

# Annual Report and Accounts

31 March 2025



**Creating sustainable  
communities**

Providing homes older  
people want, lifestyles they  
can enjoy, and care if  
it's needed

“ We settled in from day one. Our children were very pleased for us because they just want us to be happy, and we are very happy. ”

**Jeff and Jean**  
Earlsdon Park Village



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# Key facts

**3,778**

Homes for older people



**1,278**

Staff working to a shared goal



**14**

Villages



**4,329**

Residents living better lives



**3**

More awards this financial year

Best Gym UK 2024  
Heart & Soul Awards  
The Palliative Care Manager  
Palliative and End of Life Awards  
Best Supporting Advice category  
Retirement Living Awards



**4**

Schemes



**£68.9m**

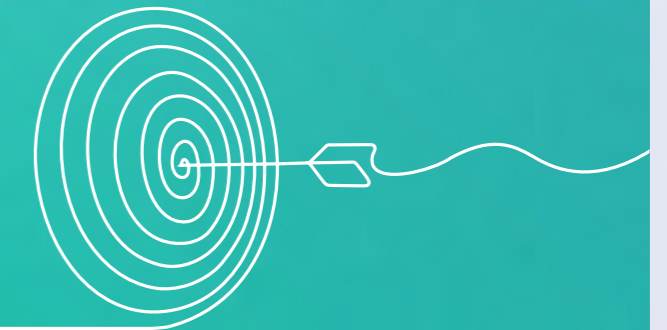
Turnover

**£20.7m**

Total comprehensive income

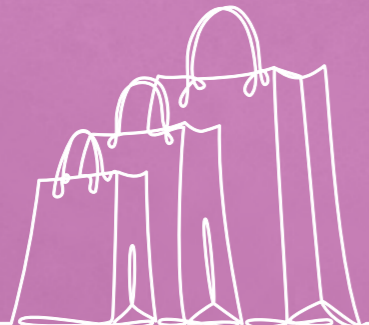
**£355.1m**

Reserves



**36**

Charity retail shops



**81**

The average age of our residents



**2,002**

Volunteers supporting our Charity



# I am pleased to present our Annual Report for 2024/25.

This year has been one of consolidation and improvement for our Charity, as we continue to fulfil our mission to create sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it's needed.

Reflecting on the past year, the absence of any new village development has allowed us to focus even more on enhancing the quality of life for our residents and the wellbeing of our staff. We have worked diligently to enhance our services, ensuring that our communities are not only places to live but places to thrive. Our focus has been on creating communities where our residents and staff feel valued, supported, and engaged, which is a key pillar of our new Belonging at ExtraCare Strategy, developed during the year.

I am incredibly proud of the progress ExtraCare has made this year in strengthening our culture of care, inclusion, and recognition. Achieving the Investing in Volunteers (IiV) standard is a testament to the value we place on our volunteers and the vital role they play in our Charity.

In response to the ongoing cost-of-living challenges, we have continued to subsidise our resident property charges despite the reduction in the cost of utilities from their recent peak, to help ensure that our residents can continue to afford their homes. These actions, while affecting our financial surplus, underscore our commitment to prioritising the wellbeing of our residents and ensuring the long-term sustainability of our communities.

Our financial performance has been strong, enabling us to reinvest in our communities and improve our facilities. We have commenced our largest ever programme of modernisation at Shenley Wood Village, with modernisation work at Hagley Road Village starting in 2025.

Alongside our investment into modernisation, our maintenance programmes have continued to maintain and enhance our villages for our residents. These improvements are a testament to our commitment to providing the highest standards of living.

Investment into new systems and ways of working is a key theme of the year, with all our communities now using our new Care Delivery and Rostering system in helping to deliver care. We have also launched our new Digital and IT Strategy as well as making a commitment to implement a new Housing Management System that will impact almost all colleagues around the Charity in some way.

I extend my gratitude to our Trustees for their dedication and contribution to the Charity. Their vision and leadership have been instrumental in our achievements this year. Our colleagues and volunteers deserve special recognition for their exceptional efforts in delivering outstanding services, and I am grateful to all who donate to our Charity.

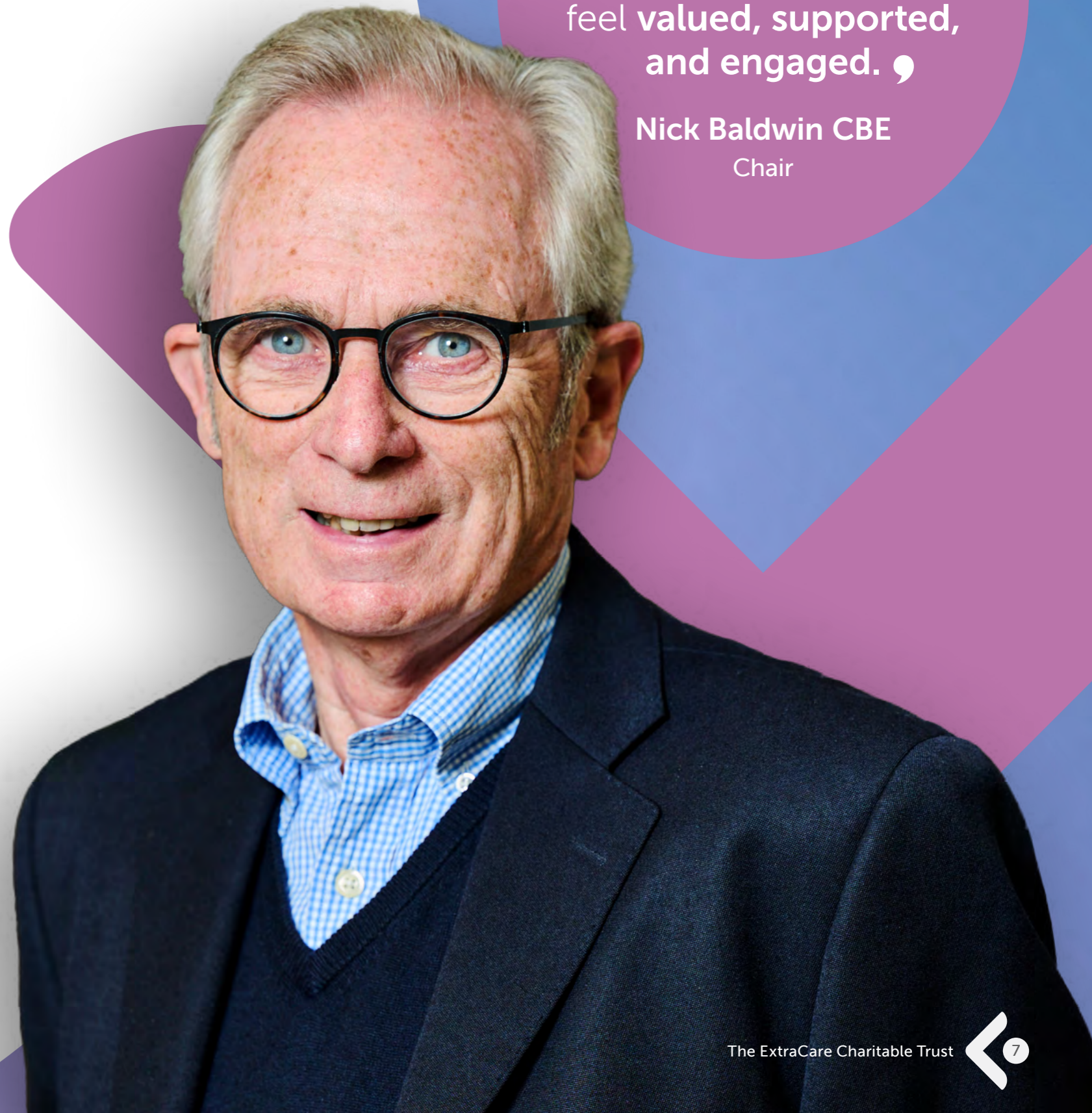
A heartfelt thank you goes to our residents, whose invaluable engagement and support have been instrumental in our success.

In closing, I am filled with optimism and confidence. The dedication of our team, the support of our Trustees, and the engagement of our residents ensures that our Charity and its communities will continue to thrive. Together, we will continue to deliver better lives for older people, creating communities where they can flourish and live fulfilling lives.

Finally, it is with sadness that I say that this is my final Annual Report and Accounts as Chair of ExtraCare. I am due to step down from my role at the next Annual General Meeting, but I feel proud of what has been achieved by the Charity during my time as Chair, and it is in an excellent position to thrive going forwards. I would like to extend my heartfelt thanks to all residents and colleagues for your continued support over my time as Chair for this extraordinary Charity, and I wish everybody well for the future.

“ Our focus has been on creating environments where our residents and staff feel **valued, supported, and engaged.** ”

**Nick Baldwin CBE**  
Chair



“ We have maintained strong performance and we remain committed to investing in our communities. ”

**Mick Laverty**  
Chief Executive



It has been another year of achievement for our Charity, that would not be possible without the dedication and hard work of our colleagues, residents, volunteers and partners. I extend my thanks to each of you for your commitment. The charity sector faces challenging times, compounded further by the recent increase in the cost of Employers National Insurance, but our unique model of ‘homes, lifestyle and care’ continues to benefit our residents and the communities we serve. Despite the challenging macro-economic environment, we have maintained strong performance and we remain committed to investing in our communities, so they continue to thrive as dynamic and inclusive communities into the future.

Our feature in the BBC documentary Rose Ayling-Ellis: Old Hands, New Tricks was a proud moment and a powerful reminder of the transformative impact of community, connection, and inclusion. The documentary featured residents at our Hughenden Gardens village embracing British Sign Language and, in doing so, rediscovering purpose, tackling loneliness, and building meaningful relationships.

Our vision for the future remains clear: to expand our reach and enhance quality of life for older people. Within our Corporate Plan, we set ourselves a number of targets, six of which we identified as key. These are outlined below, alongside our performance and updates against them:

- **Develop one new village and undertake two village extensions, delivering 400 new homes**
  - A prospective new village site has been identified, and progress has been made with initial designs. Whilst an exercise was completed to appoint construction partners for our planned extensions at Shenley Wood and Bedford Wixams villages, recent (unprecedented) construction inflation has resulted in neither site currently being financially viable. We will revisit these opportunities when market conditions become more favourable.
- **Achieve a resident experience rating of 80% or above in all villages and 90% or above in all schemes by the end of the corporate plan period.**
  - Resident satisfaction in our villages was 92% and in our schemes was 96%.
- **Each location will achieve a minimum CQC ‘good’ rating overall, with at least a third of our locations achieving ‘outstanding’ overall by the end of the corporate plan period.**
  - Whilst all communities completed pre-inspection information requests from the CQC, no communities were inspected in the year.
- **Maintain staff satisfaction scores: 75% of our employees will be satisfied with ExtraCare as an employer, and 90% of our employees will be fully committed to our vision.**
  - 84% of our employees were satisfied with us as an employer, and 94% are fully committed to our vision.
- **Ensure we are capable of achieving a G1, V2 rating from the Regulator of Social Housing (RSH).**
  - With the new regulated Consumer Standards, we have undertaken work to ensure we meet these standards. Compliance with regulation is regularly monitored and reported to the Board.
- **Generate a total surplus in excess of £10m each year, with our operating deficit progressively reducing, reaching break-even in year 4.**
  - Our total surplus for the year was £20.7M (2023/24: £22.8M) and our management accounts operating deficit reduced from £9.6M last year, to £3.0M for the year.

I am delighted with the performance against our six key targets, which demonstrates our commitment to achieving our ambitions set out in the Corporate Plan. On behalf of the Executive Leadership Team, I would like to thank our residents, colleagues and volunteers for your efforts and dedication this year.

In my closing comments I would like to give a special thanks to our former colleagues at Brunswick Gardens and Reeve Court, communities that were transferred into the full ownership of Your Housing Group during the year. I am grateful to the ExtraCare staff at these communities who continued to provide support to residents up until the point of transfer. I am sorry to lose these communities, and we wish them well for the future.

## Legal and administrative information

Charity Name	The ExtraCare Charitable Trust
Governing Instrument	The Charity is a company limited by guarantee and not having share capital. As such it is governed by its Memorandum and Articles of Association, which were last amended on 7 August 2024. It was incorporated on 11 December 1987.
Registered Charity Number	327816
Registered Social Landlord	4706
Company Registered Number	2205136
Members	Made up of the Directors of the Charity and other such persons admitted to membership of the company under the Articles. There are currently 26 members (the permitted number of members is unlimited).

Board of Trustees		Formally appointed	Retired/Resigned
(also referred to as Directors of the Company for the purpose of Company law):	Nick Baldwin CBE (Chair)	11 November 2020	-
	Harpal Baines	21 June 2021	6 November 2024
	Richard Byrne	21 June 2021	-
	Mark Chamberlain	30 January 2023	-
	Richard Clarke (Senior Independent Director)	14 November 2018	-
	Gemma De Brito	11 March 2024	-
	Adrian Eggington	01 March 2020	-
	Andy Hardy	21 June 2021	-
	Janet Houlis	30 January 2023	-
	Mark Jeffery	6 November 2024	-
	Gary Swabel	30 January 2023	-
	Nick Towe	11 March 2024	-
Kim Wootton	10 November 2021	-	

Trustees	Committee Memberships (Includes all Trustee members - current ● and former ○)			
	Audit & Assurance	Development	Nominations & Remuneration	Operations
Nick Baldwin CBE (Chair)		●	●	○
Harpal Baines		○		○
Richard Byrne	●			Chair
Mark Chamberlain			●	●
Richard Clarke	Chair		●	
Gemma De Brito	●			●
Adrian Eggington	●			● Former Chair
Andy Hardy	●	●		
Janet Houlis			Chair	●
Gary Swabel*				●
Nick Towe	●	Chair		
Kim Wootton		●		●

\* Gary Swabel is also the Trust representative on the Board of ExtraCare Retail Limited.

Company Secretary	Angela Carpenter
Executive Leadership Team (principal members of staff and key management personnel as defined by the Companies Act)	Mick Laverty Chief Executive
	Angela Carpenter Executive Director Governance and Compliance
	Matt Rickards Interim Executive Director Operations – From 06.01.2024 Executive Director Operations – From 17.06.2024
	Chris Skelton Executive Director Corporate Resources
Registered and principal office	7 Harry Weston Road, Binley Business Park, Coventry CV3 2SN
Principal Bankers	Lloyds Banking Group Plc
Primary solicitors	Shakespeare Martineau, Pinsent Masons
Auditors	RSM UK Audit LLP

## Report of the Board

# Our Board of Trustees



Nick Baldwin CBE  
(Chair)



Harpal Baines



Richard Byrne



Mark Chamberlain



Richard Clarke  
(Senior Independent Director)



Gemma De Brito



Adian Eggington



Andy Hardy



Janet Houlis



Mark Jeffery



Gary Swabel



Nick Towe



Kim Wootton

# The Board presents The ExtraCare Charitable Trust's ('ExtraCare') Annual Report and the audited financial statements for the year ended 31 March 2025.

## Charitable objectives and public benefit

ExtraCare was incorporated in 1987 to provide services to older people. This is explicit in our Vision to deliver 'Better Lives for Older People' and our Mission 'Creating sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it's needed.'

We are a registered charity and as such must carry out charitable purposes for the public benefit. Our charitable purposes ('Objects') are set out in our Articles of Association and include:

- The relief of sickness and the preservation and promotion of health of people who are poor, or of people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness;
- Any other charitable object not prohibited for a company registered with the Regulator as a non-profit, private, registered provider; and
- The business of providing (directly or indirectly) and managing the provision of housing, social housing and other accommodation (including, without limitation, nursing homes, sheltered homes, hostels and care homes), and assistance to help house people, and associated facilities and amenities or services, for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness.
- The provision of care, welfare, medical, nursing, community and other services, and associated facilities and amenities, for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness;
- The relief of financial hardship amongst elderly people;

Our public benefit is reflected in the strands of our model. As a charity which pioneered retirement communities, we still believe our model is unique by virtue of:

 <p>We are a charity, and our surpluses are all re-invested in the charitable activities.</p>	 <p>Our diverse tenure mix, which makes us affordable for people from a range of backgrounds and circumstances and reflects and supports the diversity of our communities.</p>	 <p>Our villages are typically made up of 260+ apartments, housing 300-400 residents. We offer an array of communal facilities (such as restaurants and gyms) at an affordable price to residents.</p>	 <p>Our model of Homes, Lifestyle and Care is proven to benefit residents' physical and mental health and reduce pressure on the health and social care system.</p>
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## Equality Act

The Equality Act 2010 generally prohibits discrimination on the grounds of a characteristic such as age. It does, however, allow charities to limit the group of people they help to those with a protected characteristic. This is provided the limitation is clearly stated in their objects and the benefits are provided in a proportionate way.

Our Board, having considered the governing documents of our Charity, are satisfied that the activities of our Charity fall within this exemption due to the following factors:

- The provision of quality one and two-bedroom homes for older people releases their previous homes for families;
- The provision of safe and secure communities with a wide range of activities reduces loneliness and isolation increasingly faced by older people; and
- The promotion of wellbeing and healthy lifestyles improves the health of the individual and reduces their impact on the NHS and other publicly funded services.

In making these statements, the Trustees have had due regard to the Equality Act guidance published by the Charity Commission.

## Homes older people want

In 2021/22, we conducted a comprehensive review of our properties to understand how our offerings are evolving. This study also examined sector demands and continues to guide our thinking around future projects. The findings provided valuable insights into the design of our current villages, external factors impacting the sector as well as environmental considerations.

We operate 14 retirement villages and four smaller housing schemes, two of which we operate on behalf of our Partner, Rooftop Housing Group, offering a mix of one or two-bedroom homes for lease, shared ownership, or social rent.

We ensure that our homes and communal areas are visually appealing, comfortable, and adaptable to the changing needs of our residents, which includes pursuing the integration of smart technology to support independence and improve quality of life.

## Lifestyles they can enjoy

Our communities feature a variety of communal amenities designed to promote healthy, active, and fulfilling lifestyles. These include a restaurant, gym, craft room, greenhouse, and games room. Each community has an Activities Coordinator who organises diverse programmes for residents.

Over 950 of our residents volunteer with ExtraCare, helping to deliver essential services that might otherwise be unaffordable, while offering direct support to our residents. The benefits of volunteering extend beyond the services provided, enriching the lives of the volunteers themselves and the wider retirement community. Volunteering remains an essential part of the ExtraCare model and is one of our unique features. Volunteering can be of great benefit for residents' physical and mental wellbeing, as well as providing a sense of purpose and opportunity to give something back to their community.

Our award-winning wellbeing service, alongside our healthcare student placement programme supports residents in most of our communities, through physiotherapy, occupational therapy, nursing, and speech and language.

Our student programme is highly appreciated by both students and residents and is a vital part of our intergenerational activities.

Our Wellbeing Advisors use a Resilience Tool, developed with Aston University and Lancaster University, to assess residents' frailty. This tool identifies those at risk, allowing for early intervention to prevent incidents like falls. It also helps advisors recommend activities that promote physical and mental health, ensuring residents remain healthy for longer.



**Care if it's needed**

In all our communities, we offer personal care and support to residents who need it, whether their care is funded by the local authority or self-funded.

Our Dementia and Mental Wellbeing Programme, which is mainly funded by ExtraCare through charitable donations and partially by local authorities, supports residents with dementia and related conditions.

Twelve of our locations have earned Platinum accreditation and four locations have earned Gold accreditation from the Gold Standards Framework (GSF) for end-of-life care, providing reassurance to residents and their families that we can deliver the necessary care for as long as required.

**Sustainable finance model**

Offering desirable homes for older people, along with an active and enjoyable lifestyle and care when needed, increases the value of our properties. This, together with our lease buyback model, forms the financial foundation that sustains our communities and supports our vision. By guaranteeing to buy back the leases from our residents this means we retain control over our communities and avoid our properties being empty for long periods of time, as empty (void) properties can affect the vibrancy of an integrated retirement community.

**Corporate governance**

ExtraCare is a registered charity and a private company limited by guarantee. We have no shareholders, and any surpluses are reinvested back into the Charity. We are led by a Board of Trustees, all of whom are directors for the purposes of the Companies Act 2006. We are monitored and supervised by external regulators including the Regulator of Social Housing (RSH), the Care Quality Commission (CQC), the Charity Commission, the Health and Safety Executive and the Information Commissioner's Office. We are members of relevant trade associations including the National Housing Federation and the Associated Retirement Community Operators (ARCO).

**ExtraCare members and our Board of Trustees**

The Board of Trustees is collectively accountable to ExtraCare's members and other stakeholders for ensuring the long-term success of the Charity. The Board is responsible for defining the vision, mission, and values of the Charity, and for holding the Chief Executive and Executive Directors accountable for the Charity's performance, standards of conduct, and corporate governance. Additionally, the Board ensures compliance with all relevant legislative and regulatory requirements.

ExtraCare's Members consist of past and current Trustees, some former Executive Directors, and the Chair and Vice Chair of the Residents' Forum. New Members may be appointed by the Board in accordance with the Charity's Articles of Association.

Trustees serve in a non-executive capacity, as stipulated in the Articles of Association, meaning they are not compensated for their services and cannot be employees of the Charity.

**Board composition, tenure, and renewal**

The number of Trustees is limited by the Charity's Articles of Association to 12. Board members are appointed on a systematic basis in accordance with our Board Recruitment and Succession Policy. Appointment as a Trustee is for a term of office of three years and limited to two consecutive terms of office in normal circumstances.

Our Trustees have varied backgrounds, including charities, public bodies, the housing sector, and the private sector. In 2024 we appointed our first Trustee who is a resident (Mark Jeffery). Trustee biographies are provided on the Charity's website (<https://www.extracare.org.uk/about-the-charity/our-trustees-directors/>). Details of Trustee appointments can be found on page 10 and 11 of this report.

**Chair of Trustees**

Nick Baldwin CBE is due to stand down from his role at the 2025 AGM, following five successful years as Chair of Trustees.

**Board Committees**

Throughout the year, the work of our Board was supported by four Board Committees:

- Audit and Assurance Committee;
- Development Committee;
- Nominations and Remuneration Committee; and
- Operations Committee.

In the 2024/25 financial year, three Committees convened four times while the Nominations and Remuneration Committee met twice.

Committees are composed of four to nine Trustees, including Committee Chairs, with membership determined based on individual skills and experience. Committee Chairs submit written assurance reports to the Board detailing their activities, and Committee minutes are available to all Board members.

The Board maintains a formal schedule of matters reserved exclusively for its approval, which cannot be delegated. Specific responsibilities have been assigned to Committees, and these are clearly defined within each Committee's Terms of Reference.

Trustee attendance at Board and Committee meetings is detailed below:

Trustee	Board meetings	Committee meetings	AGM
Nick Baldwin CBE (Chair)	4 of 4	7 of 8	0 of 1
Harpal Baines <sup>1</sup>	0 of 2	0 of 4	0 of 1
Richard Byrne	4 of 4	6 of 8	1 of 1
Mark Chamberlain	4 of 4	4 of 6	0 of 1
Richard Clarke	4 of 4	6 of 6	1 of 1
Gemma De Brito	4 of 4	6 of 8	1 of 1
Adrian Eggington	4 of 4	8 of 8	0 of 1
Andy Hardy	2 of 4	5 of 8	0 of 1
Janet Houlis	4 of 4	6 of 6	1 of 1
Mark Jeffery <sup>2</sup>	2 of 2	4 of 4	1 of 1
Gary Swabel	4 of 4	4 of 4	0 of 1
Nick Towe	4 of 4	8 of 8	1 of 1
Kim Wootton	3 of 4	7 of 8	1 of 1

<sup>1</sup> Stepped down 6 November 2024

<sup>2</sup> Appointed 6 November 2024

**Board meetings**

The powers of the Trustees are defined in the Charity's Articles of Association. The Board is authorised to exercise all powers granted by the Articles, in compliance with the Companies Act 2006, the Charities Act 2011, and other relevant legislation. During the 2024/25 financial year, our Board held four scheduled meetings.

**Audit & Assurance Committee**

The Committee gives assurance to the Board on the effectiveness of the Charity's internal control systems, risk management, financial reporting, and regulatory compliance. Its purpose is to guarantee these areas are well-managed and that both internal and external audit functions are robust.

As part of its work, the Committee holds private meetings with our internal and external auditors, who also attend every Audit & Assurance Committee meeting.

**Development Committee**

The Committee ensures the Board is involved in the assessment of development opportunities and strategy. This includes proposing specific opportunities to the Board for their endorsement, including developments, extensions and modernisations.

Furthermore, the Committee verifies that the evaluation framework used to explore new development opportunities is suitable for its intended use. It oversees the procedures for awarding construction contracts, and examines the scope and standard of the sales and resales performance and initiatives.

**Nominations & Remuneration Committee**

The Committee is responsible for the Trustee and Executive appointment process, which includes recruitment, skills assessment, succession strategies, and performance reviews. The Committee also advises on a remuneration and performance structure for the Executive Team to aid in their recruitment, motivation, and retention.

**Operations Committee**

The Committee assures the Board on the provision of our core housing, lifestyle, and care model across all communities alongside having oversight over operational performance, risk and resource management.

Additionally, the Committee is involved in the development and approval of operational policies and strategies, as well as supporting key areas such as Consumer Standards and Complaints.

**Governance arrangements**

In 2021 ExtraCare adopted the National Housing Federation’s updated Code of Governance 2020. The Board annually assesses compliance with its Code of Governance to gain assurance that the Charity remains compliant and to identify areas for improvement. The code adopts a ‘comply or explain’ approach, recognising that there may be instances with sound reasons for non-compliance. We comply with all provisions of the Code except as detailed below where the Board has agreed to provide an explanation:

Code of governance standard	Explanation
Where an organisation has subsidiaries, which have not adopted this Code, the reasons for this are given.	The Code is not applicable to the retail subsidiary as it is not a registered provider nor a registered charity. Nominee 1 Limited and Nominee 2 Limited are not relevant as they are both dormant subsidiaries related to loan agreements.
There is a policy and procedure setting out how disputes and grievances involving members of the Board can be raised and responded to.	An additional policy is not required as escalation to the Chair, Senior Independent Director or via the Whistleblowing policy are sufficient.

We have evaluated our Charity against all Standards set by the Regulator of Social Housing (RSH) and confirm our full compliance. This includes the Consumer Standard and RSH Governance and Financial Viability Standard, which require an annual self-assessment and certification of compliance with the standard to be cited within our annual accounts. As part of this Standard, registered providers must have governance structures that guarantee conformity with all pertinent laws.

Our Charity is satisfied it possesses the necessary measures for legislative and regulatory compliance, and the Board takes suitable steps to gain assurance in this area.

**Future developments**

Whilst construction costs are currently a prohibitive factor for new developments, our Charity is committed to continue seeking new opportunities for development, striking a balance between enhancing our existing operations and driving strategic growth for the benefit of older people.

Our financial foundation is strong, with sufficient cash reserves and loan facilities in place to support our development and village modernisation plans. As we move forward, we’re exploring innovative approaches to village development, including the potential for urban village models that prioritise sustainable brownfield sites over traditional greenfield developments. This approach not only reduces our environmental footprint but also allows us to bring our unique brand of supportive community living to a wider range of locations.



**“ An ExtraCare retirement village is a much better place to be because there’s always someone keeping an eye out. On some days, I need that little bit of support. ”**

**John**  
Wixams Village



## Going concern

**The Charity's financial statements are fully compliant with all relevant statutory requirements and the Charity's Articles of Association. Our accounting practices and reporting procedures are designed to provide transparency and accuracy, ensuring that stakeholders have a clear understanding of our financial position.**

As part of our commitment to responsible financial management, we conduct regular stress testing exercises to assess our resilience in the face of potential risks and challenges. These tests measure our ability to withstand major events or market changes, such as fluctuations in the housing market, inflationary pressures, and the impact of infectious diseases. The results of these exercises inform our financial planning and decision-making, ensuring that we are well-equipped to navigate uncertainties and maintain our long-term sustainability.

We will continue to monitor developments around the Government's Leasehold and Freehold Reform Act 2024, as it contains changes that will impact ExtraCare as well as the wider Independent Retirement Community (IRC) sector. It is still unclear when the Act will be implemented but we will continue to follow its progress and remain an active voice in consultations and discussions around the topic.

Our 30-year financial plan is built on prudent assumptions and incorporates a range of scenarios to ensure we can adapt to changing circumstances. The plan includes the requirement to hold a minimum of £30m in liquid assets, providing a robust buffer against potential risks and uncertainties. This financial foundation enables us to confidently invest in new village developments when opportunities arise, as well as continuing to invest in our existing estate while ensuring that we have sufficient resources to support our ongoing operations.

The Board plays a critical role in overseeing our financial planning and decision-making. Our annual budget is submitted for review in December and approval in March, providing the Board with an opportunity to scrutinise our financial plans and ensure that they align with our strategic objectives.

Plans for new developments will only proceed if we have secured access to sufficient funds to support both the development and ongoing operational costs.

This prudent approach ensures that we can maintain our financial stability while also delivering on our charitable mission.

In concluding that the Charity is viable as a going concern, the Board has considered a range of factors, including our financial performance, stress testing results, and potential liabilities. We are confident the Group has adequate resources to continue operating for the foreseeable future, with a strong foundation for long-term sustainability. This confidence is underpinned by our robust risk management framework, which enables us to identify and mitigate potential risks, ensuring that we can continue to deliver high-quality services to our residents while maintaining our financial stability.

## Financial viability

**The Charity's financial position is robust, with a strong foundation that will enable us to confidently pursue future development opportunities. Our funding arrangements are in place to support our long-term objectives, including term and revolving credit facilities with Lloyds Bank plc. Our term loan was renegotiated during the year, securing funding to February 2030.**

A key aspect of our financial management is our approach to investment.

We have invested in accessible investment funds, which are managed by external fund managers. Although the value of these investments is not immune to the impact of economic events, we remain optimistic that they will continue to deliver value for the Charity.

The desirability of our properties is also reflected in our sales results as demand for our properties remains high for both initial and resale properties. This strong demand, combined with our robust financial position, gives us confidence in our ability to continue delivering on our mission.

The Board is satisfied that we are meeting our covenant requirements as agreed with our funders.

Our cautious approach to new developments ensures that we only commence projects when we have secured sufficient funding. This approach enables us to manage risk effectively and maintain our financial stability, even in uncertain economic conditions.

As of the year end, we held £51M in cash reserves (including our liquid investment portfolio), an increase of £6M from March 2024, providing a significant buffer against potential risks.

## Health and safety management

**Our approach to health and safety is built on a foundation of robust risk management. As part of our risk management framework, we identify health and safety (H&S) and fire safety as key risks, which are regularly monitored by our Audit and Assurance Committee. Our comprehensive H&S policy framework is designed to mitigate these risks, with our appointed H&S Manager serving as the competent person under Regulation 7 of the Management of Health and Safety at Work Regulations 1999.**

To ensure that our buildings are safe and well-managed, we have implemented a range of measures. Our Head of Property & Environment is responsible for ensuring property compliance across our portfolio, with a particular focus on the 'Big 6' areas, which includes gas servicing, lift maintenance, water hygiene, fire safety servicing/fire risk assessments, and communal asbestos surveys. We are pleased to report that we have maintained compliance in these critical areas, providing a safe and secure environment for our residents and staff.

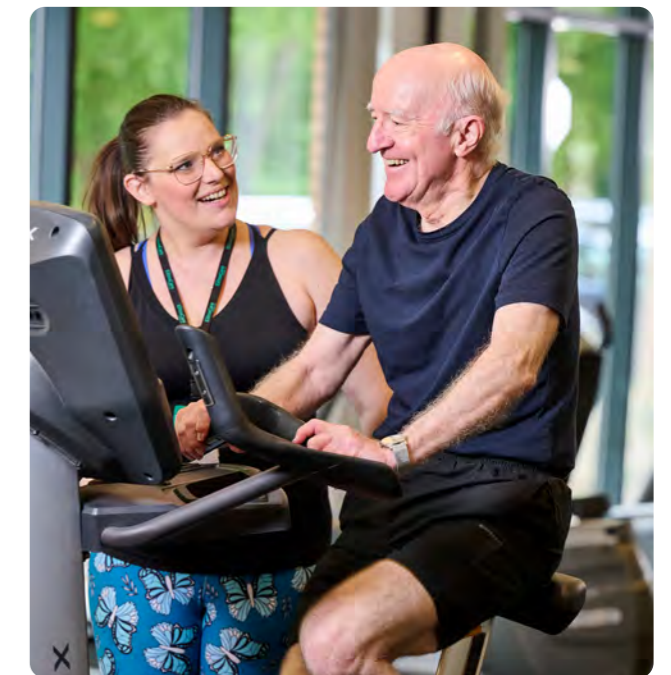
We also recognise the importance of regular inspections and assessments to identify potential risks and take proactive measures to mitigate them. Our programme of Fire Risk Assessments provides for our locations to be inspected every two years (or sooner if there is a change in use), with more frequent inspections undertaken annually at our 'higher risk' locations as a result of increasing building safety requirements. Our retail shops are inspected every three years.

Our partnership with the West Midlands Fire Service Primary Authority Scheme is a key aspect of our approach to fire safety.

This partnership provides us with access to expert advice and support on fire safety matters, helping us to stay up to date with the latest legislative changes and industry best practices. The partnership has been instrumental in helping us prepare for key developments, including the Fire Safety Act and the Building Safety Act, as well as the sweeping regulatory changes arising from the Hackitt Review and the subsequent Grenfell Inquiries.

Through our Corporate H&S Group, Building Safety Group, and Fire Focus Group, we have established a robust framework for managing health and safety across the Trust and Retail subsidiary.

These groups work together to provide assurance around safety, ensuring that we are taking a proactive and comprehensive approach to mitigating risks and protecting our residents and staff.



## Staff engagement

**At ExtraCare, we recognise the importance of developing a positive and inclusive work environment that supports the wellbeing and success of our employees. As part of this commitment, we have implemented a range of initiatives to promote employee engagement, communication, and development.**

Our annual staff survey is an important tool for measuring employee satisfaction and engagement. This year's survey results, with an overall response rate of 71%, exceeded our targets with 84% of employees expressing satisfaction with the Charity as an employer and 94% being committed to our vision and values. We use the feedback from this survey to inform our decision-making and develop action plans to address areas for improvement.

Our regular internal communications ensure staff remain informed and up to date on important matters relating to their employment, as well as the Charity's strategic direction. This includes daily 'line-up' meetings for staff in locations, weekly email updates with important news and announcements, and monthly 1-2-1 work planning meetings between staff and line managers. Additionally, we host annual roadshows, where members of the Executive Leadership Team meet with staff and residents in each community to discuss key issues and provide updates.

We utilise digital platforms to facilitate communication and collaboration across the Charity. Our 'Workplace by Facebook' online platform provides a corporate communication portal for important announcements, vacancies, and publications, and is accessible to staff from any device. In October 2024 we started the development of our new staff intranet to further enhance our digital capabilities for the benefit of our employees.

To ensure that all employees have a voice and can contribute to our decision-making processes, we have established several feedback mechanisms, including directorate meetings, line-up meetings and one-to-ones, that provide our employees opportunities to suggest areas for improvement and share ideas. We also hold regular staff meetings, including our staff forum, which meets every two months and provides a platform for senior managers and staff ambassadors to exchange views and information.

As an Investors in People (IIP) Gold employer, we are committed to maintaining the highest standards of people management and development. We will be undertaking a reaccreditation in the coming year.

During the year, we developed our new Belonging at ExtraCare Strategy for 2025-28 which is designed to cultivate a culture of equity, diversity and inclusion, which aims to ensure that everyone who interacts with our Charity feels a genuine sense of inclusion and belonging.

This strategy encourages diversity, inclusive behaviours and accessibility. It establishes clear commitments and actions, providing a framework for continuous review and improvement.

Finally, we believe in recognising and rewarding the outstanding contributions of our staff and volunteers.

We are looking at introducing a new staff award event in 2025/26 in addition to our annual 'Liz Taylor Awards' that celebrates those who have gone above and beyond in their role and provides an opportunity for us to thank and acknowledge the hard work and dedication of our team.

## Employees who have a disability

**At ExtraCare, we are committed to creating an inclusive and supportive work environment that values diversity and promotes equal opportunities for all employees. We recognise that disabilities come in many different forms; physical, mental, sensory, cognitive, and more. We are committed to creating an inclusive and supportive workplace where all individuals feel valued and empowered. We understand that not all disabilities are visible, and we strive to create an environment that accommodates a wide range of needs through empathy, flexibility, and proactive support.**

As part of this commitment, we strive to ensure that our recruitment processes are accessible and fair for all applicants, including those with disabilities.

To achieve this, we offer support and reasonable adjustments to applicants invited for interview, such as access to accessible buildings or assistance with tests.

We believe that everyone should have an equal chance of success, regardless of their abilities, and we are dedicated to making our recruitment processes as inclusive as possible.

In addition to our recruitment efforts, we are committed to supporting employees who become disabled whilst working with us. We recognise that disabilities can arise at any time, and we want to ensure that our employees have the support they need to continue in their roles.

Where possible, we provide additional training or adaptations to enable individuals to continue working with us.

If an individual's disability means they can no longer perform their original job duties, we would offer alternative options, such as retraining for a different role within the Charity. We believe that everyone deserves the opportunity to contribute to our Charity, and we are committed to finding ways to make this possible.

To support employees with disabilities, we also work closely with them to identify suitable adjustments and provide access to support resources or specialist equipment through the 'Access to Work' scheme, a publicly funded employment support programme. Our Charity contributes towards the costs of this scheme, demonstrating our commitment to enabling employees with disabilities to thrive in their roles.

Currently, 3.49% of our workforce has declared a disability, although we acknowledge that this number may not reflect the true prevalence of disabilities amongst our staff, as declaration is voluntary under the Equality Act. Nevertheless, we are committed to continuing our efforts to create a more inclusive and supportive work environment, where everyone can reach their full potential and contribute to the success of our Charity.

## Fundraising

**Our Charity relies on the generosity of individuals who contribute their time, resources, and financial support to help us deliver essential services that improve the lives of older people. We are grateful for the diverse range of donations we receive, which enable us to provide vital care and support to those who need it most.**

Our donations come from a variety of sources, including:

- ExtraCare Retail Limited, our wholly-owned commercial subsidiary, which operates our charity shops and generates significant income;
- Trusts, foundations, challenge appeals, legacies, and corporate donations, which provide valuable financial support for our activities;
- Fundraising initiatives led by our dedicated residents and staff members, who work together with local communities to raise vital funds; and

- The selfless contributions of our internal and external volunteers, who donate their time and skills to support our charitable objectives.

We estimate that the value of our volunteers' contributions is worth over £6 million in 2024/25, which is a testament to the dedication and commitment of our volunteer community.

As a registered charity, we are committed to upholding the highest standards of fundraising practice.

We are registered with the Fundraising Regulator and adhere to its Code of Fundraising Practice, which ensures that our fundraising activities are transparent, accountable, and respectful of our donors. We also comply with all relevant regulation governing charity fundraising activities. During the year, we appointed a new Fundraising Manager and launched a new fundraising strategy in February 2025 in recognition that we can make further progress in this area.

Our Board of Trustees oversees our fundraising endeavours, ensuring that they are aligned with our charitable objectives and conducted in a responsible and ethical manner. We take pride in maintaining the trust and confidence of our donors and stakeholders, and we are pleased to report that we did not receive any complaints regarding our fundraising activities during the year (2023/24: nil).

## Capital Structure

**Incorporated on 11 December 1987, our Charity is a company limited by guarantee and does not have share capital. As such it is governed by its Memorandum and Articles of Association, most recently amended in August 2024. At 31 March 2025, the Charity had £355.1M of legally undistributable reserves which create a permanent capital base which is equivalent in quality to shares in a company limited by shares.**

## Treasury Policy

Our Treasury Management Policy provides the framework for managing our investments and borrowings, and underpins our Treasury Management Strategy, which is aligned with our Corporate Plan ambitions.

We have a £30 million revolving credit facility with Lloyds Bank, our principal lender, which is currently undrawn. This facility enables us to proceed with our plans to expand our development portfolio when advantageous opportunities arise.

Our approach to treasury management is focused on building resilience and mitigating risk.

Our Treasury Management Policy outlines our plans to incrementally build our liquidity headroom, primarily through holding liquid assets, to protect against future unexpected events.

In addition to managing our liquidity, we also invest surplus funds responsibly to maximise returns. Our accessible investment funds can be utilised at short notice, and our liquid holdings provide a key risk mitigation tool. This approach enables us to balance our need for financial flexibility with our commitment to responsible investment practices.

By generating strong cash flows and maintaining a robust liquidity position, we are well-placed to achieve our strategic objectives and deliver long-term value for our stakeholders.

## Internal Financial Control

The Charity has a robust system of internal control in place to ensure the effective management of financial, governance, and operational risks. The Board receives an Annual Assurance Statement, signed by the Chief Executive and the Executive Director Corporate Resources, which provides comfort that our internal control systems are adequate and effective.

The Audit & Assurance Committee plays a crucial role in overseeing the adequacy and effectiveness of our internal control systems. With the support of a rolling internal audit programme, the Committee can identify areas for improvement and provide recommendations for enhancing our internal control framework.

Our appointed internal audit provider, Forvis Mazars LLP, works closely with the Committee to undertake this work.

The outcome of our annual internal audit review for 2024/25 was that our framework of governance, risk management, and control was deemed to be "Moderate" in its overall adequacy and effectiveness. This assessment is based on the work undertaken by Forvis Mazars during the year and provides a benchmark for future improvements.

Our external auditor, RSM, provide assurance through their interim and final audit visits, as well as through the provision of an audit report and management letter. We maintain regular communication with our external auditors to ensure they are informed of changes within the Charity and to discuss strategic and technical matters.

This collaborative approach enables us to ensure that our financial reporting is accurate and transparent.

To monitor performance against our strategic priorities, targets and commitments, we use a corporate Balanced Scorecard. This tool provides the Board and its Committees with detailed information on our progress against the objectives outlined in our 2024/25 Annual Business Plan.

## Statement as to disclosure of information to auditors

In so far as each of the Directors is aware:

- There is no relevant audit information of which the Group's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Trustees:

Nick Baldwin CBE  
Chair  
23 September 2025



S172(1) of the Companies Act 2006 requires a director of a company to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard, amongst other matters, to:

### A) The likely consequences of any decision in the long-term.

Our residents are our key stakeholders. Reports submitted to our Board for consideration include the requirement to outline any impact on our residents and any consultation that has taken place or is planned; this includes consultation requirements on the short-term impact and the longer-term implications of decisions. The consultation then informs the decisions and business planning.

### B) The interests of the company's employees.

For further information on how we as a charity have engaged with our employees during the year, please see section 'Staff Engagement' on pages 19 to 20.

### C) The need to develop the company's business relationships with suppliers, customers and others.

Our residents are our key customers. Engagement with residents is overseen by a quarterly Resident Forum, offering residents an opportunity to challenge and engage with us to build trust and encourage transparency. Relationships with our other stakeholders, such as our lenders, are developed through regular meetings and communications, and with suppliers through engagement from our procurement team, and wider colleague base. For further information on how we engage with our stakeholders, please see section 'Social Value' on page 33.

### D) The impact of the company's operations on the community and the environment.

Our Charity invests in technology to help improve our residents' quality of life and we also consider the impact of our operations on the environment and wider communities. See pages 42-44 for further information on environmental considerations and actions taken in the year, and page 47 for People, IT and Digital. Our Trustees consider both short-term and long-term implications of decisions made, along with the impact we have on the community and environment in the way we build and operate our locations.

### E) The desirability of the company maintaining a reputation for high standards of business conduct.

We remain an accredited 'Investors in People' Gold Award employer. Our attitude to creating the right culture is reflected in the results of our annual staff survey. In addition, we operate within a risk management and control framework, which includes whistleblowing, to ensure the highest levels of conduct and standards.

### F) The need to act fairly between members of the company.

Each year we have an annual general meeting (AGM), where our Members come together and receive updates on the Charity's performance, activities and any necessary voting matters. As a charity, all our Members are treated equally and fairly. Our Trustees believe that, individually and together, they have acted in the way that they consider, in good faith, would be most likely to promote the success of the Charity for the benefit of its beneficiaries, having regard to the stakeholders and matters set out in Section 172(1) (a-f) of the Companies Act 2006 in the decisions taken during the year.

‘ It’s great for me as a granddaughter, because I get to see my Nan in her element. It’s like she’s 21 again. ’

Mildred & Candace  
Hughenden Gardens Village



## The Integrated Retirement Communities (IRC) sector has changed significantly since the formation of ExtraCare.

### Sector outlook

The Integrated Retirement Communities (IRC) sector has undergone significant changes since ExtraCare was established. The UK’s demographic trends are shifting towards an ageing population, with males born in 2023 expected on average to live to the age of 86.7, and females to the age of 90.\*

As a result, our sector continues to look poised for growth, and we aim to be a market leader in developing and operating integrated retirement communities that enable better lives for older people. Our unique model of quality housing, combined with an active lifestyle and optional care, remains in high demand. This is evidenced by our consistent sales performance, which has remained strong throughout the year.

Despite the opportunities for growth, the sector continues to face challenges, particularly with regards to staffing. Recruitment difficulties are widespread, especially for care roles, with recent changes to government policy resulting in possible reductions in the availability of care workers remaining a concern. To mitigate this, we will continue to take steps to support our colleagues, ensuring that pay remains fair and competitive and that the wellbeing of our staff remains an area of utmost focus.

In addition to supporting our staff, we have also recognised the need to support our residents. During the year, we applied a charitable subsidy to their property charges, totalling approximately £3.7M, provided for in our 2023/24 Annual Report and Accounts, which has helped to support our residents through a period of volatility in the cost of living.

Another area of focus for the sector is the Leasehold and Freehold Reform Act 2024, introduced by the previous Conservative government which received Royal Assent in May 2024. Although not yet fully in force, it included changes that will impact ExtraCare and the wider IRC sector, which we will continue to assess and monitor as the Act is implemented. Similarly, we are tracking the current government’s leasehold and commonhold proposals, again to assess their potential impact on us.

Our commitment to providing a high-quality lifestyle for older people is reflected in our sales performance and waiting lists. We have active waiting lists for our communities, and our open days have proven valuable in attracting customers and showcasing our offering. To sustain our model, it is essential that our homes remain desirable and provide a lifestyle that meets the needs and aspirations of older people.

To achieve this, we are dedicated to continuously improving and adapting to meet the evolving needs of our residents. We are committed to understanding our market and customers better, refining our services, and protecting our unique approach. By doing so, we can ensure that our communities remain attractive to older people, providing them with the quality housing, lifestyle, and care they need to thrive.

\* (Office for National Statistics (ONS), released 14 February 2025, ONS website, statistical bulletin, Past and projected period and cohort life tables: 2022-based, UK, 1981 to 2072).

## Our Integrated Model

Our mission is “creating sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it’s needed”.

We believe our model to be unique. It is based on Homes, Lifestyle and Care:

### Homes

Our locations typically offer high-quality apartments for the over 55s; each home is accessible with its own front door, hallway, living room, typically one or two bedroom(s), kitchen and shower room. Most will have a balcony or patio. We aim to ‘future proof’ our properties by always learning from previous developments and modernisation programmes. This includes assessing the environmental impact of any components that we include in our design brief.

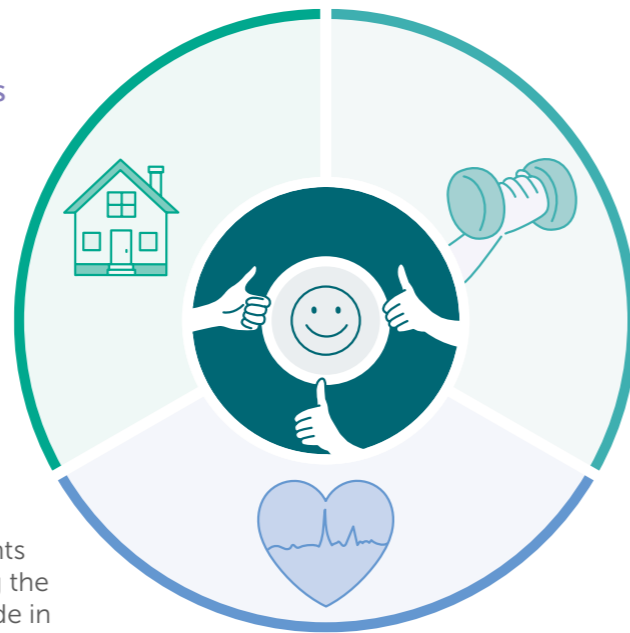
At 31 March 2025, 32% of our properties are for social rent, in contrast to 62% in 2010 and 94% in 2000. This trend towards having fewer social rent properties is indicative of how significantly our operating model has shifted over time. We have also consciously moved away from managing property on behalf of other Registered Providers, having exited two partner communities in the year, to create a mix of social rented, shared ownership and full ownership homes: providing diverse integrated retirement communities that are available to all.

### Lifestyle

At ExtraCare, we are committed to creating vibrant social hubs that promote a healthy lifestyle and provide opportunities for social interaction. Our villages are designed to support the physical and emotional wellbeing of our residents, with a range of leisure facilities that cater to diverse interests. These typically include a bistro, café-bar, gym, greenhouse, craft and hobby rooms, and village hall.

Our activity programme is equally varied, with options such as Zumba, choir singing, wheelchair aerobics, digital skills workshops, sociable outings, and other entertainment. We believe that these activities play a vital role in fostering a sense of community and belonging amongst our residents, and we encourage them to participate in activities that bring them joy and fulfilment.

To ensure that our approach is effective, we aim to conduct regular wellbeing assessments with our residents. These assessments enable us to identify areas where individuals may need additional support, such as exercise frequency, loneliness, or social networks.



By comparing data from these assessments, we can tailor our services and activities to meet the evolving needs of our residents.

Volunteering is at the heart of our Charity’s ethos, and we offer a range of opportunities for people to get involved and make a positive impact on our communities. Our volunteers, who include both residents and external supporters, play a crucial role in helping to run activities and facilities, supporting fundraising efforts, and providing companionship to our residents. We recognise the value of volunteering and have a dedicated team of volunteer organisers who work to recruit, retain, and reward our volunteers.

Our villages are designed to be welcoming and inclusive, with plenty of opportunities for visitors from the wider community to get involved. We have partnerships with local schools, universities, and community groups, and offer affordable membership options for people who want to use our facilities, such as our gyms.

## Care

Each of our communities offer care services using on-site care teams, delivered through both the day and night. Our care services are registered and inspected by the CQC and are predominantly delivered by our own staff, although residents can choose external providers if they prefer.

## Wellbeing Service

Our award-winning wellbeing service is operated by a team of dedicated Wellbeing Advisors, who provide preventative health advice and encourage healthy life choices amongst our residents. To ensure we can offer tailored support, each resident undergoes a comprehensive baseline assessment using our innovative wellbeing app before moving in. This assessment enables us to gain a deeper understanding of their unique health and social care needs.

In addition, our resilience tool, developed in partnership with Aston and Lancaster Universities, allows us to re-assess residents who have been identified as frail and provide them with individualised support to build their personal resilience. Through goal-setting and targeted interventions, our Wellbeing Advisors work closely with these residents to help them develop the skills and strategies they need to manage their health and wellbeing more effectively.

During the year over 6,700 wellbeing drop-in sessions took place, alongside 600 resilience assessments, helping residents stay informed, supported and confident in managing their health.

## Dementia and Mental Wellbeing Service

Our Dementia and Mental Wellbeing Service provides specialist support for residents living with dementia, cognitive impairment, or common mental health conditions. Delivered by specially trained staff, this service offers tailored guidance and care to help reduce the impact of dementia and improve overall wellbeing.

This year we began research into a Best Housing Assessment, which is designed to reduce unnecessary or delayed transitions of care for residents living with dementia whose needs may exceed that of an independent setting. Currently there is no recognised method for determining when a resident should transition out of ExtraCare settings, so this research is to work towards ensuring any move is timely, planned and dignified.



## Progress against our Annual Business Plan key targets

Our 2024/25 Annual Business Plan contained several targets for the financial year with progress for each of these targets being captured in our corporate Balanced Scorecard reported to our Board and Committees. Targets are set alongside our 5-year Corporate Plan (2022-27), that was approved by our Board in the year (and therefore marks year three of the five year Corporate Plan).

Six of these were key targets and, overall, we achieved five of the six key targets, with one target not achieved. Our self-assessed performance against them is shown below:

Corporate Plan: Key target	Annual Business Plan 2024/25: Target and progress
Develop one new village and undertake two village extensions during the life of this corporate plan* delivering 400 new homes. (*subject to funding)	<p><b>Start on site with both Shenley Wood (SW3) and Bedford Wixams (BW2) extensions and secure agreement from the Board for our next development.</b></p> <ul style="list-style-type: none"> <li>• <b>Not achieved:</b> Tender exercises to appoint construction partners were undertaken, but unfortunately bids were significantly more than budget for both SW3 &amp; BW2. Despite value engineering, recent construction inflation has resulted in neither extension being financially viable at present; and</li> <li>• A new village site has been progressed: a design is completed and an exclusivity deal signed. A land purchase agreement is currently being drafted for consideration and approval.</li> </ul>
Achieve a resident experience rating of 80% or above in all villages and 90% or above in all schemes by the end of the corporate plan period.	<p><b>Achieve or exceed the target.</b></p> <ul style="list-style-type: none"> <li>• <b>Achieved:</b> Villages rated 92% and Schemes rated 96%.</li> </ul>
Each location will achieve a minimum CQC 'good' rating overall – with at least a third of our locations, by the end of this corporate plan period, having achieved 'outstanding' overall.	<p><b>Achieve CQC 'Good' or 'Outstanding' for all locations inspected during the year.</b></p> <ul style="list-style-type: none"> <li>• <b>Achieved:</b> Whilst all communities completed pre-inspection information requests from the CQC (PIR returns), no communities were inspected in the year.</li> </ul>

Corporate Plan: Key target	Annual Business Plan 2024/25: Target and progress
Maintain the following staff satisfaction scores: 75% of our employees will be satisfied with ExtraCare as an employer and 90% of our employees will be fully committed to our vision.	<p><b>Achieve or exceed the target.</b></p> <ul style="list-style-type: none"> <li>• <b>Achieved:</b> Staff satisfaction score was 84% (up from 80% in 2023 and 79% in 2022); and</li> <li>• Committed to our vision score was 94% (consistent with 94% in 2023 and 91% in 2022).</li> </ul> <p>(NB: Staff survey response rate was 72%, up from 61% in 2023 and 53% in 2022).</p>
Ensure we are capable of achieving a G1, V2 rating from the Regulator of Social Housing (RSH).	<p><b>Review our approach to our annual self-assessment against the Standards and ensure we are compliant with the new Consumer Standards.</b></p> <ul style="list-style-type: none"> <li>• <b>Achieved:</b> Compliance with regulations is regularly monitored and reported to the Board. A new self-assessment template has been developed, to include the new the new Consumer Standards.</li> </ul>
Generate a total surplus in excess of £10m each year and our Operating deficit will progressively reduce, reaching break-even in year 4.	<p><b>Achieve or exceed the Board-approved total surplus budget and operational deficit.</b></p> <ul style="list-style-type: none"> <li>• <b>Achieved:</b> Total surplus was £20.7M against a budget of £6.5M; and</li> <li>• <b>Achieved:</b> Operating deficit* – The management accounts operating deficit was £3.0M against a budgeted deficit of £3.4M.</li> </ul>

\* These figures are based upon our year-end management accounts and not the statutory financial statements. Operational performance in the management accounts measures the performance of our locations, rather than the overall operating performance.

## Financial performance

Our financial performance for this year, and the previous three years is reflected below. These ratios are our financial Key Performance Indicators (KPIs), with operational performance indicators being shown within the 'ExtraCare VfM metrics, targets, & performance indicators' section on page 32.

	2024/25	2023/24	2022/23	2021/22
Operating deficit	(£0.3M)	(£12.3M)	(£8.0M)	(£1.3M)
Total comprehensive income	£20.7M	£22.8M	£28.7M	£17.2M
Turnover	£68.9M	£65.1M	£53.7M	£47.0M
Reserves	£355.1M	£334.4M	£311.6M	£282.9M

Our financial performance remains strong and reflects the resilience of our Charity, with turnover increasing to £68.9 million, up from £65.1 million last year, demonstrating continued demand for our services. Most notably, we achieved a significant reduction in our operating deficit, from £12.3 million last year to just £0.3 million this year. This exceptional result is a testament to the strength of our operational management and our commitment to efficiency, particularly through effective cost control and a reduced cost of utilities compared to the 23/24 year. Our continued focus on reducing our operating deficit will ensure we remain well-positioned to continue delivering safe, supportive homes and vibrant communities for older people across the country.

The combined value of our cash and current asset investments has increased to £51.3M, compared to £45.4M at 31 March 2024, further strengthening the Charity's balance sheet. The value of provisions has reduced by £4.3M to £0.4M (2023/24: 4.7M), primarily reflecting a lower level of subsidisation of resident charges in 2025/26, resulting from the reduced cost of utilities. No indicators of impairment have been identified in 2024/25 in relation to our schemes and villages, which are considered to be separate Cash Generating Units (2023/24: Three locations identified, resulting in a total impairment of £1.4M).

The Board considers all properties with granted leases, including full and part equity leases, to be investment properties held for capital appreciation.

As such, these properties are re-valued at their fair value at each balance sheet date, with any changes in fair value recognised in the Statement of Comprehensive Income for the relevant period. Our innovative lease buyback model enables us to convert these revaluation gains into cash, providing a sustainable source of funding that supports our financial model throughout the home ownership cycle.

In contrast to our investment properties, rented properties held for social housing purposes are accounted for on a different basis. These properties remain on the balance sheet at their historic cost and are depreciated over their estimated useful life.



## Value for Money (VfM)

VfM informs how we plan, manage, and operate our Charity to ensure that we make the best use of our resources to deliver our vision of better lives for older people now and into the future.

We define VfM as getting the right balance of inputs, process and outcomes, as described by the 3 'E's:

- Economy: achieving the best price for what goes into providing a quality of service, minimising the resources required focusing on cost saving, cost avoidance or income generation;
- Efficiency: to accomplish something with the best use of time and effort; and
- Effectiveness: the relationship between the intended and actual results.

### VfM strategy (2022-27)

Our strategy provides the direction to ensure the 3 'E's identified above are embedded in our decision making and that a 'VfM mindset' is encouraged throughout the Charity. It provides the framework for how we will deliver our VfM targets and has an associated action plan, comprising 10 specific actions which will help us achieve greater VfM. The strategy can be summarised, simply as: *'Working collaboratively in delivering our corporate objectives by spending our money wisely.'*

The key drivers of the strategy have been greater sharing of best practice, defining key performance indicators (KPIs) which best represent the priorities of our Charity and our residents. We do not define Value for Money as being the cheapest option, but rather the option that adds most value, quality, and cost benefit.

## Regulator of Social Housing (RSH) VfM metrics, targets and performance indicators (PIs)

Our performance against the RSH metrics is shown below.

RSH VfM – metrics, targets & PIs	2023/24 Actual	2024/25 Target	2024/25 Actual	2025/26 Target
1. Reinvestment	0.9%	0.5%	1.2%	1.5%
2. New Supply				
- Social Housing	0.0%	0.0%	0.0%	0.0%
- Non-Social Housing	0.0%	0.0%	0.1%	0.0%
3. Gearing	14.1%	15.0%	12.4%	12.0%
4. EBITDA MRI*	-111.8%	25.0%	28.2%	30.0%
5. Headline Social Housing Cost per unit**	£13,157	£9,000	£13,069	£10,000
6. Operating Margin				
- Overall	-18.9%	-2.0%	-0.5%	0.0%
- Social Housing	-10.3%	25.0%	28.8%	30.0%
7. Return on Capital Employed (ROCE)	-2.4%	0.0%	-0.1%	0.0%

\* Earnings before interest, taxation, depreciation, amortisation, major repairs included, interest cover %

\*\* Includes the cost of subsidising resident property charges in 2023/24 and 2024/25.

Our Reinvestment percentage of 1.2% is slightly higher than our target of 0.5% reflecting our additional investment into our modernisation and maintenance programmes. As part of our modernisation programme, we review the use of existing space and repurpose this where appropriate to make them more engaging to our community. Our modernisation at New Oscott Village has facilitated an increase in our non-social housing stock by a further two units.

Our Headline Social Housing Cost per unit has improved year-on-year but is still higher than our targeted levels. This is driven by the impact of our decision to subsidise our residents' property charges, and the rolling programme of modernisation and maintenance investment into our properties. Without these investments, we would have further improved against our target and prior year metrics. The level of subsidy applied to resident charges for 2025/26 is £0.4M which is lower than the £4.7M applied in 2024/25, reflected in the lower value of provision, detailed in note 23 of the accounts.

**ExtraCare VfM metrics, targets & performance indicators**

In addition to the mandatory RSH metrics above we set our own internal VfM targets. These were chosen based on areas of activity which directly impact VfM or where a need to enhance performance had been identified.

ExtraCare VfM – metrics, targets & performance	2023/24 Actual	2024/25 Target	2024/25 Actual
1. Arrears (reduce value of payments due)	3.3%	2.5%	3.0%
2. Rental Voids (reduce average period for re-let)	26 weeks	20 weeks	22.7 weeks
3. Operations Surplus/(Deficit)	(£8.9M)	(£3.4M)	(£3.0M)
4. Loan to Value	39.1%	<45%	36.1%
5. CQC rating Good or Outstanding	95%	95%	94%*
6. Resident satisfaction rating at villages	90% villages 98% schemes	80% villages 90% schemes	92% villages 96% schemes
7. Reduce energy usage (overall intensity)	2.90 tonnes CO <sub>2</sub> e resident/year	2.52 tonnes CO <sub>2</sub> e resident/year	2.87 tonnes CO <sub>2</sub> e resident/year

\* The reduction in CQC rating Good or Outstanding, from 95% last year to 94% is a result of the transfer of Reeve Court and Brunswick Gardens to Your Housing Group in January 2025. The CQC ratings for the remaining locations have not changed.

- **Arrears:** have reduced slightly but are still above our target of 2.5%. We will continue to work with residents to provide information around the support we can offer as a charity, as well as support that is available from the government. This will be underpinned by the hard work and dedication of our Welfare Benefits Team that have generated £5.4M of new benefit entitlements for residents during the year.

- **Rental voids:** we have seen a significant reduction in void turnaround times during the year, but we still fell slightly short of our target. Our Operations colleagues have worked hard to improve the processes and develop the relationships we hold with nominating authorities, and we will continue to make progress with reducing our voids turnaround throughout 2025/26.
- **Operations deficit:** we have made excellent progress in reducing our Operations deficit as we continue towards our target of ensuring all our communities remain financially sustainable. The introduction of our Operational Blueprint and focus on standardisation is expected to make further progress in this area.

**Benchmarking**

Our Finance Team plays a crucial role in monitoring income and expenditure across our communities. To support this process, we have developed our internal reporting to enable us to benchmark performance between communities. This allows us to drive a culture of value for money throughout our Charity, ensuring that budget holders are empowered to make informed decisions to optimise the use of resources.

Our annual budgeting process is subject to rigorous scrutiny and approval, with multiple layers of sign-off from budget holders to Board level. This ensures that our financial plans are thoroughly reviewed and validated, providing a solid foundation for strategic planning and resource allocation. By setting meaningful targets and comparisons, we are able to drive performance and achieve our objectives.

The collaboration between our Finance Business Partners, Regional Operations Managers, and Location Managers is essential to the success of our budgeting process. By working together, we are able to identify areas for improvement and implement changes that enhance our overall financial performance.

**Social value**

As a charity dedicated to enhancing the lives of older people, we recognise the importance of delivering social value alongside our core objectives. Social value refers to the positive impact that organisations can have on the economy, communities, and society as a whole. Our focus is on creating value for our residents and local communities through our procurement activities and partnerships with suppliers.

To achieve this, our Procurement and Wellbeing teams work collaboratively to ensure that our initiatives are targeted effectively towards our resident community. This includes ensuring that our procurement processes consider our suppliers’ ability to deliver social value, which can encompass a range of areas, including promoting equity, diversity, and inclusion (EDI), sustainability, and supporting our vision of creating better lives for older people.

To ensure we remain at the forefront of innovation and best practice, we will maintain a close working relationship with our suppliers. This will enable us to stay informed about emerging initiatives and technologies within the sector, and to harness positive changes that support our mission to create sustainable communities. By doing so, we can continue to deliver social value and make a meaningful difference to the lives of our residents.

**Procurement**

The Charity is committed to achieving Value for Money (VfM) in all its procurement activities, whilst ensuring that contractual and commercial terms are robust and risk mitigation strategies are in place. To achieve this, we have developed a comprehensive Procurement Category Management framework, which enables us to continually assess and improve our procurement practices.

We also ensure that all our procurement activities are compliant with the Public Contracts Regulations 2015 and the Procurement Act 2023, as well as keeping pace with the evolving focus on Environmental, Social Governance (ESG) considerations.

As we move forward, we will continue to work closely with our supply base to embed ESG principles and practices, ensuring that our procurement activities not only deliver value for money but also contribute to a more sustainable and responsible future. By doing so, we can maintain the trust and confidence of our stakeholders, whilst also supporting the Charity’s vision to create better lives for older people.



## Managing key risks and uncertainties

Effective risk management is deeply embedded in our governance arrangements, enabling us to make informed decisions that support the delivery of our Corporate Plan. Our risk management process plays a vital role in identifying and mitigating potential risks, thereby adding value to our decision-making processes.

In March 2022, our Board undertook a comprehensive review of its risk appetite, which informed the development of our Corporate Plan 2022-27.

Recognising that a uniform approach to risk management may not be suitable for our diverse business activities, our Board has established a risk appetite framework that considers various generic risk categories. This tailored approach enables us to manage risks in a way that is proportionate to the specific needs and complexities of our operations, supporting the delivery of our Corporate Plan.

Risk Appetite					
Averse	Minimalist	Cautious		Open	Hungry
Compliance - Health & Safety	Compliance	Development	Fundraising and Retail	Sales	
		People and Culture	Operational	Technology	
		Financial	Reputational		

We have reviewed and updated our Risk Management Policy and Risk Management Strategy during the year, alongside continuing to evolve our risk reporting. This helps us to manage our risks, secure the right opportunities and deliver sustainable strategic priorities. We have early warning indicators for each of our strategic risks.

Our Board consider the strategic risks faced by the Charity to be:

Risk Appetite	
Legal & Regulatory Compliance	Averse to Minimalist
<p>Serious/major non-compliance with legal and regulatory requirements results in reportable breaches/incidents, potential investigations/sanctions/fines, reputational damage, and a weakened ability to deliver Corporate Plan objectives, targets and commitments.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Strategies and supporting policies and procedures/work instructions;</li> <li>Training, awareness and evaluation of ExtraCare staff;</li> <li>External/Third Party visits/inspections/reviews/advice; and</li> <li>Internal compliance processes and related procedures</li> </ul>	
People and Culture	Cautious
<p>Failure to align our people and culture (as a shared set of values, beliefs, systems, practices, underlying assumptions, attitudes and behaviours) undermines delivery of strategic goals and Corporate Plan objectives, targets and commitments (e.g. if key employees become disengaged/dissatisfied and leave, behaviours slide, clarity and mission is lost).</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Culture reinforced internally (amongst personnel and residents) and externally (through outward/public facing channels);</li> <li>Structure and succession planning;</li> <li>Belonging at ExtraCare Strategy;</li> <li>People Strategy; and</li> <li>Independent/third party review and assurance provided (e.g. Investors in People).</li> </ul>	

Risk Appetite	
Financial – Operations	Cautious
<p>Marked adverse variance to budgeted performance at locations, due to reductions in location income without a corresponding decrease in expenditure, or unbudgeted expenditure without corresponding income, resulting in increased deficits and a reduced ability to deliver the Charity's activities to meet the charitable purpose and deliver the Corporate Plan.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Strategies for care &amp; support;</li> <li>Charging and arrears policies for resident charges; and</li> <li>Financial performance and budget management.</li> </ul>	
Financial – Cash flow	Cautious
<p>Financing secured through borrowing and sales/resales, insufficient to support our funding needs, and or no satisfactory renegotiation of loan financing. This could result in failure to meet the development programme, a lack of key stakeholder confidence, a poor regulatory viability grading and impact delivery of the Business Plan and/or Corporate Plan objectives, targets and commitments.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Holding a minimum of £30 million in liquid balances;</li> <li>Funding in place to provide adequate total facilities;</li> <li>Regular review of cashflow requirements;</li> <li>Active treasury management supplemented by specialist advice; and</li> <li>Regular reporting to Executive Leadership Team, Audit and Assurance Committee, and Board.</li> </ul>	
Financial – Property Market Sales	Open
<p>A significant or sustained deterioration in the housing market (falling property prices/economic pressures/stagnation) or other factor affecting demand (for our properties) produces reduced levels of sales (new stock) and resales (existing stock) limiting the income (from sales) and surplus (from resales) realisable in support of debt financing, reinvestment and achievement of Business Plan and/or Corporate Plan objectives, targets and commitments.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Holding a minimum of £30 million in liquid balances;</li> <li>Demand measures including introduction of incentives, increasing levels of shared ownership and rentals;</li> <li>Headroom maintained between available facilities and borrowings; and</li> <li>An agreed mitigation plan which can be invoked when required.</li> </ul>	
Development	Cautious
<p>Challenges in suitable site locations/land and/or financing/cost, combined with uncertainty in the housing market/demand/economy/construction industry causes delays in the construction/opening/extension or refurbishment of villages. Impacting sales income, cashflow, resident satisfaction, reputation and delivery of Business Plan and/or Corporate Plan objectives, targets and commitments.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Development appraisal model in place which is refined for "lessons learnt" after each development;</li> <li>Approval required from Board of Trustees for new village developments;</li> <li>Regular review of cashflow requirements; and</li> <li>Contract management processes.</li> </ul>	
Infectious Disease (epidemic/pandemic)	Cautious
<p>Failure to plan adequately for risk management of epidemic or pandemic infectious disease outbreaks (both established e.g. influenza or emerging/novel e.g. COVID-19) impacts significantly on ExtraCare's operations and corporate activities, threatens delivery of corporate and operational objectives, plans and targets and jeopardises the Charity's continued viability.</p> <p>Mitigation and management measures include:</p> <ul style="list-style-type: none"> <li>Governance team formed in response to COVID-19 pandemic – could be re-mobilised upon need;</li> <li>Maintenance of funding and cashflow management, with cash holding significantly increased as a key mitigation; and</li> <li>Evidence, feedback, and lessons learned demonstrates organisational agility, resilience, and effectiveness of response to COVID-19.</li> </ul>	

**Internal audit**

We have outsourced our internal audit function to Forvis Mazars, a specialist and independent provider. In accordance with an approved Internal Audit Plan, our internal auditors conduct a thorough assessment of the design and effectiveness of our risk management and internal controls, providing regular reports to our Audit & Assurance Committee.

On the basis of their audit work, their opinion on the framework of governance, risk management and control was Moderate in its overall adequacy and effectiveness for 2024/25.

To ensure that any identified weaknesses or areas for improvement are addressed, we maintain a tracking process for Internal Audit recommendations, with ongoing oversight provided by the Audit & Assurance Committee. This enables us to monitor progress and implement necessary changes, to enhance the overall effectiveness of our governance, risk management, and internal control framework. We have improved our recommendation implementation rate in 2024/25.

**Risk summary**

Our Board of Trustees has:

- Considered the major risks and uncertainties to which the Charity is exposed;
- Satisfied themselves that systems or procedures are established to manage and mitigate these;
- Sought independent assurance from internal audit; and
- Recognised that controls will be strengthened as audit recommendations are implemented.



**Developing villages**

**Developing high-quality, accessible, and attractive villages is crucial to the success of our Charity. The income generated from property leases and rentals is a significant contributor to our overall surplus, which enables us to deliver a range of charitable services and maintain our buildings to a high standard. This approach not only preserves the value and demand for our properties but also sustains our unique model.**

We had previously planned to extend our Bedford Wixams Village and Shenley Wood Village, but unfortunately, the level of cost inflation in the construction industry has made it necessary to postpone these plans. Despite exploring ways to reduce costs through value engineering, the projects are not currently financially viable. We will continue to monitor the situation and revisit these opportunities when market conditions become more favourable.

In the meantime, we remain committed to identifying new development opportunities that align with our charitable objectives. We work closely with local authorities, developers, housebuilders, and construction partners to explore potential village sites and extension opportunities. Our mission is to create sustainable communities that provide homes older people want, lifestyles they can enjoy and care if it's needed, and we will continue to pursue this mission while ensuring that our development plans are financially sustainable and responsible.

**Construction and building innovation**

We will continue to evolve and improve our approach to construction, and explore innovative methods that can enhance efficiency, reduce disruption, and minimise environmental impact. Our focus is on adopting Modern Methods of Construction (MMC) such as panelised and modular build techniques, which have the potential to significantly reduce construction time on site and decrease noise and disruption to existing residents.

We anticipate that future developments will incorporate MMC, with a likely combination of modular build and offsite pod construction.

This approach will enable us to deliver high-quality buildings that meet the needs of our customers while also reducing our environmental footprint.

Our strategic approach is underpinned by two key frameworks: our Research and Innovation Strategy and our Energy and Sustainability Strategy. The Research and Innovation Strategy drives change and innovation across our communities, ensuring that our buildings remain relevant and responsive to the needs of current and future residents. Meanwhile, our Energy and Sustainability Strategy sets a clear expectation that all new developments will meet or exceed the Future Homes Standard, as well as ensuring that there is a focus on reducing our carbon emissions, both during the development phase and in the ongoing operation of our villages.

**Modernisation**

Our ongoing modernisation programme is dedicated to investing in our existing villages, ensuring they remain desirable and vibrant throughout their lifespan. A key aspect of this programme is our commitment to listening to the needs and aspirations of our residents, who are at the heart of everything we do. We engage in extensive consultation with them during the planning and design stages, guaranteeing that their voices are heard, and their feedback is incorporated into our modernisation plans.

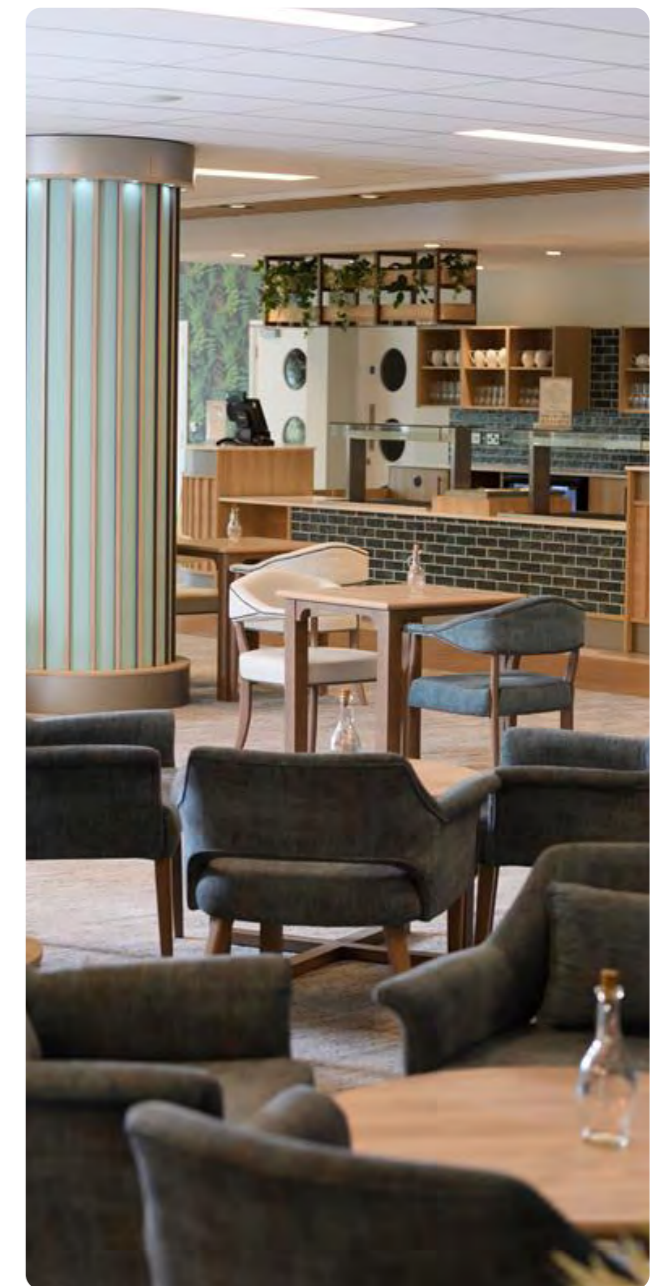
**The modernisation programme is guided by four core objectives:**

- Creating a more outward-looking village environment that fosters connections with the wider community;
- Optimising space utilisation within the village to enhance the overall resident experience;
- Developing a more environmentally friendly village that minimises its impact on the planet; and
- Harnessing technology to create a smart and connected village that supports the wellbeing of our residents.

In 2024/25, we successfully completed the modernisation programme at our New Oscott Village and commenced work to modernise our Shenley Wood Village.

Due to the planned extension to our Shenley Wood Village, we committed to residents to undertake our largest modernisation to date, alongside the extension development.

Despite the postponement of the extension, we remain committed to completing the modernisation. During the year, planning and consultation was undertaken for the modernisation of our Hagley Road village, for commencement in 2025. By committing to these ambitious programmes, we are demonstrating our dedication to providing living environments that meet the evolving needs and expectations of our residents.



**Initial property leases (initial sales)**

Initial sales units remain at two of our locations; Solihull Village and Bedford Wixams Village. The remaining units at Bedford Wixams Village were being intentionally held until the completion of our Phase 2 extension, but since the extension postponement have been marketed for sale.

The progress on sales of our new village locations is as follows on 31 March 2025:

Village	Opened	Initial leases granted in 2024/25	Total leases granted	Total initial leases available	% granted
Bedford Wixams	June 2019	0	177	184	96%
Solihull	January 2021	21	174	209	83%

**Subsequent property leases (resales)**

As our villages mature, we experience an increase in resale activity, driven by a consistent and strong demand for our unique product offering. Our resales performance continues to be robust, with a steady stream of transactions that contribute significantly to our cash reserves. Income from resales plays a crucial role in supporting our future development plans, including the creation of new villages and the modernisation of existing ones.

The growth of our resales programme over recent years is illustrated in the table below, which highlights the increasing volume of resale activity and its positive impact on our financial position. With a strong demand for our properties and a well-established resales process in place, we are confident that this trend will continue, providing a stable source of funding to support our operational and development initiatives.

	2024/25		2023/24		2022/23		2021/22		2020/21	
	£M	No.	£M	No.	£M	No.	£M	No.	£M	No.
Resales	66.3	222	62.1	219	58.2	216	41.2	160	34.5	121
Surrenders	(48.1)	(227)	(45.2)	(234)	(38.7)	(211)	(35.6)	(191)	(25.1)	(140)
Total	18.2	(5)	16.9	(15)	19.5	5	5.6	(31)	9.4	(19)

‘ Knowing Mum’s safe and surrounded by people makes a huge difference. We don’t worry anymore, she has a new lease of life. ’

**Bridget, Alyson & Corynda**  
Sunley Court



## Operating our communities

Operating our communities effectively is key to our residents enjoying an active and fulfilling lifestyle, reassured by the knowledge that they can access good quality care when needed, in the comfort of their own home.

### Engaging customers/resident satisfaction

We're committed to creating thriving communities where residents feel valued, heard, and empowered. To achieve this, we offer a range of engagement opportunities that enable residents to shape their community and influence our services. Locally, residents can get involved in various ways, including:

- Participating in Residents' Associations;
- Providing feedback through our 'We're Listening' surveys and Annual Residents' Survey;
- Joining recruitment panels;
- Attending monthly street meetings; and
- Engaging with local groups and volunteering initiatives.

During the year, we were delighted to feature in the BBC documentary *Rose Ayling-Ellis: Old Hands, New Tricks*, which aired in March and April 2025. The documentary followed *Strictly Come Dancing* Winner Rose Ayling-Ellis and British Sign Language (BSL) instructor Marios Costi as they introduced a group of residents, aged 65 to 95, to BSL at our Hughenden Village.

The show quickly became more than a lesson in language. Residents connected deeply, rediscovered purpose and tackled loneliness, showcasing the value that ExtraCare and its focus on wellbeing can provide to its residents.

At a corporate level, our Residents' Forum plays a crucial role in shaping ExtraCare's policies and strategic direction. As the primary representative body for residents, the Residents' Forum provides a platform for consultation on key issues such as service delivery, performance, and strategic plans. The Chair and Vice-Chair of the Residents' Forum are voting Members of ExtraCare, ensuring that resident perspectives are represented at the highest level.

By working in partnership with our residents, we aim to create strong, cohesive communities that foster a positive living experience.

Our collaborative approach is built on mutual respect, trust, and open communication, empowering residents to take an active role in shaping their community and ensuring that their needs are met and exceeded.



## Care Quality

The initial rollout of our new Care Delivery and Rostering system (Birdie) was completed in February 2025, meaning that all locations are now using the system in helping to deliver care, with circa 14,000 care visits and 98,000 care delivery tasks being digitally managed and recorded each week. We have already seen efficiency gains and improved reporting from the implementation, and most importantly, our care staff are able to spend more quality time with residents as the administration and paperwork processes are reduced.

There were no inspections undertaken by the CQC during 2024/25. We remain very proud that at the 31 March 2025, 17 of the 18 inspected locations were currently rated 'Good' or 'Outstanding' by the CQC.

- Three 'Outstanding' overall: Hagley Road, Lovat Fields and Shenley Wood Villages;
- 14 'Good' overall: Bournville Gardens Village, Earlsdon Park Village, Hughenden Gardens Village, Humber Court, Lark Hill Village, Longbridge Village, New Oscott Village, Rosewood Court, Stoke Gifford Village, St Oswalds Village, Sunley Court, Solihull Village, Bedford Wixams Village and Yates Court. Four of the 14 rated 'Good' overall were rated outstanding in one domain; and
- One rating of 'Requires Improvement' at Pannel Croft Village (inspection carried out in June 2019). Whilst we can't improve on this rating until the next inspection, we will continue with an internal inspection programme to review the quality of our services.

### Farewell to Reeve Court and Brunswick Gardens

With sadness, we ended the partnership with Your Housing Group at Brunswick Gardens in Sheffield and Reeve Court in St Helens in January 2025. The communities therefore reverted to the full ownership of Your Housing Group. We are grateful to the ExtraCare staff in these communities who continued to provide support to residents up until the point of transfer. We were sorry to lose these communities, and we wish them well for the future.

## Location surpluses

Our Corporate Plan 2022-27 outlines a clear goal: to ensure all our locations break even by 2027. Despite challenges, including the cost-of-living crisis and exceptional energy costs in recent years, we remain committed to improving financial performance without compromising on quality.

The service we deliver to residents is at the very heart of our new Operational Blueprint, that defines how we will operate our villages in accordance with our mission, vision and values.

Greater standardisation of operational and commercial processes across our locations will ensure that we continue to deliver our services to the highest standard whilst ensuring that each village remains financially sustainable.

Our Operational Blueprint focuses on five key operational areas, each with set objectives for enhancing the experience of our residents and staff. These are:

- Assets: we will maintain our assets to the highest possible standard to ensure our homes and communities remain safe, secure and desirable to current and prospective residents;
- Financial: we will ensure consistent and effective financial management, ensuring a focus on value for money and financial sustainability;
- Lifestyle: our lifestyle services and activities will help to build thriving communities and support and improve the wellbeing of our residents;
- Engagement: we will have a consistent approach to resident engagement across our communities, ensuring that all resident voices are heard; and
- Staff: our staff will have the right skills, remuneration and support to excel in their roles, to ensure staff and resident satisfaction and reduce staff turnover.

## Streamlined energy and carbon reporting

Our Charity is committed to improving its environmental performance and reducing our carbon footprint – we have set ourselves an ambitious target of achieving carbon net-zero by 2045. Reports submitted to our Committees and Board include the requirement to evaluate any environmental considerations.

### Energy and Sustainability Group

As our progress towards achieving net-zero continues, we have implemented a new Environment and Sustainability Strategy for 2025–28 and expanded the scope and purpose of our Energy Group. Now operating as the Energy and Sustainability Group, this cross-functional team plays a central role in supporting the Charity’s broader environmental ambitions. The group has evolved to reflect a more integrated approach to delivering sustainable services, energy efficiency, and environmental compliance while continuing to support our residents.

During the development of our new Environment and Sustainability Strategy, we re-evaluated our carbon net-zero target to ensure it remains realistic and achievable but also ambitious. We are redesigning our Energy and Sustainability Dashboards to include additional detail and insight, to help us identify further opportunities to reduce consumption.



## Emissions, waste & recycling

We impact on our environment directly through the operation of our properties and indirectly through activities which support our Charity such as business travel, purchasing of goods and services, and strategic actions such as building new villages. Whilst our retail subsidiary helps raise valuable funds for our Charity, it also adds value to our recycling contribution and the prevention of usable goods making their way to landfill.

In line with Government Environmental Reporting Guidance and the Streamlined Energy and Carbon Reporting (SECR) requirements, we have assessed the organisational boundary and scope/type of emissions as follows (overleaf):

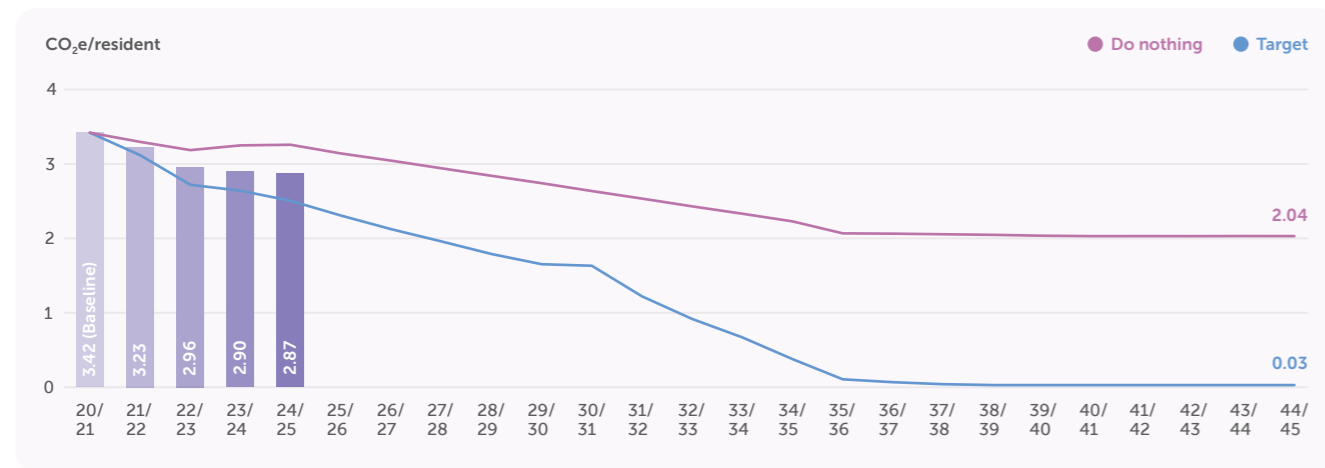
- **Reporting Boundary:** this report aims to identify and quantify the energy use and environmental impacts that occur owing to the operation of the villages and schemes owned by ExtraCare, the head office building in Coventry and all retail sites that were in operation throughout 2024/25 as well as travel activities of staff in supporting the Charity and subsidiary.
- **Scope of Emissions:** this report aims to identify and quantify the following types of emissions:
  - **Scope 1 Direct Emissions** - emissions due to the use of natural gas in boilers to provide heating, hot water, laundry equipment and catering within buildings;
  - **Scope 2 Energy Indirect Emissions** - emissions due to the use of electricity to provide lighting, catering, hot water and power for electrical equipment within buildings; and
  - **Scope 3 Other Indirect Emissions** - emissions due to the consumption of water within buildings and the disposal of liquid and solid waste.

Emission Type	Emission Source	Current Reporting Year			Previous Year			% change	
		Amount	Unit	Emissions (tCO <sub>2</sub> e)	Amount	Unit	Emissions (tCO <sub>2</sub> e)	Unit	Emissions (tCO <sub>2</sub> e)
Scope 1	Gas	42,495,318	kWh	7,772.4	42,569,949	kWh	7,787.3	-0.2%	-0.2%
Scope 2	Electricity	18,016,806	kWh	3,730.4	18,125,355	kWh	3,753.3	-0.6%	-0.6%
Scope 3	Water	189,581	m <sup>3</sup>	29.0	212,792	m <sup>3</sup>	37.6	-10.9%	-22.8%
	Waste – Liquid	179,546	m <sup>3</sup>	33.3	201,410	m <sup>3</sup>	40.5	-10.9%	-17.8%
	Waste – Solid	103	Tonnes	0.7	91	Tonnes	32.1	14.1%	-97.9%
	Travel	281,242	Miles	75.5	222,585	Miles	55.8	26.4%	35.5%
<b>Total Scope 1,2,3</b>				<b>11,641.4</b>			<b>11,706.6</b>	<b>-0.6%</b>	<b>-0.6%</b>

- The emissions include Scope 1 (gas used in buildings), Scope 2 (electricity use in buildings) and a proportion of Scope 3 (water, waste and business travel). These are the emissions that are to some extent under the direct control and influence of ExtraCare and for which data was available to calculate emissions;
- The other major Scope 3 emissions are those relating to purchasing of goods and services by the Charity, for which further work will be needed with suppliers to quantify;
- The calculated Scope 1, 2 and 3 emissions for ExtraCare (gas, electricity, water, waste and business travel) have decreased by 0.6% compared to last year;
- The 2024/25 intensity ratio for ExtraCare is 2.87 tonnes CO<sub>2</sub>e/resident/year (including water, waste and staff travel), which is 16.0% below the 2020/21 baseline; and
- The long-term target for ExtraCare is to be net-zero carbon for the stated emissions by 2045, the trajectory of which is shown for scope 1 & 2 emissions in the graph below. The target reduction by 2024/25 was 26.3% compared to the 16.0% achieved.



Intensity ratio against target



Intensity ratio

We provide services for residents and hence the most appropriate metric to use is the emissions per resident, per year. This will allow for comparisons over time and eventually between villages.

	Current Reporting Year	Previous Reporting Year	% change
Number of residents	4,050	4,038	0.3%
Overall intensity (CO <sub>2</sub> e/resident)	2.87	2.90	-0.9%
Building energy (CO <sub>2</sub> e/resident)	2.84	2.86	-0.6%

Methodology used

The key processes in compiling this report were as follows:

- Energy and water data for the villages, head office and retail were collated based on supplier invoices;
- Waste and recycling data was provided by the contracted waste provider data portal and is based on transfer note data (NB: Waste figures do not cover retail sites which have minimum waste disposal);
- Travel data was based on staff expense claims;
- Intensity ratio was based on our average resident population during 2024/25;
- All conversion factors were based on 2023 UK Government Conversion Factors for greenhouse gas (GHG) reporting; and
- Carbon factors for re-use and recycling were not available for 2024, so the most similar available factor was used.

Efficiency actions

- This year ExtraCare have partnered with an energy consultancy to produce a Net-Zero Roadmap, which will inform our decarbonisation strategy over the next 5-10 years.
- We have produced our Environment and Sustainability Strategy to outline key themes and projects over the next three financial years, 2025-28, to reduce our energy consumption and carbon emissions. Some key actions taken over this year include:
  - A programme for lighting upgrades;
  - Building Management System (BMS) and Heating, Ventilation and Air Conditioning (HVAC) controls optimisation;
  - Increased resident and staff engagement to promote behavioural changes; and
  - Implementation of Eco Stations in locations to promote recycling.

Supporting our communities

At the heart of our charitable underpinning is a commitment to using our resources to make a positive impact on the lives of our residents. We achieve this by generating surpluses from certain areas of activity and using them to subsidise vital care and wellbeing services. This approach enables us to deliver affordable and accessible support to all our residents, regardless of their background or circumstances.

Our ability to provide these services is made possible by the dedication, generosity, and support of our donors, residents, staff, community volunteers, and external supporters. Their contributions are essential to our operations, and we're grateful for their dedication and generosity. By working together, we can continue to grow and improve our services, ensuring that they remain high-quality and effective in supporting the health and wellbeing of our residents.

As a charity, we're proud that every pound we generate gets reinvested in making a real difference to the lives of our residents. Our goal is to provide services that are tailored to the needs of our residents, and to ensure that everyone has access to the support they need to thrive.

Volunteering

Our ExtraCare communities flourish thanks to the dedication and enthusiasm of over 2,000 active volunteers, with around half of these being residents themselves. These volunteers play a vital role in various areas of activity, including our charity shops, events and community facilities such as gyms and bistros.

Volunteering with us brings numerous benefits to individuals, from improving mental and physical wellbeing to gaining new skills and experiences. We strive to support each volunteer in achieving their goals while they help us realise our vision and mission.

During the year we were delighted to achieve the Investing in Volunteers (IiV) standard; an award that highlights how much the Charity values volunteers and demonstrates our commitment to volunteering in the Charity.

In recognition of our staff and volunteers we host multiple annual awards, including our 'Liz Taylor Awards' and Heart of ExtraCare awards, which provide an opportunity for us to acknowledge the hard work and achievements of our team.

In addition to individual volunteering opportunities, we also provide valuable placements and work experience for students, as well as corporate volunteering opportunities for organisations seeking to give back to the community. By working together, we create a supportive and inclusive environment that benefits everyone involved.

ExtraCare charity shops

In 2024/25 our retail activities, through our charity shops, generated a total pre-tax profit of £117K (2023/24: £271K).

The past year has been particularly challenging for the wider retail sector with increasing costs and low consumer confidence applying pressure on delivering against budgeted expectations. Many retailers have had to reorganise themselves to remain in a rapidly changing landscape. However, as charity retailers we have unique advantages. Through the sale of donated goods, we can compete on price and are uniquely placed to respond to changing attitudes towards fast fashion and sustainability.

Our new Retail Strategy was launched in 2024 with a continued focus on improving the profile of the business. Driving engagement at local level we will make it convenient for supporters to donate and volunteer with us. We will continue to assess our shop locations and renegotiate leases to secure more favourable terms, in addition to opening new shops where there is an opportunity to further enhance our retail portfolio.

**Fundraising activity**

We're delighted to report that we have generated £131K through fundraising in 2024/25 (2023/24: £42K). Our residents, trusts, foundations, challenge appeals, and corporate donors have all contributed to this success. With the appointment of our new Fundraising Manager and the launch of our new Fundraising Strategy 2025-28, there is a renewed focus on strengthening our fundraising capabilities. We are hopeful that these developments will lead to further growth in fundraising income in the coming years.

**Research and innovation**

We were delighted that our Research and Innovation team was named a finalist in the 'Supported Housing Innovation' category at the National Housing and Care Awards 2024. This recognition reflects our ongoing commitment to finding better ways to support independent, fulfilling later life through research-led practice. We believe that greater use of technology has the potential to make a positive impact on the lives of our residents, which is why we're committed to exploring innovative technologies to support our residents in their daily lives. By embracing digital innovation, we aim to enhance their independence, improve their digital skills, and boost their overall wellbeing.

One of the ways we've achieved this is through our innovative 'Smart Market' initiative. This unique platform gave residents the opportunity to test and explore a wide range of cutting-edge technologies before deciding whether to adopt them in their own homes. By partnering with external organisations, we were able to extend this offering to residents who might not have otherwise had access to it, providing them with technology and broadband access that can help bridge the digital divide. Our Innovation Apartment at Solihull Village has become a hub for showcasing the latest technologies, allowing residents and visitors to see firsthand how they can be used to enhance daily life.

Our partnerships with universities remain a key aspect of our innovation strategy. These collaborations enable residents to participate in high-quality research studies that focus on creating better lives and overcoming barriers. For our staff, these partnerships provide opportunities for professional development, allowing them to learn from academics and adapt their practice to meet the evolving needs of our residents. At the same time, we're able to share our expertise and insights with researchers, helping to inform the development of new technologies and care models that can benefit people as they age.



**People, processes and technology**

**People**

We are dedicated to creating an environment that supports the wellbeing and happiness of our residents, workforce and volunteers. We believe that by fostering a positive and inclusive culture, we can deliver exceptional care and services that truly make a difference to the lives of those we support.

To achieve this, we have prioritised a focus on training as well as investing in the development, wellbeing, and job satisfaction of our workforce, recognising that they are essential to delivering high-quality care and services. Our 2024-2027 People Strategy outlines our commitment to attracting, retaining, developing, and engaging with our people, ensuring that they feel valued, supported, and empowered to provide outstanding services to our residents.

During the year we developed our new Belonging at ExtraCare strategy, which was created through open dialogue with key stakeholders and approved by the Board of Trustees. This strategy follows on from our previous Equality, Diversity and Inclusion Strategy and aims to ensure that residents, staff, and volunteers feel valued, included and empowered.

Our commitment to excellence in people management has been recognised through our Gold Award accreditation from Investors in People (IiP). We are proud to pay the Real Living Wage as a minimum to all Trust staff, recognising the impact of increases in the cost-of-living in recent years. We also provide a range of benefits, including increased employer pension contributions, extra annual leave for long-serving staff, improved bank holiday arrangements, and enhanced maternity, paternity, and adoption pay.

In addition, we continue to focus on attracting and retaining a high-quality workforce by regularly reviewing our employee benefits to ensure they remain competitive and attractive, enabling us to create a work environment that supports the growth, wellbeing, and job satisfaction of all our staff.

Our 2024 staff survey showed that:

- **84% of our employees are satisfied** with ExtraCare as an employer - our target was 75%; and
- **94% of our employees remain fully committed** to our vision and values - our target was 90%.

**IT and digital**

We continue to progress with our digital transformation. A new updated three-year strategy, with resident input and consultation was approved by the Board this financial year. Resources have been increased to support delivery of that strategy with a focus on the new digital skills we need.

Following a thorough procurement exercise we have signed a contract for a new Housing Management System (HMS), known internally as 'Project Connect'. This will be our largest system implementation to date, impacting most of our colleagues in some way. To ensure a seamless rollout, a dedicated programme team has been established to carefully review and analyse our current business processes and data, laying the groundwork for a successful implementation.

Our IT department has rolled out over 280 new desktop and laptop computers to our locations, enhancing the efficiency and digital experience of our colleagues. We have also completed the migration to Windows 11, ready for the discontinuation of Windows 10. New data connectivity (CD-WAN) has been deployed to all sites increasing bandwidth and resilience. This provides a sound foundation for the increase in devices and usage as we further digitalise.

Cyber security remains a priority with a focus this year on the "respond" and "recover" areas of our Cyber Security Strategy. We have adopted the National Institute of Standards & Technology (NIST) Cyber Security Framework to plan and track our cyber security preparedness. We have strengthened our incident response procedures and improved our recovery planning in addition to the routine addition and strengthening of security controls.

On behalf of the Trustees:  
**Nick Baldwin CBE**  
Chair

23 September 2025

Living in an ExtraCare village, where there is care on hand if you need it, gives you complete peace of mind.

Mark & Tina  
Hughenden Gardens Village



## The Board's responsibilities in the preparation of accounts

The Board of Trustees (who are also the Directors of The ExtraCare Charitable Trust for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company, housing and charity law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the income and expenditure of the Group for that period. In preparing the Group and Company financial statements, the Trustees, as Directors, are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Statement of Recommended Practice 'Accounting by Registered Housing Providers Update 2018';
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Trustees, as Directors, are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the ExtraCare Charitable Trust website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# To the members of the ExtraCare Charitable Trust

## Opinion

We have audited the financial statements of The ExtraCare Charitable Trust (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, the Group and Charity Statement of Financial Position, the Group and Charity Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2025 and of the group's income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Board's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Board's report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Board's report.

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

- Adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements are not in agreement with the accounting records and returns; or

- Certain disclosures of the Board's remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page 49, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 and tax compliance legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that may have an indirect impact on the financial statements are Health and Safety at Work Act 1974 and Regulator of Social Housing Regulatory Standards (both Economic and Consumer standards), compliance with the Care Quality Commission requirements and the General Data Protection Regulations as set out in the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the Group is in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities.

The Group audit engagement team identified the risk of management override of controls and the completeness, valuation and cut off risk for retail and all income except social housing rental as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantive and controls testing along with data analytics for income.

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

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Anna Spencer-Gray**  
Senior Statutory Auditor  
For and on behalf of RSM UK Audit LLP  
Statutory Auditor Chartered Accountants

103 Colmore Row  
Birmingham  
B3 3AG

25 September 2025



## Consolidated statement of comprehensive income

For the year ended 31 March 2025

		2025	2024
	Note	£'000	£'000
Turnover	3	68,915	65,105
Operating expenditure	3	(69,264)	(77,402)
<b>Operating deficit</b>	<b>8</b>	<b>(349)</b>	<b>(12,297)</b>
Interest receivable	-	992	852
Interest and financing costs	5	(5,520)	(5,768)
Increase/(Decrease) in fair value of listed investment	16	775	1,218
Increase in fair value of investment properties	12	24,421	40,065
<b>Surplus before tax</b>		<b>20,319</b>	<b>24,070</b>
Taxation	28	-	-
<b>Surplus for the year</b>		<b>20,319</b>	<b>24,070</b>
Other comprehensive pension income/(expenditure)	22	-	(1,232)
Defined benefit pension costs recognised in other comprehensive income	22	358	-
<b>Total comprehensive income for the year</b>		<b>20,677</b>	<b>22,838</b>

The results for both years are wholly attributable to continuing activities.

The notes on pages 58 to 87 form part of these financial statements.

## Statement of financial position

As at 31 March 2025

		Group		Charity	
		2025	2024	2025	2024
	Note	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	9	512	533	512	533
Tangible fixed assets	10, 11	134,685	135,213	134,685	135,213
Investment properties	12	878,953	851,457	878,953	851,457
		<b>1,014,150</b>	<b>987,203</b>	<b>1,014,150</b>	<b>987,203</b>
<b>Current assets</b>					
Stocks and assets held for disposal	14	60	63	-	-
Trade and other debtors	15	6,660	7,839	6,650	7,886
Current asset investments	16	21,037	20,262	21,037	20,262
Cash and cash equivalents		30,282	25,160	30,212	25,031
		<b>58,039</b>	<b>53,324</b>	<b>57,899</b>	<b>53,179</b>
Creditors: Amounts falling due within one year	17	(554,130)	(534,506)	(553,990)	(534,361)
<b>Net current liabilities</b>		<b>(496,091)</b>	<b>(481,182)</b>	<b>(496,091)</b>	<b>(481,182)</b>
<b>Total assets less current liabilities</b>		<b>518,059</b>	<b>506,021</b>	<b>518,059</b>	<b>506,021</b>
Creditors: Amounts falling due after more than one year	18	(157,570)	(160,278)	(157,570)	(160,278)
Defined benefit pension liability	22	(4,990)	(6,624)	(4,990)	(6,624)
Other provisions	23	(401)	(4,698)	(401)	(4,698)
<b>Total net assets</b>		<b>355,098</b>	<b>334,421</b>	<b>355,098</b>	<b>334,421</b>
<b>Capital &amp; reserves:</b>					
Restricted reserves	25	6,412	6,376	6,412	6,376
Revenue reserves		348,686	328,045	348,686	328,045
		<b>355,098</b>	<b>334,421</b>	<b>355,098</b>	<b>334,421</b>

Company registration number: 02205136

These financial statements were approved by the Board of Directors on 23 September 2025 and signed on its behalf by:



Nick Baldwin CBE  
Chair



Richard Clarke  
Trustee

## Statement of changes in reserves

As at 31 March 2025

	Group		Charity	
	Restricted reserve	Income and expenditure reserve	Restricted reserve	Income and expenditure reserve
	£'000	£'000	£'000	£'000
At 1 April 2023	6,423	305,160	6,423	305,160
Surplus for the year	-	22,838	-	22,838
Transfer (from)/to restricted reserves	(47)	47	(47)	47
<b>As at 31 March 2024</b>	<b>6,376</b>	<b>328,045</b>	<b>6,376</b>	<b>328,045</b>
At 1 April 2024	6,376	328,045	6,376	328,045
Surplus for the year	-	20,677	-	20,677
Transfer (from)/to restricted reserves	36	(36)	36	(36)
<b>As at 31 March 2025</b>	<b>6,412</b>	<b>348,686</b>	<b>6,412</b>	<b>348,686</b>

## Consolidated statement of cash flows

For the year ended 31 March 2025

		2025	2024
	Note	£'000	£'000
<b>Net Cash outflow from operating activities</b>	<b>33</b>	<b>(4,789)</b>	<b>(11,598)</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets		(8,554)	(7,954)
Interest received		992	852
<b>Net cash used in investing activities</b>		<b>(7,562)</b>	<b>(7,102)</b>
<b>Cash flow from financing activities</b>			
Interest paid		(5,010)	(5,438)
New secured loans		-	26,660
Repayments of borrowings		(2,195)	(28,816)
Payments received on property leases		72,740	73,486
Settlement of property repurchase liability		(48,062)	(45,158)
<b>Net cash used in financing activities</b>		<b>17,473</b>	<b>20,734</b>
<b>Net change in cash and cash equivalents</b>		<b>5,122</b>	<b>2,034</b>
Cash & cash equivalents at beginning of the year		25,160	23,126
<b>Cash &amp; cash equivalents at end of the year</b>		<b>30,282</b>	<b>25,160</b>

## 1. Legal status

The ExtraCare Charitable Trust is a private company limited by guarantee registered and incorporated in England and is an English registered social housing provider. The address of ExtraCare's registered office and principal place of business is 7 Harry Weston Road, Binley Business Park, Coventry, CV3 2SN. The principal activities are providing housing and care to older people.

## 2. Principal accounting policies

### Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. They are prepared under the historical cost convention modified to include certain financial instruments at fair value and according to the Housing SORP 2018 'Statement of Recommended Practice for Registered Housing Providers'. They also comply with the Accounting Direction for Private Registered Providers of Social Housing 2019. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

### Public Benefit Entity

The Charity is a Public Benefit Entity, as defined within FRS 102 as "an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members".

### Basis of consolidation

The group accounts consolidate the accounts of the Charity and its subsidiary undertaking. Intra group transactions, balances and profits are eliminated on consolidation. The consolidation is carried out on a line by line basis and each entity has coterminous year end dates.

The accounts for the Charity include recharges with a subsidiary undertaking which runs charity shops to raise charitable funds.

The recharges are based on resources used and payments made. The parent Charity has taken advantage of the exemption from presenting its unconsolidated Statement of Comprehensive Income under Section 408 of the Companies Act 2006. The Company has taken advantage of the exemption from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.

### Going concern

Our 30-year financial plan is based on robust assumptions and includes a target headroom of £30M in liquid asset reserves to allow us to withstand a range of potential risks.

Following stress testing the Board agreed for prudent assumptions around the net cash inflow from granting of subsequent property leases to be factored into our business plan to mitigate our market risk exposure to factors such as a declining property market.

Our balance sheet shows a net current liabilities position of £496M (2024: £481M), which is expected given our property buyback model. The Board are comfortable with this, seeing a continually strong demand for our sales properties.

We model the risk of any movement within our cashflow forecasting, stress testing and medium and long term business planning models.

The Board recognises that the covenants in place with funders are appropriate to making an assessment of our financial position and are satisfied that covenant calculations for the loans disclosed in note 19 of the financial statements are compliant with those agreed by both our funders.

Our financial statements comply with all the current statutory requirements and with the requirements of the Charity's Articles of Association. After making all reasonable enquiries, the Board have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from sign off of these financial statements.

## 2. Principal accounting policies (continued)

In coming to this decision, the Board have considered on-going financial performance data, stress testing of the cashflow, and any actual or potential future liabilities. The Board are therefore confident in confirming that the Charity is viable as a going concern.

### Turnover

Turnover is measured at the fair value of the cash consideration received or receivable. The Charity generates the following material income streams:

- Rental income receivable (after deducting lost rent from empty properties available for letting); and
- Invoiced amounts receivable from the delivery of care and health services.

Rental income is recognised from the point when properties under development reach practical completion and are let. Grants, donations, legacies and similar income are accounted for as soon as their amount and receipt are certain. In the case of unsolicited donations, this is usually only when they are received, while fundraising results are accounted for when the commitment is made by the donor, subject to fulfilment. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Turnover is included on an accruals basis.

The income from goods donated for resale in the Charity shops is included in the accounts when those goods are sold. No value is placed on any stock of such goods. Donated services and facilities are included at the value to the Charity where this can be quantified.

Investment income is included when receivable by the Group.

The largest source of cash generated by the Group is not shown within turnover, as it relates to the granting (and subsequent regranteeing) of property leases subject to a buyback liability.

### Service charges

Where schemes are on fixed service charges, income is recognised in the financial statements in line with the amounts charged to the occupant.

Certain villages operate variable service charges. Where there is any difference between the estimated cost recovered from tenants and leaseholders and the actual cost incurred, any such shortfall or surplus arising is carried forward and either collected or refunded against the future year's charge.

Any shortfall or surplus arising is shown in the statement of financial position within debtors or creditors as appropriate.

### Intangible fixed assets

Capitalised IT software expenditure is initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Capitalised IT software expenditure is amortised on a straight-line basis over its useful life which is 3 years.

### Taxation

The parent Charity is exempt from corporation tax as a registered charity. The trading subsidiary is subject to corporation tax on any profits not distributed by gift aid to the parent Charity.

### VAT

The parent Charity is partially exempt for VAT purposes, and consequently VAT incurred cannot be fully recovered. Where VAT is not recoverable the expenditure is shown inclusive of VAT.

### Impairment (excluding investment properties)

Fixed assets are reviewed for impairment following an assessment at each reporting date if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairment losses in the Consolidated Statement of Comprehensive Income.

## Notes to the financial statements

For the year ended 31 March 2025

### 2. Principal accounting policies (continued)

#### Capitalisation of interest

Interest incurred up to the time that identifiable major capital projects are ready for service is capitalised as part of the cost of the assets and shown within fixed assets, based on interest charged on loans relating to each project.

#### Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal.

#### Restricted reserves

These are reserves that can only be applied for specified purposes. The reserve is held for the purpose as specified by the donor. This is usually for a specific appeal. Incoming reserves are accounted for on receipt but with reference to certain performance criteria within an agreement. Where cash has been received but performance criteria have not yet been met, such income is deferred and released to the Consolidated Statement of Comprehensive Income on achievement of such criteria.

#### Management of housing property for other social landlords

Where the Charity has been appointed as an agent by a Housing Association partner to provide support to the service users and the support contract with the Commissioning Authority is held (and carries the financial risk), the Consolidated Statement of Comprehensive Income includes only that income and expenditure which relates solely to the Charity.

#### Retirement benefits

The Charity provides its employees with retirements benefits under three different policies.

##### Defined contribution pension scheme

This is a flexible retirement plan operated by The Pensions Trust. It is the plan offered to all new employees.

The amount charged to the Consolidated Statement of Comprehensive Income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### Defined benefit pension scheme

Some of the Charity's employees are members of the Social Housing Pension Scheme (SHPS). This plan is no longer open for new employees, although remains active for those who had historically signed into it. For the SHPS, retirement benefits to colleagues of the Company are funded by contributions from all participating employers and employees in the Scheme. Payments are made to a fund operated by the Pensions Trust, an independent trust providing superannuation benefits for employees of voluntary organisations. These payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Companies taken as a whole.

Actuarial assumptions are applied to determine each company's share of liabilities. The assumptions are updated at the year end, and the changes to the position go through the 'Other Comprehensive Income' statement. Calculations are carried out annually and independently of the pension triennial valuation.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

The Charity also still retains a small liability for a growth plan operated by The Pensions Trust (being the SHPS managers). For the Growth Plan, contributions are recognised in expenditure in the period to which they relate as there is insufficient information available to use defined benefit accounting. A liability is recognised for contributions arising from an agreement with the multiemployer plan that determines how the Charity will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end.

##### Tangible fixed assets - housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent and are stated at cost less depreciation.

## Notes to the financial statements

For the year ended 31 March 2025

### 2. Principal accounting policies (continued)

Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Improvements are works to existing properties, and component replacements which have been treated separately for depreciation purposes, which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Only the incremental direct overhead costs associated with new developments or improvements are capitalised. Direct overhead costs comprise the costs of staff time, including salary costs and other apportioned direct costs, incurred on the developments from the date from which it is reasonably likely that the development will go ahead, to the date of practical completion.

#### Investment properties

The classification of properties as investment property or property, plant and equipment is based upon the intended use of the property. Mixed use property is separated between investment property and property, plant and equipment.

Investment properties are initially measured at cost and subsequently measured at fair value annually with any change recognised in the Statement of Comprehensive Income. This calculation is based on the lease price achieved for a property, or on the average price of a similar archetype (location, property size, and other design specifications).

Each investment property is measured based upon active secured prices, impaired if there are known factors that are likely to affect them going forward. These factors may include the impact of prices being discounted or to account for other indications of lower market value. Where there is an interest held by one of our partners, we reflect the terms of the contractual agreement in the presentation of the fair value movement. Investment properties are not depreciated. Investment properties are leased through an upfront payment, equivalent in value (for the proportion of the property leased) to a commercial outright purchase.

When a lease is terminated, the Charity has a contractual obligation to refund the payment, less a 1% per annum deduction (to a maximum of 10%).

At the end of any lease the Trust could take the decision to lease the property under different terms, including removing the obligation to repurchase. It would be at this point that any capital appreciation would be realised as a capital gain. Such choice is within the powers of Trustees to make at a time when priorities may suggest it would better support the Charity's activities.

#### Donated land

Where land is transferred by local authorities and other public bodies for consideration below market-value, the difference between the market value and the consideration given is added to cost at the time of the donation and included within the Statement of Financial Position as a liability, in accordance with treatment as a non-government grant.

#### Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment, losses or reversals of impairment losses are recognised immediately in profit or loss. The Charity considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018.

#### Government grants

Government grants include grants receivable from Homes England, local authorities and other government bodies. Social Housing Grant (SHG) is a government grant made to the Charity towards the cost of acquiring and/or building additional housing for rent.

No Grant is receivable in respect of Investment Properties.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

## Notes to the financial statements

For the year ended 31 March 2025

### 2. Principal accounting policies (continued)

Government grants received for social housing properties are recognised in income over the useful economic life of the structure of the asset (excluding land) under the accruals model.

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

#### Other grants

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

#### Depreciation

Assets costing more than £1,000 are capitalised at cost. Assets under construction for social housing are not depreciated until brought into operational use.

Depreciation of fixed assets is charged by equal instalments commencing with the date of acquisition at rates estimated to write off their cost or valuation less any residual value over the expected useful lives which are as follows:

<b>Freehold land</b>	<b>not depreciated</b>
<b>Freehold buildings - Social housing</b>	
<b>Main Fabric</b>	100 years
<b>Roof &amp; Covering</b>	70 years
<b>Electrics</b>	40 years
<b>Windows &amp; External Doors</b>	30 years
<b>Bathroom &amp; WC</b>	30 years
<b>Mechanical Systems</b>	30 years
<b>Lift</b>	28 years
<b>Kitchen</b>	20 years
<b>Freehold buildings - Investment properties</b>	<b>not depreciated</b>
<b>Leasehold property</b>	over period of lease
<b>Furniture and equipment</b>	over 2 to 6 years
<b>Motor vehicles</b>	over 3 years

### Current asset investments policy

The Group's current asset investments are classified as financial instruments and accounted for at fair value through profit or loss, in accordance with the accounting policy set out under Financial Instruments below.

#### Operating leases

All leases are operating leases and the annual rental costs are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102, in full, to all of its financial instruments.

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

#### Financial assets – debtors

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

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

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Comprehensive Income for the excess of the carrying value of the rent debtor over the present value of the future cash flows discounted using the original effective interest rate.

## Notes to the financial statements

For the year ended 31 March 2025

### 2. Principal accounting policies (continued)

Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Comprehensive Income.

#### Financial assets – trade investments

Trade investments are equity investments over which the Group has no significant influence, joint control or control and are initially measured at transaction price.

Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred.

Trade investments are measured at fair value through profit or loss. The fair value of trade investments quoted on a recognised stock exchange is the quoted bid price.

The fair value of unlisted investments is measured using valuation techniques which include turnover multiple, earnings multiple, net assets or discounted cash flows, as appropriate, based on the nature and circumstances of the investment.

#### Financial liabilities – lease buyback

The Directors have considered the buy-back obligation contained within property leases granted by the Charity and concluded that it meets the definition of a financial liability under FRS102.

The liability is ultimately triggered by residents leaving their homes at which point it becomes payable after a short period depending on the exact terms of the relevant lease. Overall this results in the payment of the obligation being spread over several years, however, in accordance with FRS 102 it has been presented within creditors: amounts falling due within one year to reflect the on demand feature contained within each of the individual contractual arrangements.

#### Financial liabilities - trade creditors (including amounts due to contractors)

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

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

#### Financial liabilities - borrowings

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

#### Provisions

The Group recognises provisions where it has an obligation at the reporting date as a result of a past event, which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

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

### Critical accounting estimates and areas of judgement

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

#### Residual value of social housing assets

The Charity considers the fabric of buildings in Social Housing Assets it owns to retain a value at the end of their useful life. It reviews annually its estimate of the residual value, taking a precautionary approach and recognising reductions from changing market conditions and impairment.

### 2. Principal accounting policies (continued)

#### Defined benefit pension assumptions

The discount rate and inflation rate are considered to be key estimates in calculating the defined benefit liability and sensitivities have been disclosed within Note 22.

#### Long term leases

The Charity grants long term leases to residents for an upfront payment equivalent to the commercial price for an outright purchase. This is subject to an obligation for the holder of the lease to retransfer their rights in the property to the Charity when the lease terminates (for example on the death of a resident) at the upfront price less a 1% per annum deduction (subject to a 10% cap). No additional rent is payable.

As a result of the transaction the resident benefits from the right to occupy the property and participate in the amenities offered by the village or scheme. The Charity retains the benefits of managing the future occupancy of the villages and schemes to maintain their vibrancy, secure its long term financial viability and retains the long term financial benefits of investing in the property. The transaction is classified as a financial instrument under the applicable accounting standard (FRS 102).

As the Charity has significant financial rewards and risks in the leased properties in the judgement of the management the upfront payment does not meet the accounting definition for treatment as the proceeds of a sale. Accordingly the funds received are not included in Comprehensive Income in turnover.

The entitlement to reacquire the interests in the leased properties arises operationally over several years however the contractual obligation is to pay for the acquisition within a period of less than twelve months when the lease terminates.

Notwithstanding in practice terminations and payments take place over a number of years, it is the judgement of the management that under existing accounting standards the obligation must be classified as a financial instrument payable within 1 year.

Long term leases are not granted over properties which are Social Housing and no Social Housing Grant is received in relation to these assets.

As the financial risks and rewards of the leased properties remain with the Charity it is the judgment of management that these should be categorised as Investment Assets in the financial statements.

Accounting standards require Investment Assets to be valued annually at fair value. A number of grants of new leases take place in each accounting period creating a dataset of transactions of actual market transactions.

In the judgment of the management this dataset of actual market prices is the best information available to assess fair value which is determined using average prices for a similar property (based on the specific location, property size and design specification of the property concerned). There has been no valuation by an independent valuer.

It is the judgement of the management that there is no market for properties which are incomplete. These are recorded as Housing Properties Held Under Construction within Fixed Assets at the historic cost figure.

#### Impairment

The Charity considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018.

#### Provisions

Provisions are only recognised where the Charity has an obligation to incur future expenditure as a result of a past event.

The provision is measured based on the best estimate of the amounts required to settle the obligation and is recognised as a liability in the Statement of Financial Position.

‘It’s the best thing you’ll ever do in your life. I sometimes sit at night and think how lucky I am to be living here.’

Elsie  
Wixams Village



## Notes to the financial statements

For the year ended 31 March 2025

### 3. Operating income, operating costs and operating surplus - Group

	2025			2024		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Social Housing lettings (Note 4)</b>	<b>13,059</b>	<b>(9,299)</b>	<b>3,760</b>	<b>11,895</b>	<b>(13,117)</b>	<b>(1,222)</b>
<b>Other Social Housing activities</b>						
Development services	-	(1,441)	(1,441)	-	(812)	(812)
Housing related support contract income	-	(2)	(2)	-	(2)	(2)
Management services	2,758	(2,890)	(132)	2,916	(2,719)	197
<b>Other Social Housing Activities</b>	<b>2,758</b>	<b>(4,333)</b>	<b>(1,575)</b>	<b>2,916</b>	<b>(3,533)</b>	<b>(617)</b>
<b>Non Social Housing lettings</b>						
Residential property income	27,468	(19,683)	7,785	25,462	(26,747)	(1,285)
Other rent	304	(5)	299	360	(40)	320
<b>Non Social Housing lettings</b>	<b>27,772</b>	<b>(19,688)</b>	<b>8,084</b>	<b>25,822</b>	<b>(26,787)</b>	<b>(965)</b>
<b>Other non Social Housing activities</b>						
Development services	-	(2,926)	(2,926)	-	(1,692)	(1,692)
Care and health services	11,416	(15,704)	(4,288)	10,952	(16,970)	(6,018)
Community services	3,879	(4,443)	(564)	3,696	(2,818)	878
Other	5,645	(8,989)	(3,344)	5,327	(8,653)	(3,326)
Retail	2,825	(2,709)	116	2,941	(2,670)	271
Donations	1,561	(1,173)	388	1,556	(1,162)	394
<b>Other non Social Housing activities</b>	<b>25,326</b>	<b>(35,944)</b>	<b>(10,618)</b>	<b>24,472</b>	<b>(33,965)</b>	<b>(9,493)</b>
<b>Total</b>	<b>68,915</b>	<b>(69,264)</b>	<b>(349)</b>	<b>65,105</b>	<b>(77,402)</b>	<b>(12,297)</b>

The largest source of our cash income is from the granting (and subsequent re-granting) of property leases. This is not shown in our turnover and appears as a financial liability, due to our obligation to re-purchase properties prior to the re-granting of a new lease.

In addition to the income and costs of providing care to our residents, "Care and Health Services" includes the income and costs relating to the Dementia and Wellbeing Programmes. "Community Services" represents income and costs of activities provided for our residents and "Other" includes the income and costs of services such as restaurants and gym facilities at our retirement schemes and villages.

## Notes to the financial statements

For the year ended 31 March 2025

### 4. Income and expenditure from Social Housing lettings - Group

	2025	2024
	Supported Housing and Housing for Older People £'000	Supported Housing and Housing for Older People £'000
Rent receivable and maintenance charge net of identifiable service charges	6,765	6,031
Service charge income	4,783	4,475
Amenity income	1,037	915
Amortised government grant	474	474
<b>Turnover from Social Housing lettings</b>	<b>13,059</b>	<b>11,895</b>
Management	3,596	3,455
Service charge costs	2,823	5,166
Routine maintenance	919	899
Planned maintenance	327	282
Depreciation of housing properties	1,634	1,914
Impairments	-	1,401
<b>Operating Costs on Social Housing lettings</b>	<b>9,299</b>	<b>13,117</b>
<b>Operating (Loss)/Surplus on Social Housing lettings</b>	<b>3,760</b>	<b>(1,222)</b>
<b>Void losses included in the figures above</b>	<b>533</b>	<b>579</b>

### 5. Interest and financing costs - Group

	2025	2024
	£'000	£'000
Bank loans	2,879	3,113
Other loans	2,355	2,368
Defined benefit pension charge	286	287
	<b>5,520</b>	<b>5,768</b>

No interest was capitalised in the year ending 31 March 2025 as no new construction activity has taken place in the year (2024:£Nil).

## 6. Board members and Executive Directors - Group and Charity

Members of the Board are the directors and trustees of the Charity, and act in an unpaid capacity. A total of £2,494 was reimbursed to Board members for travel expenses (2024: £2,729) in respect of seven trustees who claimed expenses (2024: four).

Key management personnel are defined on page 10.

Expenses paid to the senior management team in the year totalled £5,671 (2024: £4,111).

	2025	2024
	£'000	£'000
Aggregate Emoluments payable to key management personnel (including benefits in kind, but excluding pension contributions)	729	826
Emoluments (including benefits in kind, but excluding pension contributions) payable to the Chief Executive who was also the highest paid member of the senior management team	245	265

The Chief Executive is a member of the defined contribution scheme. No enhanced or special terms apply to this or any other pension arrangement. For the year ending 31 March 2025 contributions paid into the company's pension fund were £18,768 (2024: £10,026) in line with the increase in employer pension contributions offered to all employees.

There are no key management personnel in the defined benefit pension scheme (2024: Nil) and four in the defined contribution scheme (2024: four).

## 7. Employee information - Group and Charity

	Group		Charity	
	2025	2024	2025	2024
	Number	Number	Number	Number
<b>Average number of employees</b>				
Executive Directors	4	4	4	4
Care services	983	972	983	972
Administration, fundraising and publicity	291	306	199	219
	<b>1,278</b>	<b>1,282</b>	<b>1,186</b>	<b>1,195</b>
<b>Full time equivalents</b>				
Executive Directors	4	4	4	4
Care services	556	564	556	564
Administration, fundraising and publicity	255	258	188	187
	<b>815</b>	<b>826</b>	<b>748</b>	<b>755</b>

Full-time equivalents are calculated on the basis of a 37.5 hours week.

## 7. Employee information - Group and Charity (continued)

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Staff Costs (For the persons on previous page)</b>				
Wages & Salaries	28,863	28,102	26,999	26,270
Social Security Costs	2,411	2,365	2,273	2,212
Other Pension Costs	1,659	926	1,565	868
	<b>32,933</b>	<b>31,393</b>	<b>30,837</b>	<b>29,350</b>

The pension cost charge represents contributions payable to the pension fund, and are analysed below.

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Defined benefit schemes	-	(28)	-	(28)
Defined contribution schemes	1,659	954	1,565	896
	<b>1,659</b>	<b>926</b>	<b>1,565</b>	<b>868</b>

Details of the Group's pension schemes are detailed in Notes 22, 23 and 24.

Remuneration ranges for all employees (excluding directors) earning over £60,000 (including salaries, performance related pay, payments in lieu of pension, benefits in kind and compensation for loss of office, but excluding contributions to company pension funds):

Remuneration Range	2025	2024
	Number	Number
£260,001 to £270,000	-	1
£240,001 to £250,000	1	-
£200,001 to £210,001	-	1
£180,001 to £190,000	1	-
£160,001 to £170,000	-	2
£150,001 to £160,000	1	-
£140,001 to £150,000	1	-
£130,001 to £140,000	-	1
£110,001 to £120,000	-	2
£100,001 to £110,000	4	1
£90,001 to £100,000	4	4
£80,001 to £90,000	3	1
£70,001 to £80,000	7	9
£60,001 to £70,000	18	22
	<b>40</b>	<b>44</b>

Contributions to the company's pension fund in respect of the above employees totalled £255,372 (2024: £148,017).

Two higher paid employees are accruing benefits under the defined benefit pension scheme (2024: three).

Thirty eight of the Forty higher paid employees are accruing benefits under the defined contribution scheme (2024: Forty three of forty four).

## 8. Operating deficit - Group

	2025	2024
	£'000	£'000
<b>The operating deficit is arrived at after charging/(crediting):</b>		
Trustee indemnity insurance	13	13
<b>External Auditor's remuneration:</b>		
In respect of the audit of the Charity's Financial Statements	133	90
In respect of other services:		
The audit of the charity's subsidiary Financial Statements	13	15
Taxation services	35	48
Audit-related assurance services	28	28
Other services	-	-
<b>Operating leases</b>		
Rent payable on buildings	1,156	1,151
Other	6	7
Depreciation of owned tangible fixed assets	3,688	4,024
Impairments of fixed assets	-	1,401
Amortisation of intangible fixed assets	130	59
Amortisation of deferred Social Housing Grant	(486)	(486)

Amortisation of grants in the Income and Expenditure is split between management service (note 3) and amortised government grants (note 4).

## 9. Intangible assets - Group and Charity

	£'000
<b>Cost:</b>	
At 1 April 2024	1,725
Additions	109
<b>At 31 March 2025</b>	<b>1,834</b>
<b>Depreciation:</b>	
At 1 April 2024	1,192
Charged in the year	130
<b>At 31 March 2025</b>	<b>1,322</b>
<b>Net Book Value</b>	
<b>At 31 March 2025</b>	<b>512</b>
At 31 March 2024	533

Intangible Assets represent investment in software.

## 10. Fixed assets - housing properties - Group and Charity

	Housing properties for lettings or lease	Housing properties under construction	Leasehold land and buildings	Total
	£'000	£'000	£'000	£'000
<b>Cost:</b>				
At 1 April 2024	147,391	2,102	417	149,910
Additions	2,421	612	-	3,033
Schemes completed	559	(559)	-	-
Write off	(93)	(2,155)	-	(2,248)
Change of tenure	437	-	-	437
<b>At 31 March 2025</b>	<b>150,715</b>	<b>-</b>	<b>417</b>	<b>151,132</b>
<b>Depreciation:</b>				
At 1 April 2024	20,234	-	91	20,325
Depreciation charged in the year	1,896	-	4	1,900
Eliminated on write off	(51)	-	-	(51)
<b>At 31 March 2025</b>	<b>22,079</b>	<b>-</b>	<b>95</b>	<b>22,174</b>
<b>Net Book Value</b>				
<b>At 31 March 2025</b>	<b>128,636</b>	<b>-</b>	<b>322</b>	<b>128,958</b>
At 31 March 2024	127,158	2,102	324	129,584

Housing Properties include sixteen units currently leased under a Shared Ownership lease. Their Original Cost is £2,884K, Depreciation £172K and Net Book Value £2,712K (2024: £2,860K).

	2025	2024
	£'000	£'000
<b>Expenditure on works to existing properties</b>		
Components capitalised/improvements	2,421	883
Amounts charged to the statement of comprehensive income	1,246	1,181
	<b>3,667</b>	<b>2,064</b>
<b>Finance Costs</b>		
Aggregate amount of finance costs included in the cost of housing properties	4,148	4,148
Aggregate amount of finance costs included in the cost of properties under construction	-	-
	<b>4,148</b>	<b>4,148</b>

### Impairment

The Charity considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment of housing properties held for letting, in accordance with the requirements of FRS 102 and the Housing SORP 2018. During the current year the Charity has not identified any impairment losses (2024: Three locations for £1,094K).

## 11. Other tangible fixed assets - Group and Charity

	Furniture and Other Equipment £'000
<b>Cost:</b>	
At 1 April 2024	17,455
Additions	1,900
Write Off	(99)
<b>At 31 March 2025</b>	<b>19,256</b>
<b>Depreciation:</b>	
At 1 April 2024	11,826
Charged in the year	1,788
Eliminated on write off	(85)
<b>At 31 March 2025</b>	<b>13,529</b>
<b>Net Book Value At 31 March 2025</b>	<b>5,727</b>
At 31 March 2024	5,629

## 12. Fixed assets - investment properties - Group and Charity

	Investment properties £'000	
<b>Fair Value:</b>		
At 1 April 2024	851,457	
Additions	3,512	
Change of tenure	(437)	
Movement in fair value	24,421	
<b>At 31 March 2025</b>	<b>878,953</b>	
<b>Impairment</b>		
During the current year the Charity has not identified any impairment losses in relation to any locations (considered separate Cash Generating Units - CGUs) (2024: Three locations for £6,885K).		
	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Historic Cost</b>		
Investment properties measured under the historic cost convention	401,025	397,950

Included within the above is £12,736K of capitalised interest (2024: £12,736K).

## 13. Fixed asset investments - Group and Charity

	2025 £'000	2024 £'000
Investment in group companies (Note 32)	2	2

The parent company holds the whole of the equity share capital of the following group companies:

Name of subsidiary undertaking	Country of incorporation	Class of share	Nature of business
ExtraCare Retail Limited	England	Ordinary	Charity retail operation
ExtraCare Nominee 1 Limited	England	Ordinary	Dormant
ExtraCare Nominee 2 Limited	England	Ordinary	Dormant

All subsidiaries are registered at 7 Harry Weston Road, Binley Business Park, Coventry, CV3 2SN.

## 14. Stocks

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Goods for resale	60	63	-	-

## 15. Debtors

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Rent and service charges receivable	2,573	2,367	2,573	2,367
Less: provision for bad and doubtful debts	(477)	(512)	(477)	(512)
<b>Net rent arrears</b>	<b>2,096</b>	<b>1,855</b>	<b>2,096</b>	<b>1,855</b>
Value Added Tax	-	-	-	-
Amount owed by subsidiary undertaking	-	-	273	305
Prepayments and accrued income	2,404	2,679	2,160	2,451
Variable service charges debtor	2,076	3,265	2,076	3,265
Other Debtors	84	40	45	10
	<b>6,660</b>	<b>7,839</b>	<b>6,650</b>	<b>7,886</b>

## 16. Current asset investments - Group and Charity

	2025	2024
	£'000	£'000
At 1 April	20,262	19,044
Invested in the period	-	-
Withdrawn in the period	-	-
Movement in fair value	775	1,218
<b>At 31 March</b>	<b>21,037</b>	<b>20,262</b>

The historical cost of the above investments is £20M (2022: £20M).  
The fair value, based on the current bid price, of the investments above are:

	2025	2024
	£'000	£'000
Fixed interest bonds	2,753	2,697
UK equities	1,465	1,990
Overseas equities	4,177	3,405
Alternatives	1,465	1,515
Cash	454	495
Sterling short duration credit fund	10,722	10,160
	<b>21,036</b>	<b>20,262</b>

## 17. Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans (note 19)	2,156	2,156	2,156	2,156
Trade creditors	3,408	2,088	3,401	2,068
Rent and Charges received in advance	342	472	342	472
Other taxation and social security costs	54	505	45	496
Deferred capital grant (note 21)	487	487	487	487
Accruals and deferred income	6,882	8,075	6,758	7,959
Lease buyback liability (see analysis below)	540,771	520,723	540,771	520,723
Variable service charge creditor	30	-	30	-
	<b>554,130</b>	<b>534,506</b>	<b>553,990</b>	<b>534,361</b>

## 17. Creditors: amounts falling due within one year (continued)

### Analysis of lease buyback liability

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	No. of leases	No. of leases
At 1 April	520,723	496,903	2,479	2,452
Arising on initial lease of new property	6,465	6,658	23	41
Payments made on lease terminations	(48,062)	(45,157)	(227)	(234)
Cash received from regrating leases	66,275	66,827	222	220
Released to Non Social Housing Lettings Income	(4,630)	(4,508)	-	-
<b>At 31 March</b>	<b>540,771</b>	<b>520,723</b>	<b>2,497</b>	<b>2,479</b>

## 18. Creditors: amounts falling due after more than one year - Group and Charity

	2025	2024
	£'000	£'000
Loans (note 19)	114,917	117,128
Deferred income (note 20)	14	25
Deferred capital grant (note 21)	42,639	43,125
	<b>157,570</b>	<b>160,278</b>

## 19. Loan analysis - Group and Charity

	2025	2024
	£'000	£'000
<b>Due within one year</b>		
Bank loans	2,156	2,156
<b>Due after more than one year</b>		
Other loans	57,500	57,500
Bank loans	58,100	60,295
	<b>115,600</b>	<b>117,795</b>
Less: Issue Costs	(683)	(667)
	<b>114,917</b>	<b>117,128</b>

### Security

Loans are secured on the properties disclosed within housing properties (Note 10) and investment properties (Note 12). Loans are secured on both freehold and leasehold properties.

At 31 March 2025 there are 126 unencumbered completed units (2024: 126).

## 19. Loan analysis - Group and Charity (continued)

### Terms of repayment and interest rates

Bank and other loans are repayable in instalments, at rates of interest between 3.25% and 5.19% per annum (2024: 3.25% and 6.44% per annum).

The final instalments fall to be repaid between 2029 and 2040.

The Charity has fixed interest rates to guard against future rate movements - these are embedded within the loans and do not have a separate fair value.

Based on the lender's earliest repayment date, borrowings are repayable as follows:

	2025	2024
	£'000	£'000
Within one year or on demand	2,156	2,156
One year or more but less than two years	2,156	2,156
Two years or more but less than five years	55,944	58,139
Five years or more	57,500	57,500
	<b>117,756</b>	<b>119,951</b>

As at 31 March 2025 the Charity has £30M undrawn Development loan facilities (2024: £30M).

## 20. Deferred income - Group and Charity

Deferred income will be credited to the Consolidated Statement of Comprehensive Income:

	2025	2024
	£'000	£'000
Within one year	14	18
Between one and two years	14	23
Between two and five years	-	2
	<b>28</b>	<b>43</b>
Lease premiums receivable, credited to the Consolidated Statement of Comprehensive Income over the period of the lease (up to twenty five years)	-	3
Other Care income	-	2
Care for Life income, amortised over life expectancy of plan holder	28	38
	<b>28</b>	<b>43</b>

Deferred income relates to lease premiums receivable £Nil (2024: £3K) and income relating to Care for Life £28K (2024: £38K) which will be released to income over the assumed life expectancy of the resident who has taken out the plan.

## 21. Deferred capital grant income - Group and Charity

	2025	2024
	£'000	£'000
Balance at 1 April	43,612	44,098
Released to income in the year	(486)	(486)
<b>Balance at 31 March</b>	<b>43,126</b>	<b>43,612</b>
	£'000	£'000
Amounts to be released within one year	487	487
Amounts to be released in more than one year	42,639	43,125
	<b>43,126</b>	<b>43,612</b>

The total of capital grants received at 31 March 2025 was £48,730K (2024: £48,730K).

## 22. Retirement benefits - Group and Charity

### Social Housing Pension Scheme (SHPS)

The Charity 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 Charity 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 company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

The Charity has been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the ongoing Court process is known (which is currently expected to be late 2025), it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2025 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

The Charity is aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. On the 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not been announced. Subject to the entity being able to comply with the legislation and the pension scheme obtaining the required written actuarial confirmation, the valuation of the scheme liabilities is not expected to change.

## 22. Retirement benefits - Group and Charity (continued)

### Key results

The estimated position at 31 March 2025 shows a deficit of £4,990K (2024: £6,624K deficit).

The number of scheme members employed by the Group at 31 March 2025 was 6 (2024: 7). The charge to the Group for the year was £ Nil (2024: reduction of £28K).

### Calculation method

The figures at 31 March are based on projecting forward the results of the last actuarial valuation of the Fund as at 30 September 2023.

### Key assumptions

	2025	2024
Discount Rate	5.77%	4.89%
Inflation (RPI)	3.11%	3.17%
Inflation (CPI)	2.78%	2.77%
Salary Growth	3.78%	3.77%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 Years
Male retiring in 2024	20.5
Female retiring in 2024	23
Male retiring in 2044	21.7
Female retiring in 2044	24.5

### Defined benefit costs recognised in Statement of Comprehensive Income

	2025
	£'000
Current service cost	-
Expenses	43
Net interest expense	286
	<b>329</b>

### Defined benefit costs recognised in Other Comprehensive Income

	2025
	£'000
Experience on plan assets (excluding amounts included in net interest cost) - loss	(2,117)
Experience gains and losses arising on the plan liabilities - loss	(1,041)
Effects of changes in demographic assumptions underlying the present value of the defined benefit obligation - gain	-
Effects of changes in financial assumptions underlying the present value of the defined benefit obligation - gain	3,516
<b>Total actuarial loss</b>	<b>358</b>

## 22. Retirement benefits - Group and Charity (continued)

### Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2025	2024
	£'000	£'000
Fair value of plan assets	28,220	28,957
Present value of defined benefit obligation	(33,210)	(35,581)
<b>Defined benefit liability to be recognised</b>	<b>(4,990)</b>	<b>(6,624)</b>

### Reconciliation of opening and closing balances of the defined benefit obligation

	2025
	£'000
Defined benefit obligation at start of period	35,581
Current service cost	-
Expenses	43
Interest expense	1,700
Contributions by members	60
Actuarial losses due to Scheme experience	1,041
Actuarial gains due to changes in demographic assumptions	-
Actuarial gains due to changes in financial assumptions	(3,516)
Benefits paid and expenses	(1,699)
<b>Defined benefit obligation at end of period</b>	<b>33,210</b>

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

	2025
	£'000
Fair value of plan assets at start of period	28,957
Interest income	1,414
Experience on plan assets (excluding amounts included in interest income) - loss	(2,117)
Employer contributions	1,605
Contributions by members	60
Benefits paid and expenses	(1,699)
<b>Fair value of plan assets at end of period</b>	<b>28,220</b>

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was a reduction of £703K.

## 22. Retirement benefits - Group and Charity (continued)

The analysis of the Scheme assets at the reporting date were as follows:

	2025	2024
	£'000	£'000
Global Equity	3,161	2,885
Absolute Return	-	1,131
Distressed Opportunities	-	1,021
Credit Relative Value	-	949
Alternative Risk Premia	-	919
Liquid Alternatives	5,233	-
Emerging Markets Debt	-	375
Risk Sharing	-	1,695
Insurance-Linked Securities	87	150
Property	1,414	1,163
Infrastructure	5	2,925
Private Equity	25	24
Real Assets	3,378	-
Private Debt	-	1,139
Opportunistic liquid credit	-	1,132
Private Credit	3,454	-
Credit	1,079	-
Investment Grade Credit	869	-
High Yield	-	4
Cash	383	571
Long Lease Property	8	187
Secured Income	471	865
Liability Driven Investment	8,547	11,784
Currency hedging	45	(12)
Net Current Assets	61	50
<b>Total assets</b>	<b>28,220</b>	<b>28,957</b>

### Analysis of the sensitivity to the principal assumptions of the present value of the defined benefit obligation

	Change in assumption	Change in liabilities
		£'000
Discount rate	Increase of 0.1% p.a.	(371)
Rate of inflation (CPI)	Increase of 0.1% p.a.	256
Rate of salary growth	Increase of 0.1% p.a.	-

The sensitivities shown above are approximate. Each sensitivity considers one change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation, pension increases and salary growth where appropriate.

## 23. Other provisions - Group and Charity

	2025	2024
	£'000	£'000
The Pensions Trust's Growth Plan	7	2
Provision for Charitable Subsidy	394	4,696
<b>Total Other Provisions</b>	<b>401</b>	<b>4,698</b>

### The Pensions Trust's Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

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

### Deficit contributions

- £2.1M per annum. From 1 April 2025 to 31 January 2028 (payable monthly):

Note that the scheme's previous valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3M, liabilities of £831.1M and a deficit of £31.6M. To eliminate this funding shortfall, the Trustee had asked the participating employers to pay additional contributions to the scheme as follows:

- £3.3M per annum. From 1 April 2022 to 31 January 2025 (payable monthly and increasing by 3.0% each year on 1st April):

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

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

### Present values of provision

	2025	2024
	£'000	£'000
<b>Present value of provision</b>	<b>7</b>	<b>2</b>

## 23. Other provisions - Group and Charity

### Reconciliation of opening and closing provisions

	2025	2024
	£'000	£'000
<b>Provision at start of period</b>	<b>2</b>	<b>5</b>
Unwinding of the discount factor (interest expense)	-	-
Deficit contribution paid	(2)	(3)
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	7	-
<b>Provision at end of period</b>	<b>7</b>	<b>2</b>

### Income and expenditure impact

	2025	2024
	£'000	£'000
Interest expense	-	-
Remeasurements – impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	7	-
<b>Costs recognised in income and expenditure account</b>	<b>7</b>	<b>-</b>

### Assumptions

	31-Mar-25	31-Mar-24	31-Mar-23
	% per annum	% per annum	% per annum
Rate of discount	4.84	5.31	5.52

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

### Provision for Charitable Subsidy

Following increases in fuel costs in the last few years, residents charges were due to rise substantially. The Charity has sought to mitigate the impact on its residents by agreeing a cap to Utilities Charges. Costs have reduced sharply and the level of Charitable Subsidy offered for 2025/26 has reduced accordingly. The cost of this measure has been reflected in these statements as a provision.

	2025	2024
	£'000	£'000
At 1 April	4,696	3,136
Released in year	(4,696)	(3,136)
New provision	394	4,696
<b>Costs recognised in income and expenditure account</b>	<b>394</b>	<b>4,696</b>

## 24. Defined contribution pension Scheme - Group and Charity

The Charity also utilises the Pension Trust Flexible Retirement Plan (FRP). The FRP is a defined contribution scheme.

The estimated employer's contributions payable under all pension schemes for the year ended 31 March 2026 is £2,250K (2025: £2,365K).

The Creditor balance for Pension contributions and associated costs for the year ending 31 March 2025 is £370K (2024: £306K).

## 25. Restricted reserves - Group and Charity

The incoming funds of the Charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes.

	At 1 April 2023	Income	Expenditure	At 31 March 2024	Income	Expenditure	At 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Fixed assets</b>							
Hagley Road, Birmingham	1	-	-	1	-	-	1
Humber Court, Coventry	197	-	(3)	194	-	(2)	192
Lark Hill Village, Nottingham	2,765	-	(32)	2,733	-	(32)	2,701
New Oscott Village, Birmingham	1,152	-	(13)	1,139	-	(13)	1,126
Lovat Fields Village, Milton Keynes	903	-	(11)	892	-	(10)	882
Shenley Wood Village, Milton Keynes	162	-	(2)	160	-	(2)	158
Pannel Croft Village, Birmingham	507	-	(5)	502	-	(5)	497
St Oswalds Village, Gloucester	1	-	-	1	-	-	1
Rosewood Court, Wellingborough	223	-	(3)	220	-	(3)	217
Sunley Court, Kettering	215	-	(3)	212	-	(3)	209
Yates Court, Evesham	107	-	(1)	106	-	(1)	105
	<b>6,233</b>	<b>-</b>	<b>(73)</b>	<b>6,160</b>	<b>-</b>	<b>(71)</b>	<b>6,089</b>
<b>Special projects and other funds</b>							
Other miscellaneous funds	154	21	(2)	173	92	-	265
Other Scheme restricted funds	36	21	(14)	43	39	(24)	58
	<b>190</b>	<b>42</b>	<b>(16)</b>	<b>216</b>	<b>131</b>	<b>(24)</b>	<b>323</b>
<b>Total funds</b>	<b>6,423</b>	<b>42</b>	<b>(89)</b>	<b>6,376</b>	<b>131</b>	<b>(95)</b>	<b>6,412</b>

### Fixed assets

These funds resulted from specific appeals to fund the development of fixed assets. Expenditure represents depreciation on the assets.

### Special projects and other funds

Most of these funds have been given to finance specific projects to improve the quality of life for older people.

## Notes to the financial statements

For the year ended 31 March 2025

### 26. Capital commitments - Group and Charity

There is £nil capital expenditure that has been contracted for but has not been provided for in these financial statements (2024: £Nil).

There is £nil capital expenditure that has been authorised by the Board but has not yet been contracted for (2024: £Nil).

### 27. Financial commitments - Group and Charity

The future minimum lease payments of non-cancellable leases are as set out below:

	2025		2024	
	Land & Buildings	Other	Land & Buildings	Other
	£'000	£'000	£'000	£'000
<b>Contracts expiring</b>				
Within one year	920	28	1,042	31
Between one and 5 years	2,632	22	1,895	8
Over five years	2,959	-	3,945	-
	<b>6,511</b>	<b>50</b>	<b>6,882</b>	<b>39</b>

### 28. Taxation

The Trust is registered as a charity and its charitable activities are not liable to corporation tax.

The subsidiary of the Trust, Extracare Retail Limited, is subject to corporation tax. In this financial year no tax liability has been incurred.

### 29. Contingent assets

The Charity will receive pledges to fund new village developments. These pledges are contingent on various key events occurring during the village development phases. Funds are received in stages. Hence both received and receivable funds are recognised as contingent assets until such time that the conditions are met.

No new pledges have been received in the year ending 31 March 2025.

### 30. Contingent liabilities and other commitments

At 31 March 2025, there are no outstanding claims against the Group or Charity.

## Notes to the financial statements

For the year ended 31 March 2025

### 31. Related party transactions

The Group has taken advantage of the exemption conferred by paragraph 33.1A of FRS102, Related Party Disclosures, from the requirement to disclose transactions with its wholly owned subsidiary (ExtraCare Retail Limited).

The Charity has not entered into any transactions or other arrangement with any other related parties.

### 32. Subsidiary undertakings - Charity

As shown in note 13, the Charity has three wholly owned subsidiaries which are incorporated in the United Kingdom:

- ExtraCare Retail Limited
- ExtraCare Nominee 1 Limited
- ExtraCare Nominee 2 Limited

ExtraCare Nominee 1 Limited and ExtraCare Nominee 2 Limited did not trade during the year, or in the prior year.

All companies have entered into Gift Aid arrangements to donate their taxable profits to The ExtraCare Charitable Trust.

A summary of the results of ExtraCare Retail Limited is shown below. Audited accounts will be filed with the registrar of Companies in line with requirements.

Within the Group accounts, the activity from ExtraCare Retail Limited is shown within Other Non Social Housing Activities (note 3).

	2025	2024
	£'000	£'000
Turnover	2,825	2,941
Cost of sales	(324)	(342)
Staff costs	(2,096)	(2,044)
Other costs	(1,378)	(1,397)
Other operating income	1,089	1,113
<b>Net profit</b>	<b>116</b>	<b>271</b>
Taxation	-	-
<b>Retained in subsidiary</b>	<b>116</b>	<b>271</b>
Current assets	412	450
Current liabilities	(296)	(179)
<b>Retained in subsidiary</b>	<b>116</b>	<b>271</b>

The Charity received £271K Gift Aid from retail activity in the year ended 31 March 2025 (2024: £287K).

A Gift Aid distribution of £116K is planned for payment in the following year from the Retail subsidiary retained profits.

### 33. Cash flow reconciliations

Reconciliation of operating surplus to net cash inflow from operating activities

	2025	2024
	£'000	£'000
Surplus for the year	20,319	24,070
Interest payable	5,520	5,768
Interest receivable	(992)	(852)
Profit from sale of fixed assets	-	-
<b>Operating surplus for the year</b>	<b>24,847</b>	<b>28,986</b>
<b>Adjustments for non-cash items:</b>		
Change in fair value of investment properties	(24,421)	(40,065)
Change in fair value of investments	(775)	(1,218)
Release of Buyback liability	(4,630)	(4,508)
Depreciation of tangible fixed assets	3,688	5,425
Write off of Fixed Assets	2,211	-
Amortisation of intangible assets	130	59
Amortisation of deferred capital grants	(486)	(486)
Amortisation of finance costs	(16)	105
Defined benefit pension schemes	(5,859)	54
<b>Operating cash flows before movements in working capital</b>	<b>(5,311)</b>	<b>(11,648)</b>
<b>Movements in working capital</b>		
Decrease in stock	3	30
Decrease/(Increase) in rental and other debtors	1,178	71
(Decrease)/Increase in trade and other creditors	(659)	(51)
<b>Net cash used in operating activities</b>	<b>(4,789)</b>	<b>(11,598)</b>

Analysis of changes in net debt

	At 1 April 2024	Cash flows	New finance leases	Other non cash	At 31 March 2025
	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	25,160	5,122	-	-	30,282
Investments	20,262	-	-	775	21,037
Bank loans due in less than 1 year	(2,156)	2,156	-	(2,156)	(2,156)
Bank loans due in more than 1 year	(59,628)	39	-	2,172	(57,417)
Other loans	(57,500)	-	-	-	(57,500)
Lease buyback liability	(520,723)	48,062	(72,740)	4,630	(540,771)
<b>Total</b>	<b>(594,585)</b>	<b>55,379</b>	<b>(72,740)</b>	<b>5,421</b>	<b>(606,525)</b>

### 34. Number of homes in management and development

	2025	2024
	Number	Number
<b>Social housing units</b>		
Owned by the Charity	882	871
Managed on behalf of other organisations	144	144
<b>Non-Social housing units</b>		
Leased or part leased properties	2,577	2,586
<b>Other</b>		
Social housing properties managed under a partnership arrangement	175	431
Non-Social housing properties managed under a partnership arrangement	-	167
	<b>3,778</b>	<b>4,199</b>

During the year two partnership arrangements have terminated.

### 35. Financial instruments

The carrying value of the Group and Charity's financial instruments at 31 March were:

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Financial assets</b>				
Debt instruments measured at amortised cost:				
Trade and other debtors	5,439	6,809	5,673	7,084
Cash	30,282	25,160	30,212	25,031
	<b>35,721</b>	<b>31,969</b>	<b>35,885</b>	<b>32,115</b>
Debt instruments measured at fair value:				
Current Assets investments	21,037	20,262	21,037	20,262
	<b>21,037</b>	<b>20,262</b>	<b>21,037</b>	<b>20,262</b>
<b>Financial liabilities</b>				
Measured at amortised cost:				
Trade and other creditors	594,545	574,952	594,414	574,816
Loans	117,756	119,951	117,756	119,951
	<b>712,301</b>	<b>694,903</b>	<b>712,170</b>	<b>694,767</b>



**ExtraCare**  
Charitable Trust

Head office

**The ExtraCare Charitable Trust**

7 Harry Weston Road

Binley Business Park

Binley Coventry CV3 2SN

Registered Charity No. 327816

Registered Social Landlord No. 4706

Company Registered No. 2205136