

Do the right thing for communities



A photograph of two women and a small white dog in a garden. The woman on the left has long red hair and is wearing a white top. The woman on the right has short brown hair and is wearing a colorful patterned top. They are both smiling and looking at each other. A small white dog is sitting between them. The background is a lush green garden with various plants and flowers.

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Board Members, Executive Directors, Advisors and Bankers

Chair	Ged Lucas	
Non-Executive Directors	Stephen Allcock Myles Edwards Ann-Louise Gilmore Liam Kelly Michael Riley Helen Wroe Paul Richards Robert Chapman Rachel Barber Sean Yewdale	Appointed 16 October 2025
Chief Executive Officer	Andy Lomas	Appointed 16 October 2025
Executive Directors		
Chief People Officer	Emma Adams	
Chief Financial Officer	Paul McGrady	
Chief Property & Investment Officer	Wayne Cole	
Chief Customer Officer	Steve Nichol	Appointed 30 March 2026
Company Secretary	Jamie Shaw	
Registered office	Partnership Building- 45 Hamilton Street Birkenhead - CH41 5AA	
Website	magentaliving.org.uk	
Registered number	Company Registration No. 04912562 Regulator of Social Housing Registration No. L4435 Charity Commission Registration No. 1106969	
External Auditors	Menzies LLP Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn - BB1 2QS	
Internal Auditors	Forvis Mazars 30 Old Bailey - London - EC4M 7AU	
Solicitors	Anthony Collins Solicitors LLP - 134 Edmund Street Birmingham - B3 2ES	
Bankers and Funders	The Royal Bank of Scotland plc 280 Bishopsgate - London - EC2M 4RB	

Strategic Report

Background

Magenta Living is proud to be Wirral's largest social landlord, rooted in local communities and supporting thousands of people every day.

Wirral is our home - but our ambition, investment and impact go further, delivering homes, investment and social value across the wider region where it's needed most.

Guided by our value of Doing the Right Thing, we are committed to putting customers first and making a positive difference in lives and communities of the people and places we serve.

Magenta Living is a not-for-profit Registered Provider of Social Housing and registered charity. As at 31 March 2026, we own and manage just under 13,000 homes and employ around 570 colleagues.



Hello, I'm Ged Lucas, Chair of Magenta's Board

The housing sector continues to face significant challenges. Costs remain high, regulation continues to evolve and demand for affordable housing shows no sign of reducing. Against that backdrop, I am pleased to report that Magenta has improved its performance, strengthened its financial position and continued to deliver against the ambitions set out in our Road to 2030 strategy.

We delivered strongly against a number of our strategic targets. During the year we completed 123 new homes, invested £29 million in existing homes and generated £51.2 million of social value in our communities. Digital engagement with customers increased and turnover for the year exceeded £88.5m. These are significant achievements that demonstrate our ability to translate strategy into delivery.

Our financial performance improved during the year, with a surplus of £7.2m and strong operating cash generation. We remained fully compliant with our lender covenants and ended the year with a robust liquidity position. The Board also approved refinancing arrangements that will secure a further £77 million of funding to support future investment and development ambitions.

We also made good progress with our transformation programme. Investment in technology, data and digital services has continued, including the rollout of the **MyMagenta** customer portal, new telephony systems, migration to Microsoft Azure and the ongoing development of our data platform. These changes are intended to improve services for customers, support colleagues and strengthen decision-making across the organisation.

“ **This has been a year of real progress for Magenta Living.** ”

Customer feedback remains one of the most important measures of our success. Tenant Satisfaction Measures showed positive results in several key areas, including satisfaction that homes are safe, well maintained and make a positive

contribution to neighbourhoods. While overall satisfaction remains below our longer-term ambition, the Board is clear about where further improvements are required and will continue to hold the organisation to account for delivering them.

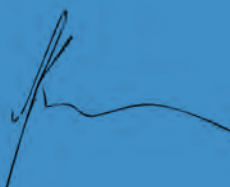
The year also brought important independent assurance. Following our first inspection against the Consumer Standards, Magenta received a C1 grading, alongside retaining G1 for Governance and V2 for Financial Viability. These judgements provide external confirmation that the organisation is well governed, financially resilient and focused on delivering good outcomes for customers.

Strong governance remains central to Magenta's success. Throughout the year, the Board and its Committees maintained close oversight of performance, risk, compliance and strategic decision-making. We remain fully compliant with the National Housing Federation Code of Governance and have continued to strengthen our governance arrangements and assurance framework.

We have also strengthened our relationships with local authorities, Liverpool City Region partners, community organisations and other stakeholders. These partnerships are increasingly important as we work to deliver new homes, support regeneration and create lasting social value in the communities we serve.

There is still more to do. We know there are services that need to improve and challenges that must be addressed. However, Magenta finishes the year in a stronger position than it started it: financially stronger, operationally stronger and better equipped to deliver on its ambitions for customers and communities.

On behalf of the Board, I would like to thank our customers, colleagues and partners for their continued support and contribution throughout the year.



Ged Lucas
Chair,
Magenta Living

Ged Lucas
Board Chair



Chief Executive's Foreword

This year marked an important milestone for Magenta Living as we celebrated our 20th anniversary. Over the last two decades, we have provided homes, supported communities and helped create opportunities for thousands of people. Whilst it was an opportunity to reflect on how far we have come, it was equally a reminder that there is still much more to do.

The year also brought important changes to our leadership team and organisational structure. Alongside my appointment as Chief Executive, we welcomed a Chief Property & Investment Officer and a Chief Customer Officer. We also reshaped several areas of the organisation, strengthened leadership capacity and invested in new skills that will help us meet future challenges and deliver our ambitions.

Throughout the year we remained focused on getting the basics right whilst improving the way we work. Value for money has been a key priority. Through procurement activity, stronger commercial management, operational redesign and a renewed focus on efficiency, we secured significant savings and improvements whilst continuing to invest in homes and services. At a time when every pound matters, our responsibility is to ensure customer money is spent wisely and delivers the greatest possible benefit.

Improving the customer experience has remained a major area of focus. During the year we introduced a new telephony platform, launched and expanded the **MyMagenta** customer portal, continued investment in Salesforce and strengthened our approach to complaints handling and customer feedback. Much of this work is about making it easier for customers to contact us, access services and receive a more consistent experience, whilst ensuring we learn from feedback when things do not go as expected.

Listening to customers and using insight to shape decisions is increasingly central to how we operate. **Magenta Voice** continued to grow, giving more customers a direct role in influencing services, policies and priorities. We also improved how we use data and customer insight, bringing together feedback, performance information and Tenant Satisfaction Measures to create a clearer understanding of customer experience. The launch of our stakeholder newsletter, **Magenta Connect**, has also helped strengthen relationships with partners and communities across the region.

Providing new homes remains one of the most important ways we can support people and communities. During the year we completed homes

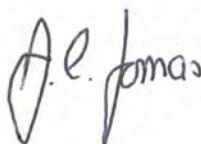
at Three Sails Point, handed over homes at Brook Street and saw Kingsland Road become fully occupied, providing specialist accommodation for people with additional support needs. Alongside these developments, we continued to strengthen a pipeline that will support future growth and help meet increasing housing demand.

Building safety has continued to receive significant attention. We worked closely with the Building Safety Regulator, progressed preparations relating to changing regulatory requirements and maintained strong compliance performance across key safety disciplines. We also continued investing in our higher-risk buildings and improving the systems, reporting and assurance needed to keep customers safe.

Beyond housing, we remain committed to creating wider social impact. Through the Magenta 20 Community Fund we invested into local organisations and community projects. Jobs Plus continued to support customers into employment, while the North Birkenhead Cradle to Career programme demonstrated the value of long-term partnership working in improving opportunities and outcomes for local people.

This has also been a significant year for technology, data and artificial intelligence. We implemented our AI Strategy and governance arrangements, invested in colleague learning and development, continued our move towards a modern data platform and explored new opportunities through Salesforce and AI-enabled tools. Our approach remains clear: technology should help us make better decisions, improve customer services and give colleagues the tools they need to do their jobs well.

None of this would have been possible without the commitment of our colleagues, customers, Board members and partners. Thank you for the role you continue to play in helping Magenta move forward. We remain ambitious, grounded and focused on delivering against our Road to 2030 plan and creating better outcomes for the customers and communities we serve.



Andy Lomas
Chief
Executive Officer



Andy Lomas
CEO

Magenta Living's Strategic Vision

Our strategic vision: The Road to 2030, provides the long-term framework for delivering our purpose of **empowering people**, our vision of creating **homes full of love, communities full of life and a world full of possibilities**, and our values of **doing the right thing**, putting people first, being brave and working together.



Strategic Goals Performance 2025/26

We have continued to make strong progress during 2025/26, including delivering 123 new homes, investing £29million in existing homes, exceeding our original social value ambition, improving digital services, and supported by strong financial performance. These achievements strengthen our ability to continue investing in our homes, services and communities.

Strategic Goals	25/26 Targets	Year End Position
90% Customer satisfaction (TSM)	83%	80%
'8' The Happiness Index	7.6	7.3
50% Digital customer enquiries	25%	29%
£30m per year Social Value	£30m	£51.2m
1000 new homes built	106	123
100% Homes rated EPC-C+	68.65%	67.68%
£12m Energy initiatives	£275k	£906k
£166m Invested in existing homes	£17m	£29m
£100m turnover	£84.8m	£88.6m
10% Net surplus	6.80%	8.1%

In March 2026, the Board approved a refreshed version of the Road to 2030 strategy to ensure it remained relevant to the changing needs of customers and communities, evolving regulatory expectations, advances in technology and AI, and the continuing pressures created by the cost-of-living crisis and housing shortage. The refresh was not a change of direction, but a refinement of our ambitions, informed by customer insight, performance achieved to date and a practical assessment of future opportunities and challenges.

Key changes included increasing our new homes target from 1,000 to 1,300, doubling our social value ambition from £30 million to £60 million, introducing a 20% operating margin target, refining our carbon reduction measure to a CO2 reduction and recalibrating customer satisfaction targets to 85% to reflect sector-leading performance standards. These updates ensure our strategy remains ambitious, evidence-based and focused on delivering meaningful outcomes for customers, colleagues and communities as we continue our journey towards 2030.

Customer

During 2025/26, our Customer teams continued to connect customers with the services they need, listen to their experiences, and use that insight to improve what we do.

The year was characterised by consistent operational performance, digital transformation and a growing culture of customer involvement. While our teams continued to deliver the day-to-day services that customers rely upon, they also laid important foundations for the future by improving how we understand customer needs, how we respond to feedback and how we design services around the people who use them. As a result, our improved digital services and embedded new ways of working that benefit customers for years to come.

Our customer teams are made up of our Customer Contact Centre, Customer Hub and Administration, Income Services, Customer Voice and Complaints, Empty Homes and Allocations.

A key achievement of the year was the transformation of how we listen to customers. The launch and growth of Magenta Voice marked a significant milestone in our ambition to ensure customer perspectives influence decisions at every level of the organisation. What began as a new digital engagement platform quickly developed into a community of customers helping to shape services, policies and priorities. Membership grew throughout the year, helped by campaigns and increasing interest from customers who wanted to play a more active role in improving services.

Customers contributed to discussions and reviews relating to repairs, anti-social behaviour, income, neighbourhood services, annual reporting, customer communications and our new lettable standard. Their feedback was not simply collected; it directly influenced decisions, helping us build a stronger connection between customer insight, service design and operational delivery.

We also invested in the systems that support customer interactions. A new telephony platform was introduced across customer-facing services, helping to simplify the experience for both customers and colleagues while creating stronger foundations for future digital services. Improvements to call routing and enhancements to interactive voice response systems all contributed to a more streamlined approach to customer contact.

The organisation continued to retire older legacy customer management systems. This was supported by wider investment in Salesforce, bringing conversation analysis technology and workforce planning tools, ensuring that future service improvements are informed by better data, stronger insight and a deeper understanding of customer demand.

Whilst customers may not always see these improvements directly, they represent important foundations for delivering faster, simpler and more responsive services in the years ahead.

During the year we continued to invest in digital services that make it easier for customers to manage their tenancy and interact with us when and how they choose. The MyMagenta portal launched and continues to grow in importance. Customers increasingly used online services to make rent payments and report repairs. Customers helped shape improvements to it too. Magenta Voice highlighted opportunities to improve self-service options including greater control over appointments. In response, development work progressed on a new suite of online services allowing customers to amend, track and cancel appointments and set up Direct Debits online.

This work reflects our wider ambition to offer modern, accessible and flexible services while ensuring support remains available for customers who prefer more traditional ways of contacting us.

The Income team continued to deliver strong performance throughout the year, helping customers sustain their tenancies while maintaining excellent collection rates.

Rent collection remained consistently above or around target levels reaching a year-end performance of 99.9%. Throughout the year arrears remained below target, demonstrating both effective income management and the team's continued focus on supporting customers early when financial challenges arise.

Innovation also played an important role. Robotic automation was successfully deployed to verify Universal Credit claims, helping to improve efficiency and reduce manual administration. Improvements to telephony systems and customer communications, including the implementation of new income letters through our First Word Tone of Voice project, further enhanced the customer experience.

The Empty Homes and Allocations teams delivered improvements throughout 2025/26. Average relet performance improved throughout the year, supported by stronger partnership working, clearer processes and improved collaboration with Property Services. By the end of the year, average relet times reduced by ~7 days from the Q1 position to 38.5 days, with some monthly periods achieving even stronger performance.

The creation of a new Lettable Standard was developed with direct customer involvement, survey responses and customer-led void tours, the new standard provides greater consistency, clearer expectations and improved value for money.

The team's partnership with Property Pool Plus continued during the year, helping improve understanding of housing demand and enabling future improvements to allocations and community sustainability.



Customer (cont)

Complaints remain one of the most valuable sources of customer insight, helping us understand where services can be strengthened and where customers feel we have fallen short. Our 2025/26 Annual Complaints self-assessment & performance report is published to coincide with the publication of these financial statements and is available on our website.

Throughout the year, the Customer Experience Team continued to demonstrate strong performance against Housing Ombudsman timescales. All Housing Ombudsman determinations received during the year were carefully reviewed and followed up to improve our processes and handling of customer complaints.

Over the last year, the top areas for complaints were:

Gas and heating	26%
Neighbourhood issues, such as estate management	6%
Plumbing	6%
Roofing	3%
Garden maintenance	3%



Rather than viewing complaints solely as individual cases to be resolved, the organisation increasingly used complaints as a source of learning. We brought colleagues together across services to identify recurring themes, understand root causes and agree improvements designed to prevent issues reoccurring. Areas such as repairs communication, gas servicing, customer contact and service standards all benefited from learning generated through complaints and customer feedback.

While there is much to celebrate, we know there is more to do.

Customer feedback continues to highlight opportunities to improve communication, increase digital capability, reduce avoidable contact and deliver more consistent customer experiences

The strongest lesson from 2025/26 is that customers want to be involved. They want to influence decisions, shape services and see evidence that their feedback makes a difference.

Communities

Across our Communities teams, our focus remained on helping customers live safely, independently and successfully in neighbourhoods they are proud to call home.

Through tackling anti-social behaviour, investing in local organisations, supporting people into employment, strengthening customer influence or working alongside partners to improve places, our teams have continued to create positive change across Wirral and beyond.

The Communities teams are formed of several specialist teams: Neighbourhood

Management, Community Safety, Social Impact and Partnerships, Jobs Plus and Employment Support, Independent Living and Specialist Housing Support, Regeneration and Place-Shaping Partnerships. Increasingly, our work is delivered alongside customers, local authorities, Police, health partners, schools, community organisations, charities, funders and local businesses.

This collective effort has enabled us to respond more effectively to local challenges whilst creating wider social impact.

At a Glance: 2025/26

Social Value Created	£51.2m
Community Fund Investment	£170,000
Community Projects Supported	13
Residents Engaged Through Funded Projects	1,000+
ASB Cases per 1,000 Homes	16.7
Property Possessions Secured for Serious ASB	12
Safeguarding Concerns Raised	416
Annual Tenancy Inspections Completed	700+
High-Rise Person-Centred Fire Risk Assessments	100% completed

This year saw Magenta exceed its social value ambitions, delivering £51.2 million of social value through activities that improve wellbeing, opportunity and quality of life. Whilst the figure itself is significant, what matters most is what sits behind it.

Social value has been generated through employment support, community investment, regeneration activity, tenancy sustainment, environmental initiatives and programmes designed to improve life chances.

A key milestone was the delivery of the Magenta 20 Community Fund, which awarded c.£170,000 to 13 community organisations following more than 100 applications.

Projects supported included:

- Domestic abuse support services
- Youth engagement programmes
- Employment and skills initiatives
- Community food and wellbeing projects
- Digital inclusion activity
- Community gardens and sustainability projects

Customers helped shape funding decisions, ensuring investment reflected local priorities rather than organisational assumptions.

One of the clearest examples of social value in action has been through employment and skills support. The Jobs Plus programme continued to provide practical support to customers looking to improve their employment prospects.

During the year:

- 40 customers received support through the programme.
- 10 customers secured positive employment outcomes.
- Additional funding was secured to extend delivery into 2026/27.

The programme continues to demonstrate how targeted interventions can improve financial resilience and create long-term benefits for individuals and families.

The North Birkenhead Cradle to Career programme continued to demonstrate the power of place-based partnership working.

An independent review highlighted significant progress, including improvements in:

- Educational attainment
- Literacy
- School attendance
- Life opportunities for young people

The programme also reported a 20% reduction in social care re-referrals, indicating wider benefits for children, families and public services.

This work reinforces the importance of long-term, collaborative investment in communities.

Community safety remains one of our most important responsibilities and this year our Community Safety Team continued to provide both support and enforcement where needed. The rate of anti-social behaviour cases reduced during the year. ASB cases fell from approximately 29.4 cases per 1,000 homes to 16.7 cases per 1,000 homes.

Behind these figures sits a significant amount of work to support customers and create safer neighbourhoods. This includes early intervention, dedicated support for victims, close partnership working with other agencies and ongoing engagement with our communities. Where appropriate, we use mediation to help resolve issues at an early stage, while taking legal action when necessary to protect customers and the places they call home.

We trained colleagues in mediation and introduced new approaches aimed at resolving neighbour disputes earlier and more positively.



Some of the year's strongest community safety outcomes were achieved through close partnership working. By working alongside Merseyside Police, local authorities and other agencies, we were able to take a coordinated approach to tackling issues affecting our neighbourhoods. This included joint operations with Merseyside Police, Community Action Days and multi-agency responses in our more challenging communities. We also worked together on targeted interventions during bonfire season, raised awareness of hate crime, supported domestic abuse initiatives and strengthened safeguarding partnerships. Together, these efforts enabled a more effective response to complex issues and help make our communities safer places to live.

We continued to support customers through some of life's most difficult circumstances. During the year, we introduced Safe Space initiatives, delivered domestic abuse awareness campaigns and strengthened our safeguarding processes, helping us provide earlier support and create safer outcomes for customers when they need us most.

Safeguarding remained an important focus throughout the year, with colleagues identifying and reporting 416 tenancy-related concerns. Mental health concerns accounted for the largest proportion of cases, followed by issues relating to property condition. Adult and child safeguarding referrals were made within the required timescales, reflecting a growing culture

where colleagues recognise concerns early, take action and help customers access the support they need.

There were occasions when stronger action was needed to protect customers and communities. During 2025/26, we secured 12 possession cases involving serious and persistent anti-social behaviour. We also used injunctions and other legal remedies where customers or neighbourhoods were experiencing ongoing harm, taking action against issues such as intimidation, criminal activity and serious nuisance.

During the year, our focus on place continued to grow beyond housing management and into the wider development of our neighbourhoods. We strengthened our role as an anchor organisation, working with partners and local communities to help shape future investment opportunities through initiatives such as Backin' Birkenhead, Place shaping projects in Woodchurch, Seacombe and a range of regeneration partnerships.

The achievements of 2025/26 provide strong foundations for the future. We have delivered and exceeded our social value aims, improved community safety performance, strengthened customer influence and expanded our partnerships. There is still more to do. We want to deepen our community presence, tackle issues earlier, reach more customers and maximise the impact of every intervention.



We trained colleagues in mediation and introduced new approaches aimed at resolving neighbour disputes earlier and more positively.



Our Homes

Our focus throughout the year was providing safe, secure and well-maintained homes while improving the experience our customers. Against a backdrop of new regulatory requirements, increasing demand in some service areas and the need to modernise our systems and processes, we have continued to drive performance, invest in our homes and lay foundations for the future.

The launch of the online customer portal represented an important milestone, giving customers greater control over when and how

they book their repairs and supporting our wider digital transformation ambitions.

During the year following a successful re-tendering opportunity we introduced a new major contract with Sureserve to provide Gas Servicing in our homes.

Although repairs and maintenance demand remained high, there were some positive performance indicators throughout the year:

At a Glance: 2025/26

Measure	2025/26 Outcome
Emergency % completed within target timescale	92.9% (target 99%)
Non-Emergency % completed within target timescale	90.6% (target 93%)
Average number of days to complete a non-emergency repair	14.1 days (target 16 days)
% of repair appointments made & kept	97.1% (target 96%)
% repairs completed on the first visit	91.7% (target 93%)
% customer satisfaction with their most recent repair	91.2% (target 91%)

Damp Mould & Condensation

The introduction of new regulatory expectations around damp and mould required significant focus throughout the year. The service continued to redesign processes to align with Awaab's Law requirements, whilst developing automated reporting and monitoring systems.

During the year, we continued to strengthen our approach, with a focus on early intervention, effective oversight and better reporting. Alongside this, we maintained a strong emphasis on prevention and early action, helping us identify issues sooner and respond more effectively when concerns were raised.

By the end of the year, there were 742 active damp and mould cases and 52 active disrepair cases. While challenges remain, a reduction in disrepair cases reflects ongoing work to improve

homes and address concerns more quickly.

Activities such as the Big Door Knock increased demand for repairs services but also identified previously unreported damp and mould or hoarding cases, enabling earlier intervention for customers.

Empty Homes

Reducing re-let times and getting homes ready for new customers remained a priority throughout the year.

Performance remained slightly outside the 38-day target for much of the year, however the overall direction of travel was positive.

To strengthen value for money and ensure investment was focused where it makes the biggest difference, the service increased scrutiny of repair and improvement specifications valued above £4,000 and carried out a review of lettable standards. Customer feedback gathered through void property tours and satisfaction surveys also played an important role in shaping service improvements. In addition, we continued to minimise the use of subcontractors wherever possible, helping to improve consistency, quality and control over delivery.

Community Impact

One of the year's most meaningful achievements was ongoing collaboration with Wirral Council, supporting the refurbishment of 5 properties to help provide accommodation for homeless households and people resettling in the UK. This work demonstrated how housing investment can positively contribute to wider community outcomes.

Investing in Homes and Communities Planned Improvements

Alongside day-to-day repair services, substantial investment continued across the housing stock. Key programmes included:

- Kitchen replacement programme
- Bathroom replacement programme

- Lift modernisation works
- External painting and refurbishment programmes
- High-rise recladding preparation
- Decarbonisation works
- Gas contract mobilisation

We strengthened our understanding of our homes, refined our long-term investment plans and continued to improve the way asset decisions are made. We also faced some very real challenges, particularly around gaining access to homes, delivering bathroom improvement programmes and responding to the increasing expectations placed upon landlords around building safety.

The year reinforced an important lesson about using data, insight and customer feedback to make better decisions and direct investment where it makes the biggest difference.



At a Glance: 2025/26

Measure	2025/26 Outcome
Investment in our homes	£29m
Stock Condition Survey coverage	88.7% of homes surveyed within the last five years at year end
Stock Condition Surveys completed in-year	1,744
Residential SCS projection achieved during year	Around 90% coverage throughout the year
Kitchens delivered through planned programme	180
Bathrooms delivered through planned programme	30
Active damp and mould cases at year end	742
Active disrepair cases at year end	52
Empty homes re-let time	38.5 days
Customer satisfaction with newly let homes	81.5%
Long-term Asset Investment Plan	£545m investment planned over 30 years

Customer consultation also played an important role in shaping future investment plans, particularly in relation to the proposed recladding of high-rise buildings following the removal of unsuitable cladding materials.

Stock Condition Surveys (SCS) remained a priority, providing the insight needed to understand the condition of our homes and plan investment effectively. Survey coverage improved compared with previous years, rising from 79.8% in 2023 to 88.7% at the end of 2024/25, before remaining consistently around the 89–90% mark throughout 2025/26. During the year, 1,744 homes received a new Stock Condition Survey.

Alongside survey delivery, the team embedded new performance reporting, improved survey governance and ways of tackling hard-to-access properties. Training all surveyors to complete SCS inspections and linking survey opportunities to existing appointments represented a practical example of improving efficiency through collaboration.

A milestone was the development and approval of the updated Asset Investment Plan setting out approximately £545 million of investment over

the next 30 years, providing a clear roadmap for maintaining and improving customer homes.

Importantly, this was not just a financial exercise. The strategy has created a stronger link between asset data, investment decisions and customer outcomes.

Planned investment programmes delivered significant improvements across the housing stock.

Kitchens and Bathrooms

Kitchen replacement performance recovered strongly during the year following early challenges linked to resource capacity. By the third quarter, delivery had recovered to forecast levels, demonstrating the value of targeted recovery plans and increased contractor support.

The bathroom programme proved more challenging. Access issues reduced delivery levels and led to the programme being reprofiled during the year. However, the team used this challenge as an opportunity to improve understanding of historic component replacements completed through void works, ensuring future investment plans more accurately reflect actual need.

The team also explored linking bathroom renewal programmes with adaptations work, seeking opportunities to provide a more complete customer solution during level-access shower installations.

Working Collaboratively

Success has depended on strong collaboration across multiple partners and teams:

- Working with the Building Safety Regulator on recladding proposals
- Mobilising the new gas servicing contract with Sureserve
- Customer engagement and consultation on major investment programmes

- Collaborative work with Wirral Council and community partners
- Customer involvement in reviewing standards and shaping future improvements.

Sustainability & Decarbonisation

This year was one of transition, preparation and groundwork. While large-scale retrofit delivery is still to come, 2025/26 has been a year about putting the building blocks in place for our long-term sustainability and decarbonisation ambitions.

Our focus has been on gathering the data and creating partnerships, programmes and technical capability needed to accelerate delivery over the coming years. Alongside this, we have successfully completed a major funded programme, strengthened our approach to customer engagement, improved our understanding of our homes and assets, and prepared for significant changes in the regulatory landscape.



Headline achievements 2025/26 at a Glance

- 67.7% of homes (8,546 homes) now EPC C or above
- SHDF Wave 2.1 works completed
- Warm Homes: Social Housing Fund Wave 3 mobilised
- 138 detailed retrofit assessments completed
- 10 heat networks under review (with 2 assessed for optimisation works)
- SHIFT Silver status retained with a clear action plan to target Gold in future years

A major milestone was the completion of the Social Housing Decarbonisation Fund (SHDF) Wave 2.1 programme, with 186 properties improved with energy efficiency measures. This marked the successful conclusion of a substantial programme of retrofit activity and provided valuable learning that is now being applied to future schemes.

A focus throughout the year was improving our understanding of the performance and condition of our homes.

At year end:

EPC Rating	Number of homes
A	17
B	889
C	7,640
D	3,860
E	193
F	23
G	4

This means:

- 8,546 homes (67.7%) are EPC C or above
- 4,082 homes (32.3%) remain below EPC C
- Average SAP score: 71



Safety & Compliance

Compliance Performance

Compliance Area	KPI	Validated Performance	Tolerable % expired*	Non-tolerable % expired**
Gas Servicing (Properties that have a gas supply)	KPIG1 - Domestic Properties	99.90%	0.1%	0 %
Electric 5 Yearly EICR Inspection & Test	KPIE1 - Domestic Properties	99.95%	0.05%	0 %
	KPIE2 - Communal Assets	99.83%	0.17%	0 %
Asbestos Survey & Inspections (Communal Inspections)	KPIA1 - Asbestos Surveys in date	100%	0 %	0 %
Lift Inspections	KPIL1 - LOLER Inspection	95.74%	4.26%	0 %
	KPIL2 - Passenger Lift Maintenance	100%	0 %	0 %
	KPIL3 - Domestic Lifts & Hoists	100%	0 %	0 %
Fire Safety (Risk Assessments)	KPIF1 - Risk Assessments in date	100%	0 %	0 %
Legionella	KPILE1 - Risk Assessments in date	100%	0 %	0 %
	KPILE2 – Temperature monitoring	92.0%	8 %	0 %

Across Safety & Compliance, our focus has been on maintaining strong compliance performance, responding positively to an evolving regulatory landscape, investing in building safety, and putting in place the systems, processes and partnerships needed to support long-term assurance.

The year began with the creation of a combined Safety & Compliance function and a renewed focus on understanding where our greatest risks lie , as well as providing a clearer picture of

strengths, opportunities and future priorities.

This work provided the foundations for a new Health & Safety and Compliance Strategy, alongside supporting work programmes designed to focus resources on the areas that matter most.

The year has seen significant activity across our higher-risk buildings, reflecting both the changing regulatory environment and our commitment to customer safety.

During the year we established strong working relationships with both the Building Safety Regulator and Primary Authority partners.

This collaborative approach helped ensure regulatory submissions were completed within required timescales and enabled constructive dialogue around complex building safety challenges.

The team successfully prepared and submitted required information for three of our high-rise buildings:

- Sunningdale
- The Towers
- Liscard House

Alongside the technical work, resident engagement remained a priority, with drop-in sessions and customer communications helping to keep residents informed and involved.

An important development in the year has been the continued implementation of C365 compliance system.

With an objective to create a single source of truth for compliance information, improve reporting and automate key processes. The journey is not yet complete, but it represents a significant step towards stronger compliance assurance and better data-led decision making.

Development & Regeneration 2025/26

Against a backdrop of planning challenges, contractor issues, market uncertainty and wider sector pressures, we continued to move projects forward. With continued focus on building relationships we have secured new opportunities, strengthened partnerships and increased confidence in our long-term development programme.

Perhaps most importantly, we finished the year with a stronger pipeline, a clearer regeneration focus and a renewed commitment to place shaping.

At a Glance: 2025/26

Key Highlights:

- 123 new homes completed (target 106)
- 167 homes started on site (target 175)
- 242 new homes approved
- 232 homes on site at year end
- Pipeline ambition growing towards approximately 1,600 homes
- £3 million Homes England grant claimed
- £750,000 Brownfield Land Fund grant secured
- 188 homes approved during the year through key schemes
- A successful joint bid submitted with Vistry and Wirral Council for the Wallasey Town Hall Annexe regeneration opportunity.

Development & Regeneration 2025/26(cont)

Three Sails Point remained one of our most significant developments. The scheme achieved substantial handovers during the year, including shared ownership and Rent to Buy homes, with demand remaining exceptionally strong demonstrating the continuing need for quality affordable home ownership products in the area.

Brook Street reached a significant milestone with the completion and handover of its homes. The scheme also gained wider recognition when it featured in Channel 4's Guy Martin's House Without Bills, showcasing innovative approaches to housing and sustainability.

Kingsland Road delivered specialist supported housing accommodation and became fully occupied as homes were handed over and customers moved in. This scheme demonstrated how development can directly improve lives by providing homes specifically designed to meet individual support needs.

Lottie Gardens progressed well, with first handovers anticipated during 2026. The scheme is a strong example of how the pipeline is translating into future delivery.

Following work across multiple teams, Ashton Court moved into contract during 2025/26 and started on site before year end.

The acquisition and progression of Sandymoor added a further 40 homes to the programme, helping diversify the pipeline and create additional affordable housing opportunities.

Approval was secured and contracts signed for Pasture Road, enabling the future delivery of 44 new homes.

The year also saw progress on several sites already owned by Magenta, including:

- Whitfield Street
- Queens Road
- Naylor Road
- Redcourt

Planning submissions, funding agreements and pre-construction activities have all helped move these schemes closer to delivery.

Delivering new homes at scale increasingly depends on strong partnership working and successful grant funding.

During the year the team:

- Claimed £3 million of Homes England grant across Brook Street, Three Sails Point and Maple Grove.
- Secured £750,000 Brownfield Land Fund grant for Redcourt.
- Continued engagement with Homes England ahead of future affordable housing funding programmes.
- Positioned several sites for future grant applications.
- Maintained regular dialogue with Liverpool City Region partners and Wirral Council.

The ability to secure external funding helps maximise the impact of every pound invested and increases the number of homes that can be delivered.

Many of this year's successes were only possible through strong partnership working with Homes England, Wirral Borough Council, Liverpool City Region partners, Vistry, Starship and Specialist supported housing providers. By strengthening these relationships, the team has created a stronger platform for future delivery.

Halton Canal

The significant challenge remains with Halton Canal where complexities have delayed the occupation of 28 completed homes. The scheme highlights the risks associated with complex development projects and the importance of robust contingency planning.

Sales Summary

Demand for Shared Ownership remained high, with customers continuing to see Magenta developments as an attractive and affordable route into owning their own home.

Three Sails Point proved particularly successful, with Shared Ownership homes receiving significant interest and sales progressing strongly throughout the year. By year end, shared ownership first tranche sales had generated £2.3 million.

Two rent to buy conversions at Audlem provided another £239,950 of shared ownership sales income.

Rent to Buy

Rent to buy saw a very significant handover of 44 units at Three Sails Point. All the properties were allocated before handover so back-to-back lettings could take place reducing any void periods.

Beyond the financial performance, these sales represent something more important: hundreds of people and families taking their first step onto the housing ladder and building a future in communities they are proud to call home.



Impairment Review

During 2025/26, Magenta Living undertook a formal review of the carrying value of its Halton Canal development where complexities outside the organisation's direct control are preventing the occupation of 28 homes.

Recognising that the properties could remain empty for an extended period it has been determined that an impairment of £2.47m be recognised in the 25/26 accounts. In addition, impairment of £17k (2025: £57k) was recognised for long-term void properties and £132.7k (2025: Nil) for impairment of properties converted from market rented to social rented.



Leadership & Executive Appointments

A significant milestone was the appointment of Andy Lomas as Chief Executive Officer in October 2025 and governance was further strengthened with the appointment of tenant customer and Chair of the Customer and Communities Committee, Sean Yewdale, to the main Board.

Within our executive team, Wayne Cole became Chief Property & Investment Officer and Steve Nichol was appointed Chief Customer Officer, bringing expertise and focus to these, critical service areas.

Following the retirement of our Property Services Director, we reshaped leadership in Property Services, creating dedicated Director of Responsive Repairs and Director of Planned Improvements & Investments roles to improve accountability and service delivery. We also invested in future capability through the creation and appointment of several strategic leadership positions, including a Data Director and Director of Strategy.

Together, these appointments have created a stronger, more focused leadership structure, ensuring Magenta Living is well placed to achieve its long-term ambitions.

People

The year involved important organisational change. Alongside leadership changes, a wider people transformation programme commenced, focused on value for money and doing the right thing and making sure that every pound of customer money is well spent alongside building capacity, skills and a culture that supports sustained delivery and accountability.

Following engagement with our trade union partners, we secured agreement on a two-year pay settlement that provided certainty for colleagues whilst remaining affordable for the organisation. The agreement delivered a 4% pay increase backdated to March 2026, followed by a further increase from April 2027, with protection against future inflation. We also committed that no colleague would be paid less than £15 per hour, reinforcing our commitment to fair pay. Alongside this, we introduced pension salary sacrifice arrangements in January 2026 which enabled 330 colleagues to benefit from National Insurance savings whilst delivering approximately £120,000 annual savings for the organisation. We also commenced a wider review of reward and benefits to ensure our offer remains competitive, sustainable and aligned to colleague expectations.



The Happiness Index continued to play an important role in understanding colleague experiences and shaping priorities. The annual survey achieved an 85.8% participation rate, demonstrating strong colleague engagement.

A stronger workforce ultimately creates better experiences for customers, and much of this year's activity has focused on building the capability and culture needed to deliver consistently excellent services.

Gender Pay Gap Report

Our Gender Pay Gap results for 2025 reveal that women are, on average, paid slightly more than men, demonstrating progress towards pay equity.

At the time of the report, 42.63% of colleagues were women, up from 41.04% in 2024, while 57.37% were men, down from 58.96%.

When colleagues are grouped according to pay, women are well represented across all levels of the organisation, including higher-paid and senior positions. Although men continue to form the majority of the workforce, women hold a significant proportion of roles at every pay level, reflecting the opportunities available for career progression and supporting the organisation's positive gender pay gap position.

This reflects steady progress towards a more diverse workforce. While Property Services remains a traditionally male-dominated area, in line with wider sector trends, Magenta Living continues to focus on increasing female representation through targeted recruitment, talent development and initiatives designed to encourage more women into property, trades and technical careers.

We publish a separate Gender Pay Gap Report which is available on our website. You can view it here:

www.magentaliving.org.uk/work-with-magenta/careers/gender-pay-gap-report-2025



Opening Doors Through Better Communication

2025/26 was about helping customers understand, trust and engage with Magenta Living, while helping colleagues feel informed, connected and proud of the organisation they work for. Marketing & Brand played a central role in bringing the Road to 2030 strategy to life through clear communication, stronger customer engagement, reputation management and digital innovation.

LinkedIn became the organisation's fastest-growing platform, approaching 10,000 followers and generating 860 new followers over a six-month period.

Major campaigns were delivered to support:

- Awaab's Law readiness
- Customer safety
- Rent setting and Service charge consultation
- Magenta Voice
- MyMagenta
- CEO recruitment
- Board recruitment
- Community regeneration projects
- Organisational change programmes
- Regulatory inspection readiness

The team also supported transparency and accountability by improving how performance information is presented. Tenant Satisfaction Measures, annual reports, complaints information and safety updates were redesigned to make them easier to understand and more accessible to customers.

Customer communications around high-rise safety, building safety programmes, fire safety changes, cladding projects and damp and mould prevention helped customers understand important issues while building confidence and trust. Events were delivered in partnership with the Fire Service, local authorities and operational teams, ensuring customers could ask questions

directly and receive the information they needed.

The procurement of a new website commenced. Customers were involved throughout supplier selection, discovery, survey activity and design workshops.

The 20th anniversary programme showcased the organisation's impact through storytelling, community investment, and stakeholder engagement. The campaign culminated in a flagship anniversary video celebrating two decades of opening doors and creating opportunities.

Across the year, the organisation achieved substantial positive media coverage covering:

- AI innovation
- Technology transformation
- Supported housing developments
- Community investment
- Leadership appointments
- Resident engagement initiatives
- Apprenticeships and employability.

The launch of the stakeholder newsletter, **Magenta Connect**, strengthened relationships with partners and introduced a more proactive approach to external communications and reputation management.

**Over
£170,000
was distributed
through the
Magenta 20
Community
Fund, supporting
local charities
and community
organisations**

Procurement & Commercial

The Procurement & Commercial team focus in 2025/26 was in ensuring the organisation secures better value from its contracts, modernise key services, strengthen supplier relationships and build the foundations for future investment.

At a Glance

£1.1 million cashable savings by year-end through contract negotiations, insurance improvements, material cost reductions, legal cost reductions and enhanced social value commitments.

72 bids received for Magenta's planned works procurement, demonstrating strong market confidence and competition.

Successful mobilisation of a new gas servicing contract, ending a 14-year supplier relationship and transitioning to a new provider.

First major painting and investment works programme in almost 10 years mobilised through the new Seddon contract.

More than £320,000 insurance savings secured through the annual renewal process.

Social value increased by approximately £80,000 per annum through the Travis Perkins contract extension.

£150,000 budget saving achieved through negotiating an exit from a contract.

£70,000 commercial agreement secured with SSE relating to a deed of easement over Magenta-owned land.

A significant proportion of the team's work centred on preparing Magenta's future investment and maintenance programmes.

Early in the year, the team launched one of the largest procurement exercises undertaken by the organisation, covering major planned works for the years ahead. Interest from the market was exceptionally strong. A "Meet the Buyer" event attracted more than 100 contractors, while the tender ultimately received 72 bids across multiple

workstreams. This level of engagement provided confidence that Magenta has an attractive, competitive proposition for the marketplace.

A key achievement of the year was the successful procurement and mobilisation of a new gas servicing contract. Following a competitive procurement exercise involving multiple bidders, the contract was awarded to Sureserve, bringing to a close a 14-year relationship with the previous supplier. Customer representatives were involved in the procurement and mobilisation process, supporting our commitment to ensuring customers have a voice in service-affecting decisions.

Savings were generated through insurance renewals, the Travis Perkins contract, material price negotiations, reductions in legal costs and enhanced social value commitments secured through supplier negotiations. The insurance renewal programme generated savings of over £320,000. Negotiations with Travis Perkins delivered increased social value contributions worth approximately £80,000 per year.

The Accounts Payable function was restructured during the year with clearer roles and responsibilities, helping reduce same-day payments and supplier queries while improving ownership and accountability. The introduction of the "No PO, No Pay" approach represented an important cultural and control change.

Invoice processing through automation reached 55% during the year, while the proportion of invoices carrying purchase order information improved from 16% to 21% before settling at 17% during ongoing implementation. Payment performance also improved, with 81% of invoices being paid within 0–30 days by year-end.

Technology and Digital Services

During 2025/26, Magenta Living continued its journey towards a more modern, secure and connected technology environment.

Key improvements included moving on-premise servers into Microsoft Azure, building a stronger data foundation in Microsoft Fabric, improving system integration, modernising networks, replacing legacy telephony and strengthening cyber security. We also invested in digital tools and platforms that support colleagues and customers every day.

A further focus throughout the year was reducing the reliance on older systems, temporary fixes, manual workarounds and technology that makes future changes more difficult, expensive and time-consuming; alongside improving resilience, supporting compliance and making sure our systems work together more effectively. This has helped create the foundations for a more reliable and efficient technology service across the organisation.

Improving the colleague experience

We made important progress in the technology colleagues use every day.

Our device refresh programme continued throughout the year, helping colleagues access more reliable and secure technology. Improvements were also made across the Partnership Building, including upgrades to cabling, networking, WiFi and meeting room technology.

Building confidence in AI

Our approach to artificial intelligence (AI) focused on both technology and people.

We invested in developing colleague knowledge and skills through a partnership with the Wirral Chamber of Commerce and Wirral AI Academy, supported by wider awareness activities across the organisation. Oversight and governance were provided through our AI Strategy and Steering Group.

Looking ahead

Our technology strategy remains focused on modernisation, resilience and better integration.

We are continuing to expand our cloud-based infrastructure, strengthen security, improve data capabilities, replace legacy systems, refresh devices and create stronger connections between our core platforms. It is about making services more reliable, reducing manual processes, supporting compliance, improving the colleague experience and creating stronger foundations for excellent customer service.

Data

Our data focus in 2025/26 has been on strengthening the foundations needed for Magenta to make better decisions, deliver stronger services and provide greater assurance in the years ahead.

insurance renewal programme
generated savings of

 **£320K**

Building on the Data Strategy developed in 2024, the year has focused on moving from strategic intent into practical delivery through the Data Transformation Plan, continued development of our target data architecture, and enhancing the capability and operating structure of the Data Team to support the Data Operating Model and future technology ambitions.

A key part of this evolution has been the development of a more structured enterprise approach to data management. This includes a centralised Data Team providing specialist capability across architecture, engineering, governance, reporting and insight, alongside strengthened business data ownership and stewardship within service areas. The Data Council has provided an important mechanism for this shift, creating a formal forum for oversight, challenge and prioritisation across critical datasets, data quality, regulatory readiness and ownership.

During the year, progress has continued on Magenta's journey towards a modern data platform, with Microsoft Fabric forming the direction of travel for bringing data into a single, governed environment. This is not yet complete, but initial priorities have focused on establishing the platform foundations, loading and assuring data from key operational systems, and developing reporting capability in areas where there is greatest operational, financial and regulatory value.

Although good progress has been made, 2025/26 has also confirmed the scale of work still required. Further focus is needed to embed the Data Operating Model, mature business ownership and stewardship, strengthen critical dataset controls, and fully realise the benefits of the new platform and reporting architecture. These priorities will remain central to the next phase of delivery as Magenta continues its journey towards a modern data platform, creating the foundations for greater automation, improved assurance, future technology transformation and the responsible adoption of AI.



Treasury & Finance

In 2021/22 Magenta refinanced, securing £137m in funding provided by NatWest to support its investments, carbon neutrality goals, and development ambitions. In 2025/26 Magenta secured a further £20m RCF with NatWest. As of 31 March 2026, £108.4m of the total facility was drawn, with the remaining £49m available, to be used as needed. This facility was due to be repaid February 2027 however negotiations with NatWest meant that this was extended to February 2030. Magenta commenced a financing exercise in 2025/26 that will finalise in 2026/27. This will secure a further £77m to ensure it can continue with its development plan.

Cash Flow and Liquidity

The net cash inflow from operating activities before interest expenses was £22.3m (2025: £20.5m). Bank balances and short-term investments stood at £9m (2025: £8.2m) at the financial year-end.

Covenant Compliance

The covenants relevant to the loan agreement include:

- Interest cover;
- Gearing;
- Asset cover.

Covenants	2025/26	Lender Covenant	Golden Rule
Interest Cover EBITDA	6.56	1.70	1.90
Gearing *Hist cost only	0.23	0.60	0.50
Asset Cover (charged properties)	2.64	1.10	1.25

Bamboo Estates

Bamboo Estates continues to play an important role in supporting Magenta Living's long-term ambition to increase investment in new homes and community regeneration. Bamboo operates as a partnership between Magenta Living and Wirral Partnership Homes (Development) Limited, a subsidiary of Magenta Living which remains a viable entity, managing properties leased to Bamboo from Magenta. Bamboo also benefits from Rent to Buy property lettings and management.

The business operates a portfolio of 126 leased properties alongside a growing Rent to Buy offer, generating income that can be reinvested into our social purpose.

During the year, Bamboo acquired 5 high-quality new family homes to add to the portfolio.

Performance remained positive, with low levels of void rent loss and a strong forecast financial outturn, building on the £457k surplus generated in 2024/25. All profits generated through Bamboo are reinvested to support the delivery of new affordable homes and regeneration activity. The £624k generated in 2025/26 will be allocated to Magenta Living to support this initiative.

Looking ahead, Bamboo will continue to review and refine its portfolio, balancing commercial performance with customer expectations, while supporting Magenta Living's wider aim of increasing housing supply and creating sustainable communities.

Value for Money (VfM)

The Board of Magenta Living approved its Value for Money (VfM) strategy in January 2025. Our customers need to be at the heart of every financial decision we make. We need to always bear in mind the consequences of our costs and the correlations they have to our customers rents and service charges. Our strategic approach to VfM recognises that we must maintain a robust assessment of the performance of all our assets and resources. In practice this definition of value for money means managing our resources economically, efficiently, and effectively to provide homes and services of high quality. It also means that we need to plan and continually assess our performance to deliver ongoing improvements in value for money.

Our strategic approach recognises that VfM is not just about cutting costs; it is about understanding the 'Value Chain,' investing strategically and appropriately, and optimising the relationships between costs, processes and the quality of outcomes, or the Economy, Efficiency and Effectiveness of everything we do.

The Regulator of Social Housing's Value for Money Standard 2018 sets out its required outcomes and specific expectations of registered providers and their approach to Value for Money. Magenta Living has completed a self-assessment against the VfM Standard, and gains assurance that VfM is being achieved from a variety of sources including:

- Regular review of VfM objectives, targets and performance;
- Strategic discussions as to optimum use of resources in delivering the objectives;
- All Board reports requiring consideration and evidencing of VfM implications of decisions made;
- Executive quarterly monitoring of procurement activity and savings;
- Production of an annual social value report and VfM statement.



Performance against the RSH (Regulator of Social Housing) VfM Metrics

The following tables provides fuller details of Magenta's performance against the RSH's VfM metrics and future plans.

Metric	Backward Look			Current Year	Forward Look		
	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28	2028/29
	Peer Median	Actual	Peer Quartile	Actual	Target	Target	Target
Reinvestment %	10.00%	8.88%	3	15.31%	12.73%	17.75%	17.72%
New Supply % (social)	1.20%	0.65%	4	0.96%	0.82%	2.79%	1.82%
New Supply % (Non-social)	0.00%	0.00%	2	0.00%	0.03%	0.45%	0.07%
Gearing %	41.30%	33.25%	3	33.79%	42.60%	45.56%	51.45%
EBITDA MRI (Interest cover) %	146.40%	209.87%	1	228.07%	100.20%	116.33%	101.59%
Headline Social Housing Cost Per Unit £	£5,478	£5,715	2	£5,760	£6,506	£6,460	£6,675
Operating Margin Social Housing %	15.60%	5.96%	3	3.77%	6.36%	10.77%	15.50%
Operating Margin overall %	14.50%	7.96%	3	7.52%	11.23%	17.02%	19.12%
Return on Capital Employed	3.10%	2.73%	4	2.81%	3.12%	3.67%	3.77%

Performance against internal VfM metrics

The following tables provide evidence of past performance and plans for improvement against Magenta's internal VfM targets. Commentary on the performance of each metric is included within the table.

Metric	2024-25 Actual	2025-26 Budget/Target	2025-26 Performance	RAG Status	2026-27 Target	Comments and future plans
Empty Homes Repair Cost £ average	£6,300	£6,300	£6,200		£5,000	To strengthen value for money and ensure investment was focused where it makes the biggest difference, the service increased scrutiny of repair and improvement specifications valued above £4,000 and carried out a review of lettable standards.

Performance against internal VfM metrics

The following tables provide evidence of past performance and plans for improvement against Magenta's internal VfM targets. Commentary on the performance of each metric is included within the table.

Metric	2024-25 Actual	2025-26 Budget/ Target	2025-26 Performance	RAG Status	2026-27 Target	Comments and future plans
Empty Homes Rent Loss	1.2%	1.4%	1.32%		1.4%	Reducing re-let times and getting homes ready for new customers remained a major priority throughout the year. Performance remained slightly outside the 38-day target for much of the year, however the overall direction of travel was positive.
Development starts on site	163	175	167		200	In March 2026, the Board approved a refreshed version of the Road to 2030 strategy increasing our new homes target from 1,000 to 1,300
Development completions	68	106	123		188	
Ongoing staff absence levels	3.1%	3.5%	3.5%		3%	Absence levels across the year, increased from 2.6% in April 2025 to 3.5% in March 2026. It remained below the wider social housing sector average of 3.6%. Mental health-related absences received wellbeing support throughout the period. Overall, the picture is one of broadly stable absence levels that remained in line with sector norms, with some opportunity for further improvement.
Percentage of existing housing units at EPC level C or above	66.2%	71.0%	67.7%		73%	While the increase during the year was modest, this was anticipated. Much of 2025/26 was spent developing future programmes rather than undertaking large volumes of retrofit works.
Customer satisfaction with services provided by Magenta Living (TSM survey)	82%	83%	80%		82%	Customer feedback continues to highlight opportunities to improve communication, increase digital capability, reduce avoidable contact and deliver more consistent customer experiences. We also recognise the importance of further improving satisfaction with complaint outcomes and continuing to strengthen services affected by contractor performance

Performance against the RSH (Regulator of Social Housing)

VfM Metrics (cont)

The following tables provides fuller details of Magenta's performance against the RSH's VfM metrics and future plans.

Metric	2024-25 Actual	2024-25 Budget/ Target	2024-25 Performance	RAG Status	2025-26 Target	Comments and future plans
Customer satisfaction with the home (TSM survey)	75% (well maintained) 79% (safe)	73% (well maintained) 76% (Safe)	77% (well maintained) 79% (Safe)		77% (Well maintained) 81% (Safe)	As agreed with Board - targets meet or exceed national median benchmarks, with annual reviews supporting our ambition to reach upper quartile performance by 2030.
Customer satisfaction with positive contribution to the Neighbourhood (TSM survey)	67%	65%	66%		70%	See above – this applies to all TSM's

Strategic Risk

Magenta Living continued to operate in a complex and evolving risk environment during 2025/26. Increasing regulatory expectations, ongoing economic uncertainty, technological change and pressure on public services continued to influence the organisation's strategic risk profile.

The Board is ultimately responsible for risk management and internal control arrangements at Magenta Living, ensuring appropriate arrangements are in place. Throughout the year, the Board and Audit and Risk Committee maintained oversight of strategic risks and internal control arrangements, ensuring that emerging risks were identified, monitored and managed in line with the Board agreed Risk Appetite and the organisation's Risk Management and Assurance Framework.

The Board approved the current Risk Appetite and Risk Management and Assurance Framework in June 2025. The Risk Appetite determines the level of risk that the organisation is willing to tolerate in delivering its Corporate Plan and objectives. The framework sets out the overall risk and assurance approach and the roles of Board, Audit and Risk Committee and senior management to manage, monitor, report and gain assurance on the effectiveness of its risk management and assurance activities.

No new strategic risks were added to the Strategic Risk Register during the year, although several existing risks required increased management attention. Strategic risk reviews were undertaken quarterly and considered changes in the external operating environment, the effectiveness of existing controls and the relationship between strategic and operational risks. This enabled Board and Committee discussions to focus on areas where additional mitigation, assurance or oversight were required.

Data Governance and Integrity remained one of the most significant areas of focus during the year. The risk increased following issues identified in relation to regulatory data submissions and subsequent self-referrals. In response, Magenta strengthened governance arrangements, introduced additional validation controls and progressed the development of a revised data strategy and supporting improvement programme. Whilst the risk remained above the Board's approved appetite at year end, a detailed risk treatment plan is in place to ensure continued focus on improvements in this area.

Our Corporate Governance risk also saw a slight increase during the year, largely reflecting the potential implications of the data-related issues and associated regulatory engagement. Following confirmation that no further action would be taken in relation to the self-referral concerning

compliance with the Rent Standard, together with the successful submission of the statutory accounts, the risk reduced and remains within appetite at year end.

Property Compliance, Customer Excellence, Value for Money and Cyber Security and IT Resilience risks all remained subject to close scrutiny throughout the year. While progress was made in strengthening controls, implementing improvement plans and increasing assurance activity, several of these risks remained outside or close to the Board's risk appetite for part or all of the year. Particular attention was given to compliance readiness for Awaab's Law, complaint handling performance, delivery of value for money improvements and the ongoing technology transformation programme.

The external economic environment continued to present challenges, particularly in relation to inflationary pressures, customer affordability, borrowing costs and increasing regulatory requirements. These factors continued to influence the organisation's approach to financial planning, treasury management, investment decisions and support for customers experiencing financial hardship.

During 2025/26, Magenta further developed its assurance framework and reporting arrangements. This included the introduction of enhanced assurance mapping, greater visibility of operational risks supporting strategic risks and improved reporting of risk controls and assurance activity. These developments have strengthened oversight and provided greater transparency regarding the effectiveness of risk management and internal control arrangements across the organisation.

While a number of strategic risks remained above appetite during the year, the Board has continued to monitor these closely and is satisfied that appropriate mitigating actions and assurance arrangements are in place. Risk management remains an integral part of strategic decision-making, helping Magenta to balance the delivery of its corporate objectives with the need to maintain effective governance, financial resilience and regulatory compliance.



The table below provides a summary of the status of Magenta Living's High and Medium strategic risks at 31 March 2026.

Risk Area & Rating	Nature of Risk	Key Controls
Data Governance & Integrity High (20)	Lack of effective data governance negatively impacts the quality, confidentiality, integrity and availability (CIA) of business-critical data, leading to poor decision making, non-compliance with regulatory and legal requirements and increased risk of cybersecurity breaches.	Data Strategy, approved in 2024, details how we will move to a data focused organisational culture through technology, governance & people. Data Council in place for governance and oversight to improve the quality, accessibility, protection and understanding of data. Data Change Advisory Board (CAB) controls the addition /removal/amendment of data on our main databases. External assurance gained on ML target data architecture model. Strategic direction and delivery alignment agreed. ML Data Protection Officer (DPO) provides independent advice, guidance and oversight in line with UK GDPR, supported by business-wide data protection and incident management processes.
Cybersecurity and IT Resilience Med/High (15)	Failure to implement adequate security controls and resilient IT systems and infrastructure increases chance that any vulnerabilities will be exploited, resulting in a successful cybersecurity attack	Continuous data loss prevention technology to detect & alert unusual levels of data extraction, encryption or deletion. Role based access permissions to ensure accountability for changes to core data sets or data structure. Frequent snapshots, backups & test system replications to provide resilience & availability in event of significant loss. Four levels of backups for Server infrastructure based on each server's importance to the business. Cyber security update is provided within the CFO report to Audit & Risk Committee for review and monitoring. System produced reports, resulting from anti-virus and threat management software identified threats, are reviewed by the Information and Security Officer in IT Operations through to closure. Annual Mandatory Cyber Security Training for all staff. Information Security Management policy (last reviewed July 2025) & associated procedures/policies in place (e.g. Acceptable Use, Access Control & Password policies etc.) Cyber Liability Insurance in place. IT Change Advisory Board (IT CAB) in place to ensure all IT (Non-Standard / Emergency) changes are approved before implementation.
Development and Growth Med/High (15)	Development & regeneration ambitions are reduced or stopped, negatively impacting our commitment to invest in current & future homes, the overall growth strategy & our reputation in the community.	Development assumptions reviewed annually and approved by Board. Asset & Development Committee (ADC) provided with quarterly Performance & Development updates. Approved Sustainability and Decarbonisation Strategy (April 2025) outlines approach to development of future builds and the use current sites (All new build homes will achieve SAP 86, be aligned to standard Magenta specifications and be net zero ready). Contractor due diligence increased with a checklist including additional financial scrutiny e.g. management accounts) is completed. Contractor Monitoring & Support provided. Growth and Regeneration Strategy 2025 - 2030 in place (endorsed by ADC Jan 2026)
Value for Money (VfM) Medium (12)	Failure to achieve VfM or comply with VfM standards negatively impacts our financial health and limits our ability to invest in our stock & services, leading to regulatory penalties and/or intervention and reputational damage.	VfM Strategy & performance targets for improving VfM are approved by the Board. VfM programme is ongoing in its reviews (Monthly) by business areas against unit cost. Quarterly financial monitoring reports to the Board include performance data against RSH VfM metrics. Financial monitoring is completed when reports are reviewed at monthly SLT meetings to ensure control over spend in line with budgets. Development & Proactive Asset Management Strategies detail plans for delivering homes to meet a variety of needs. Annual self-assessment against the RSH VfM Standard completed & approved by Leadership Team. VFM savings tracker in place to record savings, reconciled with Finance monthly/validated savings built into forecast.

Risk Area & Rating	Nature of Risk	Key Controls
Treasury Management & Financial Capacity Medium (12)	Financial resources are either inadequate or not managed appropriately leading to resource surpluses or shortages which could impact on our overall growth strategy, development plans, investment in existing stock & the provision of services to our customers & the community.	Annual budget set & approved by Leadership Team & Board. Business Plan approved annually by Board encompassing key metrics & data including detailed stress testing & mitigation. Monthly financial report containing financial KPI's (including Treasury) & budget reports reviewed by Leadership Team. Quarterly financial monitoring reports provided to Board. Quarterly Financial & Risk Survey submitted to the RSH; ensures we are monitoring against our medium-term financial capacity (i.e. 3-year forecast). Weekly Cashflow & monthly Treasury monitoring reports monitored to confirm draw down availability against Loan Agreement. Reported monthly to Leadership Team & quarterly to Board. Single & multivariate stress testing is completed (minimum) annually to demonstrate business stress scenarios including external influences e.g., inflation spikes, sector risk impacts. Report forms part of the Business Plan report approved by Leadership Team & Board at least annually. Development scheme evaluation criteria aligned annually to the Board approved Business plan.
People Medium (12)	Inability to identify, recruit, retain and leverage appropriate knowledge, skills and capabilities to deliver Magenta's corporate objectives and ensure compliance with employment law & practices.	Recruitment agency framework in place for Property Services. Roles identified by the business as critical roles, have longer contractual notice period. Annual succession plan review completed. Mandatory training in place, completion of training is monitored & reported to the leadership team. Absence procedure including Occupational Health referral. Engagement survey is completed via the Happiness Index. This provides gap analysis where actions & outcomes are monitored. Performance Management process in place, to discuss performance, wellbeing & development within teams. Exit interviews conducted to understand reasons for leaving.
2030 Change Programme Medium (12)	Failure to achieve the change programme outcomes, to the required level of quality and within agreed timescales and/or financial parameters, due to poor design, lack of appropriate progress, activity and performance monitoring, ineffective implementation, change management or business buy in.	Monthly Programme Steering Group meetings to monitor project progress, activity & performance against plan. Transformation Group meeting held three times a year to provide Board level oversight & scrutiny of transformational plan, objectives & risks. Dedicated Project Management Office (PMO) in place which consists of qualified project professionals. Project Portfolio Management (PPM) Tool in place & provides a framework for all project activity, management & reporting (including milestones, change management, quality concerns, risks & issues etc.) Success criteria clearly stated as part of the project initiation document (PID) & full requirements are gathered by Business Analysts throughout each project. Project documentation includes justification for projects to ensure alignment to the 2030 Roadmap including strategic goals & transformational objectives. Internal resources to deliver Salesforce Projects with support from Strategic Delivery Partners (Alscient, Salesforce, Civica, Manifest, NEC, Verse One) who work to agreed SLAs. Regular operational meetings with Strategic Delivery Partners to discuss progress towards shared objectives & contracted work. Business areas accepting change sign-off on pre-agreed quality criteria & go-live does not occur until these have been met to the satisfaction of the accepting business area. Handover documentation is prepared including any additional tasks that need to be completed by the accepting business areas

In addition to the high and medium risk noted in the above table, the below risks have been managed to a low rating through appropriate controls overseen by the Audit and Risk Committee:

- Income (Low/9);
- Property Compliance (Low/9)
- Customer Excellence (Low/9)
- Sustainability and Climate Change (Low/9);
- Ineffective Corporate Governance (Low/8).

Internal Audit (Forvis Mazars)

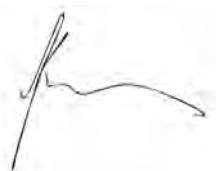
Internal Audit plays a crucial role in offering the Audit and Risk Committee and the Board confidence regarding the adequacy and effectiveness of risk management, control, and governance processes.

Magenta collaborates with its internal auditors to develop an annual programme of internal audits, prioritised according to strategic risks, emerging sector risks, and new activities. The Audit and Risk Committee approves this annual risk-based programme and reviews all resulting reports, ensuring that any arising actions are completed.

The Committee will inform the Board of any issues or trends of strategic importance.

Statement of compliance

The form and content of the strategic report review has been prepared in line with the Statement of Recommended Practice for registered Social Housing Providers 2018. The statement has also been prepared in accordance with The Accounting Direction for Private Registered Providers of Social Housing 2022.



Ged Lucas
Chair



Report of the Board of Directors

Governance Structure

Magenta Living (“Company”) is the parent entity, registered under the Companies Act 2006 (No. 04912562) and with the Regulator of Social Housing (No. L4435) as a social housing provider and the Charity Commission (No. 1106969). It is responsible for the strategic planning and direction of the Group. It owns or controls the entities below and includes them in the consolidated financial statements.

Wirral Partnership Homes (Developments) Limited undertakes construction for the parent company.

Bamboo Estates LLP whose principal activity is the letting of housing properties at market rent in the northwest of England.

Hilbre Projects LLP undertook the development of residential and commercial property, including social housing (section 106 properties) and housing to be sold on the open market. It ceased trading on 31 March 2022.

Wirral Partnership Homes (Building Services) Limited provided responsive repairs, void repairs, adaptations and improvement programme works to Magenta Living until 1 April 2008 when these services were transferred to Magenta Living. Since then, Wirral Partnership Homes (Building Services) Limited has been dormant.



Audit & Risk Committee 'ARC'

The ARC, composed of Non-Executive Directors (NEDs) and an Independent Co-optee, advises the Magenta Living Board on the robustness of risk management, internal control, and assurance frameworks. It offers independent scrutiny and ensures transparent procedures for selecting, appointing, overseeing and reviewing auditors, emphasising value for money, performance measurement, process optimisation, and strategic review.

People, Culture & Change Committee 'PCCC'

The PCCC, composed only of NEDs, oversees and advises on governance effectiveness in relation to organisational change and innovation from a strategic, operational and colleague impact perspective. In addition, PCCC considers NED succession planning, Board Directors' and Chief Executive appraisals, contractual matters for the Chief Executive, and remuneration for NEDs, the Chief Executive, and staff. It ensures Magenta Living attracts and retains talent while fostering an organisational culture and practices which keep colleagues and customers safe.

Assets & Development Committee 'ADC'

The ADC consists of NED members. The ADC is responsible for assisting the Magenta Living Board in fulfilling its strategic assets and development responsibilities and is tasked with exercising its delegated authority in relation to the consideration, approval and monitoring of development and commercial activities.

Magenta Customer & Communities Committee 'MCCC'

The MCCC was created to maintain formal links between customers and the Board, giving customers a say in the organisation's decisions. It consists of at least two Board Directors and nine community members, seven of whom are tenants. MCCC reviews strategies and policies affecting customers and manages a Community Fund for local initiatives. With customers in the majority, including a customer Chair, the Committee influences services, oversees social value activities and represents on the Housing Ombudsman's Resident Panel.

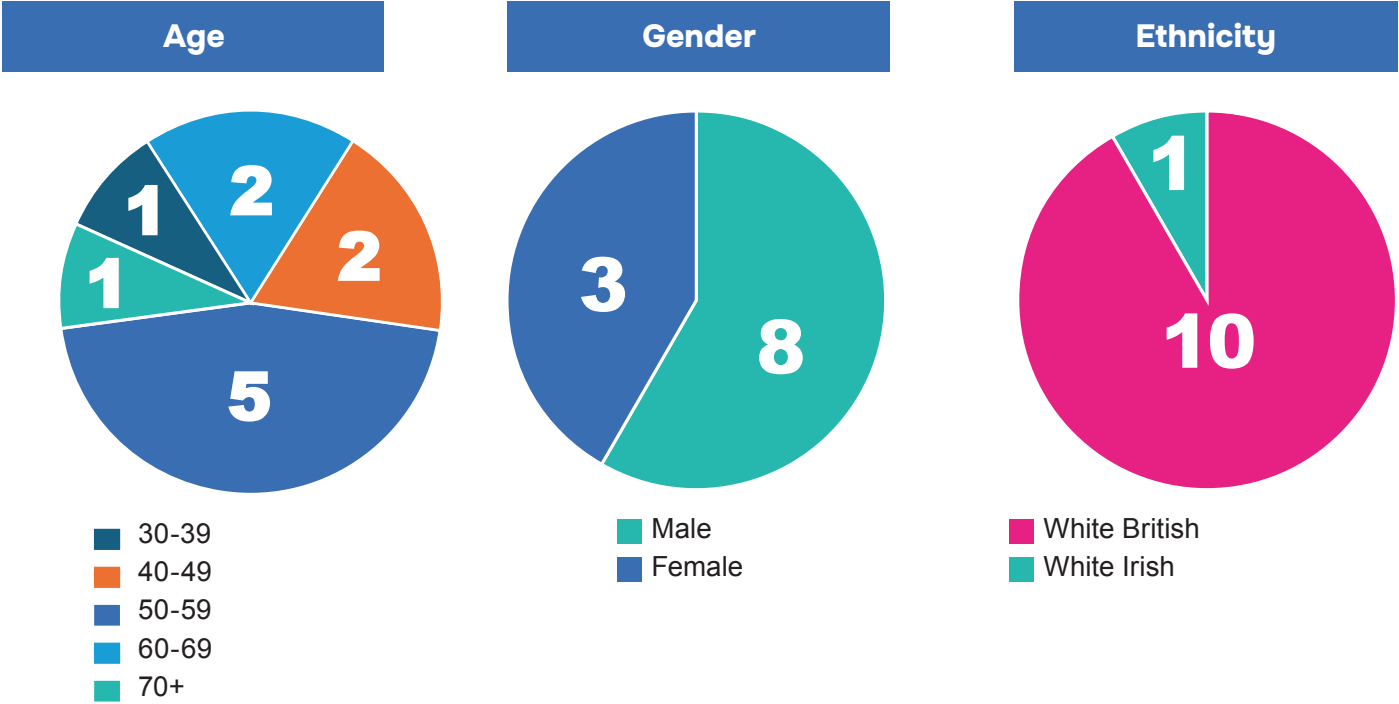
Magenta Living Board

The current Board Directors and Executive Directors, along with those who served up to the approval date of these financial statements, are listed on page 3. The Board comprises individuals with diverse expertise in professional, commercial, and local areas. Appointments are skills-based, regularly assessed via a Board skills matrix. Typically, Board Directors serve two terms of three years, with possible one-year extensions up to a total of nine years. The Board can have up to 12 Non-Executive Directors and meets at least four times annually. The Board is responsible for the Group's long-term strategic direction and seeks assurance in relation to operational effectiveness as well as legal, regulatory and statutory compliance.

The Group holds insurance policies that provide indemnity coverage for its Board Directors and Executive Directors against liabilities that may arise while performing their duties for the Group.



A summary of the diversity of the Board during 2025/26 is detailed below:



Board and Committee Membership 2025/26

Magenta Living Board

Stephen Allcock
 Rachel Barber
 Robbie Chapman
 Myles Edwards (SID)
 Ann-Louise Gilmore
 Liam Kelly
 Ged Lucas (Chair)
 Helen Wroe
 Paul Richards
 Michael Riley
 Sean Yewdale

Audit & Risk

Stephen Allcock
 Rachel Barber (Chair)
 Julie Booker (Co-optee)
 Robbie Chapman
 Mike Riley

People, Culture & Change

Steve Allcock
 Myles Edwards
 Liam Kelly (Chair)
 Ged Lucas
 Helen Wroe

Assets & Development

Ann-Louise Gilmore (Chair)
 Ged Lucas
 Helen Wroe
 Paul Richards
 Michael Riley

Magenta Customer & Communities

Rachel Barber
 Myles Edwards
 Liam Kelly
 Sean Yewdale (Chair)

Board and Committee NED Attendance

Board/Committee	% Attendance
Magenta Living Board	88
Audit & Risk Committee	77
People, Culture & Change Committee	70
Assets & Development Committee	95
Customer & Communities Committee	76

Our Executive

The Executive includes the Chief Executive and other members of the Group's Executive Leadership Team, all of whom are detailed on page 3. They operate within the authority delegated by the Board.

The Chief Executive and other Chief Officers have permanent contracts with notice periods up to six months.

Each of the Executive Leadership Team are members of the Social Housing Pension Scheme (defined contribution). They receive the same terms as other staff, with the Group contributing on their behalf. Remuneration details are in note 10 of the audited financial statements.

Internal controls assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing and has been in place throughout the period commencing 1 April 2025 to the date of approval of the annual report and financial statements.

Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for the Audit and Risk Committee;
- Clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- Robust strategic and business planning processes, with detailed financial budgets and forecasts;

- Formal recruitment, retention, training and development policies for all staff;
- Established authorisation and appraisal procedures for significant new initiatives and commitments;
- A conservative approach to treasury management which is subject to external review on an annual basis;
- Regular reporting to the appropriate committee on key business objectives, targets and outcomes;
- Board approved whistle blowing and anti-theft and corruption policies;
- Board approved fraud policies, covering prevention, detection and reporting, together with recoverability of assets, and
- Regular monitoring of loan covenants.
- Annual review of Committee effectiveness including the execution of their duties as described in the Board and Committee terms of reference.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the Audit and Risk Committee to regularly review the effectiveness of the system of internal control. The Board receives quarterly reports from the Audit and Risk Committee together with minutes of committee meetings and an ARC Chair's summary of assurance.

The Audit and Risk Committee has received and approved the Chief Executive's annual review of the effectiveness of the system of internal control for the Group and the annual report of the internal auditor and has reported its findings to the Board.

Going concern

The Group's business operations, current financial standing, and factors likely to influence its future progression are detailed in the Report of the Directors. The Group maintains long-term debt facilities, including £49m of available resources as of 31 March 2026 (2025: £41m), which are sufficient funds for committed

reinvestment and development programmes alongside daily operations.

The long-term business plan accommodates the organisation's developmental goals to meet regional social housing demand. Moreover, the plan demonstrates the Group's capability to service its debt facilities while adhering to lender covenants. As of 31 March 2026, the Group held £9m in available cash balances and an additional £49m in secured but undrawn loan facilities accessible at short notice.

The Consolidated Statement of Comprehensive Income reveals a surplus of £7.2m for the year before accounting for actuarial gains pertaining to pension schemes. The underlying EBITDA (Earnings Before Interest, Tax, Depreciation, and Amortisation) remains robust, with discretionary spending being closely managed.

Consequently, the Board reasonably expects that the Group possesses adequate resources to maintain operational existence for the foreseeable future, defined as a period of twelve months following the signing date of the report and financial statements. Therefore, the going concern basis continues to be applied in the financial statements

Public Benefit

As a public benefit entity, Magenta Living has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

Donations

During the year ended 31 March 2026 the Group has made no political contributions and any charitable donations were made during the course of its ordinary activities.

Post balance sheet events

Magenta considers that there have been no unforeseen events since the year end that have had a significant effect on the Group's financial position.

Statement by the Directors in performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006

The Board's role is to promote the long-term success of Magenta Living while taking account of the interests of our stakeholders and the communities we serve.

In making decisions, the Board considers the impact on customers, colleagues, partners and other stakeholders, ensuring that decisions support the long-term sustainability and success of the organisation.

Key stakeholder groups include:

- Customers
- Colleagues
- Lenders and funding partners
- The Charity Commission
- National and local government
- Communities
- Business partners and suppliers
- The Regulator of Social Housing and Homes England

Understanding the views, needs and expectations of our stakeholders helps the Board make informed decisions and shape the organisation's strategy. Stakeholder feedback, performance information and engagement activity are regularly considered as part of Board discussions and decision-making.

The Board regularly reviews how it meets its duties under Section 172 of the Companies Act 2006 and seeks to ensure that its decisions support the long-term success of the organisation while balancing the interests of stakeholders.

Examples of how the Board considered these duties during the year are set out below.:

THE LIKELY CONSEQUENCES OF ANY DECISION IN THE LONG TERM

- Approved the Road to 2030 strategic goals and annual targets, aligned to the Business Plan and long-term delivery objectives.
- Approved refinancing and new borrowing arrangements to support future investment, liquidity and development ambitions.
- Considered the long-term impact of Right to Buy sales and future growth opportunities when reviewing development and acquisition proposals.
- Approved the Treasury Policy and ongoing treasury strategy to strengthen long-term financial resilience.
- Maintained oversight of regulatory compliance, risk management and financial viability through annual self-assessments and assurance reviews.

THE INTERESTS OF THE COMPANY'S EMPLOYEES

- Approved a pay award following consideration of inflation, affordability, recruitment, retention and employee wellbeing.
- Oversaw organisational redesign and transformation programmes, including workforce planning and headcount changes.

THE NEED TO FOSTER THE COMPANY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS

- Approved the award of a new gas servicing contract after considering customer feedback, service quality and supplier performance.
- Approved rent and service charge proposals following customer consultation and consideration of affordability impacts.
- Maintained oversight of complaints, customer satisfaction and service performance, challenging management to deliver improvements.
- Considered lender relationships, ESG factors and funding flexibility when evaluating new borrowing arrangements.
- Maintained engagement with local authorities, MPs, regulators and the Liverpool City Region to support place shaping, growth and investment opportunities.
- Strengthened customer voice and representation through the appointment of a tenant Board Member and Chair of the Customer & Communities Committee.
- Reviewed safeguarding arrangements and partnerships with local agencies to support vulnerable customers and communities.

THE IMPACT OF THE COMPANY'S OPERATIONS ON THE COMMUNITY AND THE ENVIRONMENT

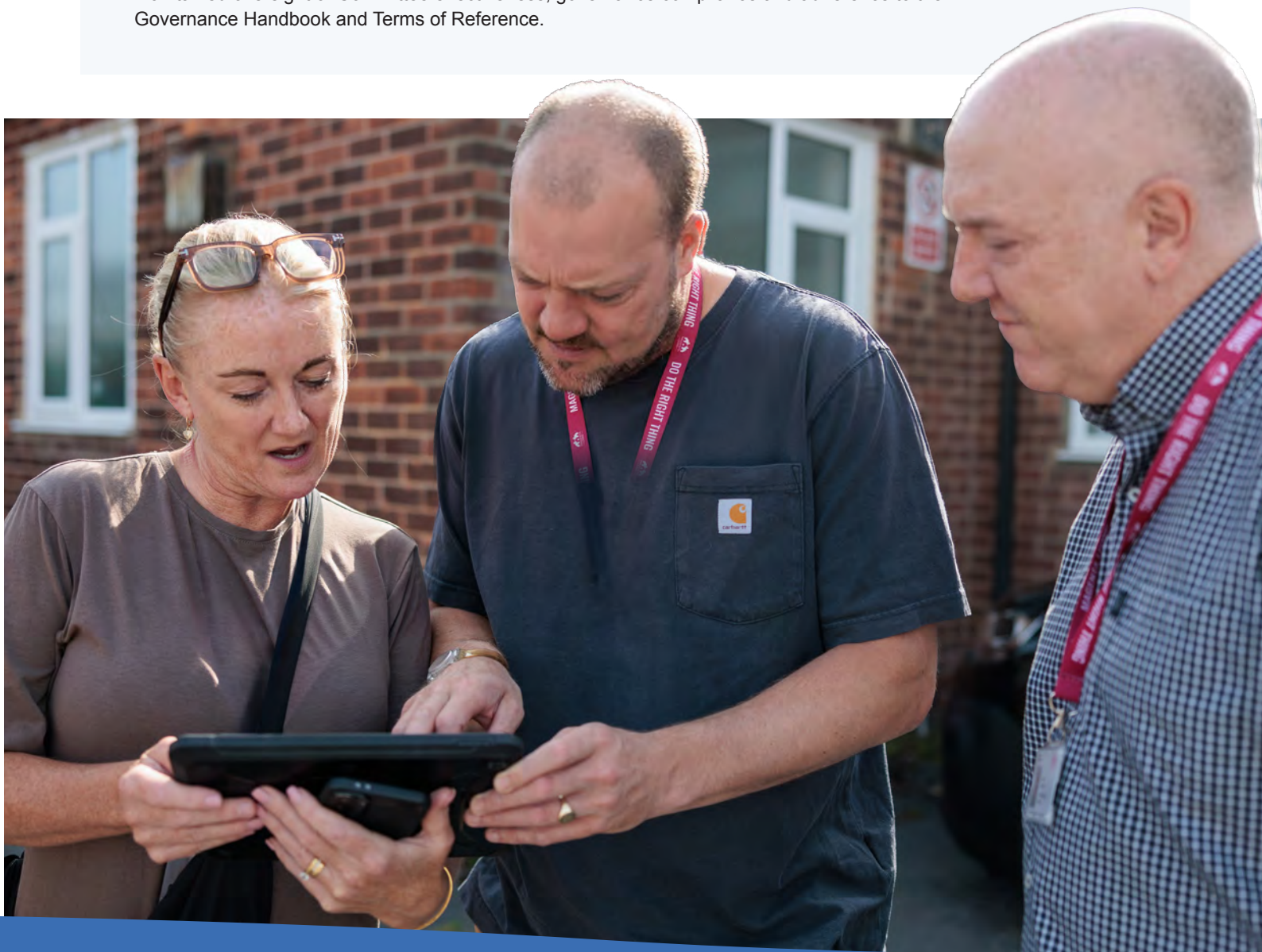
- Approved strategic goals which increased social value ambitions and strengthened focus on place shaping and community impact.
- Reviewed customer research which identified energy efficiency and investment in homes as key priorities for customers.
- Supported Place shaping initiatives in Woodchurch, Seacombe and North Birkenhead to improve long-term community outcomes.
- Approved funding arrangements linked to retrofit investment and environmental improvements to existing homes.
- Reviewed and approved the Modern Slavery Act Statement and annual safeguarding arrangements to support vulnerable customers and communities.
- Continued oversight of net zero, sustainability and EPC improvement programmes.

THE DESIRABILITY OF THE COMPANY MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT.

- Approved the Annual Statement on Internal Control and received assurance regarding the effectiveness of governance and control arrangements.
- Oversaw the organisation's response to rent-setting and Tenant Satisfaction Measure self-referrals, including customer remediation and engagement with the Regulator.
- Reviewed data governance, risk management and assurance arrangements following identified compliance issues.
- Approved updates to the Governance Handbook, Power of Attorney arrangements and Board Code of Conduct.
- Approved the annual self-assessment against the Governance and Financial Viability Standard and confirmed compliance with the Code of Governance.

THE NEED TO ACT FAIRLY AS BETWEEN MEMBERS OF THE COMPANY.

- Ensured all Board appointments were made through transparent and competitive recruitment and assessment processes.
- Managed declarations of interest and conflicts appropriately during Board decision-making.
- Maintained independent assurance through Committee scrutiny and external advisers before significant decisions were approved.
- Undertook annual Board effectiveness reviews, skills assessments and appraisals to support effective governance and decision-making.
- Approved the appointment of a tenant Board Member and Chair of the Customer & Communities Committee, ensuring a broad range of perspectives informed Board decisions.
- Maintained oversight of Committee effectiveness, governance compliance and adherence to the Governance Handbook and Terms of Reference.



Compliance with the National Housing Federation Code of Governance

Magenta Living has adopted the National Housing Federation's 2020 Code of Governance (the Code). The Board considers compliance against each of the provisions of the Code on an annual basis. Following this review on 21 March 2026 the Board, through its delegation to Magenta Living's People, Culture and Change Committee, was assured that Magenta Living is fully compliant with the Code.

Continuous Improvement and Governance

The Board continually enhances its governance effectiveness. In 2025/26:

- Magenta Living fully complied with the NHF Code of Governance 2020.
- The Board and Committees assessed their effectiveness after every meeting, and all NEDs completed the annual survey.

Compliance with the Governance and Financial Viability Standard issued by the Regulator of Social Housing

The Board has confirmed that an assessment of the Group's compliance with the Governance and Financial Viability Standard has been completed and certifies that the Group is compliant with the Standard.

Statement of Responsibilities of the Board for the report and financial statements

The Board must prepare the report and financial statements according to applicable laws and regulations. Company law requires financial statements for each year, following United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and laws including FRS 102). The Board must ensure these statements provide a true and fair view of the Group and Company's state of affairs and profit and loss.

In preparing the statements, the Board must:

- Select suitable accounting policies and apply them consistently.
- Make reasonable and prudent judgments and estimates.

- Follow applicable accounting standards, disclosing any significant departures.
- Prepare the statements on a going concern basis unless it is inappropriate.
- The Board must keep accurate accounting records that reveal the Group and Company's financial position and comply with the Companies Act 2006, Housing and Regeneration Act 2008, and Accounting Direction for Private Registered Providers of Social Housing 2022. It is responsible for safeguarding assets and preventing fraud and irregularities.

The Board also maintains the integrity of the Group's websites. UK legislation on financial statements preparation and dissemination may differ from other jurisdictions.

Disclosure of information to auditors

So far as each of the directors of the Company is aware, at the time this report is approved:

- There is no relevant audit information of which the Company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

External auditor

A resolution to re-appoint Menzies LLP as auditors in accordance with section 487(2) of the Companies Act 2006 was approved by the Audit and Risk Committee on 7 September 2025.

Approval

The Report of the Board was approved by the Board on 23 September 2026 and signed on its behalf by:



Ged Lucas
Chair

Independent Auditor's Report to the Members of Magenta Living

Opinion

We have audited the financial statements of Magenta Living (the 'parent Company') and its subsidiaries (the 'Group') for the Year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, the Company Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Reserves, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2026 and of the Group's income and expenditure and the parent Company's income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the

FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the strategic report and the Report of the Board of Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the Report of the Board of Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Report of the Board of Directors.

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

- Adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent Company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

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

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

Responsibilities of directors

As explained more fully in the Statement of Responsibilities of the Board for the report and financial statements set out on page 45, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of laws, regulations and guidance that affect the Group and parent Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed the controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.

- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

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

Mark Bradley BA BFP FCA

(Senior Statutory Auditor)

For and on behalf of

Menzies LLP

Statutory Auditor

Suite 9b

The Beehive

Lions Drive

Shadsworth Business Park

Blackburn

BB1 2QS



Consolidated Statement of Comprehensive Income

	Note	2026 £'000	2025 £'000
Turnover	3	88,579	82,657
Cost of sales	3	(2,643)	(1,501)
Operating expenditure	3	(79,081)	(74,503)
Gain on disposal of housing properties	3,6	2,452	1,463
		9,307	8,116
Gain on revaluation of investment properties	15	769	993
Operating surplus	5	10,076	9,109
Interest receivable and other finance income	7	276	439
Interest payable and financing costs	8	(3,165)	(3,322)
Surplus on ordinary activities before taxation		7,187	6,226
Tax on surplus on ordinary activities	11	-	-
Surplus for the year		7,187	6,226
Actuarial gain/(loss) in respect of MPF pension scheme	27	5,867	(3,700)
Actuarial gain in respect of SHPS pension scheme	27	14	73
Total comprehensive income for the year		13,068	2,599

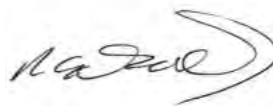
The consolidated results relate wholly to continuing activities. The accompanying notes on pages 58 to 100 form part of these financial statements.

The financial statements on pages 53 to 100 were approved by the Board and authorised for issue on 23 September 2026 and signed on its behalf by:

Ged Lucas
Chair



Rachel Barber
Chair of Audit and Risk



Company Statement of Comprehensive Income

	Note	2026 £'000	2025 £'000
Turnover	3	87,869	82,097
Cost of Sales	3	(2,643)	(1,501)
Operating expenditure	3	(78,614)	(74,059)
Gain on disposal of housing properties	3,6	2,452	1,463
		9,064	8,000
Gain on revaluation of investment properties	15	769	993
Operating surplus	5	9,833	8,993
Interest receivable and other finance income	7	821	904
Interest payable and financing costs	8	(3,165)	(3,322)
Surplus on ordinary activities before taxation		7,489	6,575
Tax on surplus on ordinary activities	11	-	-
Surplus for the year		7,489	6,575
Actuarial gain/(loss) in respect of MPF pension scheme	27	5,867	(3,700)
Actuarial gain in respect of SHPS pension scheme	27	14	73
Total comprehensive income for the year		13,370	2,948

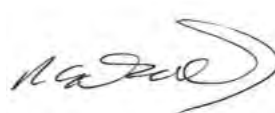
The company's results relate wholly to continuing activities. The accompanying notes on pages 58 to 100 form part of these financial statements.

The financial statements on pages 53 to 100 were approved by the Board and authorised for issue on 23 September 2026 and signed on its behalf by:

Ged Lucas
Chair



Rachel Barber
Chair of Audit and Risk



Consolidated and Company Statements of Changes in Reserves

	Group £'000	Company £'000
Balance as at 31 March 2024	152,346	155,458
Surplus for the year	6,226	6,575
Actuarial (loss) in respect of MPF pension scheme	(3,700)	(3,700)
Actuarial gain in respect of SHPS pension scheme	73	73
Closing reserves as at 31 March 2025	154,945	158,406
Surplus for the year	7,187	7,489
Actuarial gain in respect of MPF pension scheme	5,867	5,867
Actuarial gain in respect of SHPS pension scheme	14	14
Closing reserves as at 31 March 2026	168,013	171,776

The accompanying notes on pages 58 to 100 form part of these financial statements.

Consolidated and Company Statement of Financial Position

Company Number: 04912562

		Group		Company	
At 31 March		2026	2025	2026	2025
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets – housing properties	12	294,066	265,317	300,206	270,657
Other tangible fixed assets	13	4,011	3,642	4,011	3,642
Intangible fixed assets	14	1,763	965	1,763	965
Investment properties	15	22,805	20,756	22,805	20,756
Investment – subsidiary	16	-	-	220	220
		322,645	290,680	329,005	296,240
Current assets					
Properties held for sale	18	1,232	4,091	1,232	4,091
Stock		498	157	498	157
Debtors: amounts due within one year	19	9,069	9,702	9,756	11,183
Debtors: amounts due after more than one year	19	128	182	128	182
Cash and cash equivalents	20	8,985	8,198	5,997	5,726
		19,912	22,330	17,611	21,339
Creditors: Amounts falling due within one year	21	(24,063)	(23,527)	(24,439)	(24,716)
Net current (liabilities)		(4,151)	(1,197)	(6,828)	(3,377)
Total assets less current liabilities		318,494	289,483	322,177	292,863
Creditors: Amounts falling due after more than one year	22	(158,844)	(137,086)	(158,764)	(137,006)
Provisions for liabilities					
Pension asset MPF	27	8,565	2,876	8,565	2,876
Pension provision SHPS	27	(103)	(189)	(103)	(189)
Other provisions	28	(99)	(139)	(99)	(139)
Total net assets		168,013	154,945	171,776	158,405
Reserves					
Income and expenditure reserve		168,013	154,945	171,776	158,405
		168,013	154,945	171,776	158,405

The accompanying notes on pages 58 to 100 form part of these financial statements.

The financial statements on pages 53 to 100 were approved by the Board and authorised for issue on 23 September 2026 and signed on its behalf by:

Ged Lucas
Chair



Rachel Barber
Chair of Audit and Risk



Consolidated Statement of Cash Flows

	Note	2026 £'000	2025 £'000
Net cash inflow from operating activities	31	22,303	20,490
Cash flow from investing activities			
Purchase and construction of housing properties		(46,373)	(26,943)
Purchase of other tangible fixed assets		(843)	(438)
Purchase of intangible fixed assets		(892)	(287)
Proceeds from sale of housing properties		4,577	1,463
Social Housing Grant received		12,954	4,056
Interest received		84	78
		(30,493)	(22,071)
Cash flow from financing activities			
Loan draw-down of borrowing		12,000	5,000
Interest paid		(3,023)	(3,202)
		8,977	1,798
Net change in cash and cash equivalents		787	217
Cash and cash equivalents at beginning of the year		8,198	7,981
Cash and cash equivalents at the end of the year	20	8,985	8,198

The accompanying notes on pages 58 to 100 form part of these financial statements.

Notes to the Financial Statements

1. Legal status

The Company is a private company limited by guarantee with no share capital, registered under the Companies Act 2006 and is a registered housing provider. The registered office is Partnership Building, Hamilton Street Birkenhead CH41 5AA.

The Group comprises the following entities:

Name	Incorporation	Registered/ Non-registered
Magenta Living	Companies Act 2006	Registered
Wirral Partnership Homes (Developments) Limited	Companies Act 2006	Non-registered
Bamboo Estates LLP	Companies Act 2006	Non-registered
Hilbre Projects LLP	Companies Act 2006	Non-registered
Wirral Partnership Homes (Building Services) Limited*	Companies Act 2006	Non-registered

**dormant company*

2. Accounting policies

Basis of accounting

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Registered Providers of Social Housing 2022.

Magenta Living is a public benefit entity in accordance with FRS102.

The financial statements are presented in sterling (£) and rounded to the nearest £'000.

Going concern

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted in the business plan updated for future periods and therefore the Group considers it appropriate to continue to prepare the financial statements on a going concern basis.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. These are shown below.

Stock and work in progress

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

Impairment of Group's tangible assets

Management seek to identify indicators of impairment by considering the economic viability and expected future financial performance of the asset. Where it is a component of an asset, WIP or property, the viability of that unit, scheme or property is also considered. The basis for the recoverable amounts of the assets has been considered based on EUV-SH or depreciated replacement cost. The Group has to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP. The Group carries out an impairment review, assessing the Useful

Economic Lives of properties and their future value to the Group, taking into account the current level of demand for properties, the level of void losses, projected discounted cash flows and the ongoing investment in property maintenance and improvement. Void levels have remained consistent with historic levels and are in-line with the business plan.

Capitalisation of property development costs

Capitalisation of costs follows our capitalisation policy. Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of the associated development costs requires judgement. After capitalisation management monitors the asset and considers whether changes indicate that impairment is required. Interest incurred on development and other large assets projects will be capitalised in line with Magenta's capitalisation policy.

Defined benefit pension obligations

Management's estimate of the defined benefit obligations is based on a number of critical underlying assumptions such as the standard rates of inflation, mortality, discount rate and anticipation of future salary increase. These assumptions are provided by external actuaries. Variation in these assumptions may significantly impact the obligation amount and the annual defined benefit expenses. The valuation of the pension fund assets is based on actual March 2026 data.

Significant Estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be significantly different.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

Revaluation of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in The Statement of Comprehensive Income. The Group engages independent valuation specialists to determine fair value at the reporting period date. Investment properties are valued on an Open Market basis by a RICS valuer.

Basis of consolidation

The consolidated financial statements include the parent, Magenta Living and its subsidiaries, Wirral Partnership Homes (Building Services) Limited, Wirral Partnership Homes (Developments) Limited (WPH Developments), Hilbre Projects LLP and Bamboo Estates LLP and are prepared using the purchase method of accounting.

Turnover and revenue recognition

Turnover represents rental income receivable in the year, service charges, fees, income from property sales and other income receivable in the year (excluding VAT) for goods and services supplied in the year and revenue grants receivable in the year.

Rental income is recognised from the point when properties under development reach a practical point of completion or otherwise become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Income from property sales is recognised on legal completion.

Taxation

The Company is a registered charity and as such is potentially exempt to corporation or capital gains tax on its charitable activities. Any taxable profits generated by the subsidiaries will be subject to corporation tax. Tax calculations are carried out by our external tax advisers.

Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are

only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Amounts recognised in respect of deferred tax are not discounted in accordance with FRS 102.

Value Added Tax

The Group is registered for VAT and charges value added tax (VAT) on some of its income and is able to recover only part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and is not recoverable from H.M. Revenue and Customs or is subject to the VAT sharing agreement. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Community Fund

As part of the stock transfer arrangement with Wirral Metropolitan Borough Council ("the Council"), the Community Fund ("the Fund") was established. The purpose of the Fund is to provide the Company with funds to undertake projects that are mutually beneficial to the Company and the Council while furthering the Company's principal business. A Working Group, made up of an equal number of representatives from the Company and the Council, exists to determine the use of the funds.

The Fund comprises of money from three principal sources:

1. Balance of the Council's Housing Revenue Account on its closure.
2. VAT savings from arrangements put in place at transfer.
3. Council and Company disposal claw back share on the sale of land not to be used for the purpose of social housing.

The monies received by the Fund shall be used for purposes that include several specifically referred to in an agreement between the Council and the Company. The remainder is to be utilised by joint agreement of the Working Group set between the Council and the Company.

Although access to such funds is subject to the agreement of the Working Group (and are therefore not treated as income until agreement has been reached by the Working Group), the Fund's monies are beneficially and legally those of the Company and are therefore included in the Company's reported cash balance.

Prior to application of the Fund's monies a deferred income creditor is recognised that is released on utilisation of the related cash balance. It is envisaged that the fund will be utilised in the coming year and so is shown as due within one year and linked by disclosure to the cash balance. Where it is intended that funds will be allocated in the next 12 months, these are classified as due within one year.

Government Grants

Government grants include grants receivable from Homes England, local authorities and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model. Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities. Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England. Government grants released on sale of property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the

grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised in income and expenditure.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the company is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Interest payable

Interest payable is charged to the statement of comprehensive income in the year. Where interest has been capitalised as part of a capital project, that interest will be charged over the life of the asset.

Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model. The Group has applied the provisions of both Section 11 and Section 12 of FRS 102 in full and as such has classified all financial instruments as basic.

Pensions

The Group participates in two funded multi-employer defined benefit schemes, the Social Housing Pension Scheme ('SHPS') and the Merseyside Pension Fund ('MPF').

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the Group. The MPF pension is currently in a surplus position and is recognised as an asset in

the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Re-measurements are reported in other comprehensive income.

Supporting people

Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Housing properties

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

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Freehold land is not depreciated.

2. Depreciation of housing properties

The Group separately identifies the major components which comprise its housing properties, and depreciates each component on a straight line basis over the following useful economic lives:

Structure	85 years
Windows and external doors	30 years
Kitchens	20 years
Bathrooms	30 years
Boilers	15 years
Roofs	60 years
Flat roofs	40 years
External wall insulation and solar panels	20 years
CCTV systems	10 years
Car Park	30 years
Adaptations	20 years
For High Rise and Sheltered Blocks:	
Heating Systems	25/30 years
Door Entry, Fire Alarm and Water Systems	20 years
Electrical systems and Lifts	30 years
Environmental and communal works	25 years

Assets are not depreciated while under construction or until they are brought into use.



Sale of housing properties

Under the terms of the transfer agreement a proportion of the proceeds from the right to buy sales are shared with the Council. The balance of any funds due to the Council will be included as a current liability.

Investment properties

Investment properties consist of commercial properties and other properties not held for the social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in the statement of comprehensive income. Investment properties are valued as at 31 March by professional qualified external valuers. The valuation of properties is undertaken in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any impairment losses. Depreciation is charged on other tangible fixed assets on a straight-line basis over their expected useful lives.

Freehold offices	20-40 years
Car Parking	30 years
CCTV systems	10 years
Furniture, fixtures and fittings	4 years
Computers and office equipment	4 years
Other equipment	4 years
Vehicles	5 years

Assets are not depreciated while under construction or until they are brought into use.

Intangible fixed assets

Computer software is carried at cost less accumulated amortisation and impairment losses. Costs associated with maintaining computer software are recognised as an expense as incurred. Amortisation is charged on intangible assets on a straight-line basis over their expected useful lives.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases. Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

Properties leased to Group Company

Housing properties are leased to Bamboo Estates based on a 5-year lease. The lease commences from the time the tenancy in Bamboo Estates begins and is recognised on a straight-line basis over the lease term.

Investment in subsidiaries and joint ventures

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries and joint ventures are accounted for at cost less impairment in the individual company financial statements.

An entity is treated as a joint venture where the Group is party to a contractual agreement with one or more parties from outside of the Group to undertake an economic activity that is subject to joint control. The Consolidated Statement

of Comprehensive Income includes the Group's share of the operating results applying accounting policies consistent to the Group. In the Consolidated Statement of Financial Position the interest in associated undertakings are shown as the Group's share of the identifiable net assets/liabilities.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at a market rate.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

Properties for sale

Properties for outright sale (including those under construction) are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Stock

Stocks are stated at the lower of cost or net realisable value. Where necessary, provision is made for obsolete and defective stock.

Current asset investments

Investments are stated at cost.

Gift Aid Income

Gift aid income is recognised in the year of receipt.

3. Particulars of turnover, cost of sales, operating expenditure and operating surplus

Group – continuing activities

	2026	2026	2026	2026	2026
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
Social housing lettings	80,916	-	(78,272)	-	2,644
Other social housing activities					
Disposal of housing properties	-	-	-	2,452	2,452
Current asset property sales	2,468	(2,089)	-	-	379
Development expenditure	-	-	(351)	-	(351)
Other – social	861	-	(95)	-	766
	3,329	(2,089)	(446)	2,452	3,246
Activities other than social housing					
Corporate repairs	632	(554)	-	-	78
Lettings	2,546	-	(106)	-	2,440
Other	1,156	-	(257)	-	899
	88,579	(2,643)	(79,081)	2,452	9,307

	2025	2025	2025	2025	2025
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
Social housing lettings	78,247	-	(73,522)	-	4,725
Other social housing activities					
Disposal of housing properties	-	-	-	1,463	1,463
Current asset property sales	1,191	(808)	-	-	383
Development expenditure	-	-	(415)	-	(415)
Other – social	395	-	-	-	395
	1,586	(808)	(415)	1,463	1,826
Activities other than social housing					
Corporate repairs	704	(693)	-	-	11
Lettings	1,785	-	(539)	-	1,246
Other	335	-	(27)	-	308
	82,657	(1,501)	(74,503)	1,463	8,116

Company – continuing activities

	2026	2026	2026	2026	2026
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/(deficit) £'000
Social housing lettings	80,915	-	(77,869)	-	3,046
Other social housing activities					
Disposal of housing properties	-	-	-	2,452	2,452
Current asset property sales	2,468	(2,089)	-	-	379
Development expenditure	-	-	(380)	-	(380)
Other – social	861	-	(95)	-	766
	3,329	(2,089)	(475)	2,452	3,217
Activities other than social housing					
Corporate repairs	632	(554)	-	-	78
Lettings	1,352	-	(21)	-	1,331
Other – non-social	1,641	-	(249)	-	1,392
	87,869	(2,643)	(78,614)	2,452	9,064

	2025	2025	2025	2025	2025
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/(deficit) £'000
Social housing lettings	78,247	-	(73,585)	-	4,662
Other social housing activities					
Disposal of housing properties	-	-	-	1,463	1,463
Current asset property sales	1,191	(808)	-	-	383
Development expenditure	-	-	(385)	-	(385)
Other	396	-	-	-	396
	1,587	(808)	(385)	1,463	1,857
Activities other than social housing					
Corporate repairs	704	(693)	-	-	11
Lettings	850	-	(61)	-	789
Other	709	-	(28)	-	681
	82,097	(1,501)	(74,059)	1,463	8,000

Turnover, operating expenditure, and operating surplus/(deficit) from social housing lettings

Group	2026 General housing £'000	2026 Supported housing £'000	2026 Low cost home ownership £'000	2026 Total £'000	2025 Total £'000
Turnover from social housing lettings					
Rent receivable net of identifiable service charges and net of voids	64,548	10,827	347	75,722	72,695
Service charge income	3,194	536	-	3,730	3,864
Charges for support services	730	122	-	852	914
Amortisation of government grants	582	98	-	680	575
Other revenue grants	(58)	(10)	-	(68)	199
Total turnover on social housing lettings	68,996	11,573	347	80,916	78,247
Operating expenditure on social housing lettings					
Management	(27,007)	(4,451)	-	(31,458)	(27,306)
Service charge costs	(3,694)	(620)	-	(4,314)	(3,808)
Routine maintenance	(12,079)	(2,026)	-	(14,105)	(14,662)
Planned maintenance	(7,495)	(1,257)	-	(8,752)	(10,793)
Major repairs expenditure	(4,364)	(732)	-	(5,096)	(5,415)
Bad debts	(329)	(55)	-	(384)	(540)
Depreciation of housing properties	(9,064)	(1,531)	-	(10,595)	(10,066)
Impairment of housing properties	(2,244)	(376)	-	(2,620)	(57)
Restructuring and other costs	-	-	-	-	-
Lease costs	(812)	(136)	-	(948)	(875)
Total expenditure on social housing lettings	(67,088)	(11,184)	-	(78,272)	(73,522)
Operating surplus on social housing lettings	1,908	389	347	2,644	4,725
Void losses	(714)	(120)	-	(834)	(919)

Management costs include £1,076k (2025: £1,518k) of current and past pension service costs for both the Merseyside Pension Fund (MPF) and the Social Housing Pension Scheme (SHPS).

Company	2026 General housing £'000	2026 Supported housing £'000	2026 Low cost home ownership £'000	2026 Total £'000	2025 Total £'000
Turnover from social housing lettings					
Rent receivable net of identifiable service charges and net of voids	64,547	10,827	347	75,721	72,695
Service charge income	3,194	536	-	3,730	3,864
Charges for support services	730	122	-	852	914
Amortisation of government grants	582	98	-	680	575
Other revenue grants	(58)	(10)	-	(68)	199
Total turnover on social housing lettings	68,995	11,573	347	80,915	78,247
Operating expenditure on social housing lettings					
Management	(26,538)	(4,451)	-	(30,989)	(27,321)
Service charge costs	(3,694)	(620)	-	(4,314)	(3,808)
Routine maintenance	(12,079)	(2,026)	-	(14,105)	(14,662)
Planned maintenance	(7,495)	(1,257)	-	(8,752)	(10,793)
Major repairs expenditure	(4,364)	(732)	-	(5,096)	(5,415)
Bad debts	(329)	(55)	-	(384)	(540)
Depreciation of housing properties	(9,130)	(1,531)	-	(10,661)	(10,114)
Impairment of housing properties	(2,244)	(376)	-	(2,620)	(57)
Restructuring and other costs	-	-	-	-	-
Lease costs	(812)	(136)	-	(948)	(875)
Total expenditure on social housing lettings	(66,685)	(11,184)	-	(77,869)	(73,585)
Operating surplus on social housing lettings	2,310	389	347	3,046	4,662
Void losses	(714)	(120)	-	(834)	(919)

4. Accommodation in management and development

	At 1 April 2025 No.	Additions No.	Disposals No.	Reclassified No.	At 31 March 2026 No.
Units owned: Social housing					
General needs					
Social rent	9,268	3	(78)	1	9,194
Affordable rent	1,544	69	(6)	-	1,607
Supported housing	1,858	15	(31)	(1)	1,841
Intermediate Rent	32	31	(3)	-	60
Low Cost home ownership	110	6	(1)	-	115
Total social housing homes owned	12,812	124	(119)	-	12,817
Non-social housing					
Market rented	-	-	-	-	-
Total homes owned	12,812	124	(119)	-	12,817
Other homes managed:					
Homes managed for Wirral Borough	47	4	(47)	-	4
Supported housing	6	-	-	-	6
Total homes	12,865	128	(166)	-	12,827

Units in development at 31 March 2026 were 83 (2025: 189).

Leasehold units at 31 March 2026 were 537 (2025: 535).

Investment properties at 31 March 2026 were 126 (2025: 126)

5. Operating surplus

The operating surplus is arrived at after charging/(crediting):

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Impairment losses of housing properties (note 12)	2,620	57	2,620	57
Depreciation of housing properties (note 12)	10,595	10,066	10,661	10,114
Depreciation of other tangible fixed assets (note 13)	474	329	475	329
Amortisation of intangible fixed assets (note 14)	94	110	94	110
Amortisation of government grants (note 24)	(680)	(575)	(680)	(575)
Operating lease rentals – vehicles	928	817	928	817
Auditors' remuneration (excluding VAT):				
Audit of the financial statements of the Company	53	80	53	80
Audit of the financial statements of the subsidiaries	16	14	-	-
Other services	4	4	4	4

6. Gain on disposal of housing properties

	Group and Company	
	2026 £'000	2025 £'000
Disposal proceeds	5,639	2,242
Amount due to council for RTB sales	(1,046)	(201)
Carrying value of fixed assets	(2,125)	(552)
Administration and legal expenditure	(16)	(26)
	2,452	1,463

There were 46 (2025: 12) Right to Buy properties sold during the year and 19 (2025: 10) Right to Acquire sales.

7. Interest receivable and other finance income

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Interest receivable and similar income	84	78	84	78
Gift Aid received from subsidiaries	-	-	545	465
Defined benefit pension charge – MPF (note 27)	192	361	192	361
	276	439	821	904

8. Interest payable and financing costs

	Group and Company	
	2026 £'000	2025 £'000
Loans and bank overdrafts	3,023	3,202
Defined benefit pension charge – SHPS (note 27)	9	14
	3,032	3,216
Loan re-financing cost	133	106
	3,165	3,322

9. Employee information

Average monthly number of employees expressed in full time equivalents
(calculated based on a standard working week of 37 hours):

	Group and Company	
	2026 No.	2025 No.
Administration	209	205
Property services	55	60
Housing, support and care	143	144
Building operatives	165	174
	572	583

Employee costs

	Group and Company	
	2026 £'000	2025 £'000
Wages and salaries	24,752	23,840
Social security costs	3,201	2,484
Pension costs	4,554	4,712
Restructuring	965	464
	33,472	31,500

The majority of the Group's employees are members of the Merseyside Pension Fund or of the Social Housing Pension Scheme (SHPS). Further information on each scheme is given in note 27. The aggregate number of full-time equivalent staff including key management personnel (based on an average of 37 hours) whose remuneration (including salaries, benefits in kind, pension contributions paid by the employer and any termination payments) exceeded £60,000 was as follows:

	2026 Total No.	2026 Includes termination payments No.	2025 Total No.	2025 Includes termination payments No.
£60,001 – £70,000	51	-	55	4
£70,001 – £80,000	30	-	18	1
£80,001 – £90,000	14	1	11	-
£90,001 – £100,000	3	-	12	-
£100,001 – £110,000	13	1	5	1
£110,001 – £120,000	3	1	7	2
£120,001 – £130,000	3	1	2	-
£130,001 – £140,000	2	-	3	-
£140,001 – £150,000	4	-	-	-
£150,001 – £160,000	1	-	2	1
£160,001 – £170,000	1	1	-	-
£170,001 – £180,000	2	-	-	-
£180,001 – £190,000	-	-	-	-
£190,001 – £200,000	1	-	-	-
£200,001 – £210,000	-	-	1	-
£210,001 – £220,000	-	-	-	-
£220,001 – £230,000	-	-	-	-
£230,001 – £240,000	1	-	1	1
£240,001 – £250,000	-	-	-	-
£250,001 – £260,000	-	-	1	-
£260,001 – £270,000	-	-	-	-

10. Key management personnel remuneration

Key management personnel comprise the executive directors and non-executive Board Members. Total remuneration (excluding employers NIC) amounted to £1,050 (2025: £1,061).

Remuneration for executive directors for the year ended 31 March:

	2026 £'000	2025 £'000
Wages and salaries	771	748
Expense allowances	52	58
Pension contributions	131	117
Termination benefits	-	40
	954	963
Employers NIC	110	96
	1,064	1,059

Remuneration payable to the highest paid director in relation to the period of account amounted to £247.3k (2025: £224.6k) but excludes pension contributions. They are a member of the Social Housing Pension Scheme and is an ordinary member of the pension scheme with no enhanced or special terms. The employer's pension contribution paid on behalf of the highest paid director amounted to £31.9k (2025: £32.6k).

An amount of £nil (2025: £nil) has paid to a third party for Directors.

Non-executive Board Member remuneration for the year ended 31 March:

	2026 £	2025 £
Magenta Living Board:		
Ann-Louise Gilmore	8,700	8,662
Myles Edwards	10,550	10,504
Liam Kelly	8,700	8,662
Ged Lucas	16,350	16,279
Wendy Gooley – resigned 31/05/2025	792	4,729
Michael Riley	6,850	6,821
Stephen Allcock	6,850	6,821
Rachel Barber	8,700	4,129
Helen Wroe	6,850	3,251
Robert Chapman	6,850	3,251
Paul Richards	6,850	3,251
Sean Yewdale – appointed 16/10/2025	3,976	-
Andrew McCullagh – resigned 12/06/2024	-	1,002
Sue Goodman – resigned 31/03/2025	-	8,662
Julie Booker – resigned 31/03/2025	3,500	6,821
Mike Turner – resigned 09/10/2024	-	4,334
Paul McGrady – resigned 29/04/2024	-	542
Total Board remuneration	95,518	97,721

11. Tax surplus on ordinary activities

Analysis of the charge in the year:

	2026 £'000	Group 2025 £'000	2026 £'000	Company 2025 £'000
Current tax				
UK corporation tax on surplus for the period	-	-	-	-
Adjustments in respect of prior years	-	-	-	-
	-	-	-	-
Deferred tax				
Net origination and reversal of timing differences	-	-	-	-
Total tax	-	-	-	-

Total tax reconciliation:

	2026 £'000	Group 2025 £'000	2026 £'000	Company 2025 £'000
Surplus/(Deficit) on ordinary activities before tax	7,187	6,226	7,489	6,575
Theoretical tax at UK corporation tax rate 25% (2025: 25%)	1,797	1,557	1,872	1,644
<i>Effects of:</i>				
Income not taxable for tax purposes	(1,797)	(1,557)	(1,872)	(1,644)
Adjustments in respect of prior years	-	-	-	-
Total tax	-	-	-	-

12. Tangible fixed assets: properties

Group housing properties

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Completed shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2025	347,089	21,622	10,297	5,267	384,275
Additions	306	34,148	-	1,434	35,888
Work to existing properties	7,896	1,311	-	-	9,207
Schemes completed	33,911	(33,911)	1,896	(1,896)	-
Reclassification	-	2,391	-	(2,391)	-
Disposals of components	(5,424)	-	-	-	(5,424)
Disposal – sales	(1,708)	-	-	-	(1,708)
At 31 March 2026	382,070	25,561	12,193	2,414	422,238
Depreciation and impairment					
At 1 April 2025	(118,382)	-	(576)	-	(118,958)
Depreciation charged in the year	(10,435)	-	(161)	-	(10,596)
Impairment losses	(2,620)	-	-	-	(2,620)
Released on disposal - sales	859	-	-	-	859
Disposals of components	3,143	-	-	-	3,143
At 31 March 2026	(127,435)	-	(737)	-	(128,172)
Net Book value At 31 March 2026	254,635	25,561	11,456	2,414	294,066
At 31 March 2025	228,707	21,622	9,721	5,267	265,317

Company housing properties

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Completed shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2025	351,001	23,142	10,297	5,599	390,039
Additions	305	34,940	-	1,509	36,754
Work to existing properties	7,896	1,311	-	-	9,207
Schemes completed	33,911	(33,911)	1,896	(1,896)	-
Reclassification	-	2,391	-	(2,391)	-
Disposal of components	(5,424)	-	-	-	(5,424)
Disposal – sales	(1,708)	-	-	-	(1,708)
At 31 March 2026	385,981	27,873	12,193	2,821	428,868
Depreciation and impairment					
At 1 April 2025	(118,805)	-	(577)	-	(119,382)
Depreciation charged in the year	(10,501)	-	(161)	-	(10,662)
Impairment losses	(2,620)	-	-	-	(2,620)
Released on disposal - sales	859	-	-	-	859
Disposals of components	3,143	-	-	-	3,143
At 31 March 2026	(127,924)	-	(738)	-	(128,662)
Net Book value At 31 March 2026	258,057	27,873	11,455	2,821	300,206
At 31 March 2025	232,196	23,142	9,720	5,599	270,657

Impairment of Housing Properties

Housing properties are assessed at each reporting date to determine whether an indicator of impairment exists, where there is evidence of impairment an assessment is carried out to estimate the recoverable amount of the asset. The recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount is compared with the book value of the asset (or cash generating unit) and any write down is charged to the Statement of Comprehensive Income. Value in use is defined as value in use – service potential (VIU-SP), this is the present value of the asset's remaining service potential plus the net amount the entity will receive from its disposal.

Impairment loss of £2,620k (2025: £57k) is recognised in the Statement of Comprehensive Income for the Group and the Company, representing Halton Canal impairment of £2.47m (2025: Nil), impairment of £17k (2025: £57k) for long-term void properties and £132.7k (2025: Nil) for properties converted from market rented to social rented. Capitalised interest in the year totalled £683k (2025:Nil)

Housing properties, including offices, book value net of depreciation comprises:

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Freehold land and buildings - housing properties	264,478	265,317	264,478	270,657
Freehold land and buildings - office properties (note 13)	3,062	3,210	3,062	3,210
	267,540	268,527	267,540	273,867

Social housing assistance:

Total accumulated social housing grant received or receivable at 31 March:

	Group and Company	
	2026 £'000	2025 £'000
Held as deferred capital grants (note 24)	51,697	40,689
Recognised in statement of comprehensive income	612	774
	52,309	41,463

Expenditure on works to existing properties:

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Components capitalised	9,207	10,260	9,207	10,260
Amounts charged to income and expenditure account (note 3)	5,096	5,415	5,096	5,415
Total	14,303	15,675	14,303	15,675

13. Tangible fixed assets: other

Group and Company

	Freehold office properties £'000	Furniture fixtures and fittings £'000	Computers and office equipment £'000	Other Equipment £'000	Total £'000
Cost					
At 1 April 2025	5,303	114	1,658	730	7,805
Additions	34	11	798	-	843
At 31 March 2026	5,337	125	2,456	730	8,648
Depreciation and impairment					
At 1 April 2025	(2,093)	(77)	(1,263)	(730)	(4,163)
Depreciation charged in the year	(182)	(14)	(278)	-	(475)
At 31 March 2026	(2,275)	(91)	(1,541)	(730)	(4,637)
Net Book value At 31 March 2026	3,062	34	915	-	4,011
At 31 March 2025	3,210	37	395	-	3,642

14. Intangible fixed assets

	Group and Company	
	Software £'000	Total £'000
Cost		
At 1 April 2025	2,303	2,303
Additions	892	892
Disposals	-	-
At 31 March 2026	3,195	3,195
Amortisation		
At 1 April 2025	(1,338)	(1,338)
Changed in the year	(94)	(94)
Charged on disposals	-	-
At 31 March 2026	(1,432)	(1,432)
Net Book value At 31 March 2026	1,763	1,763
At 31 March 2025	965	965

15. Investment properties: non-social housing properties held for letting

	Group and Company	
	2026 £'000	2025 £'000
At 1 April	20,756	16,225
Additions	1,495	3,538
Reclassification to PPE	(215)	-
Revaluation	769	993
At 31 March	22,805	20,756

Properties are valued at Open Market Value as at 31 March 2026 based on the valuation by external RICS advisors and are held to be leased to Bamboo Estates LLP.

16. Investment in subsidiary

The Group comprises the following entities, all are registered in England and Wales and incorporated under the Companies Act 2006:

Name	Ownership	Registered/ Non-registered	Nature of business
Wirral Partnership Homes (Developments) Limited	100%	Non-registered	Build and design
Hilbre Projects LLP	100%	Non-registered	Property development
Bamboo Estates LLP	100%	Non-registered	Private rental
Wirral Partnership Homes (Building Services) Limited	100%	Non-registered	Dormant

Wirral Partnership Homes (Building Services) Limited is a company limited by guarantee. Magenta Living is the sole guarantor and in the event of the Company being wound up, the liability of Magenta Living is limited to £1. Effective 1 April 2008 the trade, assets and all liabilities of WPH (Building Services) were transferred to the parent. The subsidiary has not traded during the year and is dormant.

Hilbre Projects is a registered LLP which during the year had two members. The controlling member is Wirral Partnership Homes (Developments) Limited, a wholly owned subsidiary of Magenta Living, that invested 60% of the initial capital. The second member is Wirral Partnership Homes (Building Services) Limited.

The current membership of Hilbre Projects LLP is held as Wirral Partnership Homes (Developments) Limited 99%, WPH Building Services Limited 1%.

The aggregate of share capital and reserves as at 31 March 2026 and of the profit and loss for the year ended on that date for the subsidiary undertakings were:

	Aggregate share capital £'000	Reserves £'000	Profit £'000
Wirral Partnership Homes (Developments) Limited	1	1,799	395

	Capital contribution £'000	Members' interests £'000	Profit/ (Loss) £'000
Hilbre Projects LLP	120	(316)	(8)
Bamboo Estates LLP	90	-	624

Investments in subsidiaries are:

	WPH Dev Co £'000	Hilbre £'000	Bamboo £'000	Total £'000
At 1 April 2025	10	120	90	220
At 31 March 2026	10	120	90	220

17. Investment in joint venture

Bamboo Estates is a registered LLP is a partnership between Magenta Living and WPH (Developments) Ltd, with the Group holding 100% interest.

This is now included as a subsidiary.

18. Properties for sale

	2026 £'000	Group 2025 £'000	2026 £'000	Company 2025 £'000
Work-in-progress	-	39	-	39
Shared ownership – work in progress	1,232	1,967	1,232	1,967
Shared ownership – completed	-	2,085	-	2,085
	1,232	4,091	1,232	4,091

19. Debtors

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due within one year				
Rent and service charges receivable	1,985	1,680	1,972	1,671
Less: provision for bad and doubtful rent and service charge debts	(1,036)	(986)	(1,026)	(979)
	949	694	946	692
Trade debtors	3,576	5,670	3,576	5,669
Less: provision for bad and doubtful trade debts	(467)	(442)	(467)	(442)
Grants receivable	99	696	99	696
Other debtors	175	160	175	160
VAT receivable	447	616	146	586
Prepayments and accrued income	4,290	2,308	4,286	2,303
Amounts due from group undertakings	-	-	995	1,519
	9,069	9,702	9,756	11,183

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due after more than one year				
Other debtors	128	182	128	182
	128	182	128	182

20. Cash at bank and in hand

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cash at bank and in hand	8,985	8,198	5,997	5,726

21. Creditors: amounts falling due within one year

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Trade creditors	3,785	2,056	3,628	1,444
Rent and service charges received in advance	3,683	2,479	3,637	2,425
Deferred capital grants (note 24)	660	653	660	653
Other taxation and social security	698	653	698	653
Other creditors	1,243	968	1,243	968
Accruals and deferred income	13,994	16,718	11,250	12,516
Amounts due to group undertakings	-	-	3,323	6,057
	24,063	23,527	24,439	24,716

Accruals and deferred income includes deferred income of £814k (2025: £1,339) in respect of the Community Fund (note 26).

22. Creditors: amounts falling after more than one year

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Debt (note 23)	107,438	95,724	107,438	95,724
Deferred capital grants (note 24)	51,037	40,036	51,037	40,036
Accruals and deferred income	-	1,176	-	1,176
Recycled capital grant fund (note 25)	289	70	289	70
Minority Interest	80	80	-	-
	158,844	137,086	158,764	137,006

23. Debt

		Group		Company
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Between two and five years	21,000	9,000	21,000	9,000
After five years	87,391	87,391	87,391	87,391
Loan arrangement fees	(953)	(667)	(953)	(667)
	107,438	95,724	107,438	95,724

The £157.4m loan facility comprises £87.4m (2025: £87.4m) of fixed rate and fully drawn debt, and a £70.0m revolving credit facility at a variable rate for a 5-year term, of which £21.0m has been drawn in the year with a remaining £49.0m.

The fixed debt is repayable by bullet in two tranches: £42.4m (February 2037) and £45.0m (February 2047).

The weighted average interest rate of the cost of borrowing in the year was 3.47% (2025: 3.29%).

This loan facility has been secured by way of a charge of 7,009 stock transferred properties, representing 54.2% of Magenta's property stock holding. The carrying value of this stock is £285.3m (2025: £285.3m), which reflects revaluation of charged stock in 2025/26. 46.7% are now classified as either de-allocated or unallocated units.

The 7,009 units comprises of 5,760 units to secure the loan plus 1,249 units to secure the pension bond which has reduced from £30.0m to £881k.

24. Deferred capital grants

	Group and Company	
	2026 £'000	2025 £'000
At 1 April	40,689	37,210
Grant received in year	12,954	4,056
Amortisation of capital grant	(654)	(533)
Released on disposal	(1,292)	(44)
At 31 March	51,697	40,689
The deferred income is included in the financial statements as follows:		
Amounts to be released within one year	660	653
Amounts to be released in more than one year	51,037	40,036
	51,697	40,689

25. Recycled capital grant fund

	Group and Company	
	2026 £'000	2025 £'000
At 1 April	70	36
Inputs to fund:		
Grants recycled	218	32
Interest accrued	-	2
Recycling of grant	-	-
	289	70
Repayment of grants to the Homes England	-	-
At 31 March	289	70
Amounts 3 years old or older where repayment may be required.	-	-

26. Deferred income

	Group and Company	
	2026 £'000	2025 £'000
At 1 April	1,339	1,332
Deferred income received in the year	70	7
<i>Utilised in the year:</i>		
Wirral Borough Council	-	-
Magenta Living	(595)	-
	814	1,339
<i>The deferred income is included as follows:</i>		
Amounts falling due within one year	814	1,339
	814	1,339

Deferred income relates to monies paid into the Community Fund and monies received by Magenta to fund future revenue projects. Further background regarding the Community Fund is given in note 2. Related balances to the Community Fund are shown within cash at bank and in hand of £nil (2025: £164k). The remainder of the balance is shown within deferred income payments received in advance.

There was £595k utilised in the year (2025: £nil).

27. Employee pension schemes

Summary of pension asset/(liability) (Group and Company):

Scheme	2026 £'000	2025 £'000
MPF	8,565	2,876
SHPS	(103)	(189)
	8,462	2,687

Merseyside Pension Fund (MPF)

The Merseyside Pension Fund is a multi-employer scheme, administered by Wirral Metropolitan Borough Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2022.

The employers' contributions to the Merseyside Pension Fund by the Group and Company for the year ended 31 March 2026 were £769k (2025: £829k) at a contribution rate of 16.8% of pensionable salaries. The employer's contribution rate for the year ending 31 March 2027 has been set at 16.8%. Estimated employers' contributions to the Merseyside Pension Fund during the accounting period commencing 1 April 2026 are £180k.

Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability):

	2026 £'000	2025 £'000
Fair value of plan assets	129,578	118,397
Present value of defined benefit obligation	(96,982)	(92,537)
Remeasuring adjustment due to asset ceiling	(24,126)	(22,984)
Surplus in plan	8,470	2,876

Changes in plan assets:

	2026 £'000	2025 £'000
Opening fair value of plan assets	118,397	118,004
Interest on plan assets	6,906	5,724
Actuarial gains/(losses)	7,014	(2,889)
Administration expenses	(63)	(48)
Employer contributions	769	829
Member contributions	599	638
Benefits/transfers paid	(4,044)	(3,861)
Closing fair value of plan assets	129,578	118,397

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £13,920k (2025: £2,835k).

Changes in present value of defined benefit obligations:

	2026 £'000	2025 £'000
Opening defined benefit obligations	92,537	105,268
Current service cost	1,076	1,518
Interest cost	5,358	5,080
Members contributions	599	638
Past service cost	-	-
Actuarial loss/(gain)	1,361	(16,106)
Curtailments	95	-
Benefits/transfers paid	(4,044)	(3,861)
Closing defined benefit obligations	96,982	92,537

Defined benefit costs recognised in statement of comprehensive income (SOCl):

	2026 £'000	2025 £'000
Current service cost	1,076	1,518
Administration expenses	63	48
Effect of curtailments	95	-
Past service cost	-	-
Net interest (income)/expense	(192)	(361)
Defined benefit costs recognised in statement of comprehensive income (SOCl)	1,042	1,205

Defined benefit costs recognised in statement of comprehensive income (SOCl):

	2026 £'000	2025 £'000
Experience on plan assets (excluding amounts included in net interest cost) – gain/(loss)	7,014	(2,889)
Experience gains and losses arising on the plan liabilities – (loss)	(2,196)	(206)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	816	316
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	19	15,996
Remeasuring adjustment due to asset ceiling	214	(16,917)
Total amount recognised in Other Comprehensive Income – gain/(loss)	5,867	(3,700)

At 31 March 2026, the Group's share of the Merseyside Pension Fund was in a surplus position before application of the asset ceiling. In accordance with FRS 102, a net defined benefit asset can only be recognised to the extent that it is recoverable through reductions in future contributions to the scheme or through refunds available from the scheme.

The recoverable economic benefit has been assessed by the Group's actuary using the present value of future service costs less expected employer contributions payable over the average future working lifetime of active members. Based on this assessment, the economic benefit available to the Group was lower than the gross actuarial surplus and, therefore, the recognised pension asset has been restricted accordingly. The resulting asset ceiling adjustment has been recognised as a remeasurement gain/(loss) within Other Comprehensive Income in the year.

Major categories of plan assets as a percentage of total plan assets:

	2026 %	2025 %
Equities	52.0%	41.4%
Government bonds	8.7%	17.0%
Other bonds	2.4%	5.2%
Property	9.5%	9.2%
Cash/liquidity	4.6%	6.1%
Other	22.8%	21.1%

Sensitivity Analysis:

	Central £'000	+0.5% p.a. discount rate £'000	+0.25% p.a. inflation £'000	+0.25% p.a. pay growth £'000	1 year increase in life expectancy £'000	+1% change investment return £'000	-1% change investment return £'000
Liabilities	96,982	90,773	100,244	97,491	98,994	96,982	96,982
Assets	(129,578)	(129,578)	(129,578)	(129,578)	(129,578)	(130,860)	(128,296)
Surplus	(32,596)	(38,805)	(29,334)	(32,087)	(30,584)	(33,878)	(31,314)
Projected Service Cost for next year	1,032	896	1,106	1,032	1,059	1,032	1,032
Projected Net Interest Cost for next year	(2,027)	(2,606)	(1,825)	(1,995)	(1,902)	(2,106)	(1,947)

Principal actuarial assumptions:

The main financial assumptions used by the actuary in calculating the figures for FRS 102 (Retirement Benefits) were:

	2026 % p.a.	2025 % p.a.
Discount rate	6.2%	5.9%
Rate of increase in salaries	4.4%	4.1%
Rate of increase in pensions	3.0%	2.7%
Inflation assumption – CPI	2.9%	2.6%

Mortality Assumptions

The post-retirement mortality assumptions adopted to value the benefit obligation at March 2026 (and March 2025) are based on the 'SAPS / SAPS 4 middle' tables for both non-retired members and current pensioners.

The assumed life expectations on retirement at age 65 are:

	2026 Years	2025 Years
Retiring today:		
Males	20.6	20.8
Females	23.3	23.5
Retiring in 20 years:		
Males	22.8	22.1
Females	24.8	25.2

Social Housing Pension Scheme (SHPS)

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

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

The last formal valuation of the SHPS pension scheme was performed at 30 September 2024 by a professionally qualified actuary using the Projected Unit Method. This valuation revealed a deficit of £700m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

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 2024 to 28 February 2026 inclusive.

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

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

no adjustment has been made in these financial statements in respect of this.

Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability):

	2026 £'000	2025 £'000
Fair value of plan assets	1,435	1,369
Present value of defined benefit obligation	(1,538)	(1,558)
(Deficit) in plan	(103)	(189)

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

	2026 £'000	2025 £'000
Fair value of plan assets at start of year	1,369	1,386
Interest income	83	70
Experience on plan assets (excluding amounts included in interest income) – (loss)	(62)	(146)
Contributions made by the employer	86	98
Benefits paid and expenses	(41)	(39)
Fair value of plan assets at end of year	1,435	1,369

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £21k (2025: (£76k)).

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

	2026 £'000	2025 £'000
Defined benefit obligation at start of year	1,558	1,728
Expenses	5	4
Interest expense	92	84
Actuarial loss/(gain) due to scheme experience	(43)	96
Actuarial (gain) due to changes in demographic assumptions	12	-
Actuarial (gain) due to changes in financial assumptions	(45)	(315)
Benefits paid and expenses	(41)	(39)
Defined benefit obligation at end of year	1,538	1,558

Defined benefit costs recognised in statement of comprehensive income (SOCl):

	2026 £'000	2025 £'000
Current service cost	-	-
Expenses	5	4
Net interest expense	9	14
Defined benefit costs recognised in statement of comprehensive income (SOCl)	14	18

Defined benefit costs recognised in other comprehensive income:

	2026 £'000	2025 £'000
Experience on plan assets (excluding amounts included in net interest cost) – (loss)	(62)	(146)
Experience gains and losses arising on the plan liabilities – (loss)	43	(96)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	(12)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	45	315
Total amount recognised in Other Comprehensive Income – gain/(loss)	14	73

Assets:

	2026 £'000	2025 £'000
Cash	-	19
Credit	57	52
Currency Hedging	-	2
Global Equity	159	153
Insurance-Linked Securities	2	4
Investment Grade Credit	84	42
Liability Driven Investment	438	415
Liquid Alternatives	256	254
Net Current Assets	14	3
Private Credit	173	168
Private Equity	3	1
Property	70	69
Real Assets	135	164
Secured Income	44	23
Total assets	1,435	1,369

Key assumptions

	2026 % p.a.	2025 % p.a.
Discount rate	6.29%	5.96%
Inflation (RPI)	3.25%	3.04%
Inflation (CPI)	3.04%	2.80%
Salary Growth	4.04%	3.80%
Allowance for commutation of pension for cash at retirement (as a percentage of maximum allowance)	75%	75%

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies at age 65:

	2026 Years	2025 Years
Male retiring in 2026 (2025)	20.9	20.5
Female retiring in 2026 (2025)	23.2	23.0
Male retiring in 2026 (2025)	22.2	21.7
Female retiring in 2046 (2045)	24.6	24.5

28. Other provisions

	Group and Company	
	2026 £'000	2025 £'000
Other provisions	99	139
At 31 March	99	139

At 31 March 2026, the Company recognised a provision in respect of an employment tribunal, as it was probable that an outflow of resources would be required to settle the obligation. The matter has subsequently been settled.

29. Financial commitments

Capital expenditure commitments were as follows:

	Group and Company	
	2026 £'000	2025 £'000
Capital expenditure		
Expenditure contracted for but not provided in the accounts	46,393	24,357
Expenditure authorised by the Board, but not contracted	7,802	7,951
	54,195	32,308

The above commitments will be financed primarily through current cash balances and the draw down under existing loan arrangements.

30. Operating leases

Payments

Total future minimum lease payments relate to the motor vehicle fleet and are set out below:

	Group and Company	
	2026 £'000	2025 £'000
Motor vehicles minimum lease payments		
Less than one year	907	907
One to five years	1,103	2,919
Other leases minimum lease payments		
Less than one year	11	9
One to five years	21	9
	2,042	3,844

Receipts

Total future minimum lease receipts relate to properties leased to Bamboo and are set out below:

	Company	
	2026 £'000	2025 £'000
Property minimum lease receipts:		
Less than one year	361	345
One to five years	484	772
	845	1,117

31. Contingent liabilities

There were no contingent liabilities at 31 March 2026 (2025: none).

32. Net cash inflow from operating activities

	2026 £'000	2025 £'000
Surplus for the year	7,186	6,226
<i>Adjustments for non-cash items:</i>		
Depreciation of tangible fixed assets	11,070	10,395
Impairment of tangible fixed assets	2,620	57
Amortisation of intangible assets	94	(53)
Revaluation of investment properties	(769)	(993)
Decrease/(increase) in properties for sale	2,859	(1,271)
(Increase)/decrease in stock	(341)	478
Decrease/(increase) in trade and other debtors	687	(3,605)
(Decrease)/increase in trade and other creditors	(647)	7,588
(Decrease)/increase in other provisions	(40)	139
Pension costs less contributions payable	289	641
Amortised loan fees	133	0
Carrying amount of tangible fixed asset disposals	3,130	13
Release of grant on disposal	(1,074)	-
<i>Adjustment for investing and financial activities:</i>		
Proceeds from the sale of tangible fixed assets	(4,577)	(1,463)
Government grants utilised in the year	(654)	(545)
Interest payable	3,165	3,216
Interest receivable	(276)	(439)
Loan arrangement fees	(286)	106
Taxation paid	-	-
Net cash generated from operating activities	22,303	20,490

33. Financial assets and liabilities

Financial assets

Other than short-term debtors, the Group financial assets held are cash balances held as cash at bank. They are sterling denominated and the amounts and interest rate profile at 31 March was:

	2026 £'000	2025 £'000
Floating rate	8,985	8,198
Fixed rate	-	-
	8,985	8,198

The floating rate financial assets attract interest at rates that vary with bank rates.

The Group's financial liabilities are sterling denominated. The amounts and interest rate profile of the Group's financial liabilities at 31 March was:

	2026 £'000	2025 £'000
Floating rate	21,000	9,000
Fixed rate	87,391	87,391
	108,391	96,391

£12.0m (2025: £5.0m) has been drawn down in 2025/26 at an average variable rate of 4.75%. Fixed rate liabilities drawn down in 2021/22 are at the fixed rates of 3.0% on £42.4m and 3.3% on £45.0m.

Borrowing facilities

The Group has undrawn committed borrowing facilities. The facilities available at 31 March in respect of which all conditions precedent had been met were as follows:

	2026 £'000	2025 £'000
Expiring in one year or less	-	-
Expiring in more than one year but not more than two years	-	-
Expiring in more than two years	49,000	41,000
	49,000	41,000

34. Analysis of net debt

Group	1 April 2025 £'000	Cash flow £'000	Non-cash movement £'000	31 March 2026 £'000
Cash and cash equivalents	8,198	787	-	8,985
Loans due within one year	-	-	-	-
Loans due after one year	(95,724)	(11,714)	-	(107,438)
Changes in net debt	(87,526)	(10,927)	-	(98,453)

Company	1 April 2025 £'000	Cash flow £'000	Non-cash movement £'000	31 March 2026 £'000
Cash and cash equivalents	5,726	271	-	5,997
Loans due within one year	-	-	-	-
Loans due after one year	(95,724)	(11,714)	-	(107,438)
Changes in net debt	(89,998)	(11,443)	-	(101,441)

35. Related parties

One Board member (2025: none) of Magenta Living is a tenant of Magenta Living. Their tenancy is on normal commercial terms and they cannot use their position to their advantage.

There were no Board members who are elected member of Wirral Metropolitan Borough Council (2025: none).

There are no other related party transactions.

Transactions with non-regulated entities

During the year Magenta Living had intra group transactions with subsidiary Wirral Partnership Homes (Developments) Limited, an unregulated entity, of £18,861k (2025: £13,287k) relating to housing property design and build services. A management charge of £507k (2025: £522k) was made to Wirral Partnership Homes (Developments) Limited which was calculated on a pro-rata staff basis. The balance at the year-end due to Wirral Partnership Homes (Developments) Limited was £3,313k (2025: £6,041k). The balance at the year-end due from Wirral Partnership Homes (Developments) Limited was £670k (2025: £948k).

During the year Magenta Living had intra group transactions with subsidiary Bamboo Estates LLP of £491k (2025: £374k). A management charge of £7k (2025: £4k) was made to Bamboo Estates LLP for providing management services. At the year-end, there was a balance due to Magenta Living from Bamboo Estates LLP of £325k (2025: £571k). The balance at the year-end due to Bamboo Estates LLP was £11k (2025: £15k).

During the year the Group had intra-group transactions with Hilbre Projects LLP, an unregulated entity, of £29k (2025: £2k) relating to winding up the trade. The balance at the year-end due to Magenta Living was £152k (2025: £123k). Magenta Living has fully provided for the balance.

During the year Magenta Living traded with connected companies through common directorship. Purchases from WellFed Limited amounted to £2k (2025: £nil) and purchases with Make LCR CIC amounted to £9k (PY: £nil). The balance at the year-end due to Make LCR CIC was £6k (2025: £nil) and was settled in full after the year-end.

All transactions were undertaken in the normal course of business and on an arm's length basis.

Intra-group loans and interest charges

A loan facility, to a maximum of £20m, was provided by Magenta Living to Wirral Partnership Homes (Developments) Limited for on-lending to Hilbre Projects LLP.

During the year the Group had intra-group loan with Hilbre Projects LLP, an unregulated entity, of £152k (2025: £123k) relating to winding up the trade. The balance at the year-end due to Magenta Living was £152k (2025: £123k). Magenta Living has fully provided for the loan.

Loan is recoverable on demand.

Disclosures in relation to key management personnel are included in note 10.

36. Events after the end of the reporting period

Subsequent to the year end, the group secured new financing arrangements totalling £77 million as part of the Group's funding strategy. On 29 May 2026, the Board approved £55 million of funding from Santander and Barclays. On 14 August 2026, the Board approved a further £22 million of funding from CAF and Danske. These financing arrangements were approved after the reporting date and therefore no amounts in respect of the new facilities have been recognised in the financial statements at 31 March 2026.



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Doing the right thing

Empowering people

Opening doors