18%	1.09%
People - voluntary turnover	1.81%	1.58%	-0.23%

Housing Key performance Indicators	23/24 actual	24/25 actual	Trend	24/25 Target	25/26 target	24/25 benchmark (median)	Position against benchmark	Benchmark source
Overall % tenants Satisfied With Acis and its Services (All residents) - Rolling 12 Months	78.77%	79.30%	0.53%	80.00%	80.00%	73.20%	6.10%	TSM 23/24 (LCRA)
Satisfaction With Repairs in the Last 12 Months - perception	81.06%	84.62%	3.56%	82.00%	85.00%	73.30%	11.32%	TSM 23/24 (LCRA)
Satisfaction With Repairs - Transactional	95.62%	98.56%	2.94%	96.00%	96.00%	88.00%	10.56%	HM 03/25
Average Time to Complete Responsive Repair (Days)	5.75	6.95	1.20	10	10	18.2	-11.25	Housemark 23/24
% of Responsive Repair Appointments Made and Kept	98.63%	99.12%	0.49%	97.00%	97.00%	95.62%	3.50%	Housemark 23/24
Housing Repairs Completed in Target Timescale (All)	95.24%	100.00%	4.76%	99.00%	99.00%	88.36%	11.64%	HM 03/25
Current tenant Arrears as a percentage of the rent debit	2.58%	2.15%	-0.43%	3.30%	2.55%	2.55%	-0.40%	HM 03/25
Former tenant Arrears as a percentage of the rent debit	0.34%	0.25%	-0.09%	Included above	0.40%	1.39%	-1.14%	Housemark 23/24
Void Loss %	0.73%	0.62%	-0.11%	0.70%	0.65%	0.79%	-0.17%	Housemark 23/24
Void Turnaround Times (Days)	27.42	24.09	-3.33	25	23	45.22	-21.13	HM 03/25
Tenancy Turnover %	7.10%	6.48%	-0.62%	7.50%	7.00%	No benchmark		
Satisfaction that the Home is Safe (all residents) - Rolling 12 Months	87.32%	85.97%	-1.35%	88.00%	86.00%	79.00%	6.97%	TSM 23/24 (LCRA)
% properties that have a Valid Gas Safety Certificate (<= 1 yr)	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	0.00%	TSM 23/24 (LCRA)
% blocks / communal areas that have a valid electrical certificate	100.00%	100.00%	0.00%	100.00%	100.00%	No benchmark		
% of Blocks / Communal Areas that Have a Valid Fire Risk Assessment	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	0.00%	TSM 23/24 (LCRA)
% of Homes That Do Not Meet the Decent Homes Standard	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	-0.07%	TSM 23/24 (LCRA)
Satisfaction that the Landlord Keeps Tenants Informed About Things that Matter to Them (All residents) - Rolling 12 Months	80.43%	82.26%	1.83%	82.00%	82.00%	72.80%	9.46%	TSM 23/24 (LCRA)
Satisfaction that the Landlord Listens to Tenants Views and Acts Upon Them (All residents) - Rolling 12 Months	67.87%	69.13%	1.26%	73.00%	70.00%	63.30%	5.83%	TSM 23/24 (LCRA)
Satisfaction that the Landlord Makes a Positive Contribution to Neighbourhoods (All residents) - Rolling 12 Months	72.88%	72.27%	-0.61%	75.00%	73.50%	64.70%	7.57%	TSM 23/24 (LCRA)

Our performance has generally been very good in the year as we continue to focus on our customer need – really bringing the ‘People first’ focus of our new corporate strategy to the fore.

We have continued to ensure that our homes are good quality, safe and affordable to run, and that we continue to deliver a first class repairs service that meets customers’ expectations, ensuring that we develop that service in conjunction with our customers to drive improvements in customer services, as well as ensuring value for money through a balanced mix of internal and external delivery.

Our performance consistently benchmarks favorably with our peers across the majority of our performance indicators with our repairs and voids performance continuing to improve. Our customers are also seeing these improvements. We know this from the increased satisfaction provided in both perception and transactional surveys.

There are still a number of external pressures which continue to pose a challenge, but they encourage us to think creatively to respond and continue to work in the Acis Way, aligned to our Principals. And we’re always committed to delivering a high-quality service, to ensure the best experience for all our people, regardless of who they interact with in our organisation.

Operating and Financial Review and Strategic Report (continued)

Achievements and challenges in 2024 / 25

People First

2024 saw us celebrate 25 years of Acis Group. We engaged with colleagues through our AcisFest event programme, sharing memories, organisation updates and ways of working to promote connection, encourage collaboration and distil purpose. We also discussed the impact we make for communities across all our business units – maximising the positive outcomes for every pound we spend. We also invested 27% of the AcisFest budget in items that could be reused beyond the festivities, ensuring sustainability and value for money.

One of our key People First ambitions as set out in the Corporate Strategy to 2030 was to gain the Investors in People Platinum accreditation. In the last year, we've achieved reaccreditation of our Silver status, with some elements of Gold, which suggests we're on the right track. We're also seeing lower voluntary colleague turnover, and have introduced an aspiring leaders programme to retain and grow our own talent – reducing the need for recruitment costs and time.

We've trained more than 20 people to level 3 as designated safeguarding leads so we can better support people. We're investing in this further with expertise around housing, debt, domestic abuse and mental health to ensure we can provide the most relevant support in-house, reducing cost and time. Ofsted and funders recognise this approach as good practice.

This year we also launched our digital Your Voice engagement platform. This provides opportunities for tenants and learners to engage with us on different topics online, reducing the costs and resources needed to deliver engagement in person by default. However, we know that this approach doesn't work for everyone so we still offer opportunities to engage in person, which are led by customer need and other planned community activities.

Case Study

Our Autism Peer Support Group, which runs at CLIP, recently visited Gainsborough Old Hall to share insights on how the venue can improve its visitor experience. The story shows the impact sharing lived experience can have in making places more accessible and inclusive for everyone.

This visit has resulted in more funding for the group to work with other venues to create more inclusive places to visit in our community, helping people and communities thrive.

Home

Our Home Standard health and safety compliance remains a critical area of our operation and has remained a continuing focus for the business in the year to ensure that we maintain our well-embedded governance in this area.

During the year our Assets team secured over £4 million of fully funded energy efficiency works, completing over 12,000 improvements including cavity wall, loft insulation and ventilation projects. This means 450 more of our properties are EPC C compliant. Not only does this offer value for money for Acis Group, the work also has a significant impact on reducing utility costs for customers.

At the end of last year we were made aware of some concerns regarding the validity of the 2024 rent increases due to a combination of delays with Royal Mail and the fact that the notices were only posted second class. The Board agreed to re-issue all rent notices, delaying the increase by one month to ensure all notices were valid. This clearly had a financial impact, and significant work has been ongoing since to ensure the controls are in place.

Following some changes to our funding structures and strong student lettings, during the year we were able to release some additional capacity into budgets. This allowed additional investment in our existing social housing stock, beyond that originally budgeted. Enabling us to undertake additional works to our homes, further improving them for our customers.

Case Study

We know that rising energy costs put a strain on many households, and for some, keeping their homes warm and comfortable can be a challenge. By installing solar panels, we are helping our residents cut their energy bills. Helping to ease financial pressures and improve the environment.

For Terrence, home has always been more than just bricks and mortar – it's a place filled with family, and a lifetime of memories. Now 76 years old, Terrence has lived in the same home since the day he was born. His family of 12 grew up in the house, a place that has stood strong since it was built in 1939.

Operating and Financial Review and Strategic Report (continued)

Terence and his brothers previously relied on old storage heaters for heating. Nine new radiators last year was just what they needed and with the addition of solar panels, they're excited about the next step to further reduce their energy costs and get more control over their bills.

By embracing renewable energy, we are building stronger, more sustainable communities where people can live more comfortably and affordably. This project is testament to our commitment to improving the wellbeing of our residents.

Support

We have created a new entity in Acis Communities Limited, which is due to be registered as a charity, and our new Community Investment Directorate which will focus on expanding impact within communities, delivering outcomes in education and wider growth opportunities. The directorate brings together existing services including CLIP, Riverside, Acis Students, Campus for Future Living, future business development and evolution. Streamlining these areas creates opportunities for complementary skillsets to work across the directorate, and reduce duplication.

In Market Rasen, we're progressing with our plans to move our CLIP operations into one building by refurbishing an old bank. With additional funding from West Lindsey District Council's Heritage Fund, we're restoring the building to its former glory and regenerating the high street to improve the overall look of the area.

And we've received increased grant funding from Homes England and Local Authority Partners to support the redevelopment of Market Rasen House, a grade two listed property that had fallen into significant disrepair. Soon to be transformed into 10 supported living apartments, providing a safe home for those with additional needs.

Bringing these dilapidated buildings back into use in Market Rasen supports the local community by improving the environment, creating a more attractive place for people to live in, work in and visit. And when the work is finished, the buildings will provide services to improve the lives of people in the local area.

CLIP and Riverside have supported over 6,000 people in the year, with 579 living in postcodes where our properties are located. This emphasises our community impact, we are committed to

driving more outcomes for our tenants via additional services like education provision, wellbeing support and skills development.

We also launched our Campa Connect, taking our education and training services on the road to our people. This offers efficiencies for customers in that they don't need to travel to us. It also supports our inclusion efforts, by making our services more accessible.

Case Study

Lynda's story shows the impact our support can have for one family – but also how the way our team delivers can broaden that reach. Lynda's experience not only helps her, but she actively encourages others to get involved, and wants to do more at CLIP.

Lynda, in her late seventies, lives with her husband, who is in his mid-eighties with his own health challenges. Together, they're supported by their three daughters. Lynda's husband is her main carer but struggles with his own health while looking after Lynda, who has Alzheimer's.

At home, Lynda was passive, speaking little and often resisting activities she once enjoyed. Her husband, exhausted from his caring responsibilities, found it difficult to engage her in outings or new activities.

Lynda's youngest daughter discovered the Memory Café and brought her mum along initially to give her dad a break. Although she was initially hesitant, Lynda was welcomed by the team, and other participants. She soon warmed up to the group, enjoying the sense of belonging and the camaraderie she found there.

After a few weeks, Lynda and her youngest daughter noticed a flower arranging course offered as part of the Adult and Community Learning programme at the centre. They decided to attend it together. Lynda attended every session, taking pride in her arrangements and seeking out the group leader to show her work. This consistent participation was a major step forward, as Lynda had not shown interest in attending regular activities before.

Lynda's eldest daughter began accompanying Lynda to the Memory Café, and attended a Virtual Dementia Training session in Mablethorpe. The provision helped her understand dementia better and develop strategies to support Lynda and the rest of the family.

Operating and Financial Review and Strategic Report (continued)

The positive changes in Lynda's behaviour were noticeable. She now can't wait for her visits to the Memory Café. She's even encouraged her husband to join her, and he enjoys chatting with other men in the group and playing dominos.

At the Memory Café, Lynda has become more talkative and engaged, often sharing how friendly and welcoming the group is, and she has become an advocate for it, encouraging others to join. Her eldest daughter has seen a marked difference in her mother's mood and behaviour, describing the time at the Memory Café as when she "gets her Mum back" — chatting and laughing like she used to.

Quality

We proudly maintained our Matrix accreditation for the quality of our information, advice, and guidance services, demonstrating our commitment to excellence. Our training and education efforts also achieved a 'Good' Grade 2 following the rigorous Ofsted validation process in June 2024.

We've continued to champion equality, diversity and inclusion across Acis Group to ensure we can better understand all our people. From a colleague perspective we're embedding these principles into our management training and building inclusion into every day life. We were successful in attaining the Housing Diversity Network DNA accreditation which is a benchmark for Equality Diversity and Inclusion excellence.

For customers, we're working hard to make sure we can build a clear picture of who we work with, and how we can best support them when they need us. We've established a project to make sure every contact with customers counts, asking them to help us update their details. Getting to know our customers better and improving the quality of our data ultimately helps us to develop the services we provide, work in a more inclusive way and be there for them when they need us.

Our repairs service won the 'Best Repairs and Maintenance Innovation' award at the Housing Innovation Awards in February, again highlighting our commitment to delivering modern, responsive and accessible maintenance services led by customer demand.

In the last year, we've made strong progress against our strategic priorities. And we're continuing to show we're not afraid to do things differently. We continue to be led by our people to ensure we offer the best value for money and the best experience possible.

Value for Money Metrics

We report and monitor our performance against the Regulator of Social Housing's Value for Money Metrics. These metrics increase transparency and help to compare our performance with other housing associations. Our relative performance against these metrics can be seen on the next page.

The value for money metrics form part of our wider approach to value for money which influences our longer-term financial planning. The whole sector is responding to a range of external challenges including increasing resident expectations on service delivery, heightened risk and cost relating to building safety, competing asset investment demands, transition towards greater energy efficiency and the need for more new homes.

Recognising this challenging and constantly changing external landscape, we regularly review our investment plans and priorities and seek out other funding opportunities, to ensure our scarce financial resource is allocated accordingly.



Operating and Financial Review and Strategic Report (continued)

Metric	2022/23 Actual	2023/24 Actual	2024/25 Actual	2024/25 Budget	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	Top 25%	Median	Bottom 25%
1) Reinvestment% - Efficiency	7.9%	9.0%	13.8%	8.1%	6.9%	6.2%	7.6%	11.0%	7.7%	5.2%
2a) New supply delivered (social) % - Effectiveness	1.3%	1.6%	1.1%	2.8%	3.1%	1.2%	1.1%	2.2%	1.4%	0.6%
2b) New supply delivered (non-social) % - Effectiveness	0.14%	0.19%	6.23%	0.19%	0.13%	0.16%	0.27%	0.06%	0.00%	0.00%
3) Gearing % - Efficiency	63.6%	62.8%	65.4%	63.1%	65.4%	64.6%	63.7%	34.1%	45.6%	54.3%
4) EBITDA MRI interest cover % - Efficiency	134.1%	138.7%	140.8%	143.3%	122.0%	127.2%	125.2%	153%	122%	76%
5) Headline social housing cost per unit – Economy	£3,647	£3,573	£3,807	£3,682	£3,860	£4,170	£4,418	£4,495	£5,136	£6,350
6a) Operating margin % - Efficiency	26.7%	25.9%	30.4%	28.3%	28.9%	30.4%	30.2%	23.4%	18.5%	12.5%
6b) Operating margin (social housing lettings) % - Efficiency	25.2%	27.0%	30.9%	31.0%	30.6%	31.0%	31.1%	25.8%	20.4%	14.4%
6c) Operating margin (other social housing activity) %- Efficiency	24.4%	14.7%	26.5%	18.2%	7.2%	22.0%	20.1%	21.16%	8.57%	-7.18%
6d) Operating margin (non-social housing activities) % - Efficiency	29.7%	25.0%	29.9%	21.4%	27.7%	29.9%	29.0%	54.05%	19.60%	0.61%
7) ROCE % - Efficiency	4.0%	3.9%	4.4%	4.4%	5.3%	5.0%	5.0%	3.4%	2.8%	2.2%

Benchmarks are taken from the 2023/24 global accounts published by the regulator of social housing which includes data from 201 organisations

= most efficient
 = relatively efficient
 = relatively inefficient
 = least efficient

Operating and Financial Review and Strategic Report (continued)

How we performed

Reinvestment and new supply

In the year we invested almost £15 million to provide new affordable homes through our development programme, taking handover of 43 homes for rent and 29 for shared ownership. We also acquired a further 523 bedrooms of student accommodation located adjacent to our existing Nottingham accommodation and invested over £7.5 million in our existing housing stock.

Our VFM metric for reinvestment in the year was 13.8%. This was again an increase on the previous year, due to the student accommodation acquisition and increased investment in our existing stock. Our reinvestment and new supply metrics exceeded our internal targets. This was due to the student acquisition which was unbudgeted.

Because of the difficult economic conditions and primarily due to increased interest costs, we have been forced to scale back some of our longer-term development ambitions, after the current programme of committed schemes is complete. Reducing the investment in new supply but maintaining our investment in existing housing stock. This is in recognition of how important this is for our customers and in meeting energy efficiency targets.

Debt

Our year end gearing was marginally worse than budget. This is primarily due to higher debt drawdowns as a result of changes in our development programme.

Our EBITDA MRI (interest cover) increased again in the year due to higher surpluses, whilst the sector continued to experience reductions in this metric with the median reducing by 6 percentage points. This moved us well above the sector median.

Our desire to develop and invest in existing assets means we have higher levels of debt when compared to our peers. This results in higher gearing and lower interest cover, although this is a conscious decision of our Board.

Efficiency

The majority of our VFM metrics for the cost and operating margin measures performed better than target, and we continue to benchmark favorably when compared to our peers. We're exceptionally pleased with this performance in a challenging economic environment.

We fell short of our target for the social housing cost per unit. This was primarily due to increased investment in our existing stock after the Board agreed to release headroom for additional work during the year. This was not budgeted and therefore not included in our target.

Despite this additional investment our social housing cost per unit benchmarks extremely favorably with the rest of the sector, with us ranking in the top 5% of all providers for our overall cost which is circa £1.3k below the sector median.

Our other social activities primarily consist of shared ownership first tranche sales which fluctuate slightly year on year due to the nature of different development schemes and the margin achieved.

Our non-social housing activity continued to perform well with margins increasing from the previous year following a successful student intake in September 2024.

Our return on capital employed continues to perform in the top 25% when compared to the rest of the sector. This reflects our lower cost base following our work in previous years to drive value for money through everything that we do.

Looking Forward

Our approved business plan continues to exhibit the performance levels experienced in previous years, despite these targets including inflation, they still benchmark favorably against the 2023/24 sector benchmarks.

The work that we have done in previous years to control our costs and drive out efficiencies put us in a great starting place. This coupled with our recent trend of increasing customer satisfaction demonstrates the importance of value for money at Acis.

However we are not complacent and we continue to challenge ourselves to provide improved services for our customers whilst ensuring we deliver value for money throughout our activities.

Report of the Directors

Report of the Directors

Board members and executive directors

The Board members and executive directors of the group are set out on page 3.

This year there have been changes to the Board, as follows:

At the September 2024 annual general meeting Ronan O'Hara retired from the board after serving 7 years.

Following a rigorous recruitment exercise, we were pleased to welcome David Glover, Edward May & Matthew Adam to the Board, each bringing with them extensive experience.

The Board is continuing its journey to embrace diversity and inclusion and has continued to work with the Housing Diversity Network. In the year we were proud to attain their accreditation.

The executive directors are the Chief Executive, the Finance Director, the Director of Property Services and the Director for Customer Excellence. In the year the executive was further strengthened by the addition of a Director of Community Investment. There have been no other changes to the Executive Directors in the year.

Group insurance policies indemnify Board members and officers against liability when acting for the Group.

Service contracts

The Chief Executive and the other executive directors are employed on the same terms as other employees, with their notice periods ranging from three to six months.

Employees

We recognise that the success of our business depends on the quality of our managers and our people. It is the policy of the group that training, career development and promotion opportunities should be available to all employees.

We are committed to equal opportunities and, in particular, we support the employment of disabled people, both in recruitment and in retention of employees who become disabled whilst employed by the Group. The association retains 'positive about disabled people' and Investors In People accreditation, in recognition of its commitment in these areas.

The Board is aware of its responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies and provides staff training and education on health and safety matters. We also have a Health and Safety Steering Group to engage with staff across the organisation and enable

positive change to be brought forward.

Donations

The Group made no charitable or political donations during the course of the year.

Financial risk management objectives and policies

The Group uses various financial instruments, including loans and cash, and other items such as rent arrears and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the Group to a number of financial risks. The main risks arising from the Group's financial instruments are considered by the directors to be interest rate risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group finances its operations through a mixture of retained surpluses and borrowings. The Group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and variable rate facilities.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and investing cash assets safely and profitably.

Credit risk

The Group's principal credit risk relates to tenant arrears. This risk is managed by providing support to eligible tenants with their applications for benefits and closely monitoring the arrears of self-funding tenants. Welfare reform, the resulting changes to the benefits system and the current cost of living crisis have been identified as key risks to the Group. The challenges faced by these are continually being assessed in light of new best practice and local benchmarking.

Report of the Directors (continued)

Emissions and Energy Consumption

In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 our energy use and greenhouse gas (GHG) emissions are set out below.

SECR category	Year end 25	Year end 24
Total Energy consumption (kWh)	5,712,516.7	4,754,046.1
Emissions from combustion of gas (Scope 1) (tCO2e)	95.0	75.3
Emissions from transport (Scope 1) (tCO2e)	291.7	306.5
Emissions from location-based purchased electricity (Scope 2) (tCO2e)	732.0	542.3
Emissions from business travel in employee-owned vehicles (Scope 3) (tCO2e)	60.2	53.5
Total gross emissions (tCO2e)	1,178.9	977.6
Intensity Metric CO2 to FTE	4.4	3.7
Renewable Energy generated and then exported (kWh)	254,012.8	279,971.5
Emissions avoided by renewable energy generated and then exported (tCO2e)	52.6	58.0
Renewable Energy generated and then used onsite (kWh)	254,012.8	279,971.5
Emissions avoided by renewable energy generated and then used onsite (tCO2e)	52.6	58.0
Total annual net emissions (tCO2e)	1,126.3	919.7

Acis Group Ltd Energy Use and Associated Greenhouse Gas Emissions: Company Breakdown

	Electricity		Renewables	Gas		Company Fleet		Grey Fleet		Total kWh	Total tCO2e
	kWh	tCO2e	kWh	kWh	tCO2e	kWh	tCO2e	kWh	tCO2e		
Acis	3,467,499.6	717.9	508,025.5	452,355.0	82.7	1,155,882.8	291.7	211,881.1	51.6	5,795,644.0	1,144.0
Riverside	14,721.4	3.0						11,967.1	2.9	26,688.5	5.9
Clip	53,104.5	11.0		66,961.5	12.2			24,130.9	5.8	144,197.0	29.0
Totals	3,535,325.5	732.0	508,025.5	519,316.5	95.0	1,155,882.8	291.7	247,979.1	60.2	5,966,529.4	1,178.9

Quantification and Reporting Methodology

The boundaries of this report are based on operational control. We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only that come under the operational control boundary. Therefore, energy use and emissions are aligned with financial reporting for the UK subsidiaries.

The 2024 UK Government GHG Conversion Factors for Company Reporting published by the Department for Energy Security and Net Zero are used to convert energy use in our operations to emissions of CO2e. Carbon emission factors for purchased electricity calculated according to the 'location-based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. Data sources include billing, invoices and internal systems. For transport data where actual usage data (e.g. litres) was unavailable, conversions were made using average fuel consumption factors

to estimate the usage – all vehicle travel was calculated using mileage. A proportionate split within grey fleet was calculated to separate Clip and Riverside mileage and therefore emissions.

Intensity Ratio

We have chosen to report our gross emissions as Intensity Metric CO2 to Full Time equivalents, there were 270 full time employees during the period.

Energy Efficiency Actions

The Group has implemented the following energy efficiency actions during the reporting period:

Installed new loft insulation to 15 properties, cavity wall insulation to 815 properties and external wall insulation to 2 properties.

Added renewable heating systems to 19 properties.

Added solar PV systems to 72 properties.

Report of the Directors (continued)

Going concern

The Group's activities, its current financial position and factors likely to affect its future development are set out within the Operating and Financial Review. The Group has in place long-term debt facilities, a revolving credit facility, cash reserves, and generates positive cash from core operations.

These elements combine to provide sufficient resources to finance committed reinvestment and development programmes, along with the Group's day to day operations.

The Group has a long-term business plan which shows that it is able to service its debt facilities whilst continuing to comply with lenders' covenants. The business plan also includes multi variance stress testing scenarios and trigger points which are monitored and reported on regularly to the Board and Finance and Development Committee.

On this basis, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Reserves are retained at levels that allow the group to continue to provide the services that the reserves are intended to support while managing the risks associated with long term expenditure plans. The budget and business plans are approved each year and are set to achieve this.

The Group held £69,499k (2024: £63,604k) in the Income and Expenditure reserve as at 31 March 2025. Free reserves, i.e. unrestricted funds excluding tangible fixed assets net of grant, were -£232,197k (2024: -£199,942k) at 31 March 2025, as -£350,528k (2024: -£311,817k) is represented by fixed assets and can only be realised by their disposal. The funding facility is secured against the housing property fixed assets.

Post balance sheet events

After the balance sheet date, Acis Communities was registered as a charity.

After the balance sheet date Plus Skills Development Limited was acquired and added to the Group.

Other Group companies

Acis Development Services Limited

Acis Development Services Limited was established in October 2010 to provide design and construction services to the Association and undertakes the construction and sale of properties on the open market.

Riverside Access and Training Centre CIC

Riverside Training was acquired by the Group in September 2020. Riverside Training delivers training and welfare/social support services alongside employability programmes.

Community Learning in Partnership CIC

Community Learning (CLIP) was acquired by the Group in August 2022. CLIP works with young people and adults who are looking to refresh their skills – for personal development, higher education or work.

Acis Communities Limited

Acis Communities was established in September 2024 to oversee all of the Group's community activities. There were no transactions in the year.

Campus for Future Living Limited

Campus for Future Living was established in September 2024 to manage the new Campus facility in Mablethorpe.

Prime Repairs and Maintenance Limited

Prime Repairs and Maintenance Limited has been dormant throughout the period.

Acis Management Limited

Acis Management Limited was the majority partner in Eione LLP and is now dormant.

Eione LLP

Eione LLP was dissolved via voluntary strike off on 7 May 2024.

Acis HomePlus Limited

Acis HomePlus Limited ceased to trade in March 2023 and is now dormant.

Acis Properties Limited

Acis Properties Limited has been dormant throughout the period.

Report of the Directors (continued)

Internal controls assurance

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

This responsibility applies to all organisations within the Group, including those not registered with the Regulator of Social Housing.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing. The Board receives and considers reports from management on these risk management and control arrangements throughout the year.

Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for the Audit and Risk Committee, Finance and Development Committee, Operations Committee, Enterprise Committee and Remuneration and Review Committee;
- Clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- Board approved risk appetite levels;
- Robust strategic and business planning processes;
- Quarterly review of the Group's risk map by the Board;
- Detailed financial budgets and forecasts for subsequent years;
- Formal recruitment, retention, training and development policies;
- Established authorisation and appraisal procedures for all significant new initiatives and commitments;
- Regular reporting to senior management and the Board of key business objectives, targets and outcomes;
- Board approved whistleblowing and anti-fraud and bribery policy; and
- Detailed policies and procedures in each area of the Group's work.

A fraud register is maintained and available for review. No fraud has been reported in the year.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the Audit and Risk Committee to regularly review the effectiveness of the system of internal control. The Board receives minutes and an update from the committee chair for all Audit and Risk Committee meetings.

Throughout the year, the Audit and Risk Committee have reviewed the effectiveness of the systems of internal controls, including the sources of assurance agreed by the Board as being appropriate for that purpose. The Committee is satisfied that there is sufficient evidence to confirm that adequate systems of internal control existed and operated throughout the year.

Governance

Governance and Financial Viability Standard

Acis has designed and implemented a comprehensive approach to the management of regulatory compliance including:

- Codifying the role and responsibilities of the Board, Sub-Committees and Officers in relation to RoSH compliance;
- Specifying the regulatory requirement and building the supporting evidence base of compliance;
- Identification of the deadlines for each regulatory cycle with a project plan in place to support completion of the regulatory cycle deadlines. The project plan developed includes clear stage gates / milestones, risk review and specific ownership of items in the plan by officers;
- Appropriate scrutiny at identified points by officers, Board and Committees;
- A programmed approach to compliance designed to ensure visibility of the way that issues are being addressed at stages where remedial action can be taken if required;
- The Group has applied this approach to all elements of the Regulatory Standard, with each element of the Standard and the accompanying code of practice specified along with the associated evidence references and required actions which are tracked using a RAG status.

Report of the Directors (continued)

Assessment of Acis Group Limited's compliance with the Governance and Viability standard has been made by the Board and there are no areas of non-compliance.

Code of Governance

In accordance with the Governance and Financial Viability Standard as set by the Regulator of Social Housing, Acis Group, adopted the National Housing Federation Code of Governance 2020. These requirements do not apply to the non-registered subsidiary entities of the Group although they do operate within the spirit of the Code.

Compliance with the adopted Code of Governance has predominantly been upheld throughout the year. Acis Group Limited re-adopted the NHF Code of Governance 2020 in January 2024 and has therefore undertaken work to introduce a phased succession plan to enable the board to move from a previously nine year tenure, to a six year tenure. This has been done in a managed and planned way, keeping turnover to an acceptable level and not putting the organisation at risk.

The Board has given robust consideration to the effectiveness and conduct of business for all Boards and Committees and is committed to formally reviewing its effectiveness at least every three years. The latest review was undertaken in December 2023 and concluded that governance practice at Acis is to a good standard and effective.

In December 2015 the NHF published its voluntary code in relation to Mergers, Group Structures and Partnerships. Acknowledging the strategic aim to grow our organisation, and to create financial efficiency and strength through actively seeking collaborative working arrangements, the Board formally adopted the code at its meeting held in April 2016. Within the year, the Group made no formal merger proposals to any other party.

Board composition

The Board is made up of twelve non-executive members. The Board structure includes the following committees and groups:

Committee / Group	Membership	Meeting frequency 2024/25	Role
Audit and Risk Committee	Paul Wilkin (Chair) Bruce Kerr Sami Mirza (Until 30/9/24) David Glover (From 30/9/24) John Westby (From 30/9/24) Russell Stone (Independent member) Kitesh Patel (Independent member from 30/9/24)	3	Provides independent scrutiny and challenge to provide the Board with assurance. Ensure that appropriate external audit arrangements are in place and regularly evaluated and monitored. Consideration of audit reports and detailed review of financial statements. Seek assurance that appropriate risk management and assessment techniques are operated within the Group and performs detailed scrutiny and evaluation of risk. Ensures satisfactory internal audit arrangements operate within the Group and seek assurance that appropriate systems of internal control are established and maintained. Ensure an adequate system of internal control is in place.

Report of the Directors (continued)

Committee / Group	Membership	Meeting frequency 2024/25	Role
Remuneration and Review Committee	Paul Satchwell (Chair) Kath Smart Carole Hodson	3	Review and recommend remuneration package of the Chief Executive and executive directors to the Board. Oversight of appraisal of the Chief Executive and executive directors.
Finance and Development Committee	Paul Satchwell (Chair) Paul Wilkin Sami Mirza Ronan O'Hara (Until 30/9/24) David Glover (From 30/9/24) Paul Milner (Independent member from 30/9/24)	4	Maintain an overview of the Group's financial performance including reviewing and commenting upon the Group's management accounts and financial forecasts. Consider financial implications of proposals for areas of major new strategic business development on behalf of AGL and make recommendations to the board. Assist in the development of the Group's Treasury Management Strategy and consider the impact of changes in interest rates on the same. Monitor the Group's existing loan portfolio and determination of the adopted approach in relation to the drawdown of new funds, and the maturity of existing loans. Consider and approve within delegated authorities new development proposals or recommend to Board. Ensure compliance with the Group's Financial regulations in relation to procurement. Review the Group's Business Plan and act as an early warning system to the Board in cases of concern.
Operations Committee	Bruce Kerr (Chair) Carole Hodson Julie Haywood Holly Wilson Cath Bacon (Independent member from 30/9/24) Gill Wood (Independent member from 30/9/24)	4	Ensure the maintenance of adequate and effective arrangements for internal monitoring of operational action plans and performance management processes. Receive reports and other performance information in relation to the Group's performance on all operational services. Receive reports in relation to the Group's customer communications and feedback. Report any serious delivery or compliance failures or concerns to the Group Board.

Report of the Directors (continued)

Enterprise Committee	Julie Haywood (Chair)	5	Review, monitor and assess the operational and financial performance of the Group's enterprise activities. Report any serious delivery or compliance failures or concerns to the Group Board. Act as a sounding board to the Executive on any areas of potential new business or growth for the Group.
	Carole Hodson		
	Ronan O'Hara (Until 30/9/24)		
	John Westby		
	Mathew Adam (From 30/9/24)		
	Edward May (From 30/9/24 to 30/06/25)		
	Graham Ward (Independent member)		
	Angela Burrows (Independent member from 30/9/24)		

Skills and recruitment

All appointments are approved by the Board with due consideration of skills and supported by an objective and rigorous selection and assessment process. All appointments are made in accordance with the Board's skills matrix and the recruitment processes focus on securing members with the following skills:

Sector knowledge: in-depth, up-to-date knowledge including the housing, skills and education needs Acis Group aims to meet, and the associated opportunities and threats.

Customers: experience of the needs, concerns and aspirations of Acis' customers. Community relations and needs including equal opportunity, disability and diversity

Strategic leadership and management: vision, intellectual flexibility, political astuteness and drive for results. Experience of working at a strategic management level in the commercial, public sector, local/central government, education or charitable sector

Analytical: ability to digest large amounts of information, picking out the relevant points and using the information to support decision making.

Business Management: successful senior level business, financial and management experience including the ability to monitor performance and hold to account, change

management, basic HR/employee engagement, IT and Marketing.

The Board is made up of a range of skilled people, with both private and public sector backgrounds, ensuring a broad range of skills, competencies, experience and knowledge. Members of the Executive Leadership Team attend the Board and Committees but are not Board members.

Evaluation

All Board members are subject to an individual appraisal conducted by the Chair. The appraisal process assesses contributions made, reviews and identifies training and development needs of the individual, and formalises individual and wider Board goals for the forthcoming year.

The adopted code of governance sets a requirement for appraisal of individual members to be carried out at least every two years. All existing board members had an appraisal by the Chair in June 2024. The Chair's appraisal was completed as part of the external governance review in November 2023. As the Chair announced in November 2024 that she would be stepping down, the focus has been on recruiting a new Chair of the Board.

The Board also completed a collective annual review of effectiveness for the year ended 31 March 2025. All committees also undertook an annual review of effectiveness.

Report of the Directors (continued)

Attendance

The attendance at meetings by Board and committee members throughout the year was as follows:

Acis Group Board

Member	Maximum Possible	Actual Attendance	Comment
Kathryn Smart	7	6	
Carole Hodson	7	7	
Paul Satchwell	7	7	
Ronan O'Hara	3	1	Retired 30/9/24
Bruce Kerr	7	6	
Paul Wilkin	7	6	
Julie Haywood	7	6	
Holly Wilson	7	7	
John Westby	7	7	
Sami Mirza	7	5	
David Glover	4	4	Appointed 30/9/24
Edward May	4	4	Appointed 30/9/24, Resigned 30/6/25
Matthew Adam	4	4	Appointed 30/9/24

Audit and Risk Committee

Member	Maximum Possible	Actual Attendance	Comment
Paul Wilkin	3	3	
Bruce Kerr	3	3	
Sami Mirza	1	1	Stood down from committee 30/9/24
David Glover	2	1	Appointed 30/9/24
John Westby	2	2	Appointed 30/9/24
Russell Stone	3	2	
Kitesh Patel	2	2	Appointed 30/9/24

Remuneration and Review Committee

Member	Maximum Possible	Actual Attendance	Comment
Paul Satchwell	3	3	
Kathryn Smart	3	3	
Carole Hodson	3	3	

Operations Committee

Member	Maximum Possible	Actual Attendance	Comment
Bruce Kerr	4	4	
Carole Hodson	4	4	
Julie Haywood	4	3	
Holly Wilson	4	4	
Cath Bacon	2	1	Appointed 30/9/24
Gill Wood	2	1	Appointed 30/9/24

Report of the Directors (continued)

Finance and Development Committee

Member	Maximum Possible	Actual Attendance	Comment
Paul Satchwell	4	4	
Paul Wilkin	4	4	
Sami Mirza	4	4	
Ronan O'Hara	2	0	Retired 30/9/24
David Glover	2	1	Appointed 30/9/24
Paul Milner	2	1	Appointed 30/9/24

Enterprise Committee

Member	Maximum Possible	Actual Attendance	Comment
Julie Haywood	5	5	
Carole Hodson	5	4	
Ronan O'Hara	2	1	Retired 30/9/24
John Westby	5	4	
Edward May	3	2	Appointed 30/9/24, Resigned 30/06/25
Matthew Adam	3	2	Appointed 30/9/24
Graham Ward	5	4	
Angela Burrows	3	3	Appointed 30/9/24

Acis Development Services Limited

Member	Maximum Possible	Actual Attendance	Comment
Greg Bacon	2	2	
Paul Woollam	2	2	
Adrian Chamberlain	2	2	
Mark Jones	2	2	
Claire Woodward	1	1	Appointed 14/3/25

Riverside Access and Training Centre Gainsborough CIC

Member	Maximum Possible	Actual Attendance	Comment
Greg Bacon	2	2	
Paul Woollam	2	2	
Adrian Chamberlain	2	2	
Mark Jones	2	2	
Claire Woodward	1	1	Appointed 14/3/25

Report of the Directors (continued)

Community Learning in Partnership CIC

Member	Maximum Possible	Actual Attendance	Comment
Greg Bacon	2	2	
Paul Woollam	2	2	
Adrian Chamberlain	2	2	
Mark Jones	2	2	
Claire Woodward	1	1	Appointed 14/3/25

Acis Communities Limited

Member	Maximum Possible	Actual Attendance	Comment
Greg Bacon	1	1	
Paul Woollam	1	1	
Adrian Chamberlain	1	1	
Mark Jones	1	1	
Claire Woodward	1	1	Appointed 14/3/25

Campus for Future Living Limited

Member	Maximum Possible	Actual Attendance	Comment
Greg Bacon	1	1	
Paul Woollam	1	1	
Adrian Chamberlain	1	1	
Mark Jones	1	1	
Claire Woodward	1	1	Appointed 14/3/25

Report of the Directors (continued)

Statement of the responsibilities of the Board for the financial statements.

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

Company law requires the Board to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018 (Statement of Recommended Practice for Registered Social Housing Providers). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Association and Group for that period. In preparing these financial statements, the directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and Group and enable them to ensure that the financial statements comply with the Companies Act 2006 (Part 10, chapter 2, paragraphs 170-180), 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 Association and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the Group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Board is 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) (SORP). The Board is responsible for the maintenance and integrity of the corporate and financial information on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Directors (continued)

Public Benefit

Acis has considered the Charity Commission's general guidance on public benefit when reviewing its aims and objectives. All the Association's charitable activities, details of which appear in the Operating and Financial Review, are undertaken for the benefit of local communities.

The charitable objectives of Acis Group are:

- The relief of need through the provision of social and affordable housing and other accommodation, associated facilities, amenities and care to those in need in England, primarily in the Midlands, Yorkshire and Humber regions, for reasons of youth, age, physical or mental ill-health or disability, financial hardship or other disadvantage.
- The advancement for the benefit of the public of community development through social investment in areas of social and economic deprivation or need in England, primarily in the Midlands, Yorkshire and Humber regions.

Our vision is to be there to support you when you need us. The Group has the following streams in relation to its charitable objects:

- Almost 5,900 properties for rent, primarily by families who are unable to rent or buy at open market rates;
- Over 250 sheltered housing properties across nine schemes and assistance for people who need additional housing-related support;
- Over 600 low-cost home ownership properties, primarily shared ownership and the Rent to Own initiative;
- 6 Supported properties where the tenants receive support from other agencies;
- Over 1,600 student bed spaces providing affordable accommodation for students to continue their education;
- Support for tenants and the wider communities in education/training and gaining access to the workplace;
- Community space including training centres and cafés

To deliver these objects the Group engages in a comprehensive range of activities including those referred to in the Operating and Financial Review and Strategic Report. These activities are underpinned by a comprehensive framework of strategies and policies to maximise the involvement of our customers and ensure a robust governance structure.

Our services are open to all, subject to Local Authority and local lettings policies which are legitimate,

proportionate, rational and justifiable.

Annual general meeting

The Annual General Meeting will be held on 29 September 2025 at Acis House, Bridge Street, Gainsborough.

External auditors

Beever and Struthers were appointed to audit the Group and Association financial statements for the year ended 31 March 2025.

Approval

The Report of the Board, including the strategic report, was approved by the Board on 28 July 2025 and signed on its behalf by:



Kathryn Smart

Chair

Independent Auditor's Report to the Members of Acis Group Limited

Independent Auditor's Report to the Members of Acis Group Limited

Opinion

We have audited the financial statements of Acis Group Limited (the 'parent Association') and its subsidiaries (the 'Group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, the Association Statement of Comprehensive Income, the Consolidated and Association Statements of Financial Position, the Consolidated Statement of Changes in Equity (Reserves), the Association Statement of Changes in Equity (Reserves), the Consolidated Statement of Cash Flow 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 Association's affairs as at 31 March 2025 and of the Group's income and expenditure and the parent Association'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 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 Group's or the parent Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises 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.

Independent Auditor's Report to the Members of Acis Group Limited (continued)

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 Association 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 Association, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Association 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.

Responsibilities of directors

As explained more fully in the Statement of the responsibilities of the Board for the financial statements set out on page 41, 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 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 Group or the parent Association 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 website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

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

Independent Auditor's Report to the Members of Acis Group Limited (continued)

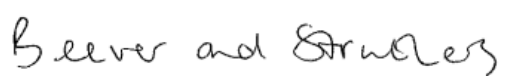
- We obtained an understanding of laws, regulations and guidance that affect the Group and parent Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, the NHF Code of Governance 2020, the Regulatory Standards, 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 the 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 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 Association'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 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.



Maria Hallows BA FCA DChA (Senior Statutory Auditor)

For and on behalf of
 Beever and Struthers
 Statutory Auditor
 One Express
 1 George Leigh Street
 Manchester
 M4 5DL
 Date: 14 August 2025

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Turnover: continuing activities	3	49,011	44,370
Operating expenditure	3	(34,095)	(32,885)
Gain on disposal property, plant, equipment	5	510	515
Operating surplus	4	15,426	12,000
Interest receivable	6	61	41
Interest payable and financing costs	7	(9,860)	(8,090)
Surplus before taxation		5,627	3,951
Taxation	12	(6)	(51)
Surplus for the year after taxation		5,621	3,900
Other comprehensive income			
Actuarial gain/ (loss) in the year	9	274	(612)
Total comprehensive income for the year		5,895	3,288
Total comprehensive income for the year attributable to:			
Owners of the parent company		5,895	3,288

The consolidated results relate to continuing activities with the exception of Acis Homeplus Limited which ceased trading on 31 March 2024. These discontinued activities accounted for turnover of £Nil (2024: £20,715) and profit of £Nil (2024: £Nil).

The notes on pages 54 to 96 form an integral part of these financial statements.

The financial statements on pages 47 to 96 were approved and authorised for issue by the Board on 28 July 2025.



Kathryn Smart
Chair / Trustee



Carole Hodson
Vice Chair / Trustee



Greg Bacon
Secretary

Acis Group Limited, Company Number 03593345

Association Statement of Comprehensive Income

For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Turnover: continuing activities	3	47,590	43,400
Operating expenditure	3	(32,859)	(32,007)
Gain on disposal property, plant, equipment	5	510	515
Operating surplus	4	15,241	11,908
Interest receivable	6	94	46
Interest payable and financing costs	7	(9,860)	(8,075)
Gift aid	11	345	195
Surplus before taxation		5,820	4,074
Taxation	12	-	(48)
Surplus for the year after taxation		5,820	4,026
Other comprehensive income			
Actuarial gain/ (loss) in the year	9	274	(612)
Total comprehensive income for the year		6,094	3,414

The results of the association relate wholly to continuing activities and the notes on pages 54 to 96 form an integral part of these financial statements.

The financial statements on pages 47 to 96 were approved and authorised for issue by the Board on 28 July 2025 and were signed on its behalf by:



Kathryn Smart
Chair / Trustee



Carole Hodson
Vice Chair / Trustee



Greg Bacon
Secretary

Acis Group Limited, Company Number 03593345

Consolidated and Association Statement of Financial Position

As at 31 March 2025

		Group		Association	
	Note	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fixed Assets					
Housing	13	347,688	308,801	350,040	310,964
Non-housing	14	2,840	3,016	2,883	3,087
Tangible Fixed Assets		350,528	311,817	352,923	314,051
Current Assets					
Stock	16	4,961	4,826	2,884	4,362
Trade and Other Debtors	17	2,536	1,508	4,007	2,340
Cash and Cash Equivalents	18	3,445	2,620	2,965	2,329
		10,942	8,954	9,856	9,031
Less: Creditors: amounts falling due within one year	19	(13,438)	(12,570)	(12,822)	(13,154)
Net Current Liabilities		(2,496)	(3,616)	(2,966)	(4,123)
Total Assets Less Current Liabilities		348,032	308,201	349,957	309,928
Creditors: amounts falling due after more than one year	20	(277,587)	(242,977)	(277,558)	(242,944)
Provisions for liabilities		(7)	(2)	-	-
Pension - defined benefit liability	9	(939)	(1,618)	(939)	(1,618)
Total Net Assets		69,499	63,604	71,460	65,366
Reserves					
Income and Expenditure Reserve		69,499	63,604	71,460	65,366

The notes on pages 54 to 96 form an integral part of these financial statements.

The financial statements on pages 47 to 96 were approved and authorised for issue by the Board on 28 July 2025 and were signed on its behalf by:



Kathryn Smart
Chair / Trustee



Carole Hodson
Vice Chair / Trustee



Greg Bacon
Secretary

Acis Group Limited, Company Number 03593345

Consolidated Statement of Changes in Equity (reserves)

	Income and Expenditure Reserve £'000	Total £'000
Balance as at 31 March 2023	60,316	60,316
Surplus for the year after tax	3,900	3,900
Other comprehensive income for the year after tax	(612)	(612)
Total Comprehensive income for the year	3,288	3,288
Distribution in year	-	-
Balance as at 31 March 2024	63,604	63,604
Surplus for the year after tax	5,621	5,621
Other comprehensive income for the year after tax	274	274
Total Comprehensive income for the year	5,895	5,895
Distribution in year	-	-
Balance as at 31 March 2025	69,499	69,499

The notes on pages 54 to 96 form an integral part of these financial statements.

Association Statement of Changes in Equity (reserves)

	Income and Expenditure Reserve £'000	Total £'000
Balance as at 31 March 2023	61,952	61,952
Surplus for the year after tax	4,026	4,026
Other comprehensive income for the year after tax	(612)	(612)
Total Comprehensive income for the year	3,414	3,414
Balance as at 31 March 2024	65,366	65,366
Surplus for the year after tax	5,820	5,820
Other comprehensive income for the year after tax	274	274
Total Comprehensive income for the year	6,094	6,094
Balance as at 31 March 2025	71,460	71,460

The notes on pages 54 to 96 form an integral part of these financial statements.

Consolidated Statement of Cash Flow

	2025	2024
	£'000	£'000
Net cash generated from operating activities	21,422	13,943
Cash flow from investing activities		
Purchase of tangible fixed assets	(47,474)	(28,491)
Proceeds from sale of tangible fixed assets	1,270	948
Grants received	1,296	5,072
Interest received	61	41
	<u>(44,847)</u>	<u>(22,430)</u>
Cash flow from financing activities		
Interest paid	(8,933)	(8,301)
New secured loans (revolver utilisation)	(15,400)	1,900
New secured loans	66,433	10,000
Repayments of borrowings	(17,850)	(1,667)
	<u>24,250</u>	<u>1,932</u>
Net change in cash and cash equivalents	825	299
Cash and cash equivalents at beginning of year	2,620	2,321
Cash and cash equivalents at end of the year	3,445	2,620

The notes on pages 54 to 96 form an integral part of these financial statements.

Reconciliation of Group Operating Surplus to Net Cash Inflow from Operating Activities

	2025 £'000	2024 £'000
Cash generated from operating activities		
Surplus for the year	5,895	3,288
<u>Adjustment for non-cash items</u>		
Depreciation of tangible fixed assets	8,294	7,887
(Increase) / decrease in stock	(135)	(351)
(Increase) / decrease in trade and other debtors	(1,029)	314
Increase / (decrease) in trade and other creditors	317	1,438
Pension costs less contributions payable	(473)	(453)
Carrying amount of tangible fixed asset disposals	424	1,299
Deferred Government grants utilised in the year	(886)	(771)
Actuarial loss / (gain)	(274)	612
<u>Adjustments for investing or financing activities</u>		
(Gain)/loss on disposal of tangible fixed assets	(510)	(515)
Interest and financing costs	9,860	8,090
Interest receivable	(61)	(41)
Net cash generated from operating activities	21,422	20,797

The notes on pages 54 to 96 form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2025

1. Legal Status

Acis Group Limited (The Association) is incorporated in England under the Companies Act 2006. The Association is limited by guarantee, is a registered charity and classed as a Public Benefit Entity. The Principal activity undertaken is the provision of social housing.

The Association is registered with the Regulator of Social Housing (RoSH) as a Private Registered Provider of Social Housing. The registered office for Acis Group Ltd and all of its subsidiary undertakings is Acis House, Bridge Street, Gainsborough DN21 1GG.

The group comprises the following entities:

Name	Incorporation	Registered/ Non-Registered
Acis Group Limited	Companies Act 2006	Registered
Acis Management Limited (Dormant)	Companies Act 2006	Non-Registered
Acis Development Services Limited	Companies Act 2006	Non-Registered
Prime Repairs and Maintenance Limited (Dormant)	Companies Act 2006	Non-Registered
Acis HomePlus Limited (Dormant)	Companies Act 2006	Non-Registered
Acis Properties Limited (Dormant)	Companies Act 2006	Non-Registered
Riverside Access and Training Centre Gainsborough Community Interest Company	Companies Act 2006	Non-Registered
Community Learning in Partnership Community Interest Company	Companies Act 2006	Non-Registered
Acis Communities Limited (Dormant)	Companies Act 2006	Non-Registered
Campus For Future Living Limited	Companies Act 2006	Non-Registered

2. Principal Accounting Policies

Basis of accounting

The financial statements of the Group and Association have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for Registered Social Housing Providers: Housing SORP 2018 update. The accounts comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The Group is required under the Companies Act 2006 to prepare consolidated Group Accounts.

The accounts have been prepared on the historical cost basis of accounting and are presented in sterling £'000 for the year ended 31st March 2025.

The Group's Financial Statements have been prepared in accordance with FRS 102. The Group meets the definition of a Public Benefit Entity (PBE).

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 FRS102:

- 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, and
- 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 of the group as a whole.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Basis of consolidation

The consolidated Financial Statements incorporate the results of all of its subsidiary undertakings as at 31 March 2025 using the acquisition method of accounting as required. Where the acquisition method is used the results of the subsidiary undertakings are included from the date of acquisition, being the date the Group obtains control.

Going Concern

The Group's Financial Statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future.

The Group's activities, its current financial position and factors likely to affect its future development are set out within the Operating and Financial Review. The Group has in place long-term debt facilities, a revolving credit facility, cash reserves, and generates positive cash from core operations. Our net current liability position at 31 March 2025 was expected and is not considered to be a going concern issue. The net liability position was a result of reduced cash balances held at the year-end with undrawn secured loans, of which there were £25m at 31 March 2025, only being drawn when necessary for effective cashflow management.

These elements combine to provide sufficient resources to finance committed reinvestment and development programmes, along with the Group's day to day operations.

The Group has a long-term business plan which shows that it is able to service its debt facilities whilst continuing to comply with lenders' covenants. The business plan also includes multi variance stress testing scenarios and trigger points which are monitored and reported on regularly to the Board and Finance and Development Committee.

On this basis, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimates means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- a. **Development expenditure** – The Group capitalises development expenditure in accordance with the accounting policy described on page 58. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
- b. **Categorisation of Housing Properties** - The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that no current rented properties or student accommodation should be classed as investment properties.
- c. **Impairment** – Where it is recognised that there is a permanent diminution in value of any property, the full reduction in value is written off to the Statement of Comprehensive Income in the year in which the diminution is recognised. An impairment review carried out for the year concluded that no assets were to be impaired resulting in no charge in 2024/25 financial statements. In arriving at this conclusion, the Group used numerous indicators including external sources of information such as market value, market interest rates and returns on investment, actual or proposed changes to the technological, economic or legal environment, obsolescence or damage to the asset, operational changes or internal reporting which indicates that the asset is performing worse than expected.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Other key sources of estimation and assumptions:

Tangible fixed assets – Tangible fixed assets 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 technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Stock and Work in progress – The Group carries stock and work in progress of properties that it intends to sell. The stock is held at cost and this is regularly compared to the recoverable amount to ensure no impairment is required. The recoverable amounts are derived from local market data and sales experience.

Pension and other post-employment benefits – The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates, inflation and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 9.

Impairment of non-financial assets – Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme or property type level whose cash income can be separately identified.

An impairment review carried out for the year concluded that no assets were to be impaired resulting in no charge in 2024/25 financial statements.

Acquisition accounting

Acis Development Services Limited, Campus for Future Living Limited, Riverside Access and Training Centre Gainsborough Community Interest Company and Community Learning in Partnership Community Interest Company have been included in the group financial statements using the purchase method of accounting.

Accordingly, the group statement of comprehensive income and statement of cash flows include the results and cash flows of the above Companies for the current accounting period.

Turnover and revenue recognition

Turnover represents rental income and service charges receivable, amortised capital grant, revenue grants from local authorities and Homes England, income from the sale of shared ownership, and other properties developed for outright sale, and other income and is recognised in relation to the period when the goods or services have been supplied. Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. Sales of properties developed for outright sale are included in Turnover and Cost of Sales.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Service charges

Service charge income and costs are recognised on an accruals basis. The Group in the main operates variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges are based on the last full financial year costs. Where periodic expenditure is required a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within creditors.

Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Loan finance issue costs

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income in the year in which the redemption took place.

Taxation

The parent Association became a registered charity on 1 April 2011 and from this date any surpluses or deficits arising from its charitable activities have been exempt from Corporation tax.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit and loss, except that a charge 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. Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits,
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- Where timing differences relate to interests in subsidiaries, associates and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

In accordance with FRS 102, deferred tax is not provided for gains on the sale of non-monetary assets, if the taxable gain will probably be rolled over.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Value Added Tax

The Group charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs.

Tangible Fixed Assets and Depreciation

Housing properties and Student Accommodation

Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements.

Housing properties under construction are stated at cost and are not depreciated. These are re-classified as housing properties on practical completion of construction. Freehold land is not depreciated.

The costs of Low Cost Home Ownership Properties (Shared Ownership) are split proportionally between current and fixed assets based on the element relating to expected first tranche portion (initial staircasing). The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Subsequent sales are treated as sales of fixed assets / property sales in operating profit.

Student Accommodation properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings and expenditure incurred in respect of improvements.

Depreciation is charged so as to write down the net book value of properties to their estimated residual value, on a straight-line basis, over their estimated useful economic lives in the business. For social housing properties, a full year's depreciation is charged in year of acquisition. For student accommodation, depreciation is charged from the month of acquisition. The depreciable amount is arrived at on the basis of original cost, less residual value. The Group's housing properties are depreciated at the following annual rates:

Houses and flats	0.75% to 4.2%
Student accommodation buildings	0.85%
Garages	1.2%
Commercial Properties	2.0%

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

The association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Bathrooms	3.3% to 10.0%	Roofs	1.3% to 2.5%
Central Heating and Boilers	4.0% to 10.0%	External Cladding and Structural Works	1.7% to 2.5%
Doors	5.0% to 6.7%	Windows	2.5% to 20.0%
Electrical Works	2.5% to 5.0%	Fixtures and Fittings	33.3%
Kitchens	5.0% to 14.3%	Environmental Improvements	3.3%
Photo Voltaic Panels	4.0%	Service Installations	3.3%

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

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the properties into their intended use.

Other tangible fixed assets

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Freehold Offices	2.0%	Motor Vehicles	20.0%
Building Fitting and Equipment	10.0% to 20.0%	Depot Fitting and Equipment	20.0%
Computer Equipment and Software	25.0%	Furnished Accommodation	25.0%

Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Stock and properties held for sale

Stock of materials are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of Comprehensive Income.

Stock swaps

Where an agreement is entered into with another PRP to swap housing stock, the outgoing stock is treated as a disposal with a gain/loss recorded in profit or loss. The incoming stock is measured at fair value.

Short-term debtors and creditors

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

Non-government grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as Turnover.

Social Housing and other government grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land) and components, under the accruals model.

SHG received for items of cost written off in the Statement of Comprehensive Income is included as part of Turnover.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Non-monetary government grant

On disposal of assets for which non-monetary government grants are held as liabilities in the Statement of Financial Position, the unamortised amount in creditors is derecognised and recognised as income in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Recycling of Capital Grant

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

The voluntary right to buy Midlands Pilot scheme ended during 2019/20, the net receipt from the sales were recycled into a recycled grant fund within creditors. This fund is to be used for a one for one replacement.

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.

Retirement benefits

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

The disclosures in the accounts follow the requirements of Section 28 of FRS 102 in relation to multi-employer funded schemes in which the Group has a participating interest.

The Group operates two types of pension scheme; a defined contribution scheme for new members and a legacy defined benefit scheme. The cost of providing retirement pensions and related benefits for both schemes are charged to management expenses over the periods benefiting from the employee's services.

The Group participates in the Social Housing Pension Scheme ('SHPS'), a defined benefit multi-employer pension scheme administered by TPT Retirement Solutions ('TPT').

Income and Expenditure Reserve

The Group generates reserves:

- to provide a cushion against risk and uncertainty of future operations;
- to finance future major repairs and improvements; and
- to provide internal subsidy for new homes and property development.

Due to the decline in social housing grant (SHG) and other capital grants available to the sector over recent years, the Group continues to commit more of its reserves to financing investment in new homes and larger maintenance programmes. This approach not only enables greater investment, but it also reduces interest costs as additional loan finance can be kept to a minimum.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

Financial Instruments

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Commitments to receive or make a loan to another entity which meet the conditions in para 11.8(c) of FRS 102 are measured at cost less impairment.

Loans

All loans held by the group are classified as basic financial instruments in accordance with FRS 102.

They are measured at transaction price plus transaction costs initially, and subsequently at amortised cost using the effective interest rate method. Loans repayable within one year are not discounted.

Financial instruments held by the Group are classified as follows:

- Financial assets such as cash, current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method,
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method,
- Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method,
- Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment,
- An investment in another entity's equity instruments other than non-convertible preference shares and non-puttable ordinary and preference shares are held at fair value.

Impairment of Financial Assets

Financial Assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

The following financial instruments are assessed individually for impairment:

- a. All equity instruments regardless of significance, and
- b. Other financial assets that are individually significant

Other financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics. An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

Notes to the Financial Statements

For the year ended 31 March 2025

Principal accounting policies (continued)

- a. For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- b. For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in profit or loss immediately.

Notes to the Financial Statements

For the year ended 31 March 2025

3. Particulars of Turnover, Cost of Sales, Operating Expenditure and Operating Surplus

<u>Group</u>	2025			Operating Surplus / (Deficit) £'000
	Turnover £'000	Cost of Sales £'000	Operating expenditure £'000	
Social Housing Lettings	36,671	-	(25,357)	11,314
Other social housing activities				
First tranche low cost home ownership sales	2,575	(1,893)	-	682
	2,575	(1,893)	-	682
Non-social housing activities				
Other lettings	313	-	(57)	256
Student accommodation lettings	6,548	-	(4,507)	2,041
Properties for outright sale	680	(682)	-	(2)
Externally funded support initiatives	110	-	(220)	(110)
Other	2,114	-	(1,379)	735
	9,765	(682)	(6,163)	2,920
	49,011	(2,575)	(31,520)	14,916
<u>Group</u>	2024			Operating Surplus / (Deficit) £'000
	Turnover £'000	Cost of Sales £'000	Operating expenditure £'000	
Social Housing Lettings	33,292	-	(24,298)	8,994
Other social housing activities				
First tranche low cost home ownership sales	2,690	(2,295)	-	395
	2,690	(2,295)	-	395
Non-social housing activities				
Other lettings	246	-	(66)	180
Student accommodation lettings	4,880	-	(3,486)	1,394
Properties for outright sale	1,273	(1,304)	-	(31)
Externally funded support initiatives	192	-	(216)	(24)
Other	1,797	-	(1,220)	577
	8,388	(1,304)	(4,988)	2,096
	44,370	(3,599)	(29,286)	11,485

Notes to the Financial Statements

For the year ended 31 March 2025

3. Particulars of Turnover, Cost of Sales, Operating Expenditure and Operating Surplus

Association

	2025			Operating Surplus / (Deficit) £'000
	Turnover £'000	Cost of Sales £'000	Operating expenditure £'000	
Social Housing Lettings	36,671	-	(25,416)	11,255
Other social housing activities				
First tranche low cost home ownership sales	2,575	(1,893)	-	682
	2,575	(1,893)	-	682
Non-social housing activities				
Other lettings	339	-	(63)	276
Student accommodation lettings	6,548	-	(4,507)	2,041
Properties for outright sale	680	(682)	-	(2)
Intra-group service level agreements	157	-	-	157
Externally funded support initiatives	110	-	(220)	(110)
Other	510	-	(78)	432
	8,344	(682)	(4,868)	2,794
	47,590	(2,575)	(30,284)	14,731

Association

	2024			Operating Surplus / (Deficit) £'000
	Turnover £'000	Cost of Sales £'000	Operating expenditure £'000	
Social Housing Lettings	33,292	-	(24,357)	8,935
Other social housing activities				
First tranche low cost home ownership sales	2,690	(2,295)	-	395
	2,690	(2,295)	-	395
Non-social housing activities				
Other lettings	256	-	(72)	184
Student accommodation lettings	4,880	-	(3,722)	1,158
Properties for outright sale	1,273	(1,304)	-	(31)
Intra-group service level agreements	161	-	-	161
Externally funded support initiatives	192	-	(216)	(24)
Other	656	-	(41)	615
	7,418	(1,304)	(4,051)	2,063
	43,400	(3,599)	(28,408)	11,393

Notes to the Financial Statements

For the year ended 31 March 2025

Particulars of Income and Expenditure from Social Housing Lettings

Group	General Housing £'000	Supported Housing and housing for older people £'000	Shared Ownership £'000	2025 Total £'000	2024 £'000
Turnover from social housing lettings					
Rent receivable net of service charges and voids	31,345	1,328	2,195	34,868	31,601
Service charges receivable	468	315	136	919	925
Amortised Government Grants	816	-	68	884	766
Turnover from Social Housing lettings	<u>32,629</u>	<u>1,643</u>	<u>2,399</u>	<u>36,671</u>	<u>33,292</u>
Expenditure on social housing lettings					
Management	(4,511)	(198)	(490)	(5,199)	(4,980)
Service charge costs	(647)	(435)	(188)	(1,270)	(1,312)
Routine maintenance	(6,011)	(263)	-	(6,274)	(6,186)
Planned maintenance	(2,040)	(89)	-	(2,129)	(1,953)
Major Repairs	(2,267)	(99)	-	(2,366)	(1,693)
Bad Debts	(95)	-	-	(95)	(272)
Depreciation of housing properties	(6,494)	(287)	(292)	(7,073)	(6,917)
Other Costs	(911)	(40)	-	(951)	(985)
Operating expenditure on social housing lettings	<u>(22,976)</u>	<u>(1,411)</u>	<u>(970)</u>	<u>(25,357)</u>	<u>(24,298)</u>
Operating surplus on social housing	<u>9,653</u>	<u>232</u>	<u>1,429</u>	<u>11,314</u>	<u>8,994</u>
Void losses (being rental income lost as a result of property not being let, although it is available for lettings)	<u>(317)</u>	<u>(13)</u>	<u>(27)</u>	<u>(357)</u>	<u>(336)</u>

Expenditure on social housing lettings in the year included £196k relating to operating leases (2024: £346k).

Notes to the Financial Statements

For the year ended 31 March 2025

Particulars of Income and Expenditure from Social Housing Lettings

<u>Association</u>	General Housing £'000	Supported Housing and housing for older people £'000	Shared Ownership £'000	2025 Total £'000	2024 £'000
Turnover from social housing lettings					
Rent receivable net of service charges and voids	31,345	1,328	2,195	34,868	31,601
Service charges receivable	468	315	136	919	925
Amortised Government Grants	816	-	68	884	766
Turnover from Social Housing lettings	<u>32,629</u>	<u>1,643</u>	<u>2,399</u>	<u>36,671</u>	<u>33,292</u>
Expenditure on social housing lettings					
Management	(4,511)	(198)	(490)	(5,199)	(4,980)
Service charge costs	(647)	(435)	(188)	(1,270)	(1,312)
Routine maintenance	(6,011)	(263)	-	(6,274)	(6,186)
Planned maintenance	(2,040)	(89)	-	(2,129)	(1,953)
Major Repairs	(2,267)	(99)	-	(2,366)	(1,693)
Bad Debts	(95)	-	-	(95)	(272)
Depreciation of housing properties	(6,553)	(287)	(292)	(7,132)	(6,976)
Other Costs	(911)	(40)	-	(951)	(985)
Operating expenditure on social housing lettings	<u>(23,035)</u>	<u>(1,411)</u>	<u>(970)</u>	<u>(25,416)</u>	<u>(24,357)</u>
Operating surplus on social housing	<u>9,594</u>	<u>232</u>	<u>1,429</u>	<u>11,255</u>	<u>8,935</u>
Void losses (being rental income lost as a result of property not being let, although it is available for lettings)	<u>(317)</u>	<u>(13)</u>	<u>(27)</u>	<u>(357)</u>	<u>(336)</u>

Expenditure on social housing lettings in the year included £196k relating to operating leases (2024: £346k).

Notes to the Financial Statements

For the year ended 31 March 2025

Particulars of Turnover from Non-Social Housing Activities

	2025 £'000	Group 2024 £'000	2025 £'000	Association 2024 £'000
Market rented properties	244	180	244	180
Commercial properties	16	8	42	18
Private garages	51	53	51	53
Release of Capital Grants	2	5	2	5
Student accommodation lettings	6,548	4,880	6,548	4,880
Properties for outright sale	680	1,273	680	1,273
Intra-group service level agreements	-	-	157	161
Externally funded support initiatives	110	192	110	192
Other	2,114	1,797	510	656
	9,765	8,388	8,344	7,418

Other turnover from non-social housing activities primarily relates to £1,605k (2024: £1,140k) from subsidiary undertakings and £330k (2024: £374k) photovoltaic income.

4. Operating Surplus

This is arrived at after charging / (crediting):

	Group 2025 £'000	2024 £'000	Association 2025 £'000	2024 £'000
Depreciation of housing properties	7,076	6,917	7,133	6,976
Depreciation on other owned fixed assets	879	655	887	661
Depreciation of other tangible fixed assets	339	316	332	299
Amortised government grants	(886)	(771)	(886)	(771)

Auditors remuneration (Excluding VAT)

-Fees payable for the audit of the financial statements	31	30	31	30
-Audit of the Financial Statements of the company's subsidiaries pursuant to legislations	22	22	22	22
Total audit services	53	52	53	52
-Tax compliance services	6	5	6	5
-All other services	2	3	2	3
Total non-audit services	8	8	8	8

Notes to the Financial Statements

For the year ended 31 March 2025

5. Gain on disposal

Surplus on Sale of Fixed Assets – Housing Properties

Group

2025

	Shared Ownership Fully Staircased sales £'000	Right to acquire and Right to buy sales £'000	Other Property, Plant and Equipment sales £'000	Total £'000
Proceeds of sales	591	649	30	1,270
Less: Costs of sales	(458)	(301)	(1)	(760)
Surplus	<u>133</u>	<u>348</u>	<u>29</u>	<u>510</u>

Group

2024

	Shared Ownership Fully Staircased sales £'000	Right to acquire and Right to buy sales £'000	Other Property, Plant and Equipment sales £'000	Total £'000
Proceeds of sales	450	377	121	948
Less: Costs of sales	(213)	(187)	(33)	(433)
Surplus	<u>237</u>	<u>190</u>	<u>88</u>	<u>515</u>

Association

2025

	Shared Ownership Fully Staircased sales £'000	Right to acquire and Right to buy sales £'000	Other Property, Plant and Equipment sales £'000	Total £'000
Proceeds of sales	591	649	30	1,270
Less: Costs of sales	(458)	(301)	(1)	(760)
Surplus	<u>133</u>	<u>348</u>	<u>29</u>	<u>510</u>

Association

2024

	Shared Ownership Fully Staircased sales £'000	Right to acquire and Right to buy sales £'000	Other Property, Plant and Equipment sales £'000	Total £'000
Proceeds of sales	450	377	121	948
Less: Costs of sales	(213)	(187)	(33)	(433)
Surplus	<u>237</u>	<u>190</u>	<u>88</u>	<u>515</u>

Notes to the Financial Statements

For the year ended 31 March 2025

6. Interest Receivable and Other Income

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
On financial assets measured at amortised cost:				
Interest Receivable:				
Interest receivable on bank deposits	61	41	58	40
Loan interest from subsidiary company	-	-	36	6
	<u>61</u>	<u>41</u>	<u>94</u>	<u>46</u>

7. Interest Payable and Financing Costs

	Note	Group		Association	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
On financial liabilities measured at amortised cost:					
On loans repayable		10,324	8,539	10,324	8,524
Other Interest		14	4	14	4
Loan Amortisation Fee		74	37	74	37
On defined benefit pension schemes					
Expected return on plan assets	9	(344)	(345)	(344)	(345)
Interest on scheme liabilities	9	412	402	412	402
		<u>10,480</u>	<u>8,637</u>	<u>10,480</u>	<u>8,622</u>
Less: Interest capitalised		(620)	(547)	(620)	(547)
		<u>9,860</u>	<u>8,090</u>	<u>9,860</u>	<u>8,075</u>
Capitalisation rate used to determine finance costs capitalised during the period		<u>4.6%</u>	<u>4.3%</u>	<u>4.6%</u>	<u>4.3%</u>

The capitalisation rate used in capitalising interest and finance costs included in property additions was £634k at 4.6% (2024: £547k at 4.3%). Reversed £14k (2024: £163k) capitalised interest related to outright sale properties transferred from stock to fixed assets.

Notes to the Financial Statements

For the year ended 31 March 2025

8. Key Management Personnel Remuneration

The non-executive and executive directors listed on page 3, are considered to be key management personnel.

The aggregate emoluments paid to or receivable by Executive and Non-Executive Directors and Former Executive and Non-Executive Directors was:

	Basic Salary	Car Allowance	Pension Contributions	Social Security Costs	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors	510	54	88	72	724	648
Board Members						
Kathryn Smart	12	-	-	-	12	11
Michael Kay	-	-	-	-	-	3
Julie Haywood	8	-	-	-	8	7
Graham Ward	3	-	-	-	3	4
Bruce Kerr	7	-	-	-	7	7
Carole Hodson	8	-	-	-	8	8
Nigel Whitaker	-	-	-	-	-	3
Ronan O'Hara	3	-	-	-	3	5
Paul Satchwell	7	-	-	-	7	6
Paul Wilkin	7	-	-	-	7	7
Holly Wilson	5	-	-	-	5	3
John Westby	5	-	-	-	5	3
Sami Mirza	5	-	-	-	5	3
Matthew Adam	3	-	-	-	3	-
Edward May	3	-	-	-	3	-
David Glover	3	-	-	-	3	-
	589	54	88	72	803	718

Expenses paid during the year to Board members amounted to £488 (2024: £465). The emoluments of the highest paid director, the Chief Executive, excluding pension contributions and social security costs, were £147,772 (2024: £140,705).

The current Chief Executive, Greg Bacon, was appointed in May 2016. Greg Bacon is an ordinary member of the Social Housing Defined Contribution Pension Scheme and no enhanced or special terms apply. The employer contributions for the Chief Executive were £16,800 (2024: £16,000). Acis Group Limited does not make any further contribution to an individual pension arrangement for the Chief Executive.

Notes to the Financial Statements

For the year ended 31 March 2025

9. Employee Information

Average monthly number of employees expressed in full time equivalents:

	Group		Association	
	2025	2024	2025	2024
Administration	59	59	59	59
Development	21	20	21	20
Operational	190	187	190	187
	270	266	270	266

The monthly average number of full-time equivalent employees is based on contracted hours of 40-48 hours per week for operatives and student security or 37 hours per week for all other employees.

The total number of employees as at 31 March 2025 was 302 (31 March 2024: 257).

Employee Costs

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Wages and salaries	9,008	8,793	9,008	8,793
Social security costs	862	823	862	823
Other pension costs	963	902	963	902
	10,833	10,518	10,833	10,518

Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000

	2025 Number	2024 Number
£60,001 - £70,000	7	3
£70,001 - £80,000	4	6
£80,001 - £90,000	3	3
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	1
£130,001 - £140,000	2	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
£160,001 - £170,000	-	-
£170,001 - £180,000	1	1

Notes to the Financial Statements

For the year ended 31 March 2025

Pension Obligations

During the year ended 31 March 2025 the employees of the Group participated in the Social Housing Pension Scheme (SHPS).

Contributions are made to SHPS for both defined benefit and defined contribution schemes.

The SHPS scheme is open to all executive officers and employees of the Association.

The Pensions Trust - Social Housing Pension Defined Benefits Scheme (SHPS)

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 association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from 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 accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

The liabilities are compared, at the relevant accounting date, with the association's fair share of the Scheme's total assets to calculate the association's net deficit or surplus.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provision basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Notes to the Financial Statements

For the year ended 31 March 2025

Principal Actuarial Assumptions

	At 31 March 2025	At 31 March 2024
Inflation assumption (RPI)	3.05%	3.09%
Discount rate for scheme liabilities	5.92%	4.92%
Inflation assumption (CPI)	2.80%	2.79%
Salary growth	3.80%	3.79%
Commutation of pensions to lump sums	75% of maximum allowance	75% of maximum allowance

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

Life expectancy at age 65	At 31 March 2025 Years	At 31 March 2024 Years
Retiring today		
Males	20.5	20.5
Females	23.0	23.0
Retiring in 20 years		
Males	21.7	21.8
Females	24.5	24.4

Analysis of the amount recognised in the statement of comprehensive Income

	At 31 March 2025 £'000	At 31 March 2024 £'000
Employer service cost (current)	55	60
Expenses	11	11
Interest on pension Liabilities	68	57
Amount recognised in the statement of comprehensive income	134	128

Notes to the Financial Statements

For the year ended 31 March 2025

Analysis of the amount recognised in Other Comprehensive Income

	At 31 March 2025 £'000	At 31 March 2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) - (loss) / gain	(799)	(820)
Experience gains and losses arising on the plan liabilities - gain / (loss)	(295)	(48)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain / (loss)	-	80
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain / (loss)	1,368	176
Total amount recognised in other comprehensive income - (loss) / gain	274	(612)

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

	At 31 March 2025 £'000	At 31 March 2024 £'000
Fair value of plan assets at start of period	6,842	6,936
Interest income	344	345
Experience on plan assets (excluding amounts included in interest income) - (loss) / gain	(799)	(820)
Contributions by the employer	539	524
Contributions by plan participants	8	9
Benefits paid and expenses	(222)	(152)
Fair value of plan assets at end of period	6,712	6,842

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was -£455k (2024: -£475k).

Notes to the Financial Statements

For the year ended 31 March 2025

Reconciliation of opening and closing balances of the defined benefit obligation

	At 31 March 2025	At 31 March 2024
	£'000	£'000
Defined benefit obligation at start of period	8,460	8,338
Current service cost	55	60
Expenses	11	11
Interest expense	412	402
Contributions by plan participants	8	9
Actuarial (gains) / losses due to scheme experience	295	48
Actuarial (gains) / losses due to changes in demographic assumptions	-	(80)
Actuarial (gains) / losses due to changes in financial assumptions	(1,368)	(176)
Benefits paid and expenses	(222)	(152)
Defined benefit obligation at end of period	7,651	8,460

Fair value of plan assets, present value of defined benefit obligation, and defined benefit liability

	At 31 March 2025	At 31 March 2024
	£'000	£'000
Fair value of plan assets	6,712	6,842
Present value of defined benefit obligation	(7,651)	(8,460)
(Deficit) in plan	(939)	(1,618)
Unrecognised surplus	-	-
Defined benefit (liability) to be recognised	(939)	(1,618)

Notes to the Financial Statements

For the year ended 31 March 2025

Assets	At 31 March 2025 £'000	At 31 March 2024 £'000
Global Equity	752	682
Absolute Return	-	267
Distressed Opportunities	-	241
Credit Relative Value	-	224
Alternative Risk Premia	-	217
Liquid Alternatives	1,244	-
Emerging Markets Debt	-	89
Risk Sharing	-	401
Insurance-Linked Securities	21	35
Property	336	275
Infrastructure	1	691
Private Equity	6	6
Real Assets	803	-
Private Debt	-	269
Opportunistic Illiquid Credit	-	267
Private Credit	821	-
Credit	257	-
Investment Grade Credit	207	-
High Yield	-	1
Cash	91	135
Long Lease Property	2	44
Secured Income	112	204
Liability Driven Investment	2,033	2,785
Currency Hedging	11	(3)
Net Current Assets	15	12
Total assets	<u>6,712</u>	<u>6,842</u>

Notes to the Financial Statements

For the year ended 31 March 2025

10. Exceptional Item

There were no exceptional items in the current and prior year.

11. Gift Aid

During the year, the Association was gifted £344,551 (2024: £195,088) from group companies. The receipt of gift aid by the Association from its subsidiaries is based on the subsidiaries taxable surpluses. During the year to 31 March 2019 Acis Group Limited entered into a gift aid deed of covenant with Acis Management Limited and Acis Development Services Limited. See note 29 for a breakdown of the receipts.

12. Tax on Surplus on Ordinary Activities

The group corporation tax charge for the year is a charge of £5,586 (2024: Charge of £50,545).

The tax assessed is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Surplus on ordinary activities before tax	5,627	3,951	5,820	4,074
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25%	1,407	989	1,455	1,019
Effects of:				
Adjustments in respect to previous periods	-	-	-	-
- Expenses not deductible for tax	-	-	-	-
- Tax exempt charitable income	(1,356)	(940)	(1,404)	(971)
- Short term timing differences	6	3	-	-
- Utilisation of tax losses	(51)	-	(51)	-
- Taxation on group activities	-	-	-	-
	6	51	-	48

Notes to the Financial Statements

For the year ended 31 March 2025

13. Tangible Fixed Assets – Properties

GROUP	Social Housing properties held for letting	Non-Social Housing properties held for letting	Total Housing properties held for letting	Social Housing properties under construction	Non-Social Housing properties under construction	Total Housing properties under construction	Completed Shared Ownership housing properties	Shared Ownership properties under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets - Properties									
COST									
At 31st March 2024	270,061	48,006	318,067	19,042	-	19,042	44,396	4,895	386,400
Additions to properties acquired	-	24,949	24,949	9,303	-	9,303	-	5,429	39,681
Works to existing properties	7,126	484	7,610	-	-	-	20	-	7,630
Interest capitalised	-	-	-	402	-	402	-	232	634
Schemes completed in year	6,522	-	6,522	(6,522)	-	(6,522)	4,719	(4,719)	-
Disposals	(1,720)	(13)	(1,733)	-	-	-	(956)	-	(2,689)
At 31st March 2025	281,989	73,426	355,415	22,225	-	22,225	48,179	5,837	431,656
DEPRECIATION AND IMPAIRMENT									
At 31st March 2024	68,382	6,960	75,342	-	-	-	2,257	-	77,599
Depreciation Charged in year	6,784	879	7,663	-	-	-	292	-	7,955
Eliminated on disposals	(1,542)	(9)	(1,551)	-	-	-	(35)	-	(1,586)
At 31st March 2025	73,624	7,830	81,454	-	-	-	2,514	-	83,968
NET BOOK VALUE									
At 31st March 2025	208,365	65,596	273,961	22,225	-	22,225	45,665	5,837	347,688
At 31st March 2024	201,679	41,046	242,725	19,042	-	19,042	42,139	4,895	308,801

Notes to the Financial Statements

For the year ended 31 March 2025

13. Tangible Fixed Assets – Properties

ASSOCIATION	Social Housing properties held for letting	Non-Social Housing properties held for letting	Total Housing properties held for letting	Social Housing properties under construction	Non-Social Housing properties under construction	Total Housing properties under construction	Completed Shared Ownership housing properties	Shared Ownership properties under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets - Properties									
COST									
At 31st March 2024	271,731	48,054	319,785	20,125	-	20,125	44,425	4,918	389,253
Additions to properties acquired	-	24,949	24,949	9,557	-	9,557	-	5,429	39,935
Works to existing properties	7,126	484	7,610	-	-	-	20	-	7,630
Interest capitalised	-	-	-	402	-	402	-	232	634
Schemes completed in year	6,522	-	6,522	(6,522)	-	(6,522)	4,719	(4,719)	-
Disposals	(1,720)	(13)	(1,733)	-	-	-	(956)	-	(2,689)
At 31st March 2025	283,659	73,474	357,133	23,562	-	23,562	48,208	5,860	434,763
DEPRECIATION AND IMPAIRMENT									
At 31st March 2024	68,993	7,039	76,032	-	-	-	2,257	-	78,289
Depreciation Charged in year	6,841	887	7,728	-	-	-	292	-	8,020
Eliminated on disposals	(1,542)	(9)	(1,551)	-	-	-	(35)	-	(1,586)
At 31st March 2025	74,292	7,917	82,209	-	-	-	2,514	-	84,723
NET BOOK VALUE									
At 31st March 2025	209,367	65,557	274,924	23,562	-	23,562	45,694	5,860	350,040
At 31st March 2024	202,738	41,015	243,753	20,125	-	20,125	42,168	4,918	310,964

Notes to the Financial Statements

For the year ended 31 March 2025

13. Tangible Fixed Assets – Properties (continued)

Expenditure to works on existing properties:

	2025	Group	2025	Association
	£'000	2024	£'000	2024
	£'000	£'000	£'000	£'000
Improvement works capitalised	7,630	6,898	7,630	6,898
Major Repairs charged to income and expenditure account	2,366	1,693	2,366	1,693
	9,996	8,591	9,996	8,591

The capitalisation rate used in capitalising interest and finance costs included in property additions was £634k at 4.6% (2024: £547k at 4.3%). Reversed £14k (2024: £163k) capitalised interest related to outright sale properties transferred from stock to fixed assets.

Property additions and works to existing properties include £796k (2024: £830k) for direct administrative costs capitalised during the year.

Housing property fixed assets are secured against loans by specific charges on 6,156 (2024: 6,168) of the Group's housing units.

The net book value of assets pledged as security is £164,660k (2024: £163,726k).

Properties book value, net of depreciation, and offices net book value (Note 14) comprises:

	2025	Group	2025	Association
	£'000	2024	£'000	2024
	£'000	£'000	£'000	£'000
Freehold land and buildings	349,884	311,044	352,322	313,293

Impairment

An impairment review carried out for the year concluded that following a management review there was no impairment provision required in the 2024/25 financial statements. In arriving at this conclusion, the Group used numerous indicators including external sources of information such as market value, market interest rates and returns on investment, actual or proposed changes to the technological, economic or legal environment, obsolescence or damage to the asset, operational changes or internal reporting which indicates that the asset is performing worse than expected.

Notes to the Financial Statements

For the year ended 31 March 2025

14. Tangible Fixed Assets – Other

Group	Freehold Offices £'000	Office Furniture, Fixtures and Fittings £'000	Computers and Office Equipment £'000	Motor Vehicles £'000	Depot Tools & Equipment £'000	Total £'000
COST						
At 31 March 2024	3,248	553	2,029	356	106	6,292
Additions	3	35	89	15	21	163
Disposals	-	(1)	(14)	(1)	-	(16)
At 31 March 2025	3,251	587	2,104	370	127	6,439
DEPRECIATION						
At 31 March 2024	1,005	411	1,467	289	104	3,276
Charged in year	50	31	233	24	1	339
Eliminated on disposals	-	(1)	(14)	(1)	-	(16)
At 31 March 2025	1,055	441	1,686	312	105	3,599
NET BOOK VALUE						
At 31 March 2025	2,196	146	418	58	22	2,840
At 31 March 2024	2,243	142	562	67	2	3,016

Association	Freehold Offices £'000	Office Furniture, Fixtures and Fittings £'000	Computers and Office Equipment £'000	Motor Vehicles £'000	Depot Tools & Equipment £'000	Total £'000
COST						
At 31 March 2024	2,539	449	2,001	165	104	5,258
Additions	3	-	89	15	21	128
Disposals	-	-	(10)	(1)	-	(11)
At 31 March 2025	2,542	449	2,080	179	125	5,375
DEPRECIATION						
At 31 March 2024	210	320	1,445	96	100	2,171
Charged in year	50	24	233	24	1	332
Eliminated on disposals	-	-	(10)	(1)	-	(11)
At 31 March 2025	260	344	1,668	119	101	2,492
NET BOOK VALUE						
At 31 March 2025	2,282	105	412	60	24	2,883
At 31 March 2024	2,329	129	556	69	4	3,087

Notes to the Financial Statements

For the year ended 31 March 2025

15. Investment in Subsidiaries

The Group comprises the following entities all registered in England:

Name	Incorporation and Ownership	Regulated / Non-Regulated	Nature of Business
Acis Group Limited	Company – 100%	Regulated	RHP
Acis Management Limited	Company – 100%	Non-Regulated	Dormant
Acis Development Services Limited	Company – 100%	Non-Regulated	Developer of Social and Non-social Housing
Prime Repairs and Maintenance Limited	Company – 100%	Non-Regulated	Dormant
Acis HomePlus Limited	Company – 100%	Non-Regulated	Dormant
Riverside Access and Training Centre Gainsborough Community Interest Company	Company – 100%	Non-Regulated	Training services
Community Learning in Partnership Community Interest Company	Company – 100%	Non-Regulated	Training services
Acis Properties Limited	Company – 100%	Non-Regulated	Dormant
Acis Communities Limited	Company – 100%	Non-Regulated	Dormant
Campus For Future Living Limited	Company – 100%	Non-Regulated	Management of facilities and amenities

Acis Group Limited has the right to appoint members to the boards of the nine subsidiaries and thereby exercises control over them. Acis Management Limited, Acis Development Services Limited, Prime Repairs and Maintenance Limited, Acis Properties Limited and Acis HomePlus Limited all hold £1 ordinary share capital and are wholly owned by Acis Group Limited and Riverside Access and Training Centre Gainsborough Community Interest Company, Community Learning in Partnership Community Interest Company and Acis Communities Limited are private companies limited by guarantee without share capital. Campus For Future Living Limited holds £1 ordinary share capital and is wholly owned by Acis Communities Limited.

Acis Group Limited is the ultimate parent undertaking and is regulated by the Regulator of Social Housing (RoSH). All these subsidiary companies are registered in England and Wales.

Notes to the Financial Statements

For the year ended 31 March 2025

16. Stock

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Stock of vouchers	2	4	2	4
Properties held for sale				
Shared Ownership properties:				
Completed	928	827	928	827
Work in progress	1,954	1,545	1,954	1,545
Outright Sale Properties:				
Completed	767	1,986	-	1,986
Work in progress	1,310	464	-	-
	<u>4,961</u>	<u>4,826</u>	<u>2,884</u>	<u>4,362</u>

None of the above stock is pledged as security for liabilities.

17. Trade and Other Debtors

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Due Within One Year				
Social: Rent and Service Charges Receivable	868	950	868	950
Less: Social Provision for Bad and Doubtful Debts	(663)	(757)	(663)	(757)
Student: Rent and Service Charges Receivable	321	170	321	170
Less: Student Provision for Bad and Doubtful Debts	(209)	(120)	(209)	(120)
	<u>317</u>	<u>243</u>	<u>317</u>	<u>243</u>
Amounts due from Group Undertakings	-	-	507	318
Other Capital Grant Receivable	220	-	220	-
Other Debtors	549	480	263	274
Prepayments and Accrued Income	1,450	785	1,450	785
	<u>2,536</u>	<u>1,508</u>	<u>2,757</u>	<u>1,620</u>
Due After More Than One Year				
Amounts due from Group Undertakings	-	-	1,250	720
	<u>2,536</u>	<u>1,508</u>	<u>4,007</u>	<u>2,340</u>

Notes to the Financial Statements

For the year ended 31 March 2025

18. Cash and Cash Equivalents

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Short Term Investments	3,036	1,789	2,576	1,789
Cash at bank	409	830	389	540
Cash in hand	-	1	-	-
	<u>3,445</u>	<u>2,620</u>	<u>2,965</u>	<u>2,329</u>

In the above are balances totaling £142,371 (2024: £132,783) which are held in trust for leaseholders and £1,160,994 (2024: £Nil) which are held by a liquidity reserve fund trustee and therefore unavailable for drawing.

19. Creditors: Amounts Falling Due Within One Year

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans (Note 21)	1,474	1,446	1,474	1,446
Trade Creditors	5,671	5,632	2,695	3,381
Amounts owed to group undertakings	-	-	2,351	2,831
Rent and service charges paid in advance	987	1,079	987	1,079
Corporation tax	-	48	-	48
Other taxation and social security payable	232	232	232	232
Accruals and deferred income	3,862	2,782	3,862	2,782
Deferred capital grant (Note 22)	735	720	735	720
Recycled capital grant fund (Note 23)	-	4	-	4
Other Creditors	477	627	486	631
	<u>13,438</u>	<u>12,570</u>	<u>12,822</u>	<u>13,154</u>

Housing property fixed assets are secured against loans by specific charges on 6,156 (2024: 6,168) of the Group's housing units and are repayable in instalments as detailed in note 21 below.

The net book value of assets pledged as security is £164,660k (2024: £163,726k).

Notes to the Financial Statements

For the year ended 31 March 2025

20. Creditors: Amounts Falling Due After More Than One Year

	Note	Group		Association	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Debt	21	228,697	194,643	228,697	194,643
Deferred Capital Grant	22	48,097	47,551	48,097	47,551
Recycled Capital Grant Fund	23	590	642	590	642
Other		203	141	174	108
		277,587	242,977	277,558	242,944

Housing property fixed assets are secured against loans by specific charges on 6,156 (2024: 6,168) of the Group's housing units and are repayable in instalments as detailed in note 21 below.

21. Debt Analysis

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Loans repayable by instalments				
Within one year	1,563	1,500	1,563	1,500
In one year or more but less than two years	6,896	1,111	6,896	1,111
In two years or more and less than five years	11,459	19,123	11,459	19,123
In five years or more	54,165	47,616	54,165	47,616
Loans not repayable by instalments				
In two years or more and less than five years	71,900	62,300	71,900	62,300
In five years or more	85,000	65,000	85,000	65,000
	230,983	196,650	230,983	196,650
Less: Loan arrangement fees	(812)	(561)	(812)	(561)
	230,171	196,089	230,171	196,089

Notes to the Financial Statements

For the year ended 31 March 2025

Financial Instruments

Loans are 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 finance costs.

Housing loans bear fixed rates of interest ranging from 3.45% to 6.66% or variable rates based on a margin above the Sterling Overnight Index Average (SONIA). The final instalments fall to be repaid in the period 2026 to 2045. No standalone derivative transactions have been entered into by the Group.

Bullet Loans

The Group's financing facility includes six bullet loans, two of which are with M&G Investment Management Limited totaling £30,000,000. The bullet loans accrue interest six monthly at a rate of 4.19% and 4.22%. The bullet loans are due for repayment in 2045. There is one with bLEND Funding Plc totaling £20,000,000. The loan accrues interest 6 monthly at a rate of 5.75%. The bullet loan is due for repayment in 2044. The remaining three are with RBS / Natwest totalling £102,500,000. The bullet loans accrue interest quarterly at a rate of between 3.45% and 6.42%. The bullet loans are due for repayment in 2027, 2029 and 2042. These loans are all secured by a charge over the Group's housing properties.

Revolver Loan

The Group has a £29,500,000 Revolver Loan Facility with RBS / Natwest which is drawn to a value of £4,400,000 and forms part of the £132,000,000 Secured Facility Agreement. Non utilisation interest payable is charged at 0.40%.

Other Loans

The Group's financing facility includes 7 (2024: 10) other loans totaling £77,083,333 (2024: £69,350,000) from two lenders RBS / Natwest and M&G. This portfolio includes both fixed and variable rate loans which accrue interest on a quarterly basis. The variable rate loans bear interest of SONIA + a rate ranging from 1.20% to 1.70%. The fixed rate loans bear interest of 3.55% (2024: 2.25% to 5.26%).

All loans are secured by a charge over the Group's housing properties.

Notes to the Financial Statements

For the year ended 31 March 2025

The interest rate profile of the Group at 31st March 2025 was:

	Total £'000	Variable Rate £'000	Fixed Rate £'000	Weighted Average Rate %	Weighted Average Term Years
Instalment loans	74,083	58,083	16,000	5.31%	10
Non-instalment loans	156,900	48,250	108,650	4.95%	11
	230,983	106,333	124,650	5.06%	21

The interest rate profile of the Group at 31st March 2024 was:

	Total £'000	Variable Rate £'000	Fixed Rate £'000	Weighted Average Rate %	Weighted Average Term Years
Instalment loans	69,350	8,771	60,579	3.86%	7
Non-instalment loans	127,300	33,650	93,650	4.94%	11
	196,650	42,421	154,229	4.56%	18

At 31st March 2025 the Group has the following borrowing facilities:

2025

	£'000
Undrawn / unsecured committed facilities	-
Undrawn facilities	25,100
Total	25,100

At 31st March 2024 the Group has the following borrowing facilities:

2024

	£'000
Undrawn / unsecured committed facilities	22,583
Undrawn facilities	9,700
Total	32,283

Housing property fixed assets are secured against loans by specific charges on 6,156 (2024: 6,168) of the Group's housing units.

Notes to the Financial Statements

For the year ended 31 March 2025

22. Deferred Capital Grant

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At start of year	48,271	43,911	48,271	43,911
Grant received in the year	1,296	5,072	1,296	5,072
Utilisation of Recycled Capital Grants (note 23)	204	105	204	105
Released to income in the year	(886)	(771)	(886)	(771)
Recycled in the year (note 23)	(53)	(46)	(53)	(46)
At the end of the year	48,832	48,271	48,832	48,271
Analysis				
Amounts to be released within one year	735	720	735	720
Amounts to be released in more than one year	48,097	47,551	48,097	47,551
	48,832	48,271	48,832	48,271

23. Recycled Capital Grant Fund

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At the start of the year	646	701	646	701
Inputs to Fund:				
Grants recycled from deferred capital grants fund	53	46	53	46
Interest attributable to RCGF	14	4	14	4
Grants recycled from acquired properties with associated government grant	81	-	81	-
Use of Fund:	(204)	(105)	(204)	(105)
	590	646	590	646
Repayment of grant to Homes England	-	-	-	-
At the end of the year	590	646	590	646
Amount three years or older where repayment may be required	-	-	-	-
Due within one year	-	4	-	4
Due in more than one year	590	642	590	642

Acis Group currently holds RCGF grant that it wishes to utilise on an identified development scheme. Discussions are currently being progressed with Homes England to agree proposals.

£53k relates to amounts arisen in the year and are due in more than one year.

Acis Group Limited acquired properties with associated government grant during 2019. In the event of these properties being disposed, Acis Group Limited is liable for the recycling of the associated government grant. At 31 March 2025 the value of this liability is £8,556k (2024 £8,582k).

Notes to the Financial Statements

For the year ended 31 March 2025

24. Share Capital

The Association is limited by Guarantee and does not issue shares.

25. Accommodation in Management and Ownership

	Group		Association	
	2025 No of Properties	2024 No of Properties	2025 No of Properties	2024 No of Properties
Social housing				
Social rent	5,055	5,055	5,055	5,055
Affordable rent	830	794	830	794
Supported housing and housing for older people	258	258	258	258
Low cost home ownership	639	612	639	612
Total owned and managed	6,782	6,719	6,782	6,719
Total managed	6,779	6,716	6,779	6,716
Non-social housing				
Student accommodation	1,654	1,131	1,654	1,131
Market rent	19	19	19	19
Total owned and managed	8,455	7,869	8,455	7,869
Total managed	8,449	7,863	8,449	7,863
Accommodation in development at the year end				
Rented units	173	208	173	208
Low cost home ownership	60	81	60	81
Outright sale	9	13	-	-
Total	242	302	233	289

Residential accommodation owned

At the end of the year accommodation owned for each class of accommodation was as follows:

GROUP	2024 No of Properties	Additions No of Properties	Disposals No of Properties	Movements No of Properties	2025 No of Properties
Social housing					
Social rent	5,055	10	(10)	0	5,055
Affordable rent	794	36	0	0	830
Supported housing and housing for older people	258	0	0	0	258
Low cost home ownership	612	35	(8)	0	639
Total owned	6,719	81	(18)	0	6,782
Non-social housing					
Student accommodation	1,131	523	0	0	1,654
Market rent	19	0	0	0	19
Total owned	1,150	523	0	0	1,673

Notes to the Financial Statements

For the year ended 31 March 2025

ASSOCIATION	2024 No of Properties	Additions No of Properties	Disposals No of Properties	Movements No of Properties	2025 No of Properties
Social housing					
Social rent	5,055	10	(10)	0	5,055
Affordable rent	794	36	0	0	830
Supported housing and housing for older people	258	0	0	0	258
Low cost home ownership	612	35	(8)	0	639
Total owned	6,719	81	(18)	0	6,782
Non-social housing					
Student accommodation	1,131	523	0	0	1,654
Market rent	19	0	0	0	19
Total owned	1,150	523	0	0	1,673

Accommodation managed by others

The Group owns property managed by other bodies:

GROUP	2025 No of Properties	2024 No of Properties
Supported housing and housing for older people	3	3
Market rent	3	3
Total owned not managed	6	6

ASSOCIATION	2025 No of Properties	2024 No of Properties
Supported housing and housing for older people	3	3
Market rent	3	3
Total owned not managed	6	6

Notes to the Financial Statements

For the year ended 31 March 2025

26. Capital Commitments

Tangible Fixed Asset Expenditure Commitments were as follows:

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	11,699	24,155	9,186	21,642
Capital expenditure that has been authorised by the Board but has not yet been contracted for	4,851	-	4,851	-
	16,550	24,155	14,037	21,642
The Group expects these commitments to be contracted within the next year and financed with:				
Social Housing Grant	3,372	1,747	3,372	1,747
Cash Reserves	3,445	2,620	2,965	2,329
Proceeds from the sales of properties	6,836	10,231	4,074	7,483
Revolving Credit Facility	25,100	9,700	25,100	9,700
Secured Facility	-	22,583	-	22,583
	38,753	46,881	35,511	43,842

There are no performance conditions attached to the above commitments

Operating leases

At the reporting date the Group and Association have financial commitments for the lease of a fleet of vehicles, which have an annual lease cost of £365,174 (2024: £174,732).

At the reporting date the Group and Association have financial commitments for the lease of office premises in Sheffield and Gainsborough, which have an annual rental cost of £13,531 (2024: £21,660) both with a lease length of five years.

The total future minimum lease payments under non-cancellable operating leases are as follows:

Operating Leases 2025	Group		Association	
	Vehicles £'000	Offices £'000	Vehicles £'000	Offices £'000
Not later than one year	365	14	365	14
Later than one year and not later than five years	1,626	-	1,626	-
Later than five years	57	-	57	-
	2,048	14	2,048	14

Operating Leases 2024	Group		Association	
	Vehicles £'000	Offices £'000	Vehicles £'000	Offices £'000
Not later than one year	175	22	175	22
Later than one year and not later than five years	15	10	15	10
Later than five years	-	-	-	-
	190	32	190	32

Notes to the Financial Statements

For the year ended 31 March 2025

27. Other Commitments

The Group and Association had no other commitments at 31 March 2025 (2024: £Nil).

28. Contingent Liabilities

The Group and Association had no contingent liabilities at 31 March 2025 (2024: £Nil).

29. Related Parties

The following are related parties:

- The Board did not have a tenant member during 2024/25, therefore no rent was charged to a Tenant Board member in year (2024: £Nil), therefore, no arrears were outstanding at the reporting period end (2024: £Nil).
- Transactions with key management personnel and their close family, (including compensation paid).

Related party balances are not secured.

Transactions with Non-Registered Elements of the Business

The Association provides management services, other services and loans to non-registered subsidiaries. The Association also receives charges from its subsidiaries. The basis of those charges is set out below.

Intra Group Management Fees

Intra Group Management Fees are receivable by the Association from subsidiaries to cover the running costs the Association incurs on behalf of managing its subsidiaries and providing services. The Management Fee is calculated on a service by service basis using varying methods of allocation. The costs are allocated as follows:-

Service Provided	Basis of allocation
Human resources, payroll and training	Staff numbers
Information and communication technology	ICT users
Management accounting	Weighted average units and staff numbers
Treasury services	Net debt
Purchase ledger, procurement	Operating costs
Communications and marketing	Weighted average units and staff numbers
Executive	Weighted average units and staff numbers

During the year the association had the following intra-group transactions with subsidiary companies:

Notes to the Financial Statements

For the year ended 31 March 2025

	2025 £'000	2024 £'000
<u>Income</u>		
<u>Provision of Management Services and Premises</u>		
Acis Development Services Limited	125	67
Riverside Access and Training Centre Gainsborough Community Interest Company	28	41
Community Learning in Partnership Community Interest Company	66	62
<u>Recharge of salaries and overheads</u>		
Campus For Future Living Limited	21	-
Riverside Access and Training Centre Gainsborough Community Interest Company	302	271
Community Learning in Partnership Community Interest Company	722	695
	<u>1,264</u>	<u>1,136</u>
<u>Expenditure</u>	2025 £'000	2024 £'000
<u>Property Development (Capital)</u>		
Acis Development Services Limited	12,941	13,737
<u>Management and Support Services</u>		
Riverside Access and Training Centre Gainsborough Community Interest Company	189	131
Community Learning in Partnership Community Interest Company	31	13
	<u>13,161</u>	<u>13,881</u>

Notes to the Financial Statements

For the year ended 31 March 2025

At the year end the association had the following intra-group balances with subsidiary companies

	2025 £'000	2024 £'000
<u>Amounts Owed from Group Companies</u>		
Acis Development Services Limited	1,613	846
Campus For Future Living Limited	25	-
Riverside Access and Training Centre Gainsborough		
Community Interest Company	35	100
Community Learning in Partnership Community Interest Company	84	92
	1,757	1,038

	2025 £'000	2024 £'000
<u>Amounts Owed to Group Companies</u>		
Acis Development Services Limited	2,328	2,802
Riverside Access and Training Centre Gainsborough		
Community Interest Company	18	13
Community Learning in Partnership Community Interest Company	5	16
	2,351	2,831

Other Intra Group Charges

Other intra group charges are payable to the Association from subsidiaries and relate to staff recharges

Intra Group Interest Charges

Intra group interest is charged by the Association to its subsidiaries at an agreed commercial rate

Gift Aid

During the year to 31 March 2019 Acis Group Limited entered into a gift aid deed with Acis Management Limited and Acis Development Services Limited.

In March 2025 Acis Development Services Limited declared a gift aid payment to the Association of £344,551 (2024: £195,088).

In March 2025 Acis Management Limited did not declare a gift aid payment to the Association (2024: £Nil).

Notes to the Financial Statements

For the year ended 31 March 2025

30. Analysis of Changes in Net Debt

The Group (and Association) had the following net debt movements:

	Group			
	At Beginning of the year £'000	Cash Flows £'000	Non-cash Movements £'000	At End of Year £'000
Cash and cash equivalents	2,620	825	-	3,445
Loans Due in One Year	(1,446)	(28)	-	(1,474)
Loans Due After One Year	(194,643)	(33,965)	(89)	(228,697)
	(193,469)	(33,168)	(89)	(226,726)

	Association			
	At Beginning of the year £'000	Cash Flows £'000	Non-cash Movements £'000	At End of Year £'000
Cash and cash equivalents	2,329	636	-	2,965
Loans Due in One Year	(1,446)	(28)	-	(1,474)
Loans Due After One Year	(194,643)	(33,965)	(89)	(228,697)
	(193,760)	(33,357)	(89)	(227,206)

31. Grant and financial assistance

	Social Housing Grant £'000	Other Grant Funding £'000	2025 £'000	2024 £'000
The total accumulated government grant and financial assistance received or receivable at 31 March 2025:				
Total gross grant at end of period	45,862	14,765	60,627	59,127
Total cumulative amortisation at start of period	4,073	6,783	10,856	10,039
Recognised as income in statement of Comprehensive Income in the period	420	466	886	771
Recycled in the year	53	-	53	46
Held as deferred capital grant	41,316	7,516	48,832	48,271