Making homes and lives better

Wheatley
Annual Report and Consolidated Financial Statements

For the year ended 31 March 2026

Scottish Housing Regulator Registration No. 363

Registered No. SC426094

Contents

Wheatley at a glance

Wheatley is one of the UK's leading housing and property management organisations, owning and managing more than 93,700 homes across Scotland.

Our mission is 'Making homes and lives better', with a focus on delivering excellent services tailored to customers' needs. During the year, we also provided care services through Wheatley Care, which became an independent organisation on 1 April 2026 entering into a strategic partnership with Wheatley. Wheatley comprises:

Registered Social Landlords (RSLs)

64,604

The RSLs in the Group owned or managed a total of 64,604 homes at the end of the year. They are regulated by the Scottish Housing Regulator, and are graded as fully compliant, the top grading.

43,372

Wheatley Homes Glasgow. Largest part of the Group with 43,372 homes.

10,345

Wheatley Homes South. 10,345 homes in Dumfries and Galloway.

8,034

Wheatley Homes East. Operating in Edinburgh, the Lothians and Fife with 8,034 homes.

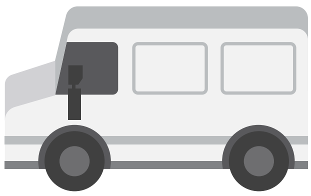
2,853

Loretto Housing Association. Operating in the west and central Scotland with 2,853 homes.

Lowther Homes

1,490

private rented homes owned by Lowther Homes Limited, which also provides management services to the RSL Group's 1,646 market rented homes and provides property management services to over 27,600 home owners.



Wheatley Care

6,300

people with specialist needs supported by Wheatley Care in 2025/26, many of whom live in properties owned by the RSLs in the Group.

Wheatley Solutions

Wheatley Solutions provides support services, ranging from finance, IT and procurement to governance, assurance, legal, marketing and communications to the Group's subsidiaries.

Wheatley Foundation

Wheatley Foundation delivers our community and better lives activity, investing £9.2m this year to help improve the lives of the people it supports.

Wheatley Housing Group

Wheatley Housing Group Limited, as the Group parent, does not own any homes but provides strategic oversight to all subsidiaries and is registered with the Scottish Housing Regulator.

Wheatley Developments

Wheatley Developments Scotland Limited ("WDS") is a development company providing design and build services to the RSLs in the Group.

City Building (Glasgow)

City Building (Glasgow) LLP ("CBG") is jointly owned with Glasgow City Council and provides repairs and investment services. During 2025/26, governance changes were agreed to which are expected to result in CBG becoming a subsidiary of the Group with effect from 1 April 2026.

Chair's report

Jo Armstrong

As I conclude my final year as Chair of Wheatley, I have reflected on all the organisation has achieved and overcome during the lifetime of our strategy, 'Your Home, Your Community, Your Future', and I am immensely proud.

Wheatley faced a series of unprecedented challenges in those five years, including recovery from the Covid-19 pandemic, increases in the cost of living, the National Housing Emergency and the continuing homelessness crisis.

Over 93%

customer satisfaction for 2025/26

When our customers tell us what they think, we listen. So, the fact that Wheatley's four registered social landlords all reported customer satisfaction rate at or above 90% this year, with Wheatley Homes East reaching 96%, is an important reminder about how Wheatley is successfully engaging with the people we work for.

This year, like every year, Wheatley has remained rooted in its communities while using its size and scale to influence national outcomes. Our enduring commitment to tackling homelessness and our extensive new build programme, which also helps with that homelessness challenge, are both very good examples of local delivery meeting national ambition. Both make a huge difference to individuals and families within our communities, while also helping us support our partners in local authorities and the Scottish Government in tackling the housing emergency and addressing the homelessness crisis.

As it approaches its 10th anniversary, Wheatley Foundation continued its unwavering work to reduce poverty and financial insecurity among our customers. From helping customers maximise their income to supporting them with their benefit claims, Wheatley Foundation has helped customers with a financial gain of £57.0m over the five years of our strategy. That dedication to supporting our customers represents Wheatley at its best and is something which fills me with pride.

Wheatley Care became independent from Wheatley on 1 April 2026. Wheatley Care has greatly enriched us and helped us improve what we do in so many ways. I'd like to wish everyone associated with Wheatley Care all the very best as they set out on the next stage of their journey.

Wheatley's new strategy, 'Making homes and lives better', was shaped by what customers told us matters most, as well as insights from staff and boards and by our partners across Scotland. The new strategy builds from a strong base, after the major improvements in homes, services, and outcomes for people and communities delivered our previous strategy.

The four themes of the new strategy, homes and neighbourhoods to be proud of; delivering personalised services; supporting better lives; and delivering sustainable value, will ensure Wheatley continues to be a trusted, dynamic, sector-leading organisation which does all it can to support customers and communities.

As I come to the end of my term, it has been a real privilege to serve as Chair of Wheatley and an honour to be associated with everything it continues to achieve.

The organisation and its customers could not be in better hands than those of Chief Executive Steven Henderson, his colleagues in the Executive Team and, of course, the rest of Team Wheatley.

Jo Armstrong
Chair of Wheatley Housing Group Board

Highlights of 2025/26

Delivering exceptional customer experience

Tenancy sustainment rate **93%**

Overall tenant satisfaction **93%**

Making the most of our homes and assets

656 new homes completed during the year with a futher 40 acquisitions. 1,129 homes under construction across 29 sites

Carbon emissions from our homes reduced by over **2,219** tonnes per annum this year

£93.6m invested in our existing homes and a further **£124.8m** spent on repairs and maintenance

93% of our homes are rated EPC C or better

Changing lives and communities

75% of care services graded Very Good or Excellent compared to a Scottish average of 29%

2,574 lets made to people affected by homelessness, over 60% of all lets

Over **18,000** instances of direct support from Wheatley Foundation this year

Developing our shared capability

1,283 employment, apprenticeship and training opportunities for 949 people living in our homes and communities

71% of promoted posts filled internally

Enabling our ambitions

Turnover of **£535.6m**

Operating Surplus of **£167.9m**. All surpluses are used for investment into improving homes and neighbourhoods and services for customers

S&P global credit rating retained at **A+ ‘stable’**

Undrawn facilities of **£510.0m** at 31 March 2026

Available loan security of **£702.4m** at 31 March 2026

Management and administration cost per property of **£1,004**, lower than the Scottish average

Housing property values, excluding under construction, increased by **£306.2m**

Strategic report

Review of the year

2025/26 marked the successful conclusion of Wheatley's five-year strategy 'Your Home, Your Community, Your Future' built on our five key strategic themes:

- Delivering exceptional customer experience
- Making the most of our homes and assets
- Changing lives and communities
- Developing our shared capability
- Enabling our ambitions

As we begin the next stage of our journey, guided by our new five-year strategy 'Making homes and lives better', the Group remains a high-performing organisation, well placed to respond to future challenges and meet the changing needs of our customers. A summary of our work under each of our strategic themes is set out in this Strategic report.

Delivering exceptional customer experience

Customers are at the heart of our decision making and we strive to ensure the services we deliver are clearly aligned with their needs. We deliver services to our customers through our network of housing officers supported by our 24/7 Customer First Centre (CFC) and our locally based environmental teams. We have a strong neighbourhood focus when delivering services to our customers using our "Think Yes" approach. Our housing officers work in small patch sizes managing between 200 and 250 tenancies. This allows them to understand the local issues that affect our customers, and their communities and services are tailored and personalised to customers' needs and circumstances. Annual visits provided customers further opportunity to engage with us, discuss concerns they may have and helped us ensure our homes are in a good condition.

2,930

new affordable homes delivered over last five years

Strong business performance

Despite a challenging operating environment over the period of our five-year strategy, 'Your Home, Your Community, Your Future', the Group ended the period in a strong position, reflecting the resilience, commitment and professionalism of our staff, and the strength of our 'Think Yes' culture.

We delivered strongly against our strategic and operational objectives. Overall customer satisfaction for the Group was over 93%, above the 90% customer satisfaction target, while gross rent arrears was 5.0%, down slightly from 5.1% last year and well below the most recently published Scottish average of 6.2% (2024/25). The average days to re-let our homes this year was 20.4 days well below the Scottish average of 71.4 days (2024/25). Tenancy sustainment remained high at 92.9%, slightly below the 93.3% figure recorded in 2024/25 but ahead of the Scottish average of 91.6%.

In the year, total expenditure on repairs and capital improvements to our existing homes and communities was £218.4m. We also grew the number of affordable homes during the year, acquiring 40 existing homes and completing 656 new homes, including 418 for social rent and 238 for mid-market rent, taking the total of new homes completed over the course of the strategy to 2,930.

Repairs service and building safety

We continued to improve our repairs service during the year. Across our subsidiaries, we completed over 314,500 reactive repairs during the year with a total of £124.8m spent on planned and reactive maintenance.

We aim to respond quickly and effectively to reports of damp and mould in our homes, supported by clear response targets and a grading process for all cases. Where mould was identified during inspection, 96.8% of cases were classified as mild.

We also continued work to protect customers from fire risk and our fire team carried out 644 person-centred fire risk assessments during the year, provided fire safety products to 397 customers, installed 171 stove guards, upgraded detection systems in 157 homes and installed specialist detection systems in 14 homes. Our ongoing focus on fire safety contributed to a 47% reduction in accidental fires in our RSL homes since 2021.

Customer First Centre

Our 24/7 Customer First Centre ("CFC") aims to provide quality solutions for customers and respond to enquiries at the first point of contact. Staff handle many complex issues and tailor their support to each customer. Our aim is to ensure staff have the time they need to support customers and resolve their issues, while also remaining mindful of call waiting times. Overall satisfaction with the CFC stood at 4.5 out of 5 or 90% by the end of 2025/26, reflecting the success of our approach which emphasises the quality of service.

Over the year the team handled 910,596 customer contacts across our channels, resolving almost 90% at the first point of contact. Repeat calls reduced to 15% from 20% last year, demonstrating continued improvement in service quality and effectiveness.

£124.8m

spent on planned and reactive maintenance

Engaging with customers

Putting customers at the heart of what we do remains central to our approach, ensuring they can help shape services and influence decision-making.

At 31 March 2026, over 1,750 customers were registered with Stronger Voices, our customer feedback programme, to help to provide feedback and views across the range of services we provide. Almost 6,550 people attended community events, while around 1,480 attended pop-up events and local surgeries. In total, 565 customers contributed through 59 panels and focus groups, and 357 customers accompanied us on over 170 walkabouts, providing valuable insight to help shape our services.

Customer scrutiny plays an important role in driving improvement. We have 20 Wheatley customers involved in the Group Scrutiny Panel. The panel carries out thematic reviews of specific services and makes recommendations for improvement.

During the year, the panel carried out a thematic review of tenancy sustainment and we progressed their recommendations. The panel's work was recognised nationally, winning the TPAS award for Good Practice in Involving Tenants in Shaping Services and the CIH award for Excellence in Tenant Scrutiny.

The year also saw the launch of the masterplan for the £130m regeneration of Lochside in Dumfries. The Lochside Community Collective was established during the year as a community-led forum supporting the regeneration. Working alongside WH South and Dumfries and Galloway Council, the Collective provides residents with a direct role in shaping regeneration plans and future community improvements.

During the year, Wheatley Care continued to deliver high-quality support services and remained focused on enhancing outcomes for customers while responding to a challenging social care environment. The organisation further developed its approach to peer mentoring, including collaborative work with the Scottish Recovery Network.

More than 80 customers participated in consultations to help shape Wheatley Care's next strategic plan, and a significant strategic milestone was achieved on the 1 April 2026, with Wheatley Care leaving the Group and transitioning to become an independent company from 1 April 2026. This is supported by a new strategic partnership with the Group to ensure continuity of services and ongoing collaboration.

Making the most of our homes and assets

New-build homes

During 2025/26, we continued to invest in both new and existing homes, ensuring customers have access to high-quality, affordable housing while making best use of our assets. We completed 656 new homes during the year, including 418 for social rent and 238 for mid-market rent. In addition, 40 existing homes were acquired in the year. Completed developments included:

- 169 homes at West Craigs for Wheatley Homes East;
- 98 homes at Calton Village for Wheatley Homes Glasgow;
- 44 new Loretto homes in Bishopbriggs;
- 20 homes in Johnstonebridge for Wheatley Homes South; and
- 12 new Lowther homes in Wallyford.

At the year-end, 1,129 homes were under construction across 29 sites. These included 160 homes in Ibrox, Glasgow, 56 homes in Stranraer, 117 homes across three sites in Winchburgh in West Lothian, 66 homes across two sites at Dargavel in Renfrewshire and 70 homes in the Gallowgate in Glasgow.

Our new homes continued to receive external recognition during the year. Wheatley Homes Glasgow's Calton Village development won 'Best Regeneration Project' at the Inside Housing Development Awards and the 'Excellence in Regeneration and Sustainability' award at the CIH Scotland Awards. Wheatley, together with contractors Safedem and Despe, also won the 'Working in Collaboration' award at the 2025 World Demolition Awards.

Regeneration

The £100m regeneration of Wyndford took another step forward this year, with plans submitted to Glasgow City Council for the development of 401 new affordable homes. The wider transformation will also include a purpose-built community hub and new outdoor space, with work expected to start in 2027.

WH South continued to work with Dumfries and Galloway Council and the local community on the £130m regeneration of Lochside in Dumfries. The programme will deliver hundreds of new homes, refurbish existing homes, and improve travel routes and green space.

Investment in existing homes

In 2025/26 we delivered £93.6m of planned improvements to homes, neighbourhoods and communities, making them safer, warmer, more energy efficient and more attractive places to live.

Our investment programme reflects a targeted and strategic approach aligned to our tenant commitments and we delivered the improvements that matter most to customers while enhancing the long-term quality and sustainability of our homes. Fabric improvements to tenement blocks are an example of this more place-based approach, improving the condition, appearance and sustainability of neighbourhoods. We also maintained our focus on safety, comfort, quality and regulatory compliance.

Key projects carried out this year included:

- £10.6m on 1,201 kitchens and 224 bathrooms at change of tenancy and as part of planned lifecycle improvements to our homes;
- £8.6m on energy efficient heating systems and boilers, including the completion of 1,392 boiler replacements in Glasgow and energy efficiency improvements including new heating systems and air source heat pumps to a further 732 homes across central Scotland and in the East and South;
- £9.2m on modern, energy efficient new windows for 759 homes and doors for 358 homes;

- £4.0m on structure and roofs including 54 homes in the South and major repairs to two historic tenement blocks in Glasgow;
- £5.7m on external wall finishes, including fabric overhauls on 32 tenement blocks in Castlemilk, three tenement blocks in West Dunbartonshire, nine tenement blocks in Morrison Crescent, Duff Street Lane and Georgie/ Fountainbridge in the East together with wall insulation to 59 homes in the South;
- £4.6m on internal works and common areas, including upgrades to 359 common stairwells and entranceways across the Glasgow, Central and the East of Scotland and a further 47 homes in the South; and
- £3.6m on mechanical, electrical and plumbing, including 76 smoke and heat detector upgrades in Edinburgh and West Lothian and new emergency lighting for two multi-storey blocks in Royston, Glasgow.

Sustainability

At Wheatley, we are committed to ‘greener homes, greener lives’, to improving the fabric efficiency of our existing homes, upgrading heating systems to help customers save on energy costs and building energy efficient new homes. A total of 93% of our homes have an Energy Performance Certificate of ‘C’ or better, significantly higher than the most recently published Scottish sector average of 56%, and all our new homes are at least EPC B.

Over the five-year strategic period to 31 March 2026, retrofit investment in existing homes reduced carbon emissions by 18,866 tonnes CO2. Measures included electric heating controls, double and triple-glazed window upgrades, air source heat pumps, solar PV and insulation improvements.

During the year, we installed new windows and doors in over 1,100 homes, as well as over 2,100 new heating systems. This year we worked with Allume, a specialist provider of solar technology, to install a rooftop solar system using their SolShare technology, which allows solar energy from one system to be shared across all 30 households in a block of flats. The ECO4-funded project helped reduce household heating bills.

We also invested in advanced control systems to reduce energy demand across our district heating systems in Glasgow and Edinburgh. This is delivering system efficiencies of more than 60%, compared with the previous range of 30% to 45%, helping us keep tariffs more affordable during a period of unprecedented turbulence in global energy markets.

Our Neighbourhood Environmental Teams continued to support the Group’s sustainability and community objectives through local environmental improvements, including planting, litter-picking, green-space projects and customer-led estate walkabouts. The Spring into Action 2026 programme, which took place in March further demonstrated the impact of partnership working, with staff and supply-chain partners delivering visible improvements across Glasgow, Edinburgh and Dumfries, supporting cleaner, greener and safer communities while strengthening local pride and engagement.

Wheatley’s focus remains on reducing emissions while maintaining our service delivery and customer satisfaction. Our measured carbon emissions solely from our corporate activities are:

Tonnes of CO_{2_2} arising from corporate activities	2021/22	2022/23	2023/24	2024/25	2025/26
Scope 1 Emissions from sources owned or controlled directly by us	1623.6t	1847.0t	1859.5t	1618.8t	1851.8t
Scope 2 (market based) Emissions caused indirectly as a result of our activities such as electricity purchased by us	307.7t	320.2t	0t	0t	0t
Scope 3 Emissions produced by our supply chain (for example, travel for business purposes not procured by us)	260.0t	435.9t	398.1t	745.1t	580.2t

The majority of our Scope 1 emissions relate to our increased vehicle fleet and fuel consumption, for the delivery of repairs and environmental services for customers and communities. The reduction in Scope 3 emissions primarily reflects lower use of personal vehicles by staff for work purposes.

We also report sustainability measures in our Streamlined Energy and Carbon Reporting related to utilities consumption for all activities (i.e. in addition to our corporate use), with the following Group energy usage and carbon emissions for 2025/26 as follows:

- Underlying global utilities use for the organisation for the year ended 31 March 2026 of 46,705.5 MWh (2025:50,804.0 MWh) comprised of 71.4% for gas consumption totalling 33,342.2 MWh (2025:36,930.2 MWh) and 28.6% for electricity consumption totalling 13,363.2 MWh (2025:13,873.8 MWh). The decrease is primarily a result of our investment in improving the efficiency of our district heating systems.
- Emissions intensity ratio of 0.18 kgCO2e/kWh (2025:0.18 kgCO2e/kWh); taken from UK Government Business, Energy and Industrial Strategy (BEIS) 'Greenhouse Gas Conversion Emissions Factors' 'kgCO2e/kWh (gross CV)'. All our electricity consumption is zero emissions rated. The emissions arising are as a result of gas consumption.
- Annual greenhouse gas emissions for the year reported in tonnes of carbon dioxide equivalent of 6,079 tCO2e (2025: 6,647 tCO2e).

More information is provided in our Environmental, Social and Governance Report for 2025/26. You can view this at: www.wheatley-group.com/investor-relations/publications/environmental-social-and-governance-statement

Changing lives and communities

Supporting our customers
During 2025/26, we continued to support customers facing challenging economic circumstances, with demand for help remaining high.

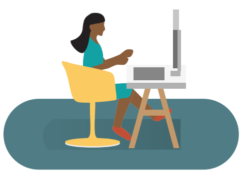
Wheatley Foundation provided over 18,000 instances of direct support to ease financial pressure and help customers remain secure in their homes. In addition, £9.2m was invested in Wheatley communities and a further £2.3m of external funding was secured, generating £18.0m in social value during the year.

Financial pressures on customers remained significant. By the year end, 35,504 Wheatley customers were on Universal Credit, representing 57% of our customer base and an increase of more than 12% from last year as the migration from legacy benefit arrangements completed during the year. Our Financial Wellbeing team supported over 7,500 customers, helping them secure more than £19.0m in financial gains for our customers, almost 40% of which was applied directly to rent payments, supporting tenancy sustainment and financial stability.

Supporting and creating employment
Our employability programme 'Wheatley Works' delivered 1,283 jobs and training opportunities for more than 1,000 people in 2025/26, with 74% benefiting people living in Wheatley homes. Key achievements included:

- 143 people taking part in Environmental Roots, combining accredited training with work experience in Wheatley's NETs teams, with 62% progressing into a Modern Apprenticeship or Changing Lives trainee role;
- 79 people moving from Changing Lives or Environmental Apprenticeship programmes into employment, a 44% increase on the previous year;
- 99 people facing barriers linked to homelessness, addictions or the criminal justice system supported through Way Ahead Glasgow, accessing 86 training opportunities and 28 jobs;
- 108 people supported Progress for Parents with personal development, skills and work readiness;
- 52 young people receiving tailored employability support through Moving Forward Edinburgh, accessing 87 jobs and training opportunities;
- 434 external jobs, apprenticeships and training opportunities supported with employers including Edinburgh City Council, Huntswood and Security Scotland; and
- 52 work placements, 14 jobs and one apprenticeship delivered through our community benefits programme.

1,283 opportunities
delivered through Wheatley Works to more than 1,000 people



The John Wheatley Learning Network, comprising 32 community-based learning centres, helped 2,178 people access free internet and digital learning in areas including music, web design, word processing and photography.

We also continued to invest in education and early years support. Wheatley Foundation awarded bursaries to 63 people from Wheatley homes and communities to attend university or college, while 6,352 books were delivered to 664 children under five through the Dolly Parton Imagination Library, bringing the total number of books gifted since 2016 to more than 50,000.

Letting homes

Supporting people affected by homelessness remains a key priority. During this year, we allocated 2,574 homes to people experiencing homelessness, representing more than 60% of relevant lets.

Over the past five years, we have provided 12,315 homes to people who were homeless, including 506 homes converted from temporary accommodation to permanent homes.

Improving our neighbourhoods

We continued to invest in keeping communities clean, safe and well maintained. Our partnership with Keep Scotland Beautiful ("KSB") remained a key measure of service quality, with all Wheatley neighbourhoods achieving five-star ratings, the highest possible grade. We also supported customers to play a more active role, with 80 Wheatley customers trained in KSB standards and taking part in regular estate walkabouts with frontline staff.

The Spring into Action event saw environmental staff work alongside volunteers from schools, local authority partners, contractors and community groups on projects including litter-picks, recycling and tree planting.

Our Community Improvement Partnership, a specialist team of police officers and Anti-Social Behaviour Prevention and Intervention officers, continued to support customers affected by anti-social behaviour. At the end of 2025/26, more than 75% of Wheatley neighbourhoods were classed as peaceful.

Wheatley Care

Throughout 2025/26 Wheatley Care continued to provide inclusive, holistic support to people with complex needs, including physical disabilities, learning disabilities, mental health conditions, addictions and homelessness.

Wheatley Care supported 6,374 people across 10 local authority areas, helping them achieve positive outcomes and live more independently. Around 45% of customers received support from transitional services, focused on people who have experienced, or are at risk of, homelessness.

Wheatley Care provided support to customers in our 33 Livingwell complexes, which help older customers live independently in their own homes for longer with support from housing and care staff and 11% of customers received personalised and self-directed support to live independently. The remaining customers received support through day services providing preventative support for people diagnosed with mental health conditions across Edinburgh and Fife.

The quality of Wheatley Care's services continued to be reflected in strong inspection outcomes. During the year, seven services were inspected by the Care Inspectorate. Across 16 live inspection reports, more than 75% achieved grades of 5, very good, or 6, excellent, for key themes, significantly above the national average of 29%.

All services received grades of 4, good, or above for key themes inspected, outperforming the national average of 55%.

Community engagement

Supporting people to connect with their communities remained central to our work, improving wellbeing, reducing social isolation and creating pathways into employment, volunteering and education.

During the year, more than 80 customers took part in consultations to shape Wheatley Care's next strategic plan. We also welcomed 11 new volunteers, bringing the total number supporting our services since 2021 to 56, exceeding our target of 50.

We continued to develop our approach to peer mentoring, including work with the Scottish Recovery Network. Partnership working also extended into the arts through collaborative projects with Nemo Arts, culminating in the premiere of a short film produced by people we support at a community venue.

Developing our shared capability

Learning and development

Investing in our people remains central to our ability to deliver high-quality services and improve outcomes for customers. Our learning and development programme ensures colleagues have the skills, knowledge and confidence to respond to changing needs and support delivery of our strategic priorities.

Our programme combines online and face-to-face learning, delivered through our in-house team and external partners, to support colleagues across a wide range of roles and services. In total, colleagues completed 38,363 hours of training during the year.

During 2025/26, we continued to strengthen our approach to developing talent and capability across Wheatley. This included 71% of promoted roles being filled by internal candidates, reflecting our focus on career progression and development.

During the year, we focused on building capability in key areas to support service delivery and respond to changing policy and customer needs. This included refreshed customer service training for neighbourhood teams, completed by 256 staff. The training supported improved customer interactions, with the aim of achieving and sustaining customer satisfaction levels of 90% and above.

A further 227 colleagues completed Universal Credit training to strengthen understanding of welfare reform and support customers through the Department for Work and Pensions migration to Universal Credit. This also contributed to protecting rental income through early advice and intervention.

We also worked in partnership with the Scottish Public Services Ombudsman to strengthen complaints handling, improve resolution and embed learning across services, with 39 staff completing Stage 2 training.

This year, we secured places for two colleagues on the national housing sector leadership and development GEM programme, supporting development of future talent across the Group. The programme combines professional qualifications with peer learning and sector-wide insight. In May 2025, we also hosted the Sustainability GEM Shack, bringing together guest speakers and site visits to showcase best practice and innovation in sustainability across the organisation.

We continued to participate in EDGE, a senior leadership development programme focused on building strategic leadership capability and sector insight.

Customer safety remains our top priority. The Housing (Scotland) Act 2025 sets out legislative requirements to address issues of damp and mould which comes into force in October 2026. These requirements are often referred to as Awaab's Law. In preparation for the introduction of Awaab's Law, we delivered a comprehensive blended learning programme to strengthen how damp and mould is prevented, identified and resolved. More than 200 colleagues, alongside staff in CBG, completed damp and mould awareness training, with a further 60 achieving City & Guilds accreditation in advanced damp and mould. This ongoing programme supports consistent, compliant responses that safeguard customers and support compliance with Awaab's Law.

38,363 hours
of training completed by staff

200+ staff
completed damp and mould awareness training

Early careers

The success of our early careers recruitment and the relaunch of our Modern Apprenticeship programme reinforced our approach to developing future talent and highlighted the value of providing clear, accessible pathways to employment.

This year, 33 young people aged 16–19 took part in our Summer Work Experience programme, gaining hands-on experience across a range of services including Housing, Care, Development, IT, Legal, People Services and CBG. Placements were offered across Glasgow, Edinburgh and Dumfries. Of the 33 participants, 12 were Wheatley customers and 21 were children of employees.

Following a competitive two-stage process, we recruited seven apprentices this year, including three living in Wheatley Homes. Apprentices were placed across key services including Housing, Lowther, People Services and My Repairs. In partnership with Skills Development Scotland, two participants used their experience to support achievement of a Foundation Apprenticeship at SCQF Level 6.

We also recruited two housing graduates in Edinburgh this year, strengthening our future talent pipeline and supporting delivery of our new build development programme. The Programme attracted strong interest, with 77 applications and 11 candidates progressing to assessment centre. Delivered in partnership with PATH Scotland, the campaign also supported greater diversity in our future workforce by engaging candidates from minority ethnic backgrounds.

Bursary programme

Our staff bursary programme supported 25 colleagues to access further and higher education, enabling ongoing professional and personal development across the Group. Courses included Housing Studies, Housing Practice, Legal Practice, Fire Safety and other professional qualifications.

Think Yes

Think Yes remains central to our culture, promoting empowerment, pride and customer-focused decision making across the Group. During the year, we refreshed our Think Yes approach, delivering a programme of events supported by updated materials. We also trained more than 50 leaders as in-house facilitators, strengthening delivery across teams and reinforcing renewed energy for all employees.

Think Yes principles are embedded across all training activities, including our refreshed corporate induction, which is aligned to our strategy and values and includes more interactive content and practical scenarios.

Right Conversation, Right Time

We introduced a new approach to performance and development, replacing a single annual review with more regular, meaningful conversations between staff and managers. The Right Conversation, at the Right Time approach was developed in response to employee feedback and supports timely discussions on priorities, workload, wellbeing and development.

Enabling our ambitions

Financial viability

Providing value for money and keeping rents affordable remain key strategic priorities. We balance affordability for customers with the need to maintain the Group's financial viability and continue to invest in our homes and services. Our financial strategy supports this by delivering operational efficiencies and embedding them within our business plan and annual budgets, ensuring we have the capacity and flexibility to respond to financial challenges.

The Financial Review for the year outlines in detail the solid financial performance delivered this year which saw turnover grow from £516.8m to £535.6m and the operating surplus increase from £161.4m to £167.9m. The 2025/26 surplus was used to fund investment of £93.6m in improving our homes and neighbourhoods and to meet interest costs of £79.6m on borrowings. At 31 March 2026 our net asset position strengthened from £1,617.0m to £1,844.3m.

The Group completed its annual review process with S&P Global, the credit rating agency, retaining an A+ rating with stable outlook reflecting the Group's strong financial management. The review included an analysis of financial performance and business plans, as well as an assessment of Scotland's operating and regulatory environment. Achieving a robust financial position is crucial for us as we continue to invest in the quality, safety and security of our homes. We have held an A+ stable rating since 2019 and it places us in a small number of the highest rated large housing providers in the UK. S&P Global also reviewed the separate standalone rating for Lowther which retained its A rating.

Performance from the commercial activities of the Group also remained robust and exceeded targets. In Lowther, the private letting and factoring operations generated an operating margin of 22% (2025: 21%) after adjusting for non-cash accounting adjustments for new build grant income and property valuations. This allowed a gift aid payment of £3.2m (2025: £3.4m) to be made to Wheatley Foundation for community investment projects and provided funding to support our customers. Lowther's commercial letting activities also continued to exceed operational targets with a reduction in commercial arrears from 2024/25.

£535.6m turnover

for the Group in 2025/26

£1,844.3m net assets

an increase from £1,617.0m

Innovation in services

We continued to invest in digital innovation during the year, using data and technology to improve services for customers and support better decision-making across the Group.

Our Group Data Strategy is central to this approach. It is helping us embed data into the way we design and deliver services, including through the development of a single, trusted view of customers, homes and assets, supported by a modern data platform and consistent governance. This is strengthening customer insight, enabling more personalisation of our services and supporting better decisions across areas such as asset management, compliance, repairs and customer engagement.

The strategy is also creating opportunities to make greater use of advanced analytics, artificial intelligence ("AI") and new data sources. This supports a shift towards more proactive and preventative services, helping us identify risks earlier, target interventions more effectively, improve outcomes for customers and drive efficiency across the organisation.

One example is our pilot of indoor air quality technology in customers' homes. In partnership with Nooku and the Smart Things Accelerator Centre ("STAC"), we are trialing smart sensors in 140 homes across Glasgow and the east of Scotland. The sensors monitor temperature, humidity and carbon dioxide levels and provide simple, real-time advice to help customers improve conditions in their homes. Insights from the pilot will help us better understand conditions across our homes and explore how technology can support earlier identification of issues such as ventilation and damp-related risks.

We are also improving how customers interact with services through investment in digital platforms. Lowther is introducing a new factoring system designed to make services simpler, faster and more convenient, with improved access to accounts, payments, information and repairs tracking.

Our digital channels continued to support easier access to services during the year. Customers used webforms to request services, book appointments and access information and advice. At our CFC, webchat remained an important channel, with 16,471 interactions handled during the year. We also introduced AI-supported features within the CFC, including automated identity checks and call summaries, improving efficiency and the consistency of customer records.

During the year, 409,371 people used MyHousing, Wheatley's housing information and letting service. Total visits across Wheatley websites, including MyHousing, reached 876,400. Our social media channels also continued to grow, with 73,665 followers and 991 customer enquiries handled.

Together, these innovations support our ambition to deliver modern, responsive and efficient services, with data and technology enabling continuous improvement and helping us meet the evolving needs of our customers.

Procurement

The Group is required to comply with the Procurement (Scotland) Regulations 2016 for all procurement and contracting activity due to our classification as a Contracting Authority. Compliance remains strong, with 98% of total spend routed through regulated and contracted procurement arrangements, ensuring a high level of control and assurance across the Group.

We continue to leverage our scale to maximise value by consolidating suppliers where appropriate, delivering efficiencies and supporting continuity of service. This is supported by a structured forward pipeline of procurement activity to manage contract renewals and align with the Groups strategic priorities.

During the year, we strengthened contract management and assurance through the improved use of our Contract Management System (CMS), improving consistency and enhancing governance across the Group.

Our procurement activity continues to be independently assessed by Scotland Excel on behalf of the Scottish Government on a biannual basis. The most recent audit achieved a score of 99 out of 100, providing strong external assurance over the effectiveness of our procurement governance, processes and controls.

The Group aims to pay undisputed and valid invoices within 30 days. In 2025/26, 91.5% of Group invoices were paid within this timeframe, down slightly from the 93% paid within 30 days in 2024/25.

External recognition

We continued to receive external recognition in 2025/26. The Group retained its Customer Service Excellence ("CSE") accreditation, the national standard for excellence in customer service in public sector organisations and holds an Investors in People ("IIP") platinum accreditation. The Group is also an accredited Living Wage employer and Disability Confident employer.

Non-Financial and Sustainability Information Statement

The Task Force on Climate-related Financial Disclosure (TCFD) framework provides stakeholders with greater transparency on how climate-related risks and opportunities are governed, managed and incorporated into strategic decision-making. Climate change presents both physical risks to our homes and communities and transitional risks associated with the move to a lower-carbon economy. As one of the UK's largest housing and property management groups, we recognise our responsibility to understand, manage and respond to these risks while supporting the transition to net zero. Further information on our environmental, social and governance activities is provided in our annual ESG Report 2025/26.

Governance

Oversight of climate-related matters rests with Wheatley Board, supported by the Group Audit Committee, subsidiary boards and the Executive Team. Climate-related risks, opportunities and performance are considered through the Group's strategic planning, asset management and risk management processes. The Boards receive regular updates on progress against sustainability objectives and climate-related targets, while significant climate risks are incorporated within the Strategic Risk Register and reviewed as part of the Group's risk management framework.

Operational responsibility for delivering the Group's sustainability strategy sits with senior management, supported by specialist asset management and sustainability teams. The Group's Pathway to Net Zero working group and the wider sustainability governance arrangements support the delivery of climate objectives across housing assets, development activities and business operations.

Strategy

The Group continues to invest in improving the energy efficiency of existing homes and assessing the implications of emerging policy developments, including the Scottish Government's proposed Social Housing Net Zero Standard and wider heat decarbonisation requirements. Climate-related considerations influence long-term asset investment planning, development decisions, funding strategies and business planning activities.

Climate change is embedded within Wheatley's Sustainability Framework, which focuses on three key areas:

- Existing homes – reducing carbon emissions from existing homes through targeted investment and retrofit activity, with net-zero emissions from homes where technically and economically feasible by 2043;
- New homes – delivering new developments to high energy-efficiency standards, with all new homes achieving at least EPC Band B and using net-zero heating systems in line with planning requirements; and
- Business operations – reducing emissions from business activities through energy efficiency, decarbonisation of the fleet and the use of renewable electricity.

In addition, the Group's new strategy, Making homes and lives better, covering the five year period from 2026 to 2031 specifically references climate and sustainability. As part of our roadmap to achieving our strategic objectives, commitments include:

- Maintaining and enhancing homes to the Wheatley Standard by meeting specific energy efficient targets for our homes; and
- Enhancing our Wheatley Sustainability Framework to focus on net zero, understanding climate impacts on our business, and working with partners in relation to delivering this to customers.

Risk Management

Climate-related risks are identified, assessed and managed through the Group's established risk management framework. These risks are considered alongside wider strategic, operational, regulatory and financial risks and are reviewed regularly by management, the Group Audit Committee and the Group and subsidiary Boards.

The Group's Strategic Risk Register includes specific climate and sustainability-related risks, including the risk of failing to achieve sustainability targets, the ability to meet Scottish Government legislative requirements for energy efficiency and the physical impacts of climate change on homes and infrastructure. Risk assessments consider the potential impact on customers, assets, operations, reputation and long-term financial sustainability.

To mitigate these risks, we maintain detailed stock condition and energy performance information, incorporate climate considerations within asset investment plans, monitor emissions and sustainability performance and we secure external funding where available to support decarbonisation programmes.

Metrics and targets

We monitor a range of sustainability and climate-related indicators to evaluate progress against our objectives. Specific environment and climate related metrics are monitored and tracked during the year. During 2025/26, we continued to improve the energy efficiency of our homes through investment in heating systems, insulation, renewable technologies and wider retrofit measures.

Metric / Target	Progress	2025/26	2024/25
Net zero heating systems in all homes where technically and economically feasible	Target by end 2043	Ongoing	Ongoing
Minimum EPC Band B for all new homes	Ongoing requirement	100%	100%
Reduction in emissions from business operations and progress towards carbon-neutral operations	Monitored and reported annually	Independently verified carbon emissions, categorised in Scopes 1, 2 and 3, is included in our Sustainability section page 12	Independently verified carbon emissions, categorised in Scopes 1, 2 and 3, is included in our Sustainability section page 12
Existing homes achieving EPC Band C or above	Monitored and reported annually	93%	92%
Annual reduction in carbon emissions from housing assets and operations	Monitored and reported annually	Reduced by over 2,219 tonnes per annum	Reduced by over 3,170 tonnes per annum
Deployment of low-carbon technologies and energy-efficiency measures	Ongoing investment programme	£17.8m on energy efficiency measures including heating systems, windows and doors	£16.7m on energy efficiency measures including heating systems, windows and doors

Financial review – Group highlights

The year under review was marked by continued pressure across the UK and Scottish economies. Inflation remained above the Bank of England's long term target increasing pay settlements, energy costs, construction costs and wider operating expenditure, affecting both households and service providers. Although interest rates stabilised during the year, borrowing costs remained significantly above the historically low levels of the previous decade.

In Scotland, the social housing sector continued to operate within a declared national housing emergency and a changing regulatory and policy environment affecting rents, tenant protections, homelessness prevention and housing standards. For the Group, this external environment framed the delivery of services across housing, property management and care activities. The Group operates at significant scale, managing and supporting a large and geographically diverse customer base across Scotland. Our size and diversity provides resilience and flexibility, while requiring careful financial management to balance customer needs, investment in homes and neighbourhoods, and wider social outcomes.

Financial performance reflects our continued focus on financial resilience, cost control and long term sustainability. Supported by prudent treasury management and strong financial governance, we continued to invest in existing homes, deliver new affordable housing and provide high-quality services. Maintaining this discipline remains important as we enter our new five-year strategy, 'Making homes and lives better'.

The Financial Review that follows sets out the Group's results for the year, financial position and cash flows and the key factors affecting performance.

Statement of Comprehensive Income

The Group generated an operating surplus of £167.9m (2025: £161.4m) for the year after accounting for grant income recognised for new build activities and other non-cash items. The surplus was used to invest £93.6m (2025: £81.3m) in improving the quality of our homes and neighbourhoods and to meet interest costs of £79.6m (2025: £76.6m) on borrowings.

Non-cash items reported within operating surplus include:

- Grant income recognised on the completion of new build properties, acquisitions and for other new build activities was £94.9m compared to £99.6m in the prior year, a decrease of £4.7m. The grant received for development activities is held on the Statement of Financial Position until the properties are completed when it is recognised as income through operating surplus. The amount recognised varies dependant on the timing and size of the new build programme. The movement in grant income is linked to the 656 new homes completed and 40 acquisitions in 2025/26 compared to 844 in 2024/25.
- Other gains and losses report an upward movement on valuation of investment properties of £16.5m compared to an upward movement of £10.7m in the prior year, an increase of £5.8m. Investment properties are held on the Statement of Financial Position at valuation and on completion of new-build properties FRS 102 requires the associated grant income to be recognised through profit or loss under the performance model.

Table 1

Five-year summary	2022 £m	2023 £m	2024 £m	2025 £m	2026 £m
Statement of Comprehensive Income					
Turnover	418.0	423.6	412.6	516.8	535.6
Operating expenditure	(332.0)	(335.5)	(348.3)	(366.1)	(384.2)
Other gains and losses	(3.1)	(8.7)	9.9	10.7	16.5
Operating surplus	**82.9**	**79.4**	**74.2**	**161.4**	**167.9**
Share of profit in JV	0.0	0.0	0.0	0.3	0.0
Gain on disposal of fixed assets	1.1	0.3	0.9	1.2	0.3
Net finance charges	(63.7)	(64.0)	(71.4)	(76.7)	(79.7)
Movement in fair value of financial instruments	(4.3)	0.8	3.7	1.5	(2.1)
Surplus for the year before tax	**16.0**	**16.5**	**7.4**	**87.7**	**86.4**
Operating surplus	**82.9**	**79.4**	**74.2**	**161.4**	**167.9**
Adjusted for:					
New-build grant	(36.5)	(54.8)	(27.6)	(99.6)	(94.9)
Other gains and losses	3.1	8.7	(9.9)	(10.7)	(16.5)
Depreciation and other non cash accounting items	110.2	110.1	109.5	118.3	123.1
EBITDA	**159.7**	**143.4**	**146.2**	**169.4**	**179.6**
Adjusted for:					
Investment in existing affordable housing	(108.7)	(76.7)	(76.8)	(81.3)	(93.6)
EBITDA MRI	**51.0**	**66.7**	**69.4**	**88.1**	**86.0**

Total turnover in the year was £535.6m, up from £516.8m in 2025. This has been generated from our strong letting performance generating an increase in income from our core letting and property management operations.

Chart 1: Group turnover

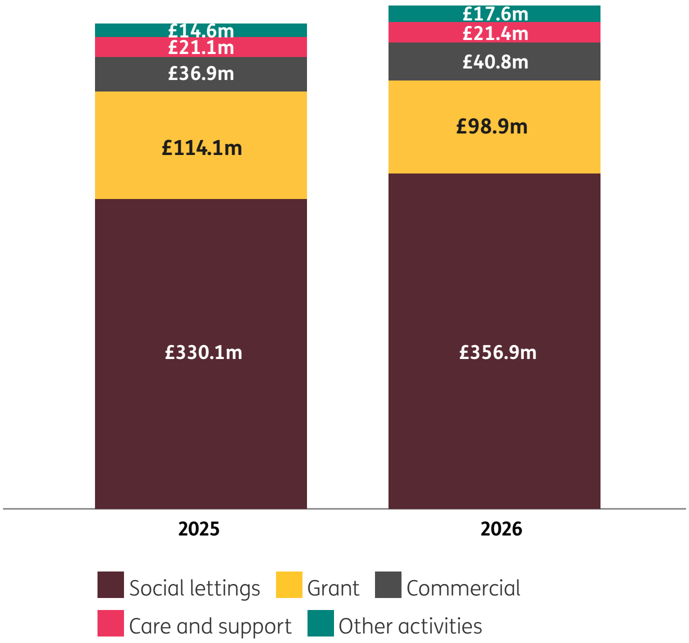


Chart 1 shows 66.6% (2025: 63.9%) of turnover was generated from the Group's core social letting activities linked to our strong letting performance and additional homes completed in the new build programme generating income of £356.9m up from £330.1m in the prior year. Grant income of £98.9m (2025: £114.1m), principally for the development of new build housing, was also recognised in the year following the completion of our new build properties.

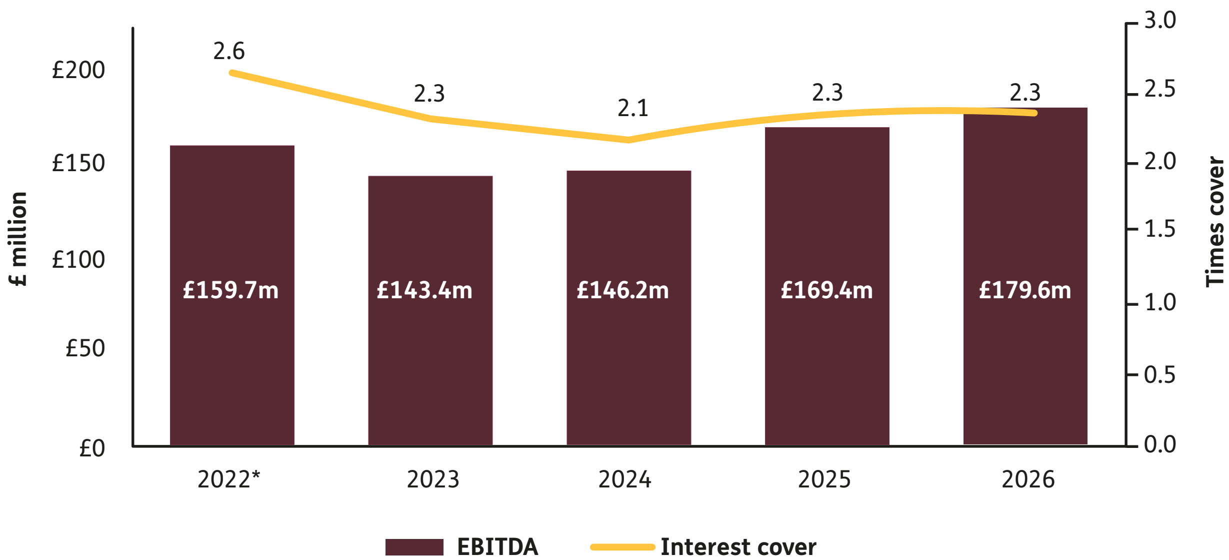
Non-social housing activities represent a relatively small proportion of the Group's overall turnover. In 2025/26, care and support income of £21.4m was around 4.0% of Group turnover. Factoring and letting activities generated a further £40.8m or 7.6%. Other income of £17.6m includes grants and donations to Wheatley Foundation, income from owners for improvements and commercial property income.

EBITDA or earnings before interest, tax, depreciation and amortisation (adjusted to remove new-build government grant, non-cash accounting adjustments reported in other gains and losses and FRS 102 pension costs) increased to £179.6m from £169.4m in the prior year as shown in Table 1. EBITDA has improved over the five year period of our 2021-2026 Strategy by £19.9m or 11.1%. After meeting interest costs, surplus earnings are re-invested in our programme of capital improvements to our customers' homes.

Despite the lasting impact of a number of years of high inflation on our cost base, an increase in EBITDA has been generated through our strong core social letting and property management performance and delivery of operational efficiencies.

As shown in Chart 2, the Group's ability to meet interest payments due on borrowings from EBITDA also known as interest cover sits at 2.3 times and has been maintained at 2 times above or higher over the last five years. Our exposure to interest rate movements is managed with 78% of our borrowings on fixed rate arrangements at 31 March 2026.

Chart 2:



*EBITDA in 2021/22 benefitted from the inclusion of a one-off receipt of £12.9m in other income which was reinvested into capital improvements

The Group uses adjusted EBITDA after taking account of all fixed asset capital investment spend in existing affordable housing as a key indicator of financial strength. This is referred to as EBITDA MRI (as shown in Table 1) and is assessed relative to finance costs for the year to show the earnings available to service borrowings. Strengthening the ability of the Group to generate surpluses to increase funding available for capital investment and service debt with new borrowing only for funding new build development is a key strategic objective.

As shown in Chart 3, for 2025/26, EBITDA MRI of £86.0m (2025: £88.1m), was more than sufficient to cover interest payments of £77.0m (2025: £73.9m).

Chart 3 shows the progress against this objective over the five years since 2021/22. In 2021/22 a large element of non-recurring capital works were undertaken in WH South which had been postponed in 2020/21 due to the pandemic. Excluding these catch-up capital projects EBITDA MRI would have been sufficient to cover the £61.7m of interest payments.

Statement of Financial Position

As shown in Table 2, total reserves of £1,844.3m increased by £227.3m in the year.

Social housing and investment properties, excluding housing under construction, increased in value by £306.2m this year representing the long-term value of investment in customers' homes and the investment in the new-build programme, completing 696 new homes and acquisitions this year with a further 1,129 on site.

Our social housing properties are valued using the Existing Use for Social Housing Valuation methodology ("EUV-SH") which will not always reflect the scale of capital investment spend reported in the particular financial year. The increase in valuation at 31 March 2026 reflects the view of our independent valuation expert on the high quality and good condition of our properties.

Current liabilities of £223.7m are reported, an increase £10.9m on the £212.8m at 31 March 2025. The movement reflects the increase in the amount of new build grant income to be released from current liabilities to the Statement of Comprehensive Income in 2026/27 on completion of properties, an increase in borrowings falling due for repayment within one year offset by a reduction in trade creditors, accruals and rent and service charges received in advance reflecting the timing of payments. Other long-term liabilities have increased from £74.6m in 2025 to £91.7m in 2026 due to an increase in the receipt of new build grant income in the year for properties due to complete after 31 March 2027.

Debt and gearing levels remain sustainable, with long term loans of £1,783.4m (2025: £1,699.2m). Gross debt per unit was £27,574 (2025: £26,431), which remains below the majority of large UK housing groups. Gearing, measured as net debt as a percentage of asset values in the Statement of Financial Position reduced to 47% at 31 March 2026 (2025: 49%).

Chart 3:

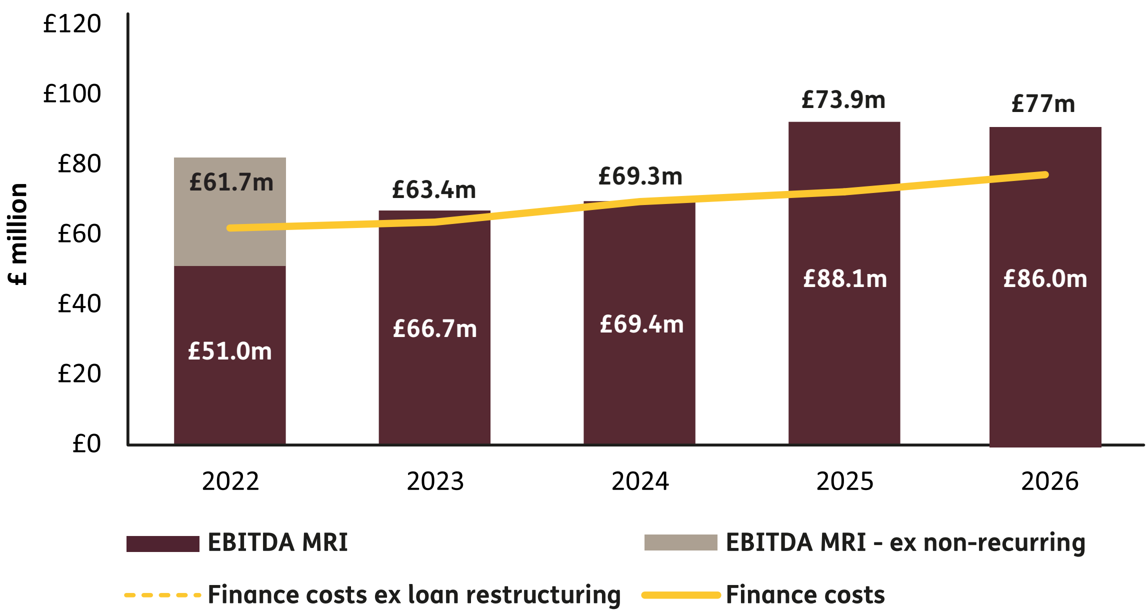


Table 2

Five-year summary	2022 £m	2023 £m	2024 £m	2025 £m	2026 £m
Statement of Financial Position					
Social housing and investment properties	2,759.1	2,873.8	3,245.9	3,448.4	3,756.9
Other fixed assets	121.3	74.2	78.9	88.3	91.0
Current assets	120.5	86.6	87.8	84.5	112.6
	3,000.9	3,034.6	3,412.6	3,621.2	3,960.5
Current liabilities	186.3	153.9	212.4	212.8	223.7
Long-term loans	1,493.7	1,529.6	1,580.6	1,699.2	1,783.4
Other long-term creditors	78.3	101.5	125.8	74.6	91.7
Provisions and pensions	9.5	12.0	20.1	17.6	17.4
Reserves	1,233.1	1,237.6	1,473.7	1,617.0	1,844.3
	3,000.9	3,034.6	3,412.6	3,621.2	3,960.5

Gearing	2022 £m	2023 £m	2024 £m	2025 £m	2026 £m
Social housing properties	2,496.8	2,599.9	2,935.9	3,062.1	3,290.4
Market-rent properties	248.9	259.8	295.6	371.7	451.8
Asset values	2,745.7	2,859.7	3,231.5	3,433.8	3,742.2
Loans	1,510.2	1,546.0	1,614.1	1,729.0	1,822.5
Cash	(62.2)	(39.7)	(36.3)	(36.3)	(46.3)
Net debt	1,448.0	1,506.3	1,577.8	1,692.7	1,776.2
Gearing %	53%	53%	49%	49%	47%

Cashflow and liquidity

All cash balances and surpluses are fully reinvested in the delivery of housing services, investment in customers' homes and the delivery of new homes. Under the Group's constitution no cash or surpluses can be used for any other purpose.

The Group generated a cash inflow of £175.9m (2025: £155.8m) from operating activities demonstrating our ability to generate sufficient and reliable funds from core letting and property management operations to meet the costs of providing our services to customers and invest in existing homes. The Group's ability to generate a high level of operating cashflow was recognised by S&P during their recent review of the Group's credit rating.

- Rental cashflows remained strong and dependable with arrears levels being closely monitored. Rental income also grew from an increase in property numbers with the addition of 844 new homes in 2024/25 and a further 696 during the year. Savings achieved from the successful delivery of our efficiency targets also continued to contribute.

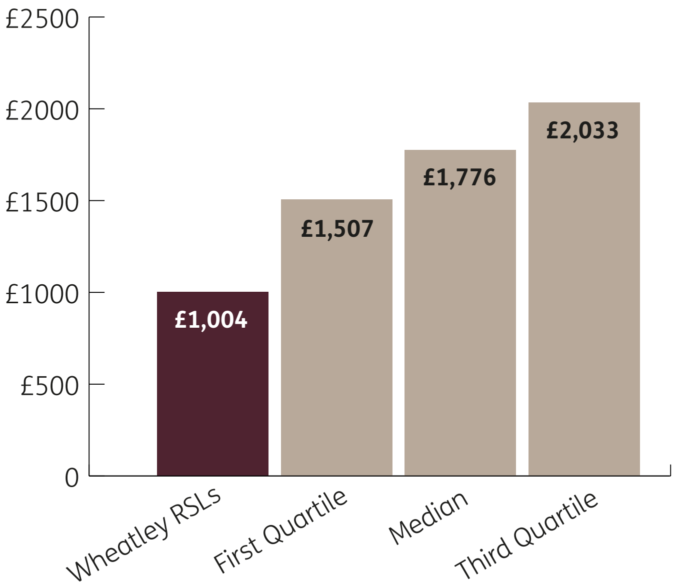
- To help support the development of new housing and deliver projects in existing homes, grant income of £92.0m (2025: £69.9m) was received in the year from the Scottish Government and local authorities.
- After taking account of investing and financing activities, cash and cash equivalents at 31 March 2026 were £46.3m (2025: £36.3m) with those funds utilised in the delivery of the new build programme and planned repayment of borrowings.

Social Letting Activities – Key Performance Indicators
In addition to the Group measures of operating surplus, EBITDA and EBITDA MRI, additional key performance indicators ("KPIs") are used to assess and benchmark performance of our RSLs against our strategic objective of delivering exceptional customer experience with a particular focus on services representing Value for Money.

Management and administration costs
Management costs are reported in note 4 to these financial statements. For the Group RSLs, management cost per unit in 2025/26 was £1,004 increasing slightly from £991 in the prior year. We continued to focus on efficiencies across our group structure to minimise overheads and deliver value-for-money services for customers. This is reflected in the year-on-year increase in management costs per unit of 1.3%, which was below the inflationary increase across our cost base.

As shown in Chart 4, our management cost per unit remains below the median for the sector as compared against other mainstream Scottish RSLs with a majority of stock classified as general needs. Around a quarter of the Group's properties are high-rise flats, and by virtue of the services provided such as the investment in concierge and environmental services, management costs in these properties are higher than similar low-rise properties.

Chart 4:
Management & Administration unit cost 2025/26



Source: Scottish Housing Regulator comparison of Scottish RSL unit costs 2024/25. Wheatley Group Financial Statements 2025/26 note 4, note 18

Social Housing cost per unit

Headline social housing cost per unit includes revenue repairs and maintenance spend and investment in capital improvements within our social housing properties. Money invested in existing homes across revenue repairs, maintenance and capital improvements comprises the largest element of this KPI with £218.4m spent this year (2025: £196.6m).

In 2025/26 a headline social housing cost per unit of £4,568 is reported compared to £4,220 in 2024/25 with the uplift linked to our objective of increasing the level of investment in our housing properties to provide high quality housing for our customers including investment which improves the energy efficiency of homes.

As shown in Chart 5, the profile of our capital programme was disrupted in 2021/22 due to the pandemic, initially by pandemic restrictions and thereafter by catch up investment spend postponed from the year before. Stripping out this disruption, social housing cost per unit shows an increasing trend in line with our targets and current and future financial planning to increase the level of investment in homes.

Treasury Management

Long term debt facilities

As at 31 March 2026, Wheatley had £2,323.7m (2025: £2,049.9m) of bond and bank funding facilities in place with total Group drawn debt balances of £1,813.7m (2025: £1,725.5m). Facilities of £510.0m (2025: £324.4m) were undrawn at the year end, providing a high level of liquidity for the Group.

During the financial year, refinancing activities and new debt arrangements were implemented. This comprised the renewal of our existing revolving credit facilities, which included an increase of £150.0m, and the arrangement of four new term debt facilities, totalling £153.0m.

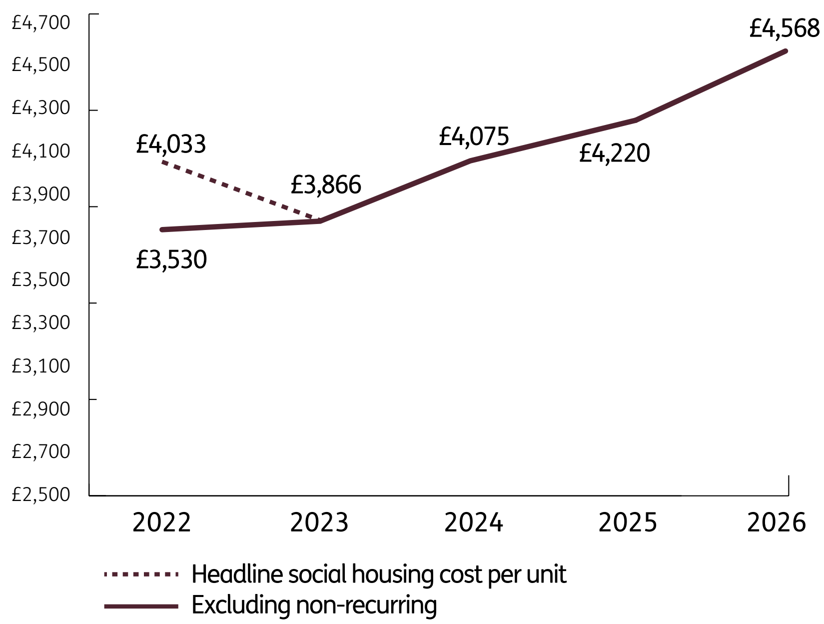
Wheatley Funding No.1 Ltd ("WFL1") secured three new term loans during the financial year: £70.0m from NatWest/RBS social loan fund, £40.0m from Lloyds/Bank of Scotland with a National Wealth Fund guarantee, and £20.0m from Allia Social Investments. Our £100.0m bond tap remains fully retained.

Wheatley Funding No.2 Ltd ("WFL2") secured a new £23.0m term loan from their existing funder, Scottish Widows to fund an acquisition of mid-market rent units from Group RSLs.

The RSL Group treasury vehicle, WFL1, provides the debt facilities via intra-group agreements for our four Registered Social Landlords, Wheatley Homes Glasgow, Wheatley Homes South, Wheatley Homes East, Loretto Housing and for our development vehicle, Wheatley Developments Scotland Limited.

WFL1 utilises various funding arrangements, including term debt provided by Syndicate lenders, two debt facilities with the European Investment Bank, bilateral revolving credit facilities from four UK institutions, private note placements, Scottish Government charitable bonds administered by Allia, and bond funding sourced from public debt capital markets. As of 31 March 2026, WFL1's committed facilities amounted to £2,116.7m (2025: £1,865.9m). The majority of these facilities are secured against properties owned by the Group RSLs via a security trust structure, with the remaining facilities being unsecured.

Chart 5: Headline social housing cost per unit



In addition to group funding through WFL1, Wheatley Homes East has a £16.5m direct loan from The Housing Finance Corporation ("THFC") secured on their property assets and a £16.0m unsecured loan from Allia. Wheatley Homes South has a £40.0m direct loan from THFC secured on their property assets and several unsecured loans totalling £35.0m with Allia.

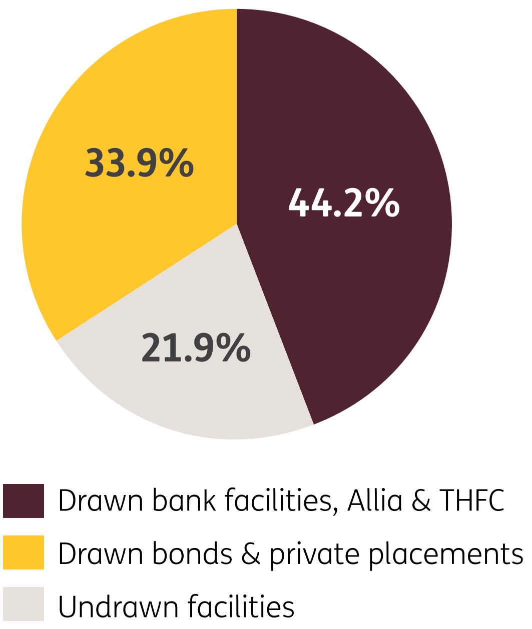
Wheatley Funding No.2 Ltd ("WFL2") is the funding vehicle for the commercial activities of Wheatley. Following the funding activity delivered this year, facilities provided by Scottish Widows total £99.5m (2025: £76.5m), secured against properties owned by Lowther Homes for mid-market and private sector rent.

The committed funding facilities in place on 31 March 2026 comprised the following:

Group company	Facility	Principal
WGC plc	Public bond – issued 2014/15	£300.0m
WGC plc	Public bond – created and retained in full 2024/25	£100.0m
WFL1	Private Placement loan notes – issued 2017/18	£100.0m
WFL1	Private Placement loan notes – issued 2018/19	£50.0m
WFL1	Private Placement loan notes – issued 2019/20	£114.0m
WFL1	Private Placement loan notes – issued 2024/25	£125.0m
WFL1	Barclays facility	£100.0m
WFL1	RBS facility	£275.0m
WFL1	Bank of Scotland facility	£100.0m
WFL1	Nationwide facility	£20.0m
WFL1	Bank of Scotland /NWF retrofit loan	£40.0m
WFL1	Commercial bank syndicated facility	£449.5m
WFL1	European Investment Bank facilities (2003 and 2018)	£240.9m
WFL1	Allia facilities	£102.3m
WH-East	THFC facilities	£16.5m
WH-East	Allia facilities	£16.0m
WH-South	THFC facilities	£40.0m
WH-South	Allia facilities	£35.0m
WFL2	Scottish Widows facility	£ 99.5m
		£2,323.7m

Total drawn balances as at 31 March 2026 were £1,813.7m (2025: £1,725.5m). The Group RSLs had drawn £1,606.7m from WFL1. Wheatley Homes East direct loans were drawn at £16.5m from THFC and £16.0m from Allia. Wheatley Homes South direct loans were drawn at £40.0m from THFC and £35.0m from Allia. In WFL 2, Lowther Homes had fully drawn the £99.5m facility. The split of total facilities in shown in chart 6 below:

Chart 6: Total facilities



As at 31 March 2026, £510.0m (21.9%) of borrowing facilities were undrawn (2025: £324.4m, 15.8%).

The weighted average duration of committed facilities across the Group is 13.5 years (2025: 16.1 years). Under the Group Treasury Management Policy, we retain adequate immediately available funds to meet our cash requirements for at least the next 24 months (Liquidity Golden Rule).

The historic weighted average cost of drawn debt, inclusive of margins and hedging activities, was 4.55% on a Group-wide basis at 31 March 2026 on an annual effective rate basis (2025: 4.56%). Asset value (for debt security purposes) was £3,010.4m at 31 March 2026, with £702.4m (19%) of assets being available for security (either categorised as unsecured or unallocated to a funder).

Counterparty risk

The notional pooling of surplus cash across RSLs is used to enhance the Group's ability to earn interest on cash balances. Cash balances are held in accounts or invested in AAA-rated money market funds that earn interest and minimise balances held in zero interest accounts.

The Group operates a conservative counterparty risk management strategy that aims to minimise the risk of a financial loss, reputational loss or liquidity exposure as the result of the counterparty to any treasury transaction becoming insolvent. As at 31 March 2026, all cash investments are held with counterparties who meet the criteria of the Group Treasury Management Policy.

Interest rate risk

The Group's Treasury Management Policy sets out an on-going objective in relation to the proportion of fixed versus floating rate debt, with the target proportion in the policy specified at 75 – 95% across the term of the debt. At 31 March 2026, 78.2% of Group borrowings were at fixed rates (2025: 86.8%).

In respect of bank loans, the Group hedges against interest rate risk with embedded hedges, the terms of which permit these loans to be classified as "basic" financial instruments under FRS 102. The Group does not have any stand-alone derivatives connected with any debt instruments and no margin call clauses exist in any of the Group loans.

Currency risk

The Group borrows and invests surplus cash only in sterling and does not have any foreign currency risk.

Loan covenant compliance

Loan covenants relate to interest cover, borrowing levels relative to surplus generation and per unit, and asset cover, based on social housing asset values. Covenants are monitored monthly and were comfortably met throughout the year and at the year-end for all loan facilities.

On behalf of the Board

Jo Armstrong, Chair
15 September 2026

Directors' report

The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2026.

Result for the year
The result for the year and an analysis of the performance of the Group has been included within the Strategic Report.

Wheatley Board, Committee structure and related matters
Wheatley ("the company") is the parent company of the Group which comprises a range of subsidiaries, referred hereafter as 'partners'. Our partners include: four RSLs; a group development company; a commercial subsidiary; our care subsidiary; a group services company Wheatley Solutions, Wheatley Foundation and a 50:50 joint venture with Glasgow City Council - City Building (Glasgow) LLP.

All members of the Group work collaboratively to ensure that each member can achieve more for their customers and communities through being part of the Group than they could on their own.

The Group is regulated by the Scottish Housing Regulator ("SHR") and complies with the SHR's Regulatory Framework and Regulatory Standards of Governance.

As at 31 March 2026, the company's Articles of Association allowed for the appointment of up to fourteen directors as follows:

- up to six Independent Non-Executive Directors
- up to five subsidiary Chair Board Directors
- up to two Co-opted Directors
- up to one 'Other' Director

The Directors of the Group Board who hold current appointments up to the date of signing the financial statements are listed below together with any Group Committees served on at any point over the same period, followed by a list of Directors who resigned during the year.

Current appointments

Jo Armstrong
Group Chair

Appointment
24 June 2015 (Appointed Group Chair 29 September 2021)

Jo is one of Scotland's leading business economists whose extensive professional career spans financial services, the Scottish civil service and charitable sector. An experienced Non-Executive Director and Chair, Jo is currently the Chair of the Accounts Commission for Scotland, a panel member of the Competition and Markets Authority, and a Fellow of the Institute of Directors.

Previously, Jo chaired OFGEM's expert panel for its Electricity Network Innovation Fund; was a budget advisor to two Scottish parliamentary committees; an honorary professor of Public Policy at The University of Glasgow; was a Board member at the Water Industry Commission for Scotland and is a former chair of ENABLE Scotland. She holds two degrees in economics from the University of Strathclyde.

Group Boards and Committees
Group Strategic Development Committee (Chair)
Group Remuneration, Appointments, Appraisals and Governance Committee (Chair)

Caroline Gardner CBE
Senior Independent Director

Appointment
29 September 2021

Caroline was the Auditor General for Scotland from 2012 to 2020, responsible for auditing the Scottish Government and reporting to the Scottish Parliament on more than £40bn of public spending.

Caroline is an experienced non-executive director, and she is currently Chair of PwC UK's Audit Oversight Body. She is a Fellow and past President of the Chartered Institute of Public Finance and Accountancy, a Fellow of the Royal Society of Edinburgh, and an honorary professor at the University of Glasgow. She also holds an honorary doctorate from the University of Strathclyde.

Group Boards and Committees
Group Audit Committee (Chair)
Group Strategic Development Committee
Group Remuneration, Appointments, Appraisals and Governance Committee
Wheatley Group Capital PLC (Non-Executive Director)
Wheatley Funding No1 Limited (Non-Executive Director)
Wheatley Funding No2 Limited (Non-Executive Director)

Current appointments

Jo Boaden CBE
Subsidiary Chair Director

Appointment
17 December 2018

Jo started her career as an Environmental Health Officer in Glasgow and has since held a number of senior roles in housing, regeneration and social policy across the UK in both the public and private sectors. Prior to her retirement, Jo was Chief Executive of the Northern Housing Consortium for nine years.

An experienced Non-Executive, Jo is a member of the Board of the Regulator of Social Housing in England and Chair of CaCHE North and the Midlands Hub – the UK collaborative centre for housing evidence. Prior to this Jo was Chair of Your Homes Newcastle, one of the largest property management organisations in the North East of England.

A former winner of the prestigious Woman of the Year title at the 2018 Women in Housing Awards, Jo was awarded a CBE for services to housing in 2018 and holds a LLB (Hons) and MBA.

Group Boards and Committees
Wheatley Homes South (Chair)
Wheatley Solutions (Non-Executive Director)

Ken Barclay
Subsidiary Chair Director

Appointment
24 September 2025

Ken enjoyed a near 40 year career at Royal Bank of Scotland. He held senior management roles in Corporate and Investment Banking in London, Hong Kong and Edinburgh and ultimately Chaired the RBS business in Scotland.

Since commencing a plural career he has undertaken several non-executive roles, amongst others, with the Scottish Government where he Chaired a commission into the restructuring of Non Domestic Rates (Business Rates) and Chaired both The Scottish Children's Lottery Trust and Social Investment Scotland.

Group Boards and Committees
Wheatley Homes East (Chair)
Group Audit Committee
Group Strategic Development Committee

Current appointments

Maureen Dowden
Subsidiary Chair Director

Appointment
12 May 2020

Maureen has worked in housing for almost 40 years, a career that started in local government and went on to include senior positions at The Glasgow Housing Association and Wheatley prior to retiring in early 2018. She has a particular expertise in corporate governance in regulated environments, and community empowerment and engagement. An experienced Non-Executive, Maureen has previously held roles on the Boards of Quality Scotland Foundation, Loretto Housing Association and Supporting Communities Northern Ireland.

Group Boards and Committees
Wheatley Homes Glasgow (Chair)
Wheatley Solutions (Non-Executive Director)
Group Remuneration, Appointments, Appraisals and Governance Committee
Group Audit Committee
Group Strategic Development Committee

Bryan Duncan
Subsidiary Chair Director

Appointment
17 January 2019

A Chartered Surveyor, he has spent more than 35 years specialising in commercial and residential property investment, development and asset management. Bryan was an equity partner at Donaldsons LLP, a senior director at DTZ and is currently the founder/owner of Henry Duncan, a niche commercial and residential property investor, developer and financier.

Bryan also has a wide range of non-executive experience and currently serves as a Non-Executive Director of a number of organisations including Hope for Glasgow Ltd, Cornhill Scotland and the London City Mission. Bryan holds an Executive MBA and Diploma in Management Studies.

Group Boards and Committees
Wheatley Developments Scotland (Chair)
Group Remuneration, Appointments, Appraisals and Governance Committee
Group Strategic Development Committee

Current appointments

Iain Macaulay
Subsidiary Chair Director

Appointment
25 September 2024

Iain was a partner in an international legal firm for over 30 years prior to his retirement – specialising in corporate and project finance. He was legal advisor to the Scottish Government during the creation of Wheatley back in 2003 and maintained the connection over intervening years when he worked with the Group in completing numerous fundraising exercises.

Group Boards and Committees
Loretto Housing Association (Chair)
Wheatley Group Capital PLC (Non-Executive Director)
Wheatley Funding No1 Limited (Non-Executive Director)
Wheatley Funding No2 Limited (Non-Executive Director)
Group Audit Committee
Group Strategic Development Committee

Manish Joshi
Subsidiary Chair Director

Appointment
27 April 2022

Manish brings extensive experience across the philanthropic, public, voluntary and business sectors, with a strong track record in purpose-led leadership, organisational transformation, strategy, governance and stakeholder engagement.

Manish is currently Chief Executive of the Prince & Princess of Wales Hospice in Glasgow. He previously served as Professor for Social Innovation at the University of Strathclyde. In 2024, Manish was appointed as a Non-Executive Director of the Scottish Government and served as a Non-Executive Director for the Glasgow 2026 Commonwealth Games.

With a BA (Hons) in Economics, Manish has previously held senior leadership roles including CEO of Strathclyde Students Union, CEO of Newark Care and Director of Stakeholder Engagement at Global Call for Climate Action. He is a former trustee of the Scottish Council for Voluntary Organisations (SCVO) and has held a number of third and voluntary sector trustee roles throughout his career. Manish is passionate about creating inclusive, sustainable organisations that work collaboratively with communities, partners and stakeholders to deliver positive social impact.

Group Boards and Committees
Lowther Homes Limited (Chair)
Wheatley Solutions (Non-Executive Director)

Current appointments

Alison McLaughlin
Subsidiary Chair Director

Appointment
28 September 2022

Alison has vast experience in senior leadership roles, leading teams through considerable change and business transformation. Throughout her career she has sought to maximise the opportunities presented by change, setting a clear vision and strategy, building and sustaining effective teams and delivering strong financial results.

Alison's success in leading digital transformation led to her being invited to join Scottish Government on a 2-year secondment under the First Minister Digital Fellowship Programme. During her time in government, she brought her commercial and delivery expertise to bear to establish sustainable and scalable digital services and platforms to underpin delivery of Scotland's Digital Strategy. In 2015, Alison was elected to the board of ScotlandIS and was elected as Chair in 2020.

Group Boards and Committees
Wheatley Solutions (Chair)
Group Audit Committee

Pamela Paton
Co-optee

Appointment
20 June 2025

Pamela began her career delivering community-based social care services, supporting individuals and families in developing skills for independent living. She then advanced to become a registered manager for supported accommodation and community support services.

Recently, Pamela has led projects redesigning housing services, where she actively engaged customers and housing staff in the redesign process. She strongly advocates for the use of performance data to drive service improvements, enhance value for money for customers, and inform evidence-based decision-making

Pamela is a tenant of Wheatley Homes East.

Group Boards and Committees
Wheatley Homes East (Non-Executive Director)

Current appointments

Rhona Conteh
Co-optee

Appointment
24 September 2025

Rhona has been a tenant of Wheatley Homes Glasgow since 1998.

Rhona has retired having spent the majority of her career working in customer services across various sectors including British Telecom and Citizens Advice.

Group Boards and Committees
Wheatley Homes Glasgow (Non-Executive Director)

Previous appointments

Lindsey Cartwright
Subsidiary Chair Director

Appointment
29 September 2021, resignation 24 September 2025

Lindsey is a qualified solicitor with over 25 years' experience and is a partner at Morton Fraser Macroberts LLP. Lindsey is accredited by the Law Society of Scotland as a specialist in employment law and is the first female President of the Employment Law Group in Scotland. She is also the Senior Tutor in employment law for the Diploma in Professional Legal Practice at The University of Glasgow.

Group Boards and Committees
Wheatley Care (Chair)

Alastair Murray
Subsidiary Chair Director

Appointment
28 September 2022, resignation 24 September 2025

Alastair was the Chair of Wheatley Homes East and previously served as the Chair of Barony Housing Association.

A chartered accountant, Alastair is the Finance Director of Listed Funds at Target Fund Manager, a specialist investment firm focusing on care homes. Prior to this he spent over 17 years in a range of corporate banking roles followed by 12 years in the Not for Profit sector. His roles included Structured Finance and Special Projects in the Bank of Scotland and Finance Director of the Edinburgh International Festival, Inspiring Scotland and George Heriot's School.

Group Boards and Committees
Wheatley Homes East (Chair)

Previous appointments

Lyndsey Teaz
Subsidiary Chair Director

Appointment
24 September 2025, resignation 1 April 2026

Lyndsey has extensive experience across digital transformation and managed ICT service delivery, as well as strategic planning, procurement, legal and contractual compliance, audit and risk management. A Chartered Accountant, Lyndsey's past roles include Finance Director at Smart Metering Systems plc and Finance and Commercial Director at ACCESS (Service Glasgow LLP). More recently, Lyndsey was the Scotland Business Unit Leader at CGI IT UK Ltd, a global IT and business consulting firm. This included managing digital transformation services for local authorities, improving profitability through commercial negotiation and engaging with stakeholders including the UK Board.

Group Boards and Committees
Wheatley Care (Chair)

Bernadette Hewitt
Non Executive Director

Appointment
25 October 2016, resignation 24 September 2025

Bernadette has a wide range of governance, community development and Non-Executive experience across a range of private, regulated and not-for-profit organisations.

A passionate advocate of community engagement and empowerment, Bernadette previously served as the Vice-Chair of Barmulloch Community Development Company. She is also a former member of the Glasgow Community Planning Partnership Strategic Board. Bernadette is a tenant of Wheatley Homes Glasgow and its former Chair.

Group Boards and Committees
Lowther Homes (Non-Executive Director)
City Building (Glasgow) LLP (Chair and Wheatley appointee)

Previous appointments

John McCraw
Co-optee

Appointment
27 September 2023, resignation 20 June 2025

John McCraw was a tenant and Board member of Wheatley Homes South for many years and joined the Board on 27 September 2023. He has recently been Chair of Nithsdale District Management Committee and was a Board member of Wheatley Foundation.

Group Boards and Committees
Wheatley Homes South (Non-Executive Director)

Attendance at meetings in 2025/26

The Group Board is responsible for the strategic direction of the Group and financial planning.

Name	Group Board	Group Audit Committee	Group Remuneration, Appointments, Appraisals and Governance Committee	Group Strategic Development Committee
Jo Armstrong	7/7	1/1	6/6	1/1
Kenneth Barclay (appointed 24 September 2025)	3/3	1/2	-	1/1
Jo Boaden CBE	7/7	-	-	-
Lindsey Cartwright (resigned 24 September 2025)	3/4	-	-	-
Rhona Conteh (appointed 24 September 2025)	3/3	-	-	-
Maureen Dowden	7/7	4/4	6/6	1/1
Bryan Duncan	7/7	-	6/6	1/1
Caroline Gardner CBE	5/7	2/4	4/6	0/1
Bernadette Hewitt (resigned 24 September 2025)	3/4	-	-	-
Manish Joshi	7/7	-	-	-
Alastair Murray (resigned 24 September 2025)	2/4	-	-	-
John McCraw (resigned 20 June 2025)	1/2	-	-	-
Alison McLaughlin	7/7	3/4	-	-
Iain Macaulay	6/7	4/4	-	1/1
Pamela Paton (appointed 20 June 2025)	4/5	-	-	-
Lyndsey Teaz (appointed 24 September 2025, resigned 1 April 2026)	3/3	-	-	-

Key responsibilities are:
• approval of the Group Strategy;
• approval of the Group Business Plan, budget and any variations and amendments to them, together with other matters which fall within the role of the Group Board;
• approval of the creation of new subsidiaries and partnerships;
• approval of the Group governance arrangements, systems of internal control and delegations and identification of risk;
• defining and ensuring compliance with our values and objectives as a registered social landlord; and
• approval of each year's Group financial statements.

The main activities and approvals of the Group Board during the year were:
• reviewed and refreshed our strategy to 2031;
• approval of the Group Delivery Plan;
• approved the Group Asset Strategy;
• approved five-year Group plans for investment and development;
• oversight of Wheatley Care's transition to being a strategic partner;
• approved the Group business plan and budget, including comprehensive stress testing of the business plan; and
• oversight of partner financial and operational performance.

The Board is supported in discharging its duties by three sub-committees: Remuneration, Appointments, Appraisal & Governance; Group Audit; and Group Strategic Development.

The role and remit of the Committees are set out below:

Group Audit Committee
The Committee is made up of up to seven Board members from the Group.

The Committee is responsible for:
• reviewing the Group's system of internal control, compliance assurance and risk management;
• providing an overview of the internal and external audit functions;
• scrutinising the financial statements;
• appointing and agreeing the remuneration of the external auditor;
• reviewing internal audit reports and external audit reports and management letters, and monitoring the implementation of audit recommendations arising therefrom;
• reviewing the internal audit plan and scope of work; and
• reviewing the effectiveness of the overall risk strategy.

The main activities of the Group Audit Committee during the year were:
• reviewed the Group Audit Committee self-assessment results 2024/25;
• oversight of the 2025/26 financial statements;
• reviewed key accounting judgements and estimates;
• reviewed the outcome of the Internal Audit Quality Assessment and agreed to complete an external quality assessment;
• reviewed the Group's cyber security arrangements;
• reviewed the annual anti-fraud, bribery and corruption report;
• approved the rolling Internal Audit plan;
• reviewed the Group's strategic risk register and made recommendations to the Board on changes to risk profile and mitigations;
• scrutinised the Group's fire safety arrangements, ongoing fire risk assessment programme and accidental dwelling fire incidents.

The Committee reports to the Group Board via its Chair.

Group Remuneration, Appointments, Appraisals and Governance Committee

The Committee is made up of up to five members inclusive of the Group Chair and the Chairs of Wheatley Homes Glasgow, the Group Audit Committee and of Wheatley Developments Scotland Limited.

It is responsible for:

- approving the process for recruitment, selection, succession planning and appraisal of Board members;
- ensuring Board members within the Group have the necessary balance of skills and experience to fulfil their roles;
- evaluating and reviewing Group's governance framework;
- making recommendations to the Group Board regarding the appointment and remuneration of the Group Chief Executive and Group Board Directors; and
- succession planning arrangements across the Group.

The main activities of the Remuneration, Appointments, Appraisals and Governance Committee during the year were:

- oversight of the Group's Board member recruitment and approval of all appointments to subsidiary Boards;
- oversight of the People Services activities undertaken throughout the year;
- reviewed the remuneration and conditions of the Group Chief Executive;
- reviewed the Group Board member remuneration policy and recommended it for approval by the Group Board; and
- reviewed the Group Board member Code of Conduct and Board member expenses policy and recommended their approval by the Group Board.

The Committee reports to the Group Board via its Chair.

Group Strategic Development Committee

The Committee is made up of up to seven members of the Group Board. It is responsible for reviewing any new major strategic projects and initiatives on behalf of the Group Board.

The Board delegated one matter to the Committee during the year.

The main activity of the Group Strategic Development Committee was to review a new Group Funding Strategy.

Executive Team

The Executive Team provides day to day leadership of the Group and are responsible for the implementation of the strategic direction and financial planning on behalf of the Board.

Steven Henderson
Group Chief Executive
Steven Henderson joined Wheatley as Director of Finance in 2013 from the European Investment Bank (EIB). He is a Chartered Member of the Chartered Institute of Housing and a Chartered Accountant. He is also a member of Business in the Community Scotland's Leadership Board and Chair of its Scotland Place Steering Group.

Steven has specialised in housing and regeneration throughout his career. At the EIB, the EU's non-profit development bank, he was responsible for investment of £250 million of European Union Structural Funds, as well as lending activity for the bank in the UK social housing, regeneration, climate change and sustainability sectors. Prior to that, he worked in advisory roles supporting the work of numerous housing providers and projects in the UK and internationally.

Under his leadership, Wheatley is also 'Making homes and lives better' for customers across 19 local authority areas in Scotland through the work of the award-winning Wheatley Foundation and Wheatley Care.

Anthony Allison

Group Director of Governance and Business Solutions

Anthony has worked with Wheatley since 2008 and has held senior leadership roles in governance, policy, strategy and regulatory engagement.

Prior to joining the Group he worked for the UK civil service in a variety of operational management roles. Anthony's remit covers a range of corporate services, including governance, strategy and performance, policy, IT and digital services, and procurement.

Anthony holds a BA in Business Studies as well as an MBA from The University of Glasgow.

Alan Glasgow

Group Director of Housing

Alan is a highly experienced housing leader having spent more than 30 years in the housing sector, having started his career at Glasgow City Council.

He was previously the Managing Director of Wheatley Homes South and prior to that held senior leadership positions at Wheatley's social landlords in the West and East.

Alan is at the forefront of delivering a responsive repairs service and working with the teams to foster collaboration to deliver customer satisfaction.

Laura Pluck

Group Director of Communities

Laura has more than 25 years' experience working in the social care sector in a range of operational and strategic roles.

She has extensive experience in leading customer-facing services, delivering organisational change and driving performance improvement. Prior to her current role, Laura was Managing Director of Wheatley Care. As Group Director of Communities, she leads a diverse portfolio of services including the Customer First Centre, Health and Fire Safety, Wheatley Foundation and Lowther Homes.

Laura has a BA Honours in Social Policy from Paisley University and holds a number of professional qualifications.

Pauline Turnock
Group Director of Finance

Pauline has worked for Wheatley since 2009 in a number of senior financial roles prior to being appointed Group Director of Finance.

She has over 30 years' experience in strategic financial management, commercial management and financial planning gained across a range of sectors, including large private companies and a Scottish plc.

Pauline started her career with PwC where she qualified as a Chartered Accountant.

Sharon Wearing
Group Director of Development & City Building

Sharon has worked in the public sector throughout her career, beginning at the National Audit Office, where she completed CIPFA Accountancy training. Following this, Sharon moved to Strathclyde Regional Council before joining Glasgow City Council Social Work Services in 1996. Most recently she served as Chief Officer Finance and Resources and Section 95 Officer for the Integration Joint Board within Glasgow's Health and Social Care Partnership.

Sharon has led teams across a wide range of functions, including finance, governance, service reform, HR, organisational development, health and safety, planning, performance and research and IT. She has particular skills in contract and construction project management.

Sharon joined the Executive Team in November 2025 as Group Director of Wheatley Development and City Building.

Statement on Internal Financial Control

1. Corporate Governance Statement
The Group complies with the Regulatory Standards of Governance and Financial Management issued by the Scottish Housing Regulator. In accordance with the UK Listing Authority's Listing Rule 17, details of the administrative, management and supervisory bodies which govern the Group, including Wheatley Group Capital plc, are set out on pages 32 to 47.

The internal control and risk management systems which cover the Group's consolidated annual financial statements are set out below.

2. Background and responsibility
The system of internal financial controls is designed to manage risk to a reasonable level agreed by the Board (which is managed to within agreed levels of risk appetite) rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is designed to:
- identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised;
- manage them efficiently, effectively and economically;
- safeguard assets against unauthorised use or disposition; and
- manage the maintenance of proper accounting records.

3. Overview of main features of the system of Internal Financial Control
The Board of Wheatley is responsible for ensuring that an effective system of internal financial control is maintained within all members of the Group. This system of internal financial control can provide reasonable but not absolute assurance against material misstatement or loss.

The key methods by which the Board establishes the framework for providing effective internal financial control are as follows:

The key methods by which the Board establishes the framework for providing effective internal financial control are as follows:
- corporate Governance arrangements as outlined in the Corporate Governance Statement;
- regular meetings of the Board, and Subsidiary Boards, which have a schedule of matters that are specifically reserved for approval and are the subject of regular standard reports as required;
- arrangements under terms of reference for the Group Audit Committee to meet regularly and receive reports from management and internal and external auditors on the system of internal control in operation across the Group, and to oversee arrangements for provision of reasonable assurance that control procedures are in place and are being followed;
- written policies and procedures including Standing Orders setting out delegated authorities across Group Subsidiaries;
- an organisational structure to support business processes and with clear lines of responsibility;
- the employment of suitably qualified and experienced staff to take responsibility for key areas of the business. This is supported by a formal personal development programme;
- an Internal Audit function with an Audit Plan which produces an annual Internal Audit Report and Opinion;
- adoption of a risk-based approach to internal control through evaluating the likelihood and impact of identified corporate risks, vesting responsibility for risk management and internal control with designated owners and with an ongoing process of monitoring and reporting progress against the company's key risks established through the corporate risk management framework;
- a Business Plan and Budget supporting strategic and operational plans, financial targets, regularly revised forecasts, a comparison of actual with budget and with forecast on a quarterly basis, operating cash flow and variance statements, and key performance indicators, all of which are reviewed by the Board; and
- measurement of financial and other performance against the Delivery Plan objectives and key performance indicators and targets.

4. Role of Internal Audit
The Group Audit Committee oversees the Internal Audit function which has a pivotal role in assessing the Group's internal financial controls. Internal Audit reviews are directed by the Group Audit Committee using a risk-based approach to assess the robustness of the implementation of the Group's governance, risk and control framework.

Internal Audit assesses the adequacy and effectiveness of the controls in place within the governance, risk and control framework the Group has adopted, and makes recommendations where improvement opportunities are identified. Management across the Group is responsible for the implementation of agreed improvement actions identified from Internal Audit activity.

In line with good practice, Internal Audit provides the Group Audit Committee and the Board with an Annual Internal Audit Opinion which summarises all the work completed during the year. The overall Internal Audit opinion provided in the 2025/26 statement is detailed below:

"Based on our Group-wide work undertaken in 2025/26 a substantial level of assurance can be given that the Group's governance, risk and control framework is designed to support achievement of relevant organisational objectives and operating effectively, within the Group's risk appetite. However, some weaknesses in the design or consistent application of controls remain and there were a small number of risks in the Strategic Risk Register that were outwith risk appetite.

Management has agreed to the improvements to the Group wide control environment arising from our annual work and the progress of implementing these additional controls will be reported to the Group Audit Committee."

5. Risk and Control Framework

Wheatley recognises the importance of effective identification, evaluation and management of all key strategic and operational risks. The Scottish Housing Regulator's Regulatory Standards include the following requirement.

"The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose."

Risk management is a key element of the Group's overarching governance arrangements as it demonstrates that the Group has considered those areas which put the achievement of its strategic objectives under threat, that it has analysed the consequences of things going wrong and identified the actions and controls needed to prevent or limit these consequences, in accordance with agreed levels of risk appetite.

As the parent company, Wheatley oversees the governance arrangements to address the risks associated with control of activities, and managing the risks, of all subsidiaries; to ensure that there is an appropriate use of funds across the Group; to ensure that risks to the core business of the Group are managed and mitigated to within risk appetite and that strong governance arrangements are upheld by all subsidiaries to protect the reputation of the Group.

Risk management within the Group is designed to identify and mitigate risks to the achievement of the Group's Strategic Plans. Risks in relation to delivery of strategic outcomes are captured at a strategic Group level, Subsidiary Board level and at a local management team level, with an established escalation method in place.

Roles and Responsibilities

Risk Management is the responsibility of everyone in the organisation, whether or not they have a formally defined role in the process. To ensure the successful implementation of the Risk Management Policy, clear roles and responsibilities for the Risk Management process have been established. The Board has overall responsibility for

ensuring the effectiveness of this framework. The Board also agrees risk appetite levels that are embedded within the Group's risk profile and used to determine the Group's approach to managing risk.

The Executive Team facilitates the Risk Management processes. Its role is to ensure compliance with the Risk Management Policy, including monitoring of the Group's risk profile to ensure it is kept up to date, new and emerging risks are identified, and risk scores are challenged.

Risk Management forms an integral part of the culture and the way the Group is run. Risk Management is incorporated and embedded into business plans across the organisation (e.g. service improvement plans, project plans, team plans, individual plans). In this way, Risk Management is not the responsibility of senior management alone, but more appropriately the responsibility of all colleagues.

Principal risks facing the Group

The most significant financial and operational risks facing the Group and key mitigations are summarised below:

Risk	Mitigation
Delayed recovery in the event of a cyber attack	• Cyber response plans integrate business response planning and are regularly tested • Business continuity plans integrate disaster recovery and cyber response plans and activities • Disaster recovery activities are clearly documented and plans across core services are invoked annually • Disaster recovery tasks completed include post-implementation reviews and lessons learned • Disaster recovery workplan agreed annually and reviewed quarterly • Business continuity workshops covering Ransomware scenario performed annually • NCC incident response reviews are conducted annually • Twice-yearly Ransomware/Critical Incident reviews
Disruption following a cyber attack on a key system provider	• Procurement procedures require potential suppliers to confirm compliance with the Group's security requirements • Cyber Non-Functional Requirements have been drafted for SAAS (Software as a Service) and on-premises services • A SAAS register of services that have completed Vendor Security Assessments (VSA) is maintained • Business owners are required to review supplier contract performance, including annual review of VSAs and Data Privacy Impact Assessments • Contracts and VSA record data breach notification processes, vendor performed security testing and disaster recovery approach and testing • Quarterly meetings with contract owners for Group critical services includes review of risks and mitigations, key technology suppliers • Detailed supply chain cyber guidance is published and integrated with Procurement policies and guidance
Climate change impact on Group customers, assets and services	• Business continuity plans (both at Group and local level) provide for operational responses to extreme weather events such as flooding, wildfires and severe winter snow • Group works in line with National Planning requirements, including the use of SEPA flood risk maps to assess New Build locations • Asset Strategy will ensure future investment maintains and improves condition of our asset including to mitigate any climate change related risks
Reduced availability of financial support from Scottish Government and / or local government	• Regular engagement with Scottish Government representatives to proactively present the case for housing investment directly and through our representative bodies • Participating in the Scottish Government review of grant availability • Pathway to Net Zero Group draws on independent expertise to support evolution of plans in this area • Provision in the Business Plan tested against the Asset Strategy to ensure sufficient provision within the Plan • Financial planning sensitivities undertaken to understand the potential impact under a variety of grant scenarios • Actively pursue external funding opportunities including those with the Scottish Government to support our investment in energy efficiency works

Risk	Mitigation
Impact of Wheatley Care Structural Change	• External advisors provided independent advice to both Wheatley Care and Group • Strategic Agreement in place setting out how the Group will provide services to the new Care company • Agreements in place with RSLs for the delivery of Livingwell services provided by Wheatley Care • Staff consultation process was supported by People Services
Impact on our customers of reduced public funding	• Monthly performance meetings, reviewing project activity/demand against available budget • Monitoring of business information from across Group to identify emerging customer/ community issues • Regular liaison meetings with stakeholders and funders • Monthly "External Funding Opportunities" meeting for Wheatley Foundation • Development of ALISS to signpost customer to additional support
Laws and regulations	• Group-wide annual assurance review carried out against the Scottish Housing Regulators (SHR) regulatory framework, as well as the Care and Lowther regulatory frameworks to help ensure we meet the requirements of the SHR, OSCR and other regulatory entities • Standing Orders/Scheme of delegation set out roles and responsibilities in relation to key legislative and regulatory requirements • Group has on-going relationship management with the SHR. Changes to existing legislation are identified and implemented by identified responsible officers across the Group • Group wide approach to the management of information. Privacy Impact Statements implemented across the Group • Legislative compliance maps are in place for all teams, documenting key legislative requirements and the detective controls that have been put in place to confirm ongoing compliance
Staff behaviour enables a cyber attack	• Mandatory, annual training for all staff provided by specialist cyber training providers • SIEM technical logging approaches include behavioural analysis metrics with alerts generated leading to actions including account suspension and remediation • Cyber behavioural metrics reviewed to inform training and communications • Phishing campaigns inform additional behavioural insight to cyber risks and incidents • Routine testing of the external environment is provided by the Group's security consultants • Group tenancy includes 'user risk scoring' to identify accounts with higher risk of compromise or low security behaviours with alerts monitored 24 hours per day via SIEM service provider and infrastructure team • Security Forum review of training/phishing/SIEM (account attack) activity
Radio Teleswitch Service (RTS) switch off	• Engagement with SFHA, OFGEM, Scottish and UK Government and energy companies including participation in the OFGEM and Energy UK (the energy industry trade body) events • Participation in the RTS Consumer Engagement Group monthly meetings • Data Sharing agreement in place with Scottish Power, enabling us to contact affected RTS customers and encourage them arrange to switch via our Connected Response programme. • Communications campaign to encourage customers to respond to Scottish Power communications • Staff awareness campaign • Internal project team formed to monitor progress with switching and coordinate the control activities

Risk	Mitigation
Compliance with funders' requirements	• Regular meetings with funders and investors representatives to update on financial status of the Group • Financial performance monitored monthly and reported to Group and Subsidiary Boards • Quarterly covenant compliance monitored by the Group Board • Subsidiary and Group Business Plans are subject to annual updates and review by respective Boards • Additional protection via 'Golden Rules' to produce forward-looking monitoring with headroom against loan covenants. Golden Rules subject to annual board approval, with performance monitored quarterly and any anticipated breaches requiring board approval • Ongoing dialogue with credit rating agencies
Repairs supply chain disruption	• Utilisation of Group and 3rd party frameworks to minimise price increase risk • Procurement system and procedures include assessment of suppliers' financial health • Active use of Contract Management System which contains system generated alerts to flag risk • Engagement with key suppliers and stock levels managed including, where possible, advance purchase of components and material • Specific contingency plans for key services • Identified lead for Repairs monitors supply chain materials contract • In the event of supplier insolvency, procurement frameworks / approved supplier listings would be used to identify alternative suppliers
Impact of City Building (Glasgow) LLP (CBG) membership on Group	• Progress monitored by a Senior Officers Group comprised of representatives from the Group, Glasgow City Council and CBG • Regular meetings with CBG Senior Management Team • Oversight of CBG internal control framework through membership of CBG Board • CBG management attend Group joint management meetings
Securing new funding and adverse market changes	• Strong levels of headroom maintained to provide sufficient cash resources with compliance reported to Group Board • Liquidity Golden Rule in place designed to ensure that we have sufficient cash available and this rule is re-assessed annually by the Group Board • Diversification of funding sources to provide options for future funding • Sterling borrowing only, no foreign currency exposure • Group Internal Rate of Return reviewed regularly to ensure projects are profitable • Annual ESG reporting in place • Sustainability Financing Framework in place • Treasury Management Policy agreed by Group Board

Risk	Mitigation
Political and Policy changes impact on strategic key partnerships	• Established national approach to stakeholder management led by the Executive Team and Communications Team • Ongoing engagement with senior officials and policy leads within the Scottish Government and key Local Authority partners. We are also part of national policy working groups and actively look for opportunities to engage with key politicians • Annual MSP survey carried out to track progress, with plan put in place to address negative comments • Strategic Agreements in place with Glasgow City Council and Dumfries and Galloway Council • Partnership agreement in place with West Lothian Council • Board workshops on key policy areas, including annual strategy workshops and standalone Board/CPD events where required • At a community level, good stakeholder and partnership relations, including with elected members, are carried out by Executive Team, Managing Directors, Locality Housing Directors and the Director of Communications and Marketing
Responsibilities under Awaab's Law	• Satisfaction surveys are used to monitor and assess customer satisfaction with damp and mould repairs • Senior Leads are engaged in a Scottish Government stakeholder group to help inform and develop guidance related to the Repair (Scotland) Regulations 2026 • Leaders from across Wheatley and CBG are attending webinars and info sessions to help better understand the law's scope and requirements to help inform our approach to damp and mould • Engagement with 'critical friend' RSLs and relevant bodies to learn how English bodies have responded to Awaab's law • Damp and Mould policy being revised to set out the tenant's right to an independent assessment • Training matrix being developed for all CBG trades, operations managers, planners, Wheatley Housing Officers, My Repairs Team & CFC involved in the delivery of Healthy Homes with the Academy and CBG Training College
Underperformance of main delivery partner against investment plans	• Partners prepare rolling five-year business plans informed by workload information provided by both Members to inform partners resource and labour planning • Investment plans are routinely monitored in respect of delivery and reports are considered monthly on the delivery status of the annual programme • Performance service delivery is routinely monitored between operational delivery and management teams with staff co-located to ensure that this is achieved • Service levels and efficiency are measured against agreed targets and where issues are identified as part of this monitoring, improvement actions are then agreed and their effect monitored

Risk	Mitigation
Non achievement of sustainability targets	• Detailed asset information and baseline data, and our asset strategy includes an assessment of the likely requirements of the new Social Housing Net Zero Standard which is currently being consulted on by Scottish Government • Secured funding from the Scottish Government to invest in properties through bids to the SHNZ (Social Housing Net Zero Fund) • Targets to reduce emissions from our homes are monitored and reported each year • Progress towards our aim of being carbon neutral is assessed independently and reported each year • Group's ethos is that demolition is not a preferred option, although we will explore this if following assessment this is found to be the best option including in terms of sustainability impact • Produce an annual ESG report for investors setting out our progress on the environmental agenda and have produced a sustainability framework for investors to support the raising of sustainability-linked finance • Increased public messaging around our work in relation to climate change is ongoing and we have developed and are implementing a group sustainability strategy
Under performance of Repairs delivery partner (West)	• Performance in the delivery of the repairs service is routinely monitored between operational delivery and management teams with KPIs reported to Management at the end of each reporting period • Staff are co-located and ensure Operational challenges are discussed at daily/weekly operational meetings • Service levels and efficiency are measured against agreed targets and where issues are identified, improvement actions are then agreed and their effect monitored
Ability to meet Scottish Government legislative requirements for energy efficiency	• Group's Business Plan considers external regulations and environment • Group Asset Strategy and subsidiary strategic asset investment plans developed to clearly articulate investment need and priorities and ensure our available investment is focused where it has greatest impact • Funding considerations are re-assessed annually and inform the rent proposals • Business plan reviewed against a variety of assumptions including those around funding and investment in existing homes and environments, with stress testing of these assumptions
Fire Event	• Fire Prevention and Mitigation Framework, including our approach to high rise block inspections and Livingwell • Fire Risk Assessments are completed on a rolling cycle and include assessment of Wilful Fire Raising • Person Centred Risk Assessments (Home Fire Safety Visits) undertaken by Fire Safety Officers where vulnerable customers identified • Routine inspections of high-rise domestic premises maintained by Environmental Teams in between Fire Risk Assessments being completed • Statutory maintenance of Domestic Properties undertaken to include Gas Safety Installations, Electrical Installations and the provision of Heat and Smoke Detection. New Build properties are built with Water Suppression Systems as per new Building Standards requirements • Fire Working Group attended by Management that feeds into a Group Executive Fire Liaison Meeting chaired by Executive Lead and attended by Leadership Directors to review performance, emerging issues and escalate matters as required

Risk	Mitigation
Monitoring Health & Safety arrangements	• Programme of H&S audits and inspections undertaken by the Group H&S Team, covering all work locations • Audit/ inspection reports and actions are issued to responsible managers, and completion of these actions within allocated timescales is monitored by H&S • Progress and outcomes arising from this programme are reported to operational and strategic H&S meetings, as well as being reported to the Executive Team
Business continuity	• Business Continuity Plans are in place across all business subsidiaries and functional areas and reviewed annually • Business Continuity Implementation Working Group meets quarterly and oversees all aspects of business continuity contained within the annual actions plans • Business Continuity Framework and Business Continuity Policy are embedded across the Group and in all business areas, in line with the Group's business operating model • Regular testing and exercising of the Business Continuity Plans implemented • Business Continuity Crisis Management documents have been developed to provide managers with guidance in respect of the development of Business Continuity Plans
Senior staff recruitment	• HR policies on recruitment and selection • Leadership Development Programme to attract new talent to the Group • Use of specialist recruitment agencies and targeted advertising to attract skilled staff • Benchmarking of salaries/benefits offered to ensure these remain sector leading/ competitive
Staff development and succession planning	• Career Pathways provide opportunities to develop and expand on knowledge and experience • Right Conversation at the Right Time for all staff and integrated with MyAcademy • Training records for all staff and training courses at the Academy • Leadership Development Programme, succession planning, talent management programme and specific programmes to support the succession of Executive and senior leadership roles • IGNITE graduate training programme and Bursary Programme

Risk	Mitigation
Damp and Mould	• Group Damp and Mould Policy is in place supported by detailed procedures • Information about reporting signs of mould and damp, factsheets and guidance videos are available to customers on Group websites • Frontline staff are trained to recognise signs of damp and mould and raise repair jobs to address any issues identified • Trades staff are trained to identify condensation and its causes, and in the application of products to manage it • Annual Tenant visit process in place for RSLs and annual visits to properties as part of technical compliance programme, with those in attendance required to report any issues noted while in a property, including damp and mould • Specialist teams are in place for mould repairs with arrangements in place to provide specialist external support to this team as and when required • Agreed timescales for completion of damp and mould works • Damp and mould jobs include a full inspection within target of two working days. Where mould or damp is found, jobs are categorised as mild, moderate or severe • No Access Policy enables us to force access where repeated issues of damp and mould are raised but access is refused • Process to contact customers with completed mould and damp jobs to determine whether the reported issue has been resolved • Right for customers to request a report by an independent expert to verify that the damp and mould has been effectively treated being introduced.
Fire safety	• Group Fire Safety Team focused on identification of fire prevention actions through the Fire Risk Assessment Programme • Fire Working Group reports into Group Executive • Bi-annual reporting of implementation actions to Group Audit Committee • Fire Prevention and Mitigation Framework in place including our approach to high rise block inspections and Livingwell properties. • Inspections of high-rise domestic premises maintained by environmental teams in between Fire Risk Assessments • Compliance and investment programmes in place to meet building safety regulations and best practice guidance.
Group Credit Rating	• Group's business plan based on maintaining a strong standalone credit rating • Our financial Golden Rules include maintaining strong levels of liquidity to mitigate refinance risks • Ongoing dialogue maintained with credit rating agencies enabling pre-emptive actions to be taken where required to avoid unexpected rating changes • Maintenance of strong relationships with other investors/lender relationships in case of unanticipated funding need and with S&P Global.

Risk	Mitigation
Customer Satisfaction (tenants)	• Variety of methods used to collect customer feedback helps us understand customer views and informs our delivery and investment plans every year • Performance management framework includes a stronger focus on measuring drivers of customer value in our key services • Small housing officer patch sizes to help deliver personalised services • Management discuss engagement with customers and support required from other business areas • Communications plans used to keep customers informed of key service information and manage expectations
Rent arrears management	• Small housing patch sizes provide a key mitigation, allowing staff to work proactively with customers before their debts become unmanageable • Joint working with Wheatley Foundation colleagues to deliver our full range of wrap around services to help customers sustain their tenancy and address issues of debt and financial exclusion. Helping Hand fund is also available to support customers who are struggling • Performance against key indicators is monitored closely by Management including scrutiny of overall performance in relation to gross debit and top quartile benchmarks • Rents Matters Toolkit is regularly updated, with training delivered for all staff • Universal Credit managed migration approach has been developed, including a comprehensive staff and customer communication plan and staff training • Group Rents Centre of Excellence monitors performance • Group business plan also contains prudent assumptions for risk in relation to bad debts and rent arrears • Arrears performance is reviewed by Boards
Governance structure	• Annual assurance review and Annual Assurance Statement completed each year and reviewed by the Assurance Team and by external consultants every three-years • Formal succession planning for Board members is in place • Governance arrangements regularly reviewed by the SHR, external consultants, internal and external audit functions • Board induction and CPD programme for Board members • Horizon-scanning of changes to corporate governance aspects of the Group's regulatory world and the potential impact on the Group's structure
Commercial operations	• Robust monitoring arrangements in place to appraise the operational performance and delivery of strategic objectives • Responsibility and accountability allocated at an appropriate level within the organisation and reported regularly to senior management and Board
New Build contractor non-compliance with Building Standards	• Clerk of Works monitoring quality of construction • Employers Agent employed to manage the construction contract • Proactive contract management and regular contractor engagement • Suppliers selected from procurement framework

Risk	Mitigation
Large Panel System (LPS) structural condition	• High-Rise Inventory 2020, published by Scottish Government, lists the multi-storey blocks (MSFs) across Scotland which have been constructed using LPS • Regular inspection and survey programme is in place in line with the Building Research Establishment (BRE) guidelines • Structural surveys for the Group MSF blocks with LPS are scheduled for every five years (most recently completed 2024) • Intrusive surveys are scheduled over the coming years in line with recommended practice from BRE and will be completed in the next 3-5 years
UK Economic and Policy Instability	• Subsidiary and Group Business Plans are updated annually • Stress testing of the business plan against adverse scenarios, including prolonged high inflation, increased borrowing costs and reduced income • Financial performance monitored monthly and covenant compliance reviewed quarterly by the Group Board. Golden Rules subject to annual board approval, with performance monitored quarterly and any anticipated breaches requiring board approval • Utilisation of Group and 3rd party frameworks to minimise price increase risk • Ongoing engagement with senior officials and policy leads within the Scottish Government and key local Authority partners • Part of national policy working groups and actively look for opportunities to engage with key politicians
Global Geopolitical Disruption	• Utilisation of Group and 3rd party frameworks to minimise price increase risk • New build contractor engagement framework including proactive monitoring of financial standing • Procurement procedures include assessment of suppliers' financial health • Identified lead for Repairs monitors supply chain materials contract • In the event of supplier insolvency, procurement frameworks / approved supplier listings would be used to identify alternative suppliers • Subsidiary and Group Business Plans are updated annually • Stress testing of the business plan against adverse scenarios, including prolonged high inflation, increased borrowing costs and reduced income • Financial performance monitored monthly and covenant compliance reviewed quarterly by the Group Board. Golden Rules subject to annual board approval, with performance monitored quarterly and any anticipated breaches requiring board approval

Other matters

Board's Statement on Section 172 of the Companies Act 2006

The Directors act in a way they consider, in good faith, would be most likely to promote the success of the Company and the Group for the benefit of its members as a whole. Key decisions and matters of strategic importance are considered and informed by the requirements of section 172. The Strategic Report on pages 7 to 31 sets out how we delivered activity on behalf of our stakeholders in line with our Group strategy during the year.

The Group exists for the benefit of its key stakeholders and the customers we serve. The interests of our stakeholders are understood through an open and transparent dialogue conducted through a variety of channels, such as:

- feedback obtained through multiple routes including tenant satisfaction surveys;
- our tenant engagement framework "Stronger Voices" where over 1,750 customers are registered to provide their views on the development of our services;
- customers are represented on all RSL Boards. Across the Group 21% of our board members are customers;
- the use of customer focus groups to inform rent proposals and formal consultation with all customers on rent increase proposals;
- social media and online engagement;
- annual visits to all customers by Housing Officers;
- publication of regular customer newsletters and annual report to customers;
- our Tenant Scrutiny Panel review performance of the organisation under the Scottish Housing Charter; and
- during the year we have engaged customers as we develop the key themes and objectives for our 2026-31 strategy.

The Group's employees are key to delivering the objectives of the organisation; they represent the business externally and maintain the reputation of the Group with our stakeholders. The Group operates a policy of providing employees with information about the Group through formal recognition of a number of trade unions as well as internal media methods in which employees are encouraged to present their suggestions and views on the Group's performance. Employees participate in regular discussions with their line managers as part of the Group's commitment to ensuring all staff are aware of their role in the Group's achievement of its five strategic objectives under the banner of "Right Conversation, Right Time".

Regular meetings are also held between management and employees to allow a free flow of information and ideas and staff were involved in the development of the new 2026-31 strategy.

In setting the strategy and through the preparation of the 30-year business plan, the Directors consider the likely consequences of decisions in the long term and ensure that the business continues to be financially viable and is able to meet all current and future financial commitments to its lenders.

The impact the Group has on its neighbourhoods and the environment is a key element of the Group's purpose. More details of the Group's aims in these areas are set out in the Group's Statement on Environmental, Social and Governance.

Employees

Details of the Group's approach to employee engagement are provided in the section 172 statement. Where appropriate, many employees work through a hybrid working model, using our Centres of Excellence as places to meet colleagues and share ideas. Technology solutions and remote working tools support the hybrid model giving employees flexibility and other benefits whilst creating opportunities for collaborative working in our new Centres of Excellence.

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by disabled persons. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Going concern

After making enquiries, including the update of the Group 30-year financial projections, the Group Board has a reasonable expectation that Wheatley has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in the preparation of the Group's financial statements. More details of the Board's assessment of going concern are included in note 2 to the financial statements.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

In accordance with Section 489 of the Companies Act 2006, and after a competitive tender process, a resolution for the re-appointment of KPMG LLP as auditor is to be proposed at the forthcoming Annual General Meeting.

Future Developments

At the end of 2025/26 we marked the conclusion of the Group's five-year strategy, 'Your Home, Your Community, Your Future'. As we begin the next stage of our journey, guided by our new five-year strategy, 'Making homes and lives better', we remain well placed to respond to future challenges and meet the changing needs of our customers.

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the surplus or deficit for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group and parent company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006, Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements Order 2024. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and parent company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Jo Armstrong, Chair
15 September 2026

Independent auditor's report to the members of Wheatley Housing Group Limited

Opinion
We have audited the financial statements of Wheatley Housing Group Limited ("the Company") for the year ended 31 March 2026 which comprise the Group Statement of Comprehensive Income, Company Statement of Comprehensive Income, Group Statement of Changes in Reserves, Company Statement of Changes in Reserves, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:
- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2026 and of the Group's surplus and the result of the parent Company for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements 2024.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:
- we consider that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the director's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Independent auditor's report to the members of Wheatley Housing Group Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud.
To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the limited opportunity and incentive for fraudulent revenue recognition and the limited judgement in respect of revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These include those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias including assessing the assumptions used in pension and property valuations.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulation throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and registered social landlord legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatements. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent auditor's report to the members of Wheatley Housing Group Limited (continued)

Other information
The directors are responsible for the other information, which comprises the Chair's report, the Strategic report and the Directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below,
any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:
- we have not identified material misstatements in the other information;
- in our opinion the information given in the Chair's report, the Strategic report and the Directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

We are also required to report to you if:
- in our opinion, the Statement on Internal Financial Control on page 48 does not provide the disclosures required by the relevant Regulatory Standards for systemically important RSLs within the publication "Our Regulatory Framework" and associated Regulatory Advisory Note issued by the Scottish Housing Regulator in respect of internal financial controls; or
- in our opinion, the Statement on Internal Financial Control is materially inconsistent with the knowledge acquired by us in the course of performing our audit;

We have nothing to report in these respects.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities
As explained more fully in their statement set out on page 62, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

Independent auditor's report to the members of Wheatley Housing Group Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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, and section 69 of the Housing (Scotland) Act 2010. 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.

Michael Wilkie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

17 September 2026

Group Statement of Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 £ 000	2025 £ 000
Turnover	3	535,637	516,843
Operating expenditure	3	(384,227)	(366,148)
Other gains	9	16,477	10,697
Operating surplus		167,887	161,392
Share of profit in joint venture		-	300
Gain on disposal of fixed assets	10	259	1,192
Finance income	11	1,044	1,140
Finance charges	12	(80,686)	(77,777)
Movement in fair value of financial instruments	13	(2,099)	1,500
Surplus on ordinary activities before taxation		86,405	87,747
Taxation (charge)/ credit	14	(4,207)	947
Surplus for the financial year		82,198	88,694
Unrealised surplus on the valuation of housing properties		139,133	46,831
Unrealised surplus on the valuation of other fixed assets		672	541
Actuarial gain in respect of pension schemes		5,305	7,281
Total comprehensive income for the year		227,308	143,347

All amounts relate to continuing operations.
The notes on pages 73 to 109 form part of these financial statements.

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

	Notes	2026 £ 000	2025 £ 000
Turnover	3	263	265
Operating expenditure	3	(263)	(265)
Operating surplus		-	-
Finance income		-	-
Finance charges		-	-
Surplus on ordinary activities before taxation		-	-
Taxation		-	-
Surplus for the financial year		-	-
Total comprehensive income for the year		-	-

All amounts relate to continuing operations.
The notes on pages 73 to 109 form part of these financial statements.

Group Statement of Changes in Reserves
For the year ended 31 March 2026

	Revenue Reserve £ 000	Revaluation Reserve £ 000	Total Reserves £ 000
Balance at 1 April 2024	720,296	753,369	1,473,665
Total comprehensive income for the year	143,347	-	143,347
Transfer of reserves for the revaluation of housing properties	(46,831)	46,831	-
Transfer of reserves for the revaluation of other fixed assets	(541)	541	-
Balance at 31 March 2025	816,271	800,741	1,617,012
Total comprehensive income for the year	227,308	-	227,308
Transfer of reserves for the revaluation of housing properties	(139,133)	139,133	-
Transfer of reserves for the revaluation of other fixed assets	(672)	672	-
Balance at 31 March 2026	903,774	940,546	1,844,320

Company Statement of Changes in Reserves
For the year ended 31 March 2026

	Total Reserves £ 000
Balance at 1 April 2024	-
Result for the financial year	-
Balance at 31 March 2025	-
Result for the financial year	-
Balance at 31 March 2026	-

The notes on pages 73 to 109 form part of these financial statements.

Group Statement of Financial Position at 31 March 2026

	Notes	2026 £ 000	2025 £ 000
Fixed assets			
Social housing properties	18	3,290,449	3,062,066
Other tangible fixed assets	19	90,557	87,933
Investment property	20	466,465	386,255
Investment in joint venture	20	416	416
		3,847,887	3,536,670
Current assets			
Stock	21	2,068	2,278
Trade and other debtors	22	64,291	45,959
Cash and cash equivalents		46,317	36,299
		112,676	84,536
Creditors: amounts falling due within one year	23	(223,706)	(212,829)
Net current liabilities		(111,030)	(128,293)
Total assets less current liabilities		3,736,857	3,408,377
Creditors: amounts falling due after more than one year	24	(1,875,119)	(1,773,745)
		1,861,738	1,634,632
Provisions for liabilities			
Pension liability	27	(3,587)	(7,114)
Provision for other liabilities	25	(13,831)	(10,506)
Total net assets		1,844,320	1,617,012
Reserves			
Share capital	26	-	-
Revenue reserve		903,774	816,271
Revaluation reserve		940,546	800,741
Total reserves		1,844,320	1,617,012

These financial statements on pages 67 to 109 were approved by the Board on 26 August 2026 and were signed on its behalf on 15 September 2026 by:

Jo Armstrong
Chair

The notes on pages 73 to 109 form part of these financial statements.
Company registration number SC426094.

Company Statement of Financial Position at 31 March 2026

	Notes	2026 £ 000	2025 £ 000
Trade and other debtors		-	-
Cash and cash equivalents		-	-
		-	-
Creditors: amounts falling due within one year		-	-
Net current assets		-	-
Total assets less current liabilities		-	-
Total net assets		-	-
Reserves			
Share capital	26	-	-
Total reserves		-	-

These financial statements on pages 67 to 109 were approved by the Board on 26 August 2026 and were signed on its behalf on 15 September 2026 by:

Jo Armstrong
Chair

The notes on pages 73 to 109 form part of these financial statements.
Company registration number SC426094.

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

	Notes	2026 £ 000	2025 £ 000
Net cash generated from operating activities	29	175,896	155,778
Cash flow from investing activities			
Improvement of properties		(93,578)	(81,308)
Acquisition of properties		(5,587)	(1,715)
Construction of new properties		(157,973)	(160,445)
Purchase of other fixed assets	19	(14,967)	(20,249)
Proceeds from sale of properties	10	1,138	2,559
Grants received		91,966	69,898
Grants repaid		-	(354)
Finance income		1,044	1,140
		(177,957)	(190,474)
Cash flow from financing activities			
Finance charges		(75,495)	(73,727)
Bank loan drawn down		163,000	248,818
Repayments of bank loans		(74,790)	(140,003)
Taxation paid		(636)	(398)
		12,079	34,690
Net change in cash and cash equivalents		10,018	(6)
Cash and cash equivalents at 1 April		36,299	36,305
Cash and cash equivalents at 31 March		46,317	36,299
Cash and cash equivalents at 31 March			
Cash		46,317	36,299

The notes on pages 73 to 109 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. Legal status
Wheatley Housing Group Limited ("the company") is a limited company incorporated in Scotland under the Companies Act 2006. It is a housing association registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010.

The Company and its subsidiaries are referred to as "the Group", "Wheatley Group" or "Wheatley". The Group's subsidiaries include housing associations, incorporated entities and charities. The principal activity of the Group is the provision of social housing and associated housing management services. The registered office is Wheatley House, 25 Cochrane Street, Glasgow G1 1HL.

2. Accounting policies
The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of accounting
The financial statements of the Group and the Company are prepared in accordance with the Companies Act 2006, applicable accounting standards, the accounting requirements included within the Determination of Accounting Requirements 2024, and under the historical cost accounting basis, modified to include the revaluation of derivative financial investments, properties held for letting, office properties, investment properties and commercial properties. The financial statements have also been prepared in accordance with the Statement of Recommended Practice for registered social housing providers 2018 ("SORP 2018"), issued by the National Housing Federation and under FRS 102.

As noted in the Directors' responsibility statement on page 60, the financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

The Group prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in February 2026 by the Board. As well as considering the impact of a number of scenarios on the business plan, the Board also adopted a stress testing framework against the base plan. These updated scenarios include severe but plausible downsides. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Group budgets for 2026/27 and the Group's financial position as forecast in the 30-year business plan is of the opinion that, taking account of severe but plausible downsides, the Group has adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Board has considered the following factors:

- Rent and service charge receivable – arrears and bad debt assumptions have been set at an appropriate level to allow for customer difficulties in making payments; budget and business plan scenarios have been updated to take account of potential future changes in rent increases;
- Development activity – budget and business plan scenarios have taken account of fluctuating labour costs, project delays, supply chain instability and availability of grant funding impacting the new build programme;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of a revised profile of repairs and maintenance expenditure including the likely effect of inflation and increased demand;
- Investment in existing homes – forecast expenditure has been remodelled to take account of higher levels of investment spend;
- Liquidity – notwithstanding the entity's net current liabilities of £111.0m, of which the majority of current liabilities comprises deferred income of £76.2m, the Group's current available cash of £46.3m and unutilised loan facilities of £510.0m gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period; and
- The Group and Association's ability to withstand other adverse scenarios such as higher interest rates and inflation.

The Board believes the Group has sufficient funding in place and expects the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2. Accounting policies (continued)
The Wheatley Housing Group Limited is a public benefit entity.

Accounting judgements and estimations
Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts where required or appropriate and other factors.

Judgements have been made in:
- determining the appropriate discount rates used in the valuation of housing and investment properties;
- component accounting and the assessment of useful lives;
- the assessment of the fair value of financial instruments;
- determining the value of the Group's share of defined benefit pension scheme assets and obligations, the valuation prepared by the Scheme actuary includes estimates of life expectancy, salary growth, inflation and the discount rate on corporate bonds; and
- allocation of share of assets and liabilities for multi-employer pension schemes. Judgments in respect of the assets and liabilities to be recognised are based upon source information provided by administrators of the multi-employer pension schemes and estimations performed by the Group's actuarial advisers.

Basis of consolidation
The Group financial statements consolidate those of the Company and its subsidiary undertakings drawn up to 31 March 2026. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is lost. Intra group balances, transactions, income and expenses are eliminated in full on consolidation in accordance with FRS 102.

New subsidiaries joining the Group are accounted for under section 19.6 of FRS 102, as combinations that are in substance a gift. Any gain on acquisition is recognised through the Statement of Comprehensive Income as a gain on business combination. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. On joining the Group, an exercise is undertaken to align subsidiary accounting policies to the Group policies which may result in a restatement of comparative figures in the subsidiary results prior to consolidation.

Where a subsidiary leaves the Group, its results are included in the consolidated Statement of Comprehensive Income up to the date that control ceases. Any gain or loss arising on disposal or loss of control is recognised in the Statement of Comprehensive Income in the year in which the subsidiary leaves the Group.

Joint Venture
The Group is a 50:50 joint owner in City Building (Glasgow) LLP ("CBG"). The investment in the joint venture is accounted for using the equity method as outlined in FRS 102 Section 15. The investment is recognised in the Statement of Financial Position at cost less any impairment. The Group's share of profits or losses of the joint venture are recognised in the Statement of Comprehensive Income and the initial investment is subsequently adjusted to reflect the Group's share. Where the Group's share of losses equals or exceeds the carrying amount of the investment the share of these losses are recognised as a provision to the extent that the Group has legal or constructive obligations or has made payment on behalf of the joint venture. The investment in the joint venture is recorded in the investing entity's stand-alone financial statements at cost less impairment.

Related party disclosures
The Company has taken advantage of the exemption, available under FRS 102, from disclosing related party transactions with wholly owned entities that are part of the Group.

Turnover
Turnover, which is stated net of value added tax, represents income receivable from lettings and service charges, fees receivable, grants and other income.
In respect of the Group Statement of Comprehensive Income, turnover also includes factoring, care contracts and income from market and commercial rental activities.

Income from social lettings, service charges, factoring, market and commercial rental activities is recognised when it is receivable. Grant income is recognised when any associated performance conditions have been met and care contract income is recognised when services are delivered to customers as required under the agreement with each service commissioner.

Grant income
Where a grant is paid as a contribution towards revenue expenditure, it is included in turnover. Where grant is received from government and other bodies as a

2. Accounting policies (continued)

contribution towards the capital cost of housing schemes, it is recognised as income using the performance model in accordance with the SORP 2018. Prior to satisfying the performance conditions (e.g. on completion of new-build properties), such grants are held as deferred income on the Statement of Financial Position.

Bad and doubtful debts

Provision is made against rent arrears of current and former customers as well as other miscellaneous debts to the extent that they are considered potentially irrecoverable. Debts are classed as uncollectable after an assessment of the legislative options available to recover and consideration of specific circumstances.

Supported housing

Expenditure on housing accommodation and supported housing is allocated on the basis of the number of units for each type of accommodation, except for staffing and running costs for which the level of expenditure is directly attributable.

Financial instruments

Financial assets

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies, bond finance and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Housing loans are classed as either basic or complex financial instruments under FRS 102. Loans are provided to RSL subsidiary members of the Group by its lenders through Wheatley Funding No. 1 Limited ("WFL1"). Loans are provided to commercial subsidiaries of the Group by Wheatley Funding No. 2 Limited ("WFL2"). All arrangements are classed as basic under the requirements of FRS 102, and are measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Any movement in the value of financial instruments recognised in the Statement of Comprehensive Income relates to in-year adjustments for changes in the value of payment arrangement in place with customers, and the Scottish Government loan.

2. Accounting policies (continued)

Deposits and liquid resources

Cash comprises cash in hand and deposits repayable on demand, less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying values.

Pensions

WH Glasgow participates in a defined benefit pension scheme arrangement with the Strathclyde Pension Fund ("SPF"). The SPF is administered by Glasgow City Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended.

The SPF provides benefits based on pensionable pay, which is contracted out of the State Second Pension. Assets and liabilities of the SPF are held separately from those of the participating entities.

WH Glasgow accounts for participation in the SPF in accordance with FRS 102 which requires disclosures presented for both the current and comparative period. FRS 102 also requires that quoted securities are valued at their current bid-price rather than their mid-market value.

The defined benefit fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The respective share of WH Glasgow in the SPF surplus (to the extent that it is recoverable) or deficit are recognised in full. The movement in the SPF's surplus or deficit is split between operating charges, finance items and in the Statement of Comprehensive Income under actuarial gain or loss on pension schemes.

Loretto, Wheatley Care and WH East previously participated in the Pensions Trust Scottish Housing Association Pension Scheme ("SHAPS") Defined Benefit Pension Scheme. Loretto members transferred to the SHAPS Defined Contribution Scheme on 1 July 2013 with WH East members transferring on 1 April 2014 and 1 September 2014 with the respective sections of the SHAPs defined benefit scheme operated by those Group subsidiaries closed from the dates noted.

Retirement benefits related to employees in SHAPs defined benefit pension scheme are funded by contributions from all participating employers and employees in the Scheme. In respect of the defined benefit element of the scheme, payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Associations taken as a whole. In accordance with FRS 102, the Group's share of the scheme assets and liabilities has been separately identified and included in the Group's Statement of Financial Position and measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The Group's share of the deficit is recognised in full and the movement is split between operating costs, finance items and in the Statement of Comprehensive Income as actuarial gain or loss on pension schemes.

A Group defined contribution scheme arrangement administered by the Cushon Master Trust is available to employees in certain subsidiaries of the Group. WH East operates a separate defined contribution scheme administered by Aviva.

Fixed assets – social housing properties

In accordance with SORP 2018, the Group operates a full component accounting policy in relation to the capitalisation and depreciation of its completed housing stock.

- **Valuation of social housing stock**

All social housing properties owned by the Group's subsidiaries are valued annually on an Existing Use Value for Social Housing ("EUV-SH") basis by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. Housing stock has been split into two streams of property for valuation purposes, namely housing retained for letting and demolition programme properties. This separation into categories is on the basis of the Group's 30-year Business Plan which identifies the core stock which will be the subject of the Group's investment expenditure going forward and the stock which forms part of the demolition programme and consequently has limited investment expenditure attached to it.

The cost of properties is their purchase price together with the cost of capitalised improvement works that result in incremental future benefits to the landlord from the asset. Included in the cost of capitalised improvement works are the direct costs of staff engaged in the investment programme.

2. Accounting policies (continued)

Increases in the valuation of social housing properties are reported as other comprehensive income, accumulated in equity and reported as a revaluation reserve. Revaluation decreases reduce the accumulated gains and thereafter are recognised in profit or loss. Subsequent valuation gains are recognised in profit or loss to the extent they reverse a valuation decrease previously recognised in profit or loss.

On disposal, the value of the property is offset against the proceeds of sale and the gain or loss on disposal is taken to the Statement of Comprehensive Income.

- **Depreciation and impairment**

Housing properties are split between land, structure and major components which require periodic replacement. Replacement or refurbishment of such major components is capitalised and depreciated over the estimated useful life which has been set taking into account professional advice, the Group's asset management strategy and the requirement of the Scottish Housing Quality Standard. In determining the remaining useful lives for the housing stock, the Group has taken account of views provided by both internal and external professional sources. Freehold land is not subject to depreciation.

Major components are treated as separate assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, at the following rates:

	Economic life
Land	not depreciated
Bathrooms	25 yrs
External environment	20 yrs
External wall finishes	35 yrs
Heating system boiler	12 yrs
Internal works and common areas	20 yrs
Kitchens	20 yrs
Mechanical, Electrical and Plumbing	25 yrs
Structure and roofs	50 yrs
Windows and doors	30 yrs

Housing assets are depreciated in the month of acquisition, or in the case of a larger project, from the month of completion.

Where there is evidence of impairment, the fixed assets are written down to the fair value after deducting costs to sell, and any write down is charged to operating surplus.

- **New-build**

Housing properties in the course of construction and land for future development is held at cost and are not depreciated. Completed new-build units are transferred to completed properties when ready for letting.

The Group's policy is to capitalise the following:
- Cost of acquiring land and buildings;
- Interest costs directly attributable;
- Development expenditure including direct development staff costs; and
- Other directly attributable internal and external costs.

Expenditure on schemes which are subsequently aborted will be written off in the year in which it is recognised that the schemes will not be developed to completion.

- **Properties held for demolition**

Demolition programme housing properties have a negative valuation for accounting purposes due to the impact of demolition costs on the EUV-SH calculation, and so are held at nil on the Statement of Financial Position. Under FRS 102 there is no constructive obligation at the year-end to provide for these costs.

Investment properties

Housing for mid-market and market-rent is valued on an open market value subject to tenancies basis ("MV-T") at 31 March. The valuation is carried out by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. The properties are held as investment properties not subject to depreciation. Where it is considered that there has been any impairment in value this is provided for accordingly. The cost of properties is their purchase price together with capitalised improvement works.

Commercial properties are held as investment properties and not subject to depreciation, they are held at existing use value and are subject to revaluation by an independent professional advisor qualified by the Royal Institute of Chartered Surveyors to undertake valuation.

2. Accounting policies (continued)

Commercial properties are re-valued at least every five years. Changes in the valuation of investment properties are reported in the Statement of Comprehensive Income in profit or loss and disclosed within other income and gains.

New-build grant and other capital grants

New-Build Grant is received from central government and local authorities and is utilised to subsidise the costs of housing properties. New-Build Grant is recognised as income in the Statement of Comprehensive Income under the performance model. In the case of new-build this will be when the properties are completed. New-Build Grant due or received is held as deferred income until the performance conditions are satisfied, at which point it is recognised as income in the Statement of Comprehensive Income within turnover. Grant received in respect of revenue expenditure is recognised as income in the same period to which it relates.

Properties are disposed of under the provisions contained in the Housing (Scotland) Act 2010. Any grant that is repayable is accounted for as a liability on disposal of the property. Grant which is repayable but cannot be repaid from the proceeds of sale is accounted for as a liability. Where a disposal is deemed to have taken place for accounting purposes, but the repayment conditions have not been met in relation to the grant funding, the potential future obligation to repay is disclosed as a contingent liability.

Other tangible fixed assets

For other tangible fixed assets, depreciation is charged on a straight line basis over the expected useful economic lives of fixed assets to write off the cost, less estimated residual values over the following expected lives. Assets are depreciated in the month of acquisition, or in the case of a larger project, from the month of completion, at the following rates:

	Economic life
Office premises (valuation)	40 yrs
District heating (cost)	30 yrs
Furniture, fittings and office equipment (cost)	5-7 yrs
Computer equipment (cost)	3-7 yrs
Community Infrastructure (cost)	20 yrs

Office premises are held at valuation, and are depreciated, on a straight line basis, over a useful life of 40 years. Valuations are made at the end of each reporting period.

Provisions

The Group only provides for liabilities at the year-end where there is a legal or constructive obligation incurred which will likely result in the outflow of resources.

Taxation

As charities, WH Glasgow, WH East, Loretto, WH South, Wheatley Care and The Wheatley Foundation are exempt from corporation tax on their charitable activities by virtue of Section 478 Corporation Tax Act 2010 and from capital gains tax by virtue of Section 256 Capital Gains Tax Act 1992. A charge for taxation is made in the Group's non-charitable subsidiary companies, based on their taxable profit for the year. In accordance with FRS 102, full provision is made for all material timing differences.

Value Added Tax

The Group is registered for VAT. A large portion of its income, including rental receipts, is exempt for VAT purposes, giving rise to a partial exemption calculation. Expenditure with recoverable VAT is shown net of VAT and expenditure with irrecoverable VAT is shown inclusive of VAT.

Standards issued but not yet effective

Amendments to FRS 102 arising from the Periodic Review 2024 have been issued by the Financial Reporting Council and are effective for accounting periods beginning on or after 1 January 2026.

These amendments include a revision to the revenue recognition model aligned to the IFRS 15 five step approach and a fundamental revision to lease accounting under Section 20, which will require lessees to recognise most leases on the Statement of Financial Position as a right of use asset with a corresponding lease liability.

The revised requirements broadly align FRS 102 lease accounting with IFRS 16 and remove the distinction between operating and finance leases for lessees, subject to limited exemptions for short term and low value leases. The amendments will be applied by the Group for the first time in the financial statements for the year ending 31 March 2027.

The Group is currently assessing the impact of the revised revenue and lease accounting requirements.

2. Accounting policies (continued)

This includes identifying and validating the Group's lease population (including land and buildings, vehicles and equipment), determining appropriate lease terms and discount rates, and assessing the potential effects on the Group's Statement of Financial Position, Statement of Comprehensive Income and key financial metrics, including loan covenant measures.

While the full financial impact of adopting the revised lease accounting requirements has not yet been quantified, the Group expects that total assets and liabilities will increase on adoption, with corresponding changes to the presentation and timing of lease related expenses. Further information on the impact of these changes will be disclosed in the financial statements for the period in which the amendments are first applied.

3. Particulars of turnover, operating costs and operating surplus

Group	2026				2025
	Turnover £ 000	Operating costs £ 000	Other gains/ (losses) £ 000	Operating surplus/ (deficit) £ 000	Operating surplus/ (deficit) £ 000
Social lettings (note 4)	454,872	(305,766)	-	149,106	147,357
Other activities (note 5)	80,765	(78,461)	-	2,304	3,338
Other gains/ (losses) (note 9)	-	-	16,477	16,477	10,697
Total	535,637	(384,227)	16,477	167,887	161,392
Total for previous reporting period	516,843	(366,148)	10,697	161,392	

Company	2026				2025
	Turnover £ 000	Operating costs £ 000	Other gains/ (losses) £ 000	Operating surplus/ (deficit) £ 000	Operating surplus/ (deficit) £ 000
Other activities (note 5)	263	(263)	-	-	-
Total	263	(263)	-	-	-
Total for previous reporting period	265	(265)	-	-	

4. Particulars of turnover, operating costs and operating surplus/ (deficit) from social letting activities

Group

	General Needs £ 000	Supported Housing £ 000	Other £ 000	2026 Total £ 000	2025 Total £ 000
Rent receivable net of service charges	341,967	11,831	1,274	355,072	328,142
Service charges	4,996	791	259	6,046	6,063
Gross income from rents and service charges	346,963	12,622	1,533	361,118	334,205
Less rent losses from voids	(3,786)	(458)	(1)	(4,245)	(4,111)
Net income from rents and service charges	343,177	12,164	1,532	356,873	330,094
Grants released from deferred income – new build	87,315	794	9	88,118	90,696
Other revenue grants	9,295	584	2	9,881	17,111
Total turnover from social letting activities	439,787	13,542	1,543	454,872	437,901
Management and maintenance administration costs	(60,213)	(2,740)	(272)	(63,225)	(61,962)
Service costs	(8,394)	(292)	(134)	(8,820)	(10,325)
Planned and cyclical maintenance including major repairs costs	(36,078)	(1,246)	(248)	(37,572)	(35,581)
Reactive maintenance costs	(84,330)	(2,489)	(443)	(87,262)	(79,757)
Bad debts – rents and service charges	(2,261)	(72)	(22)	(2,355)	(1,761)
Depreciation of social housing	(102,287)	(3,525)	(720)	(106,532)	(101,158)
Operating costs from social letting activities	(293,563)	(10,364)	(1,839)	(305,766)	(290,544)
Operating surplus/ (deficit) from social lettings	146,224	3,178	(296)	149,106	147,357
Operating surplus/ (deficit) from social lettings for the previous reporting period	144,130	3,239	(12)	147,357	

Company

There were no activities in the Wheatley Housing Group Limited entity results classified as social letting.

5. Particulars of turnover, operating costs and operating surplus/(deficit) from other activities

Group

	Grants from Scottish Ministers £ 000	Other Income £ 000	Supporting People income £ 000	Total Turnover £ 000	Total Operating costs £ 000	2026 Operating surplus/ (deficit) £ 000	2025 Operating surplus/ (deficit) £ 000
Wider role activities to support the community	-	3,033	-	3,033	(11,790)	(8,757)	(8,383)
Care activities	-	21,410	-	21,410	(20,766)	644	27
Property management	-	13,305	-	13,305	(11,396)	1,909	2,009
Investment property	-	27,497	-	27,497	(8,937)	18,560	16,148
Support activities	-	821	148	969	(1,110)	(141)	373
Demolition activities	-	-	-	-	(44)	(44)	(41)
Other income	-	13,555	-	13,555	(9,070)	4,485	2,180
Depreciation – Non-social Housing	-	-	-	-	(13,173)	(13,173)	(11,670)
Organisation restructuring	-	-	-	-	(1,415)	(1,415)	(3,555)
Development and construction of property activities	924	72	-	996	(760)	236	6,250
Total from other activities	924	79,693	148	80,765	(78,461)	2,304	3,338
Total from other activities for the previous reporting period	6,327	72,471	144	78,942	(75,604)	3,338	

5. Particulars of turnover, operating costs and operating surplus/(deficit) from other activities (continued)

Company

	Grants from Scottish Ministers £ 000	Other Income £ 000	Supporting People income £ 000	Total Turnover £ 000	Total Operating costs £ 000	2026 Operating surplus/ (deficit) £ 000	2025 Operating surplus/ (deficit) £ 000
Provision of Group services	-	263	-	263	(263)	-	-
Total from other activities	-	263	-	263	(263)	-	-
Total from other activities for the previous reporting period	-	265	-	265	(265)	-	

6. Board members' emoluments

Group board members received emoluments of £211,009 (2025: £213,957) in respect of their services to Wheatley Housing Group Limited. These amounts are fully recharged to Wheatley Solutions and onwards to operational subsidiaries.

Emoluments were paid during the year to the following Group Board members:

	2026 £	2025 £
Jo Armstrong	32,370	32,370
Jo Boaden CBE	16,185	16,185
Ken Barclay (part year)	8,677	-
Lindsey Cartwright (part year)	7,864	16,185
Rhona Conteh (part year)	6,445	-
Maureen Dowden	19,961	19,961
Bryan Duncan	16,185	16,185
Caroline Gardner CBE	16,185	16,185
Eric Gibson (2025 part year)	-	7,868
Bernadette Hewitt (part year)	9,699	19,961
Manish Joshi	16,185	14,359
John McCraw (2026 and 2025 part year)	3,102	12,408
Ian Macaulay (2025 part year)	16,185	11,746
Alison McLaughlin	16,185	14,359
Alastair Murray (part year)	7,688	16,185
Pamela Paton (part year)	9,685	-
Lyndsey Teaz (part year)	8,408	-
	211,009	213,957

In addition, £1,965 (2025: £2,336) was paid to Group Board members for reimbursement of expenses.

7. Key management emoluments

	2026 £ 000	2025 £ 000
Aggregate emoluments payable to key management in post at 31 March (excluding pension contributions)	761	855

Emoluments payable to the Chief Executive:

	2026 £ 000	2025 £ 000
Emoluments payable	80	80
Employer pension contributions	5	5
Total	85	85

During the periods the key management's emoluments (excluding pension contributions) fell within the following band distributions:

	2026 No.	2025 No.
£0 to £10,000	1	-
£80,001 to £90,000	1	1
£140,001 to £150,000	-	1
£150,001 to £160,000	-	4
£160,001 to £170,000	2	-
£170,001 to £180,000	2	-

7. Key management emoluments (continued)

The key management are defined for this purpose as the Chief Executive and the Group Executive team in post at 31 March 2026.

Pension contributions of £47k (2025: £55k) were paid for the Chief Executive and the Group Executive team in post at 31 March 2026. The senior officers are eligible to join the Strathclyde Pension Fund and employer's contributions are paid on the same basis as other members of staff. Emoluments, including pension contributions, of £170k and compensation payments for loss of office of £159k were paid to former key management personnel.

There were six senior officers in post at 31 March 2026.

Steven Henderson	Group Chief Executive
Anthony Allison	Group Director of Governance and Business Solutions
Alan Glasgow	Group Director of Housing
Laura Pluck	Group Director of Communities
Pauline Turnock	Group Director of Finance
Sharon Wearing	Group Director of Development & City Building (from 16 November 2025)

8. Employees

In the year to 31 March 2026, the average full time equivalent number of employees of the Group, including senior officers, was 2,895 (2025: 2,780). The total number of staff employed was 2,954 (2025: 2,935). No staff are directly employed by the Company.

Group

	2026 £ 000	2025 £ 000
Staff costs (for the above persons)		
Wages and salaries	118,285	110,334
Social security costs	14,518	10,955
Employer's pension costs	7,827	7,676
FRS 102 Pension adjustment	3,378	5,523
	144,008	134,488

9. Other gains/ (losses)

Group

	2026 £ 000	2025 £ 000
Gain on revaluation of investment property (note 20)	16,477	10,700
Impairment of fixed asset investment	-	(3)
Total other gains	16,477	10,697

Revaluation of investment properties

A gain of £16,477k (2025: £10,700k) has been recognised on the annual revaluation of investment properties. On completion of new-build investment properties, which are held on the Statement of Financial Position at valuation, FRS 102 requires the grant income relating to the properties to be recognised through profit or loss under the performance model. On the first formal annual valuation after completion, the results of the initial valuation are compared against the gross new-build development costs held in the Statement of Financial Position; this requirement results in an initial non-cash accounting loss being reported on new build additions to investment properties which is included in the overall movement reported for the year.

Impairment of fixed asset investment

In May 2024, as part of the wider reorganisation of GBG Enterprises Ltd, the property owned by GBG was transferred to Lowther at Net Book Value. As such, in 2024/25, the investment in subsidiary was reduced by £3k to reflect the value of the expected distributable reserves of £130k at 31 March 2025, with the reduction in value taken to the Statement of Comprehensive Income in that year. There has been no impairment of distributable reserves in the year and it is expected that the reserves of GBG will be distributed to Lowther and the entity thereafter liquidated in 2026/27.

10. Gain on disposal of fixed assets

This represents net income from the sale of properties including shared ownership sales and other fixed assets.

Group

	2026 £ 000	2025 £ 000
Proceeds from disposal of fixed assets	1,138	2,559
Value of properties disposed	(879)	(1,367)
Gain on sale of fixed assets	259	1,192

11. Finance income

Group

	2026 £ 000	2025 £ 000
Bank interest receivable on deposits in the year	1,044	1,140
Total	1,044	1,140

12. Finance charges

Group

	2026 £ 000	2025 £ 000
Interest payable	75,839	73,612
Interest amortised on Contingent Efficiency Grant	2,233	2,167
Other financing costs	2,177	1,457
Net cost on pension	437	541
Total	80,686	77,777

Other financing costs include commitment, non-utilisation fees and the amortisation of transaction costs on the Group's funding arrangements.

Interest of £3.4m (2025: £4.0m) has been capitalised at a weighted average interest rate of 4.55% (2025: 4.84%). The rate is specific to the funding drawn in the year and invested in housing under construction.

13. Movement in fair value of financial instruments

Group

	2026 £ 000	2025 £ 000
Movement in the Scottish Government loan	2,127	1,505
Movement in discount to arrears balances (note 22)	(28)	(5)
	2,099	1,500

14. Tax on surplus on ordinary activities

Group

	2026 £ 000	2025 £ 000
Total tax expense recognised in the Statement of Comprehensive Income:		
Current tax:		
Current tax on income for the year	578	307
Adjustment in respect of prior periods	-	-
	578	307
Deferred tax:		
Origination and reversal of timing differences	3,629	(1,254)
Effects of changes in tax rates	-	-
	3,629	(1,254)
Total tax charge/ (credit)	4,207	(947)

The Company had no tax charge for the year (2025: nil).

The charitable status of WH Glasgow, WH East, Loretto, WH South, Wheatley Care and Wheatley Foundation means that no corporation tax is payable on their activities. Tax is payable on the profits from the activities of the Group's other non-charitable subsidiary companies.

14. Tax on surplus on ordinary activities (continued)

Factors affecting the tax charge for the current period

Group

	2026 £ 000	2025 £ 000
Reconciliation of effective tax rate		
Surplus for the year	82,198	88,694
Total tax charge/ (credit)	4,207	(947)
Surplus before taxation	86,405	87,747
Tax using the UK corporation tax rate of 25% (2025:25%)	21,601	21,937
Effects of:		
Charitable surplus not subject to tax	(11,803)	(19,042)
Qualifying charitable donations	(2,166)	(2,332)
Income not taxable	(3,529)	(1,581)
Expenses not deductible	104	71
Prior year adjustments	-	-
Total tax charge/ (credit) in Statement of Comprehensive Income	4,207	(947)

The Company has no tax charge for the year (2025: nil).

15. Auditor's remuneration

	2026 £ 000	2025 £ 000
The remuneration of the auditor (excluding VAT) is as follows:		
Audit of these financial statements	42	41
Audit of financial statements of subsidiaries pursuant to legislation	642	625
Other audit related services	9	9

16. Financial commitments

Capital commitments

All capital commitments of the Group were as follows:

Group

	2026 £ 000	2025 £ 000
Expenditure contracted for, but not provided in the financial statements	124,333	104,576
Expenditure authorised by the Board but not contracted	15,513	12,808
	139,846	117,384

The Group has access to sufficient funding through cash or bank lending facilities to meet the capital commitments.

17. Operating leases

At 31 March the Group had commitments under non-cancellable operating leases as follows; the Company had no such commitments:

Group

	2026 Land and buildings £ 000	2026 Other £ 000	2025 Land and buildings £ 000	2025 Other £ 000
Operating lease payments due:				
Within one year	703	2,037	786	2,642
In the second to fifth years inclusive	1,715	3,511	1,781	2,042
Over five years	448	1,206	760	92
	2,866	6,754	3,327	4,776

Lease commitments include the timing of the full payment due under contract as required by FRS 102. The Group's social housing properties are held under operating leases and are tenanted under cancellable operating lease conditions. As such, no disclosure of tenant leases under FRS 102 section 20.30 is made.

18. Fixed assets – Social housing properties

	Core Stock £ 000	Housing under construction £ 000	Shared ownership £ 000	Total £ 000
At valuation				
At 1 April 2025	2,880,734	163,148	18,184	3,062,066
Additions	90,989	166,539	73	257,601
Disposals	(2,445)	-	(169)	(2,614)
Transfers	103,136	(164,257)	-	(61,121)
Revaluation	35,574	-	(1,057)	34,517
At 31 March 2026	3,107,988	165,430	17,031	3,290,449
Depreciation				
At 1 April 2025	-	-	-	-
Charge for year	(106,109)	-	(423)	(106,532)
Disposals	1,850	-	66	1,916
Transfers	-	-	-	-
Revaluation	104,259	-	357	104,616
At 31 March 2026	-	-	-	-
Net book value - valuation				
At 31 March 2026	3,107,988	165,430	17,031	3,290,449
At 31 March 2025	2,880,734	163,148	18,184	3,062,066
Net book value – historic cost equivalent				
At 31 March 2026	2,736,270	165,448	16,395	2,918,113
At 31 March 2025	2,648,849	163,166	16,848	2,828,863

Total expenditure on repairs and capital improvements in the year on existing social housing properties was £215.9m (2025: £195.0m). Of this, repair costs of £124.8m (2025: £115.3m) were charged to the Statement of Comprehensive Income (note 4) with capital improvements of £91.1m (2025: £79.7m) shown as additions to core stock on the Statement of Financial Position. Additions to core stock in the year of £91.1m (2025: £79.7m) in the year include:

- £46.3m for component additions including:
    - £8.6m on energy efficient heating systems and boilers;
    - £10.6m on kitchens and bathrooms;
    - £3.6m on mechanical, electrical and plumbing;
    - £4.0m on structure and roofs;
    - £9.2m on windows and doors;
    - £5.7m on external wall finishes; and
    - £4.6m on internal works and common areas.

18. Fixed assets – Social housing properties (continued)

- The remaining balance of £44.8m of additions to existing properties not associated with a specific component includes £24.4m on void improvements, £5.0m of medical adaptations and £15.4m on capitalised repairs.

All subsidiaries in the Group account for social housing properties at valuation. Additions to housing under construction include capitalised interest costs of £3.4m (2025: £4.0m). Interest has been capitalised at the weighted average interest cost for the Group of 4.55% (2025: 4.84%).

The valuation of social housing properties is separated into two categories, namely those retained for letting and those properties which form part of the Group's demolition programme, as detailed in the Group's 30-year Business Plan. The demolition programme identifi es 101 (2025: 112) properties for demolition over the next few years, with no long-term investment expenditure associated with these properties.

Demolition programme stock has a negative valuation for accounting purposes due to the impact of demolition costs on the Existing Use for Valuation – Social Housing ("EUV-SH") calculation and so is held at nil on the Statement of Financial Position as under FRS 102 there is no constructive obligation at the year-end date to provide for these costs.

The Group's social housing properties have been valued by Jones Lang LaSalle Limited, an independent professional adviser qualifi ed by the Royal Institution of Chartered Surveyors ("RICS") to undertake valuations. This valuation was prepared in accordance with the appraisal and valuation manual of the RICS at 31 March 2026 on an Existing Use Valuation for Social Housing ("EUV-SH"). Discount rates between 5.75-8.00% have been used depending on the property archetype (2025: 5.50-7.00%). The valuation assumes a real rental income growth of 0.5% for the fi rst year, followed by long-term real rental growth of 1.0% per annum for the Social Rented units. Both mid-market and full market rent properties are assumed at a long-term real rental income growth of 0.50% throughout. The capital investment made in housing properties each year may not translate directly into an increase in the value of the assets by virtue of the nature of the EUV-SH valuation methodology.

Included in core stock are 966 garages and 1,200 parking sites owned by WH South held at a value of £3.8m (2025: £3.9m). These have been valued at market value subject to tenancy ("MV-T"), the Directors consider the difference between EUV-SH and MV-T for these properties to be immaterial.

18. Fixed assets – Social housing properties (continued)

The number of units of social housing accommodation owned and managed (excluding unlettable voids) by the Group at 31 March is shown below:

	2026 No.	2025 No.
Social housing		
General needs	60,717	60,260
Shared ownership	352	356
Supported housing	1,811	1,811
Housing held for long-term letting	62,880	62,427
Housing approved/planned for demolition	101	112
Total Units	62,981	62,539

19. Fixed assets - other tangible fixed assets

Group

	Community infrastructure £ 000	Office premises £ 000	District heating £ 000	Furniture fittings and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost						
At 1 April 2025	31,055	17,027	14,962	55,348	88,914	207,306
Additions	3,818	346	313	1,812	8,678	14,967
Disposals	-	-	-	(125)	-	(125)
Transfers	-	185	-	-	-	185
Revaluation	-	(119)	-	-	-	(119)
At 31 March 2026	34,873	17,439	15,275	57,035	97,592	222,214
Depreciation						
At 1 April 2025	(6,786)	-	(5,060)	(42,403)	(65,124)	(119,373)
Charge for year	(1,651)	(791)	(425)	(3,135)	(7,171)	(13,173)
Disposals	-	-	-	98	-	98
Transfers	-	-	-	-	-	-
Revaluation	-	791	-	-	-	791
At 31 March 2026	(8,437)	-	(5,485)	(45,440)	(72,295)	(131,657)
Net book value						
At 31 March 2026	26,436	17,439	9,790	11,595	25,297	90,557
At 31 March 2025	24,269	17,027	9,902	12,945	23,790	87,933

20. Investments

Investment properties

Group

	Properties held for market rent £ 000	Commercial properties £ 000	Total £ 000
Valuation			
At 1 April 2025	371,715	14,540	386,255
Acquired in year	436	-	436
Additions	2,507	9	2,516
Transfers	60,936	-	60,936
Disposals	(155)	-	(155)
Revaluation	16,405	72	16,477
At 31 March 2026	451,844	14,621	466,465
Net book value			
At 31 March 2026	451,844	14,621	466,465
At 31 March 2025	371,715	14,540	386,255

Market rent properties were valued at market value subject to tenancy ("MV-T") by an independent professional adviser, Jones Lang LaSalle, on 31 March 2026.

The number of properties held for market rent by the Group at 31 March were:

	2026 No.	2025 No.
Market rent properties		
Total units	3,113	2,876

The Group's commercial properties were valued by an independent professional advisor, Jones Lang LaSalle, on 31 March 2026 in accordance with the appraisal and valuation manual of the RICS.

In determining the valuation of investment properties, it is assumed that there are no restrictions on the ability to realise the investment properties or on the remittance of income and proceeds of disposal. There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

20. Investments (continued)

Investment in joint venture

Group

	2026 £ 000	2025 £ 000
Investment in joint venture	416	116
Share of profit	-	300
	416	416

The Group is a 50:50 joint venture partner in City Building (Glasgow) LLP ("CBG"). The investment in CBG is recognised in the financial statements at cost less any impairment. The Group's share of profits or losses of the joint venture are recognised in the Statement of Comprehensive Income and the initial investment is subsequently adjusted to reflect the Group's share. Further information on the governance changes with CBG is provided in note 31.

21. Stock

Group

	2026 £ 000	2025 £ 000
Maintenance stock	2,068	2,278

Stock at maintenance depot relates to consumable parts in relation to our repairs and investment service for our subsidiaries in the east and south of the country.

22. Debtors

Group

	2026 £ 000	2025 £ 000
Due within one year:		
Arrears of rent and service charges	26,530	25,560
Adjustment to discount arrears balances with payment plans	(105)	(133)
Less: provision for bad and doubtful debts	(14,698)	(13,834)
	11,727	11,593
Prepayments and accrued income	34,125	17,655
Other debtors	18,439	16,711
Total	64,291	45,959

23. Creditors: amounts falling due within one year

Group

	2026 £ 000	2025 £ 000
Amounts falling due within one year:		
Trade creditors	16,063	15,713
Accruals	50,121	50,305
Deferred income (note 24)	76,170	74,457
Rent and service charges received in advance	20,457	23,329
Salaries, wages, other taxation and social security	3,418	1,854
Corporation tax	66	152
Housing loans	39,068	29,790
Other creditors	18,343	17,229
Total	223,706	212,829

24. Creditors: amounts falling due after more than one year

Group

	2026 £ 000	2025 £ 000
Scottish Government loan	51,303	46,943
Housing loans	1,783,386	1,699,199
Deferred income	40,430	27,603
Total	1,875,119	1,773,745

The Scottish Government made available to WH Glasgow £100.0m of contingent efficiencies grant over an eight-year period. Under this agreement £100.0m (2025: £100.0m) has been received and this is an interest-free loan with repayment due in 2040/41. The amount due of £51.3m at 31 March 2026 is the measurement of the liability after discounting for an equivalent interest-bearing arrangement with the same repayment date. This treatment is consistent with FRS 102 which requires financial instruments to be measured at amortised cost. The movement in the balance in the year relates to:

- interest costs £2.2m (2025: £2.2m)
- fair value movement loss £2.1m (2025: gain of £1.5m)

Interest costs are reported within finance charges (note 12). The movement in the fair value is reported on the face of the Statement of Comprehensive Income.

24. Creditors: amounts falling due after more than one year (continued)

Housing Loans

The Group RSLs and the Group's development company, Wheatley Developments Scotland, have borrowing arrangements in place via a Group funding structure which consists of bank loans, note placements and capital markets debt, secured on charged properties owned by the RSLs. The RSL Group funding was made up of a committed facility of £449.5m from a syndicate of commercial banks, two committed facilities totalling £240.9m from the European Investment Bank, £400.0m from a public bond due in 2044, of which £300.0m is currently issued, £389.0m private placement loan notes with BlackRock Real Assets, M&G Investment Management and PGIM, a £100.0m facility with Barclays, a £275.0m facility with RBS, a £100.0m facility with Bank of Scotland, a £20.0m facility with Nationwide, £40.0m retrofit facility with Bank of Scotland/National Wealth Fund and £102.3m charitable bonds via Allia Social Impact Investments. This provided total facilities of £2,116.7m for RSLs through Wheatley Funding No.1 Limited, a wholly owned subsidiary of the Wheatley Housing Group Limited. At 31 March 2026, the RSL borrowing group comprises WH Glasgow, WH South, WH East, Loretto and Wheatley Developments Scotland.

Additional separate facilities are provided through direct loans to WH East comprising of a committed facility from The Housing Finance Corporation of £16.5m and a £16.0m unsecured Scottish Government Charitable Bond with Allia Limited. WH South also has a facility of £40.0m with The Housing Finance Corporation. The loan premium of £1,602k received on drawdown is being amortised over the life of the loan and at the 31 March 2026 stood at £875k (2025: £926k). WH South also has a £35.0m facility is in place with Allia under the Scottish Government Charity Bonds Programme.

Bond finance is repayable in 2044/45 and has a coupon rate of 4.375%.

Lowther Homes Limited has fully drawn facilities of £99.5m facility provided through Wheatley Funding No.2 Ltd ("WFL2") via an agreement with Scottish Widows through Bank of Scotland. The original facility was £76.5m and was fully drawn in October 2018 at a fixed interest rate of 3.77% to 30 October 2043. In March 2026, the facility was amended and restated to provide a second tranche of £23m to support the acquisition of 233 MMR units from WH Glasgow and WH East. This tranche was fully drawn in March 2026 at a fixed interest rate of 6.527% to 30 October 2043.

Borrowings are repayable as follows:

	2026 £ 000	2025 £ 000
In less than one year	39,068	29,790
Between one and five years	353,352	309,855
In more than five years	1,430,034	1,389,344
	1,822,454	1,728,989

24. Creditors: amounts falling due after more than one year (continued)

The deferred income balance is made up as follows:

	New-Build Grant £ 000	Other £ 000	Total Deferred Income £ 000
Deferred income as at 1 April 2025	99,988	2,072	102,060
Grant income received	104,705	6,315	111,020
Released to the Statement of Comprehensive In-come	(89,042)	(7,438)	(96,480)
Deferred income as at 31 March 2026	115,651	949	116,600

This is expected to be released to the Statement of Comprehensive Income in the following years:

Deferred income to be released to the Statement of Comprehensive Income:	2026 £ 000	2025 £ 000
In less than one year (note 23)	76,170	74,457
In more than one year but less than five years	40,219	27,603
In more than five years	211	-
	116,600	102,060

Financial instruments

Financial assets:	2026 £ 000	2025 £ 000
Measured at amortised cost:		
Debtors and accrued income	64,291	45,959
Total	64,291	45,959

24. Creditors: amounts falling due after more than one year (continued)

Financial liabilities:	2026 £ 000	2025 £ 000
Measured at amortised cost:		
Creditors, accruals and deferred income	225,068	210,642
Bank loans	1,822,454	1,728,989
	2,047,522	1,939,631
Measured at fair value:		
Scottish Government loan	51,303	46,943
Total	2,098,825	1,986,574

Income earned and expense payable on the financial assets and liabilities is disclosed in note 11 and 12 respectively.

25. Provisions for liabilities and charges

Group

	Insurance £ 000	Other £ 000	Deferred tax £ 000	Dilapidation provision £ 000	Total £ 000
At 1 April 2025	1,055	278	8,089	1,084	10,506
Created	-	-	3,629	-	3,629
Utilised	(3)	(278)	-	(23)	(304)
At 31 March 2026	1,052	-	11,718	1,061	13,831

Insurance
A provision has been made in respect of the excess arising on all outstanding insurance claims.

Other
A provision recognised for the estimated costs of remedial works required to properties owned by WH Glasgow was fully utilised in the year.

Deferred tax
Deferred tax is provided to take account of timing differences between the treatment of certain items for financial statement purposes and their treatment for tax purposes. Deferred tax is provided for all material timing differences and for the unrealised gain or losses on investment properties in certain subsidiaries in the Group. The UK's main corporation tax rate is 25%.

Dilapidation provision
This provision represents the estimated costs of dilapidation works required under lease contracts for office properties leased by group entities.

26. Share capital
Wheatley Housing Group Limited was incorporated on 13 June 2012 and is a Company Limited by Guarantee and therefore does not have any Share Capital.

There were no balances in reserves for the company at 31 March 2026.

27. Pensions
Wheatley Housing Group Defined Contribution Scheme
The Group operates defined contribution schemes through the Cushon Master Trust and Aviva. These arrangements are open to most employees who are not members of the Strathclyde Pension Fund, SHAPS defined benefit or defined contribution scheme, or any other group scheme. Employer contributions vary pro rata with the level of contributions chosen by the individual employee member and range from 8% to 12%. Employer contributions are capped at 12%.

Strathclyde Pension Fund
The funds are part of the wider Local Government Pension Scheme ("LGPS") in Scotland. The Group subsidiary Wheatley Homes Glasgow Limited participates in the Strathclyde Pension Fund ("SPF") which is administered by Glasgow City Council and is a defined benefit scheme.

27. Pensions (continued)

The latest full actuarial valuation was carried out as at 31 March 2023. In preparing the formal valuation at 31 March 2023 an allowance for full GMP indexation and an estimate of the impact of the McCloud judgement was also included based on eligibility criteria of members for inclusion in the agreed remedy. A full triennial actuarial valuation is currently being undertaken as at 31 March 2026. At the date of approval of these financial statements, detailed results of this valuation are not yet available.

TPT Retirement Solutions - Scottish Housing Association Pension Scheme

Loretto, Wheatley Care and Wheatley Homes East participate in the Scottish Housing Associations' Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 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 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan was put in place to eliminate the deficit which runs to 31 March 2030.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, each employer 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 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2026 to 28 February 2027 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 Trustee has completed a review of the changes made to the benefit structures of the defined benefit pension schemes within the Trust, which involved reviewing the changes made to the benefits over the years. The Trustee determined that it is prudent to follow best practice and seek directions from the Court. The resulting Court case, known as Verity Trustees Limited v Wood, commenced on 12 February 2025 and concluded on 28 March 2025. An outcome on the Case is expected no earlier than Q2 of 2026. As at 31 March 2026, it is unclear whether the Verity Trustees Limited v Wood case may give rise to an additional liability in respect of members benefits.

27. Pensions (continued)

Group Defined Benefit assets and obligations

The assumptions that have the most significant effect on the results of the valuation of the Group defined benefit pension arrangements, are those relating to the discount rate and the rates of increases in salaries and pensions. The principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	31 March 2026	31 March 2025
Discount rate	6.20%	5.80%
Future salary increases	2.40%*	2.20%
Inflation (CPI)	3.00%	2.80%
Inflation (RPI)	3.25%	3.15%

* future salary increases assumed to be 3.8% p.a. for the first year, 2.5% in years two to five and 2% p.a. thereafter.

In valuing the liabilities of the pension fund at 31 March 2026, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard mortality tables and include an allowance for future changes in longevity. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

- Current pensioner aged 65: male 20.4 years, female 23.3 years (2025: 20.0 and 23.2 years, respectively)
- Future retiree upon reaching 65*: male 21.0 years, female 24.5 years (2025: 20.7 and 24.4 years, respectively)

*figures assume members aged 45 as at the last formal valuation date.

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The information disclosed below is in respect of the whole of the plans for which the Group has been allocated a share of cost under an agreed policy throughout the periods shown.

Movements in present value of defined benefit obligation

	SPF 2026 £ 000	SHAPS 2026 £ 000
Opening defined benefit obligation	**387,935**	**43,533**
Current service cost	5,590	-
Past service cost	1,104	-
Interest cost	22,489	2,468
Actuarial gains	(5,841)	(1,927)
Contributions by members	2,856	-
Benefits paid	(16,422)	(2,000)
Expenses	-	76
Closing defined benefit obligation	**397,711**	**42,150**

27. Pensions (continued)

Movements in fair value of plan assets

	SPF 2026 £ 000	SHAPS 2026 £ 000
Opening fair value of plan assets	**692,742**	**38,188**
Expected return on plan assets	40,074	2,215
Actuarial gains/ (losses)	23,725	(111)
Contributions by the employer	3,392	2,037
Contributions by the members	2,856	-
Benefits paid	(16,422)	(2,000)
Closing fair value of plan assets	**746,367**	**40,329**

	SPF value at 31 March 2026 £ 000	SHAPS value at 31 March 2026 £ 000	Total 31 March 2026 £ 000
Present value of funded defined benefit obligations	(395,945)	(42,150)	(438,095)
Present value of unfunded defined benefit obligations	(1,766)	-	(1,766)
Fair value of plan assets	746,367	40,329	786,696
Surplus / (deficit) before asset ceiling adjustment	348,656	(1,821)	346,835
Impact of asset ceiling	(350,422)	-	(350,422)
Net liability	(1,766)	(1,821)	(3,587)

Reconciliation of change in asset ceiling

	SPF 2026 £ 000	SPF 2025 £ 000
Opening impact of asset ceiling	306,576	235,578
Interest on impact of asset ceiling	17,769	11,308
Actuarial losses	26,077	59,690
Closing impact of asset ceiling	350,422	306,576

27. Pensions (continued)

At 31 March 2026, the Group's share of the Strathclyde Pension Fund was in surplus. However, under FRS 102 and IFRIC 14, a surplus can only be recognised to the extent that it is recoverable through a refund from the Fund or through future reductions in contributions. Following an assessment by the Scheme Actuary, the Group concluded that it does not have an unconditional right to a refund of the surplus and that no economic benefit is available through future contribution reductions. Accordingly, the full funded surplus of £350,422k has been restricted by the asset ceiling and no pension asset has been recognised on the balance sheet. As a result, only the unfunded pension obligations of £1,766k are recognised as a liability at 31 March 2026.

Expense recognised in the Statement of Comprehensive Income

	SPF 2025 £ 000	SHAPS 2025 £ 000
Current service cost	5,590	-
Past service cost	1,104	-
Net interest on defined benefit obligation	184	253
Administration costs	-	76
	6,878	329

The total amount recognised in the Statement of Comprehensive Income in respective of actuarial gains and losses is a gain of £5,305k (2025: gain of £7,281k) as follows:

	SPF 2026 £ 000	SHAPS 2026 £ 000	TOTAL 2026 £ 000
Remeasurement on account of defined benefit liability	(5,841)	(1,927)	(7,768)
Remeasurement on account of plan assets	(23,725)	111	(23,614)
Re-measurements for change in asset ceilings	26,077	-	26,077
Actuarial gain	(3,489)	(1,816)	(5,305)

27. Pensions (continued)

The fair value of the plan assets and the return on those assets were as follows:

	2026 £ 000	2025 £ 000
Equities	442,842	424,499
Corporate bonds	164,425	159,693
Property	76,740	64,251
Alternatives	27,791	26,843
Cash	74,898	55,644
	786,696	730,930
Actual return on plan assets	65,903	21,664

During the year no pension contributions (2025: £379k) were paid to Strathclyde Pension Fund on behalf of key management personnel who retired.

28. Related party transactions

The company retains a register of Directors' interests. During the year there were no interests in related parties that require to be disclosed or declared by Directors. Directors received emoluments for their services to Wheatley Housing Group Limited. Details are included in Note 6.

Tenant and factored homeowners Directors

The following Directors are customers and have tenancies that are on the Association's normal terms, and they cannot use their positions to their advantage:

Rhona Coneth – tenant of WH Glasgow (appointed 24 September 2025)
Bernadette Hewitt – tenant of WH Glasgow (resigned 24 September 2025)
John McCraw – tenant of WH South (resigned 20 June 2025)
Pamela Paton – tenant of WH East (appointed 20 June 2025)

Transactions entered into with members in the year, and rent arrear balances outstanding at 31 March, are as follows:

		2026 £ 000
Rent charged during the year		13
Arrears balances outstanding		-

28. Related party transactions (continued)

Other related parties

Related party interests and transactions during the year are as follows:

2026	Income £ 000	Expenditure £ 000	Amounts owed by related parties £ 000	Amounts owed to related parties £ 000
City Building (Glasgow) LLP	566	129,312	7,184	16,403
Strathclyde Pension Fund	-	3,392	-	-
TPT Retirement Solutions – SHAPS Fund	-	2,037	-	-
Transforming Communities: Glasgow	-	-	-	-
Scotcash CIC	-	-	-	-

All transactions were on commercial terms and at arm's length.

The Wheatley Housing Group Limited has a 50:50 share in City Building (Glasgow) LLP with Glasgow City Council. The joint venture provides repairs and investment services to the Group subsidiaries in the west of Scotland.

During the year Wheatley Homes Glasgow held nomination rights to a directorship of Transforming Communities: Glasgow ("TC:G"). Maureen Dowden and Bryan Duncan served as nominated directors during the year.

During the year WH Glasgow held nomination rights to a directorship of Scotcash CIC. These rights allow WH Glasgow to nominate up to two directors to the board of Scotcash with Pauline Turnock and David Rockliff serving on the board during the year and until it's dissolution on 8 April 2026.

29. Cash Flow Analysis

Reconciliation of surplus to net cash inflow from operating activities

	2026 £ 000	2025 £ 000
Surplus for the year	82,198	88,694
Depreciation of tangible fixed assets	119,705	112,828
Decrease/ (increase) in stock	210	(352)
Decrease in debtors	750	3,579
Increase/ (decrease) in creditors and provisions	3,166	(12,740)
Pensions costs less contributions payable	1,342	5,449
Adjustment for investing or financing activities:		
Gain from the sale of tangible fixed assets	(259)	(1,192)
Grants released in the year	(96,480)	(104,628)
Interest receivable	(1,044)	(1,140)
Interest payable	80,686	77,777
Share of JV profit	-	(300)
Movement in fair value of financial instruments	2,099	(1,500)
Gain on investment activities	(16,477)	(10,697)
Net cash inflow from operating activities	175,896	155,778

30. Subsidiary and associated undertakings

The ultimate parent company is Wheatley Housing Group Limited. The Company has eleven immediate subsidiaries – Wheatley Homes Glasgow Limited, Loretto Housing Association Limited, Wheatley Funding No.1 Limited, Wheatley Funding No.2 Limited, Wheatley Developments Scotland Limited, Lowther Homes Limited, Wheatley Homes East Limited, The Wheatley Foundation, Wheatley Solutions Limited, Wheatley Care and Wheatley Homes South Limited.

Wheatley Housing Group Limited retains constitutional control of all subsidiary undertakings.

The objective of Wheatley Funding No.1 Limited is the provision of finance to the RSLs in the Group. Wheatley Funding No.1 Limited is the parent of Wheatley Group Capital plc, the vehicle for raising bond financing. Wheatley Funding No.2 Limited provides finance to Lowther Homes Limited. Lowther Homes Limited is involved in providing private and mid-market rent properties for let and the provision of property management services to homeowners.

Wheatley Housing Group Limited is a 50:50 joint venture partner with Glasgow City Council in City Building (Glasgow) LLP. The Group's share of the results of City Building (Glasgow) LLP are accounted for using the equity method.

The results of Scotcash CIC have not been consolidated as an associate undertaking into these accounts as they are not material to the Group's operations. Scotcash provides accessible and affordable finance to individuals with limited access to banking services. Wheatley Homes Glasgow provided start-up funding to Scotcash and has no outstanding obligations. Scotcash commenced winding up proceedings on 7 December 2023 through a Members' voluntary liquidation and was dissolved on 8 April 2026.

30. Subisidiary and associated undertakings (continued)

The legal form and share capital of each immediate subsidiary of the Wheatley Housing Group Limited is as follows:

Subsidiary	Legal status	Issued share capital
Wheatley Homes Glasgow Limited	Co-operative and Community Benefit Society	11 x £1 shares
Wheatley Homes East Limited	Co-operative and Community Benefit Society	24 x £1 shares
Wheatley Funding No.1 Limited	Company Limited by Guarantee	No share capital
Wheatley Funding No.2 Limited	Company Limited by Guarantee	No share capital
Lowther Homes Limited	Company Limited by Shares	100 x £1 ordinary shares
Loretto Housing Association Limited	Co-operative and Community Benefit Society	21 x £1 shares
Wheatley Solutions Limited	Company Limited by Shares	100 x £1 shares
The Wheatley Foundation Limited	Company Limited by Guarantee	No share capital
Wheatley Homes South Limited	Company Limited by Guarantee	No share capital
Wheatley Care	Company Limited by Guarantee	No share capital
Wheatley Developments Scotland Limited	Company Limited by shares	2 x £1 shares

The Company exercises its functions as parent of the entities listed above through ownership of 100% of the share capital in all Companies Limited by Shares, through the ownership of a parent share with controlling rights in all Co-operative and Community Benefit Societies, and through a controlling interest as a member of the Companies Limited by Guarantee. Transactions between wholly owned Group companies and closing balances do not require to be disclosed under FRS 102.

31. Events after the end of the reporting period

On 26 March 2026, Glasgow City Council and Wheatley, as the two 50/50 Members of City Building (Glasgow) LLP, approved the changes to the legal agreements governing the joint venture. The changes resulted in City Building (Glasgow) LLP becoming a subsidiary of Wheatley. The effective date for these changes was 1 April 2026.

On 1 April 2026, Wheatley Housing Group Limited resigned as the sole member of Wheatley Care. With effect from 1 April 2026, Wheatley Care became an independent company and entered a strategic partnership with Wheatley.

SUPPLEMENTARY INFORMATION

Secretary and Registered Office
Anthony Allison
Wheatley Housing Group Limited
Wheatley House
25 Cochrane Street
Glasgow G1 1HL

Independent Auditor
KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Banker
Royal Bank of Scotland
Glasgow Corporate Office
4th Floor
110 Queen Street
Glasgow G1 3BX

Wheatley Group