Curo Group (Albion) Ltd.

Annual Report and Financial Statements
Year ended 31 March 2025

Registered Society with Financial Conduct Authority 7945
Regulator of Social Housing registration number LH4336

Curo Group (Albion) Ltd.

Year ended 31 March 2025

Contents

Curo Group (Albion) Ltd.

Board, Executive Officers and Advisors

Non-Executive Directors

Jane Tabor (Chair)	
Michael Petter	
Neil Sexton	
Joe Webster	
Kerri-Anne Mills	
Alice Cummings	
Vinay Parmar	
Helen Hyde	
Sonya Chowdhury	Resigned 30 September 2024
Helen Dean (Cope)	Appointed 1 September 2024, resigned 26 September 2024
Aileen Evans	Appointed 17 February 2025

Executive Directors

Victor da Cunha
Simon Gibbs

Executive Officers

Victor da Cunha	Group Chief Executive
Simon Gibbs	Chief Finance Officer
Paul Harris	Chief Customer Officer
Julie Evans	Chief Property Officer
Jane Smith	Chief People Officer
Katherine Gullon	Chief Governance Officer

Secretary

Victor da Cunha	Resigned 1 March 2025
Katherine Gullon	Appointed 1 March 2025

Board, Executive Officers and Advisors (continued)

Registered Office	The Maltings River Place Lower Bristol Road Bath BA2 1EP Tel: 01225 366000
Group Members	Curo Group (Albion) Ltd. Curo Places Ltd. Curo Choice Ltd. Curo Enterprise Ltd. Curo Market Rented Services Ltd. Mulberry Park Community Benefit Society Curo Finance Ltd.
Solicitors	Anthony Collins Solicitors LLP Devonshires Solicitors LLP
Bankers	Barclays Bank plc Lloyds Banking Group plc Santander UK plc M&G Investment Management Limited Orchardbrook Limited Massachusetts Mutual Life Insurance Company Scottish Widows Limited
Independent Auditors	BDO LLP 55 Baker Street London W1U 7EU

Curo Group (Albion) Limited is a community benefit society registered under the Co-operative and Community Benefit Society Act 2014. It is registered with the Financial Conduct Authority (reference 7945).

Report of the Board

The Board presents its report and audited consolidated financial statements of the Curo Group (Albion) Ltd. (the 'Group') and its subsidiary undertakings, for the year ended 31 March 2025.

Principal activities

Curo is a housing association and housebuilding organisation based in Bath, providing affordable homes and support services across the West of England. We manage over 14,000 homes for more than 25,000 people and plan to build over 900 new social homes over the next five years and deliver nearly 600 private market sales over the same time period.

The group is a social enterprise, we do not pay dividends to shareholders. We reinvest surpluses from our commercial house building and lettings businesses into our core social purpose. Our main activities are as follows:

- Long term rented housing for people who are unable to afford to rent or buy on the open market.
- Low cost home ownership homes.
- Sheltered and supported housing for those who need additional support.
- Building homes for sale.

Business review and future developments

Details of the Group's performance for the year and factors likely to affect its future development are contained within the Strategic Report.

The Board

The Group is led by the Combined Board (the Boards of Curo Group (Albion) Limited, Curo Places Limited and Curo Choice Limited) that enables efficient decision making across the Group.

Legal Entity/ Board Composition	Social Business			
	Curo Group (Albion) Ltd	Curo Places Ltd	Curo Choice Ltd	Combined Board
Core Board Directors (NED)	9	9	9	9
Board Directors (Executive)	2	2	2	2
Total Directors	11	11	11	11

There are four further companies within the Group that are governed outside of the Combined Board. The Board structures for these companies are as follows:

Legal Entity/ Board Composition	Curo Enterprise Ltd	Curo Market Rented Services Ltd	Mulberry Park Community Benefit Society	Curo Finance Limited
Non-Executive Directors	3	-	-	-
Executive Directors	2	2	3	2
Total Directors	5	2	3	2

The Combined Board operates a robust succession plan to ensure that continuity of experience is balanced against the maximum tenures for Board Directors stipulated in our Code of Governance.

Regulatory Framework

The Group is regulated by the Regulator of Social Housing (RSH). It has to comply with the regulatory standards framework set by the RSH. The framework retains at its core the principle of co-regulation. Boards are responsible for the effective performance of their organisations, compliance with the standards and being transparent and accountable to stakeholders.

The RSH framework retains seven standards set out in two primary areas; Economic and Consumer. For the reporting period, these were as follows:

Economic
- Governance and financial viability
- Value for money (VFM)
- Rent

Consumer
- Tenant involvement and empowerment
- Home
- Tenancy
- Neighbourhood and community

Curo operates a robust regulatory compliance framework, and each year completes a self-assessment of regulatory compliance, which is considered (with appropriate evidence) by both the Combined Board and its Audit and Assurance Committee. During the reporting period, this was supplemented by more detailed consideration of the Consumer Standards, facilitated by an external consultant. The Combined Board considered the self-assessment in July 2025 and noted that it demonstrated compliance in respect of the regulatory standards for 2024/25.

During this reporting period, following an annual stability check, the Regulator of Social Housing awarded Curo the ratings of G1 for Governance and V2 for Viability. The Regulator also inspected Curo during the reporting period as part of their programme of periodic regulatory inspections. At the time of publication, the outcome of the inspection was awaited.

National Housing Federation (NHF) Code of Governance

For the relevant period, Curo Group (Albion) Ltd, Curo Places Ltd and Curo Choice Ltd have adopted the National Housing Federation's Code of Governance 2020, which promotes excellence for Federation members in governing their organisations and being accountable, independent and diverse. The Combined Board (and the Audit and Assurance Committee) conducted a review of these entities' performance against this Code in July 2025 and can demonstrate compliance.

Delegation

The Combined Board is responsible for strategy for the Group as well as overseeing its performance. Specific responsibilities have been delegated to committees, which have their own approved terms of reference. Day-to-day performance is delegated to the Executive Team. The major committees supporting the Combined Board and governance arrangements during the year were:

Audit and Assurance Committee – responsible for overseeing internal and external audit, the effectiveness of internal controls and the risk management framework.

Remuneration and Nominations Committee – responsible for determining matters relating to the employment, pay and benefits for Executives and Board Directors, the recruitment and succession planning for all Board and Committee Members and for making recommendations on governance matters to the Combined Board.

Customer Experience Committee - responsible for overseeing customer-related matters (including risk) and providing assurance to the Combined Board that Curo complies with the Consumer Standards and otherwise is taking appropriate account of customers' views and experience.

Statement of Board's responsibilities

Company Directors are responsible for preparing the Group Strategic Report and the financial statements in accordance with applicable law and regulations.

Curo's Combined Board of Directors have prepared the Group and parent company financial statements in accordance with UK law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Directors have a legal obligation to only approve the financial statements where they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Company Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Group's Board Directors who served during the year and up to the date of signing the financial statements are listed on page 1.

Report of the Board on Internal Control

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

The internal control framework is designed to manage and reduce, rather than eliminate, the risk of failing to achieve business objectives. It can only provide the Board with reasonable, and not absolute, assurance against material mis-statement or loss.

The key features of Curo's system of internal control include:

- An established management structure operating across the Group, with clearly defined levels of responsibility.
- Delegated authorities as outlined in the Standing Orders.
- Terms of Reference.
- Financial Regulations.
- Regulator reporting and scrutiny of performance.

This is supported by established additional policies, which are designed to provide effective internal control and achieve effective corporate governance. The policies include Group-wide policies on Fraud, Health and Safety, Code of Conduct, Gifts and Hospitality, Procurement, Equality, Diversity and Inclusion, Public Interest Disclosures ("Whistle Blowing") and Data

Protection together with policies covering all aspects of Employment Law and operational policies.

Board and Committee assurance – the Audit and Assurance Committee meets regularly with the internal and external auditors, as well as members of the Executive, to review specific reporting and internal control matters, and to satisfy themselves that the internal control systems are operating effectively. Members of the committee meet with the internal and external auditors (without Executives present) at least twice a year in order to assure themselves independently about Curo's control environment. The Audit and Assurance Committee reviews Curo's risk profile (including Operational and Strategic Risks) at every meeting, and considers the findings of all internal audits. The Audit and Assurance Committee also reviews the progress of actions identified though internal audit. All Board members receive the minutes of all Audit and Assurance Committee meetings. The Customer Experience Committee provides additional assurance regarding customer-related risk and compliance matters, and the Remuneration and Nominations Committee provides additional assurance regarding the effectiveness of Curo's governance arrangements.

Internal audit assurance – the Group's internal audit function is managed through the governance team and delivered by independent auditors, KPMG. The internal audit programme is designed to review key areas of risk and adherence to relevant law and is approved each year by the Audit and Assurance Committee.

External audit assurance – the work of the external auditors provides further independent assurance of the internal control environment, as described in their audit report. The Group also receives a letter from the external auditors identifying any internal control weaknesses. In accordance with best practice guidance, the Audit and Assurance Committee and the Board consider this letter before approving the Annual Report and Financial Statements.

Annual Assurance statements – each year colleagues with key accountabilities across the business provide assurance to the Combined Board as to systems of internal control. This process involves Service Directors reviewing and confirming to the Executive Directors (and ultimately to the Chief Executive) that throughout the year there were adequate systems of internal control in place and providing assurance in respect of legal and regulatory compliance.

The Chief Executive then provides his assurance to the Audit and Assurance Committee whose Chair then provides a report for the Combined Board. Any discrepancies or areas of concern are then reported to the Audit and Assurance Committee and the Combined Board.

Information and financial reporting systems

Financial reporting procedures include the setting of an annual budget and management accounts reporting to Management Teams and the Executive Team on a monthly basis and on a quarterly basis to the Board. Long-term Strategic Financial Plans are reviewed and approved by the Board and revised during the year if necessary. There is a fully inclusive approach with Board and colleagues in terms of updating the Business Plan and associated Financial Plan. The Board agrees key performance indicators and targets for each year, and reviews them on a quarterly basis to assess progress towards the achievement of key business objectives, targets and outcomes. Performance against those key performance indicators, including the Tenant Satisfaction Measures, is benchmarked nationally.

Our risk management approach

Risk is inherent to the environment in which we work, particularly given the fast pace of change politically and economically. The operating environment for social housing providers, which is shaped by government policy, remains challenging particularly in light of the ongoing challenge to invest more in the quality of our homes, political uncertainty and the rise in costs of living.

At Curo, our aim is to identify and then manage risks so that they can be understood, reduced, mitigated, transferred or terminated. This requires a proactive approach to risk management and an effective organisation-wide risk management framework. In response we have adopted a dynamic system of risk management, ensuring that it is the responsibility of everyone in the organisation to manage risks and be aware of all strategic risks that Curo is exposed to.

We have defined risk as "uncertain events that could influence the achievement of our strategic, operational and financial objectives", noting that an event may be positive, negative or a deviation on what was expected. We have also redefined our method of assessing risk, both in terms of probability, considering the timescales relating to risk and in respect of impact, tailoring this to specific areas of the business. We maintain a strategic risk register, as well as operational risk registers which feed into the strategic risk register as required.

We have developed and improved our approach to risk appetite in recent years, defining it as "the organisation's willingness to take risk in pursuit of strategic objectives and the extent and categories of risk, which it regards as acceptable for the company to bear". We are only willing to accept the level of risk that fits our strategy, that's in line with our values and can be understood and managed. The Combined Board reviews our risk appetite formally at least once a year to ensure that it is fit for purpose. Our approach to risk management is kept under review by the Audit and Assurance Committee, to ensure continuous improvement.

The Regulator of Social Housing has given the organisation a G1 rating for Governance, the highest level available.

Directors' indemnity statement

All Board directors, committee members and colleagues of the Group are provided with Directors and Officers Liability insurance to protect them from claims made against them in their capacity as representatives of the organisation. During the year to 31 March 2025 this was provided by AXA Insurance UK Plc.

Colleagues

Curo aims to be an excellent employer, recruiting, developing and rewarding high quality colleagues. Communication is key and Curo keeps colleagues informed on matters affecting them and on the business of the Group as a whole so that their views can be taken into account when making decisions that are likely to affect their interests. This is done in a number of ways including Executive Briefings, departmental meetings, informal briefings, through a number of special interest groups and an intranet site.

The Group is committed to creating a culture of belonging and inclusion throughout the organisation and has regard to its obligations under the Equality Act 2010, and colleagues are given training and support to conduct their duties effectively and within Curo's values, expected behaviours and systems of control.

Residents

The Group actively seeks and encourages residents' participation, and is committed to ensuring that residents have the opportunity to shape and scrutinise our performance and the delivery of our services. During this reporting period, residents have helped to shape our thinking on important topics such as our repairs and estates services, complaints and the role of customers in our governance arrangements. We continue to evolve and improve our approach to resident involvement, engagement and scrutiny and to have regard to the Regulator of Social Housing's Tenant Involvement and Empowerment Standard.

Our residents scrutinise our performance in a variety of ways, including through detailed scrutiny reports commissioned by the Customer Experience Committee. Our Board meets formally with residents at least biannually through 'Board Connect' events to hear their views on the Group's performance and priorities.

Health & safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies and procedures and provides colleague training and education on health and safety matters.

Equal opportunities

The Group is committed to equality, diversity and inclusion. It is our policy to promote an environment free from discrimination, harassment and victimisation, where everyone will receive equal treatment regardless of age, gender, sex, gender reassignment, colour, pregnancy and maternity, ethnic or national origins, disability, hours of work, nationality, religion or belief, marital or civil partner status, disfigurement, political opinions or sexual orientation.

Equality, diversity and inclusion is embedded across all aspects of Curo. The group is responsive to the needs of its colleagues, residents and the community at large and we are an organisation, which uses everyone's talents and abilities and where diversity is valued.
We believe that our colleagues are essential in delivering our strategy and achieving more for our customers, and so we create a culture where colleagues feel they belong and are valued. All decisions relating to employment practices will be objective, free from bias and based solely upon work criteria and individual merit.

Going concern

The Financial Plan includes a range of assumptions including property construction, house prices and sales activity, increases to social rents, bad debts, repairs and investment in our homes.

In addition to this base case Financial Plan, we modelled the financial impact of a more extreme case in the form of a "perfect storm". We have a mitigation plan in place in order to ensure that we will not break any loan covenants or any of our Financial Rules in the event of a perfect storm. The Financial Rules are internal parameters for us to operate within which encapsulate the Board's appetite for risk and are used to measure performance which is reported regularly to the Board.

The conclusion from the financial modelling and stress testing was that neither the base case, or extreme case stress tests will break our loan covenants or Financial Rules at any point in the foreseeable future.

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

Statement of compliance

In presenting the Strategic Report, the Board has endeavoured to follow the principles regarding purpose, audience, time-frame, reliability, comparability and financial and non-financial measures as set out in the Statement of Recommended Practice for Accounting by Registered Social Landlords 2018.

Annual General Meeting

The Annual General Meeting will be held on 22 September 2025.

Disclosure of information to auditors

At the date of making this report each of the Group's Board directors, as set out on page 1, confirm the following:

- So far as each Board director is aware, there is no relevant information needed by the group's auditors in connection with preparing their report of which the Group's auditors are unaware.
- Each Board director has taken all the steps that they ought to have taken as a Board director in order to make themselves aware of any relevant information needed by the Group's auditors in connection with preparing their report and to establish that the Group's auditors are aware of that information.

Independent auditors

BDO LLP has indicated its willingness to continue in office and a resolution to note re-appointment for the coming year is proposed at the Annual General Meeting.

The Report of the Board was approved by Board on 21 July 2025 and signed on its behalf by:

Jane Tabor	Katherine Gullon	Michael Petter
....	....	....
Jane Tabor	Katherine Gullon	Mike Petter
Chair	Secretary	Board Director

Group Strategic Report for the year ended 31 March 2025

Group Structure

Our group structure includes the following legal entities:

Curo Group (Albion) Limited: is the ultimate parent and provides strategic, management and support services to the rest of the Group. Curo Group (Albion) Limited is a charitable Community Benefit Society registered with the Financial Conduct Authority and a Registered Provider of Social Housing.

Curo Places Limited is our core landlord business, managing social homes, prodominantly in the South West of England region. Curo Places Ltd is a charitable Community Benefit Society registered with the Financial Conduct Authority and a Registered Provider of Social Housing.

Curo Choice Limited is a specialist housing and support business, which provides services to both residents and non-residents to enable them to live independently. Curo Choice Ltd is a charitable Community Benefit Society registered with the Financial Conduct Authority.

Curo Enterprise Limited is a housebuilding company, generating income and delivering additional affordable housing to our core business. Curo Enterprise Ltd is a company limited by shares. All the shares are owned by Curo Places Limited.

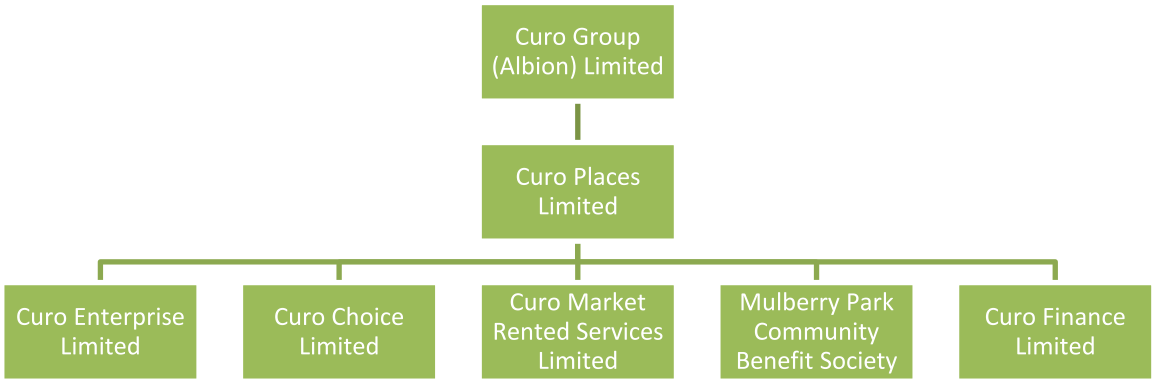
Curo Market Rented Services Limited is a private market rented company which provides much needed rented housing mainly in Bath City and generates income to support our core business. Curo Market Rented Services is a company limited by shares. All the shares are owned by Curo Places Limited.

Mulberry Park Community Benefit Society was established for the benefits of the community around Mulberry Park in Bath and provides community services and estate management services for recreational and community purposes. It is a charitable Community Benefit Society registered with the Financial Conduct Authority.

Curo Finance Limited was established in order to act as the main contractor under development agreements with Curo Places Limited. It is a company limited by shares.

Group Structure

The current group structure is summarised below:



Strategic priorities

In April 2024 we launched our new strategic plan and vision, that by 2034 'Everyone feels proud of the quality of our homes'. This is a statement we designed with the support of our colleagues and customers. More than 1,500 contributions were reviewed and distilled for us to create the vision, which will be our guiding light over the next ten years.

We'll make our vision come to life through the following five strategic objectives:

- Quality Homes
- Purposeful Culture
- Trusted Customer Services
- Collaboration and Growth
- Solid Foundations

Review of the Year

The 2024/25 year marked the beginning of our new Strategic Plan, with a strong initial emphasis on laying solid foundations. The key focus area during the year were:

Strategic Objective 1: Quality Homes aims to ensure all Curo homes are well looked after, energy efficient, meet modern day standards and inspire pride.

Stabilisation Plan: our initial focus during the year was to address the high level of repairs and maintenance work in progress by reducing backlogs and simultaneously increasing productivity. The increase in productivity was essential to make this a sustainable model where future backlogs won't grow based on existing levels of demand.

The creation of the Stabilisation Plan with clear deliverables and accountability, measurable KPIs and agreed additional investment enabled us to effectively mitigate this risk during the year.

Key achievements included:

- increasing the average output per repairs operative per day from 2.4 jobs to 4.8 jobs.
- reducing the responsive repairs work in progress levels from over 4,000 jobs to 2,219 as at 31st March 2025.
- completing a full re-tender of all specialist works repairs, introducing five new contractors with enhanced contractual controls and ringfenced capacity.
- insourcing of damp and mould works to better enable future compliance with Awaab's Law.
- insourcing of groundworks and roofing repairs to reduce our average cost per job and improve turnaround times.
- increasing colleague engagement from our trades colleagues, measured through the independent B-Heard survey.

Repairs Review: we have focused this year on connecting with our customers and improving the services they receive; this included a focus on day-to-day repairs and specialist works. We have actively engaged with customers acting on the 26 improvement recommendations identified by our Resident Scrutiny Report. We have also held face-to-face sessions with customers and connected with over 300 customers digitally on our future customer experience maps.

Asset Strategy: a key aim of all social housing landlords is to alleviate housing need through the provision of quality, long term, affordable housing for people who are unable to access the private rented market or home ownership. The housing solutions offered help to create stable environments for residents to feel safe and can often be the springboards for successful lives. Curo's purpose, 'Homes for Good' perfectly reflects this aim and underscores the importance of its physical property portfolio to achieving this.

During the year we prepared the Asset Management Strategy 2025-2030 which sets out our framework for investing in and future-proofing our property portfolio to meet the needs and aspirations of customers not just now but into the future; ensuring we have good quality, sought after homes of the right mix, in the right locations at the right price.

During the year we have secured grant funding of £5m from the Government's Warm Homes scheme, enabling us to support upgrades to over 1,000 homes over the next three year, making them warmer and more energy efficient.

Strategic Objective 2: Purposeful Culture aims to create a high-performing and engaged organisation which attracts, develops and retains diverse, talented people.

Building the foundations: the initial focus on purposeful culture has been putting in place the foundations. This has been progressed through the appointment to managerial positions (Chief

People Officer, Director of Human Resources and Director of Organisational Development). We have developed a new Inclusion and Belonging strategy with a roadmap laid out for the future.

We have now rolled out, and are in the process of fully embedding, our ’How we get things done’ approach to performance management ensuring that all colleagues feel connected to the delivery of our vision and strategy as well as focusing on future development plans and potential career progression paths.

Colleague engagement at Curo remained very strong during the year with a notable step change in satisfaction levels from our trades colleagues following a range of initiatives to listen and act on their ideas.

Overall levels of engagement increased during the year and we were delighted to be ranked again by Best Companies as a 2-star organisation, meaning our colleagues rates us as an 'outstanding' place to work, further reinforced by our Gold accreditation from Investors in People.

Leadership Training: enhancing leadership skills and behaviours is crucial to successfully achieving our vision. During the year we have been developing a comprehensive Leadership Development Programme that will be rolled out during 2025/26 focusing on key areas including; leadership behaviours, giving and receiving feedback, professional knowledge, outside in thinking and business knowledge.

Strategic Objective 3: Trusted Customer Services aims to deliver high-quality, reliable services that meet the needs of our customers and communities.

Customer Experience Strategy: has been developed setting out the five priority areas we believe will be fundamental to generating trust with our customers and delivering our promises consistently. This is supported by several sub strategies; Housing Management, Resident Engagement Strategy and Community Strategy. All of these strategies have been written following engagement with customers, colleagues and other stakeholders putting us in a strong position to commence the delivery during the coming year.

Tenant Satisfaction Measures (TSMs) are a set of defined measures used by landlords to assess and report on their performance. These measures have been implemented by the Regulator of Social Housing to help tenants see how well their landlord is performing and hold them accountable. They also provide the Regulator and all housing associations with data to identify areas where landlords need to improve.

TSMs cover a range of areas, including keeping properties in good repair, maintaining building safety, respectful engagement, effective complaint handling and responsible neighbourhood management.

The TSMs have provided Curo with useful data and feedback from our customers on these core areas. In addition to tracking our performance every three months, we have also identified the six most important areas for us to focus on – these are the areas where we are either slightly weaker than the sector as a whole, or where we believe the biggest improvements can be made.

Launch of new complaints approach: one key learning from the TSM feedback was the customers were dissatisfied with our historic approach to complaints handling. During the year we have piloted a new process that is more straightforward for customers and increases accountability by making operational managers at the source of the complaint responsible for finding a resolution. The pilot has been successful increasing the speed of resolution and most importantly ensuring we learn and not repeat mistakes.

Resident engagement: we remain committed to actively seeking and encouraging resident involvement and participation in shaping and scrutinising the delivery of our services. We do this through multiple ways including Board Connect, Customer Oversight Group, Voicebox, ’Big Get Together’ annual event as well as a range of other engagement groups.

During the year we have created a Customer Experience Committee. The primary purpose of the Committee is to listen to and act upon customer feedback, ensuring that Curo services are fair, consistent, transparent, valued, and flexible. This board plays a key role in shaping services, ensuring they are aligned with customer needs and expectations.

Management of arrears: cost of living increases have continued to have an adverse impact on customers ability to pay their rent. Rent charges for our general needs customers increased during the year by 7.7% linked to the methodology defined by the Government formula, clearly representing a significant challenge to many customers.

Curo's Money Advice Service continues to provide high quality support for residents, and offers a range of advice about money management achieving a 78% engagement rate, which compares very favourably with other free debt advice agencies. Our team helps with managing debt, accessing the correct benefits and applying for grants and charity funding, helping customers to take back control of their finances. The average amount each customer sees money back in their pockets through using the service is £4,198.

During the year we provided £162,000 of additional support through our Customer Support Fund which provides practical support for customers in financial difficulty.

Our 'collecting with care' approach remains highly valued by our customers and is effective. This was evidenced through customer satisfaction levels with the service at 92%, coupled with bad debts below 0.1% of total rental income, which is top quartile performance when compared to peers in the sector.

Strategic Objective 4: Collaboration & Growth aims to build new homes and work with others to maximise social value and commercial revenues.

Building high quality new homes: during the year we acquired 122 new social homes which was 50 less than originally planned due primarily to construction delays at a small number of sites. These will be now handed over in the early part of 2025/26.

We have also agreed to deliver a further 916 affordable homes over the next five years. The affordable homes are delivered through a combination of our Strategic Partnership with Homes England, our own housebuilding company and acquisition from other property developers.

In addition to these affordable homes, we completed 106 new market sale homes and began work on a further programme of 595 market sales homes over the next five years which will be delivered by our own housebuilding company, Curo Enterprise.

Housing Mission Delivery Board (HMDB) during the year, Curo were asked to lead Bath and North East Somerset's HMDB, which was set up to support the councils new economic strategy and in particular, deliver more affordable housing in the district. In July, we organised the first Housing Summit which brought together all key stakeholders to discuss how we might solve the local housing crisis. Following this successful summit we established, in partnership with the Council the delivery structure, including representatives from across the entire housing landscape.

The inaugural workshop focused on developing a shared ambition and strategic approach to address the housing crisis. Participants actively discussed organisational development and collaborative efforts. Ongoing involvement in the HMDB will be a positive way of working with partners to develop solutions to some of the housing crisis in partnership with the Regional Mayor.

Social return on investment: measures the value of social, environmental and economic benefits generated by a project or initiative. We do this through a range of services, from employment support to social prescribing and hospital step down services. Collectively, these services saved the public purse £60m during the year, ahead of target and an increase of £20m on the previous year.

Strategic Objective 5: Solid Foundations aims to build an effective, sustainable and innovative organisation with strong business services that support continuous improvement.

Digital workplace: a top priority during the year has been to improve colleagues ability to work and collaborate effectively through technology. During the year all colleagues have received new hardware and we have transitioned to Teams to enable colleagues to collaborate more efficiently.

Technololgy plays an important part of our new strategic plan and vision, so our next phase of development will include embedding the new ways of working and optimising the use of the collaborative tools that we now have in place.

Governance and financial viability: the Regulator of Social Housing (RSH) publishes assessments on housing associations, setting out whether the provider is complying with the relevant governance and financial viability standards. We are proud to currently hold the highest possible 'G1' rating for Governance and like the majority of all other Housing Associations we are graded to 'V2' for our financial viability. This V2 grading reflects the increased risk in our sector as a result of caps on social rents, greater planned investment in our existing homes and greater operating headwinds.

During the spring of 2025, the RSH commenced its periodic inspection of Curo to assess our compliance with regulatory standards. These inspections typically take place every 4 years. The outcome of this inspection will not be known until later this year.

<u>Financial performance:</u> in the year was impacted by the following 3 major actions:

First, in order to increase our financial capacity we made the decision to restructure our loans during the year. This was successfully completed and implemented before 31 March 2025.

Second, we took the opportunity to reduce our exposure to future adverse movements in the property market by writing down the value of our housing building division (Curo Enterprise Ltd) by £15.3m.

Third, we decided to reduce our future risks relating to volatile financial markets by exiting the SHPS pension fund. This resulted in a loss of £1m in the year, but has removed Curo's final remaining defined benefit pension liability.

In-year, these decisions turned a surplus on a like-for-like basis of £9.8m into a reported deficit of £6.5m. However, although these one-off write offs have had a detrimental impact on the financial performance reported this particular year, they reduce the financial risk to Curo and give us additional capacity over multiple future years.

Underlying financial performance during the year, measured through the Regulators Value for Money metrics and excluding these one-off adjustments places us in quartile 2 or 3 for eight of the nine metrics with one further measure in quartile 1 and none in quartile 4.

Principal risks

The Group has in place a risk management strategy and framework, which provides a guide for Board directors and colleagues on the Group's approach to risk management.

The principal risks and opportunities which may affect our business and the future performance of the Group are set out below.

Risk	Comment and Curo Response
1. Government Policy	Successive governments in recent years have introduced new legislative and regulatory requirements to the housing sector. This includes new consumer regulation, building safety obligations (including in respect of fire safety and damp and mould), and expectations of our colleagues. Some of these requirements are announced without full details being released, affecting our ability to plan for them effectively. Government policy also dictates the amount of rent that we can charge the majority of our customers. Curo mitigates this risk by: • Applying prudent financial assumptions in our financial plans and putting in place detailed mitigation plans with all potential mitigations firmly within Curo's control. The Combined Board has agreed clear risk triggers to activate consideration of the mitigation plan. • Robustly stress testing our financial plans to understand the impact of various (and multi-variant) possible policy scenarios. • Maintaining Financial Rules (set by the Combined Board) as 'tramlines' within which the Group should operate.

	• Regular horizon-scanning by the Board and Executive regarding policy headwinds, seeking to understand their scale and impact on Curo and to plan accordingly. • Seeking to influence national and local government policy, collaborating with key partners to ensure the importance of, and challenges faced by, the housing sector is understood and considered.
2. Cyber Security	A cyber security incident could have a profound impact on Curo, our services and/or our customers. Such an event would also be likely to impact our regulatory position and damage our reputation. We mitigate this risk by investing in IT security and infrastructure; providing cyber security training to colleagues; and implementing robust technical controls and regular testing.
3. Property Sales	The Group sells a range of homes, including private homes on the open market (through Curo Enterprise Limited) and shared ownership homes (through Curo Places Limited) and as such is exposed to the sales market and its associated risks. We manage this risk by: • Maintaining robust financial planning, stress-testing and monitoring (including against agreed risk indicators) and establishing a robust mitigation plan as noted above. • Regular horizon-scanning of market conditions by the Board and Executive. • Maintaining robust Executive and Board governance around development and sales. • Ensuring that we develop high-quality and desirable homes and schemes.

Emerging risks

We scan the horizon for any new or emerging risks that may have a positive or detrimental impact on the business or our residents, including reviewing lessons learnt from the Social Housing Regulator's Sector Risk Profile and Regulatory Judgements. The Combined Board considers its risk appetite at least annually.

Financial Review

Financial performance for the last three years is as follows (£m).

Statement of Comprehensive Income	2025	2024	2023
Turnover	151.3	142.7	141.7
Operating costs and cost of sales	(130.2)	(117.2)	(114.9)
Surplus on sale of assets	3.6	3.2	2.9
Impairment of stock for sale	(15.3)	-	-
Pension settlement (charges)/credit	(1.0)	-	2.6
Operating surplus	8.4	28.7	32.3
Net interest charge and other financing costs	(15.3)	(14.0)	(9.1)
Fair value in investment properties	0.4	(1.1)	0.7
Corporation tax	-	-	-
Net (deficit) / surplus for the year	(6.5)	13.6	23.9
Statement of Financial Position	**2025**	**2024**	**2023**
Housing properties at cost less depreciation	714.4	679.5	641.0
Investment properties at valuation	18.4	18.1	16.2
Other tangible fixed assets	3.6	3.3	3.6
Fixed assets	736.4	700.9	660.8
Net current assets	25.7	69.2	71.2

Creditors due after one year & provisions for liabilities	(490.4)	(492.8)	(467.1)
Net Assets	271.7	277.3	264.9
Revenue reserve	274.2	280.8	267.3
Cash flow hedge reserve	(2.5)	(3.5)	(2.4)
Total Reserves	271.7	277.3	264.9

The main accounting policies of the Group are set out on pages 33 to 41 of the financial statements.

Financial Risk Management

From a financial risk perspective, Curo apply five Financial Rules. These rules are internal parameters for us to operate within and are agreed with and reported regularly to the Board. The five Financial Rules are operating margin (social lettings), interest cover, investment in Curo Enterprise, the proportion of turnover derived from private house sales and a forward-looking funding metric which measures the length of time where sufficient funding facilities are in place against committed expenditure.

We were fully compliant with four of our five Financial Rules during the year but fell short of our Social Lettings Operating Margin target of 23%. The variation to the Financial Rule was a conscious decision made during the year in order to spend more than originally planned to address the growing backlog of outstanding repairs.

Statement of Comprehensive Income

Turnover for the year totalled £151m a £8.7m (6%) increase on the previous year.

Operating surplus totalled £8.4m, a £20.3m reduction on the previous year. The reduction in operating surplus is primarily due to the £15.3m impairment of Curo Enterprise's (our house building subsidiary) stock held for sale coupled with one-off pension charges following our exit from the Social Housing Pension Scheme, our final remaining defined benefit pension liability.

Reserves

As a result of the activities described above, we are reporting a net deficit for the year totalling £6.5m (2024: surplus of £13.6m), reducing our revenue reserves to £274.2m as at 31 March 2025 (2024: £280.8m). We will invest this in delivery of new homes, maintaining and improving our existing homes and improving our services to residents.

Statement of Financial Position

Some key Statement of Financial Position facts as at 31 March 2025 are:

- Housing properties depreciated cost £714m (an increase of £35m in the year).
- Homes in management now total 14,304 (2024: 14,215)
- Net current assets totalled £26m (2024: £69m)

Cash flow

Cash flows for the year are set out in the cash flow statement on page 32.

During the year cash balances reduced by £2m to £10m. Key highlights include:

- Net cash inflow from operating activities of £53m (2024: £3.1m), a decrease in working capital from reduced stock holding
- During the year £48m (2024: £52m) of investment was made in new and existing social homes.
- Cash outflow of £30m (2024: cash inflow of £16m) from the net repayment of loans plus payments made to cover interest charges.

Capital structure and treasury strategy

The Group has a formal treasury management strategy, which is regularly reviewed. The purpose of the policy is to ensure that we have sufficient funding for the medium term and to establish the framework within which the Group seeks to protect and control risk and exposure in respect of its borrowings and cash holdings. The treasury strategy addresses funding and liquidity risk and covenant compliance.

The Group has one active borrower, Curo Places Ltd, which borrows on bilateral bonds, bilateral and syndicated loan agreements.

Borrowing and arranged facilities, as at 31 March 2025, can be summarised as follows:

	Arranged £m	**Drawn £m**
Curo Places	506.2	366.2

During the year the syndicated loan facility was amended to a new loan covenant, the duration of the loan was shortened and the borrower changed from Curo Group (Albion) to Curo Places. An interest waiver for the year was also negotiated for the syndicated facility to exclude loan impairment and pension buyout costs for the Curo Places loan covenant.

At 31 March 2025, the Group had £140m (2024: £240.0m) of arranged facilities that were not drawn. Cash held or on deposit at the year-end totalled £10.4m (2024: £12.3m), leaving net debt of £355.8m (2024: £366.6m).

The weighted average period for drawn fixed debt is 17 years 7 months (2024: 18 years 9 months). Approximately £53.2m of existing drawn loans are due to be repaid in the next five years. The weighted average cost of debt, inclusive of margins and hedging activities, as at 31 March 2025 was 4.4% (2024: 4.3%).

There are four intercompany loan arrangements currently in place, all facilities are repayable on demand;

- £25m loan facility between Curo Places Ltd (lender) and Curo Enterprise Ltd (borrower);
- £35m loan facility between Curo Places Ltd (lender) and Curo Market Rented Services Ltd (borrower); and
- £1.1m loan facilities between Curo Places Ltd (lender) and Mulberry Park Community Benefit Society (borrower).
- £1m loan facilities between Curo Places Ltd (lender) and Curo Finance Limited (borrower).

Current liquidity

The Group holds a minimum cash holding of £5 million, which is placed on instant access deposits to ensure short term liquidity. These deposits are spread over a number of banks which meet our investment criteria in respect of creditworthiness and approved limits.

Interest rate management

The Group has actively managed its loan portfolio, seeking to take advantage of low long-term interest rates. In this way the Group can achieve certainty in terms of interest rate cost but in the short term can still borrow at the very low variable rates currently on offer.

As at 31 March 2025, the percentage of fixed and variable rate loans was as follows, fixed 87% (2024: 86%) variable 13% (2024: 14%).

Loan covenant compliance

Loan covenants are primarily determined by interest cover and asset cover, based on social housing values. Both financial and non-financial covenants are monitored regularly and were met throughout the year and at the year end for all loan facilities.

Investment for the future

The Group is committed to spending approximately £50m annually over each of the next five years to maintain and improve its existing housing stock. It plans to maintain a balance of 35:65 in spreading this expenditure between day to day responsive repairs and planned works.

Environmental, social and governance reporting (ESG)

Annually the Group prepares an ESG report. The latest update for this financial year will be available on our company website from October 2025.

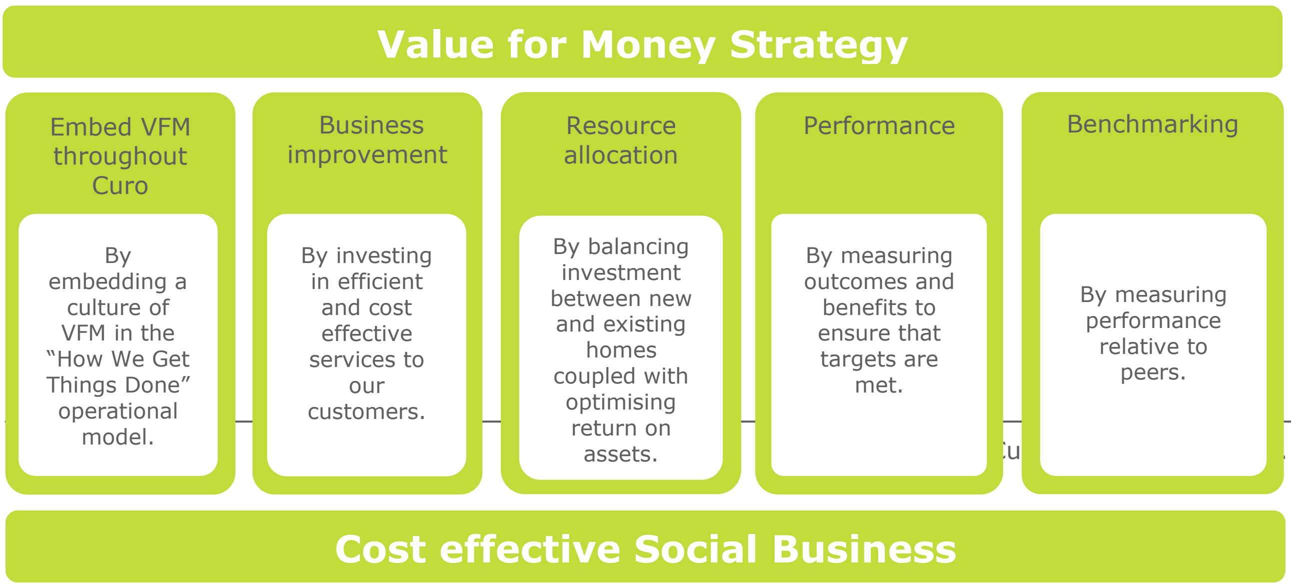
Value for Money - Strategy

Curo's VFM strategy plays an integral part of how it delivers the strategic priorities set out in the Strategic Plan. The Group is committed to delivering its strategic priorities whilst also driving value for money for the benefit of our customers and other stakeholders alike.

We have the following strategic priorities, all of which have associated strategic goals that focus on delivering VfM:

Strategic Priorities	Key VfM goals
1. Quality Homes	To invest in our homes and shared spaces to ensure they are well looked after, energy efficient, meet modern day standards and inspire pride. To understand the future financial return on our assets and actively manage this to optimise VfM for our customers.
2. Purposeful Culture	To create a high-performing and engaged organisation which is always looking to operate in the most effective way for the benefit of customers.
3. Trusted Customer Services	To provide services our customers need, optimising the service standard to provide VfM and acting on customer feedback to improve efficiency and effectiveness.
4. Collaboration and Growth	To continue to innovate, working with a range of strategic partners to build more new homes each year, deliver services our customers truly value and optimise the financial returns on our commercial activities to reinvest in our social purpose.
5. Solid Foundations	To continue to operate using sound financial, governance and data led practices, maintaining our strong regulatory rating, and investing in our colleagues and technology to drive VfM.

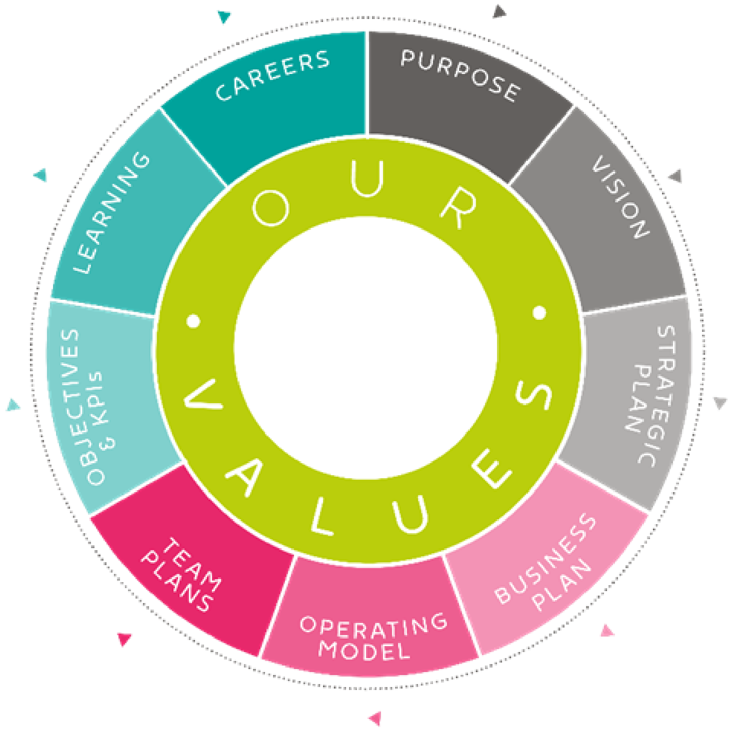
Our VfM strategy combines 5 activities which, collectively ensure that we run a cost-effective social enterprise business by defining targets, setting plans to achieve these targets, and measuring how we perform against those targets.



Embed VfM throughout Curo

The principal aim of VfM is to ensure that the delivery of the Strategic Plan is carried out with optimum efficiency within the resources available to Curo. Each year, during the financial planning cycle, the Board consider allocation of resources and the impact that has on delivering the Strategic Plan and our VfM metrics. The Board therefore are conscious at all times of the impact of strategic decisions on VfM metrics.

Once resource allocation is agreed at a strategic level, accountability and responsibility for cost and quality outcomes are translated into operational targets through budgets, team plans and individual performance objectives, which is depicted in our "How We Get Things Done" model:



Business improvement

Our Strategic Plan contains investment plans for improved IT, people, and data services, which will improve the equipment, systems, capability and information required for our colleagues to deliver improved services for our customers.

Resource allocation

The Board take investment decisions considering the impact on the Strategic Goals and VfM metrics. Our development and asset management strategies seek to optimise our return on assets. Decisions are taken based on both financial and qualitative analysis of our existing homes at a variety of levels (unit, block, estate, and business stream) to identify any outliers that require further investigation or intervention.

Performance

Curo uses a set of Key Performance Indicators to measure performance targets against our Strategic Goals, which aligns targets to customer, financial, growth, colleague, and asset & safety delivery aspirations. Performance is reported and discussed with the Board regularly. The performance culture with colleagues at Curo is strong with clear accountability, transparency, and a collective drive to achieve stretch targets.

Benchmarking

Benchmarking is a key part of delivering VfM within Curo whilst bearing in mind the relative differences in size, business model and composition of stock. Curo is a member of a benchmarking club where we share operational and financial information that allow cost and quality performance comparisons to be made. The Board is periodically updated with the relative performance of Curo against our peers for all VfM metrics.

Value for Money - Performance 2024/25

Impact of one-off adjustments

During 2024/25 our financial results were adversely affected by two material one-off adjustments totalling £16.3m:

- Impairment charges totalling £15.3m, relating to the write down of stock value within Curo Enterprise.
- Pension charges of £1.0m relating to the exit of the SHPS defined benefit scheme.

These one-off charges have a significant impact on three of our Value for Money metrics as follows taking them from Q2-Q3 performance in comparison to our peers to Q4:

Performance Metric	2024/25 Actual	
	As reported (including one-off costs)	Adjusted (excluding one-off costs)
Operating margin % - Overall	3.2%	14.0%
	Q4	Q3
Interest cover % (EBITDA MRI)	18%	112%
	Q4	Q3
Return on capital employed %	1.1%	3.3%
	Q4	Q2

To allow for a more accurate comparison of underlying performance against the prior year, our targets, and peer organisations, all future references to VfM performance will exclude the impact of the one-off adjustments in our actual results for 2024/25.

2024/25 Performance

The table below summarises our VFM performance against the following metrics for 2024/25:

Performance Metric	2024/25			
	Actual	Target	Better/ (worse)	Quartile (*)
Business health & efficiency				
Operating margin % - Social housing lettings only	19.0%	23.1%	▼	Q3
Operating margin % - Overall	14.0%	16.3%	▼	Q3
Interest cover % (EBITDA MRI)	112%	122%	▼	Q3
Headline social housing cost per unit £ CPU – Curo Places Ltd. (entity level)	£5,644	£5,308	▼	Q3
Return on capital employed %	3.3%	3.6%	▼	Q2
Development & investment				
New supply delivered % - Social housing units	0.9%	1.3%	▼	Q2
New supply delivered % - Non-social housing units	0.8%	0.8%	▶	Q1
Gearing %	50%	53%	▲	Q3
Reinvestment %	7.9%	7.7%	▲	Q2
Social return on investment (SROI)	£60.4m	£50.0m	▲	n/a

** Note: Benchmark quartile compares 2024/25 actual results against the latest published sector results (2023/24) as reported by the regulator in the Value for Money Metrics and Reporting 2024.*

2024/25 Performance Highlights

Underlying performance during the year, excluding the impact of one-off adjustments, has been mixed with 4 of the 10 VfM measures either in line, or exceeding, the targets set. The remaining 6 VfM measures were worse than target as a result of the additional investment into the Stabilisation Plan explained below.

Compared to our peers, performance across the nine benchmarkable VfM measures places us in quartile 2 or 3 for eight of them, with one measure in quartile 1 and none in quartile 4.

The commentary below explains the rationale why performance fell short of target on the remaining 6 measures:

a) Social Lettings Operating Margin, Social Cost Per Unit (CPU), Interest Cover, Headline Cost per Unit and Return on Capital Employed

All 5 of these VfM metrics fell short of target during the year due to higher than budgeted levels of repairs and maintenance expenditure.

This adverse variance is a result of multiple issues encountered during the year that we have tackled as part of our 'Stabilisation Plan' which focused on two key deliverables:

- to clear the backlog of outstanding repairs over agreed tolerances; and
- increase productivity to ensure existing resources available can meet current levels of demand

The Board reviewed and monitored the Stabilisation Plan throughout the year, approving increased investment to support the achievement of its objectives. As a result, we are entering 2025/26 in a significantly stronger position with improved levels of productivity and decreased volumes of jobs outstanding.

b) Lower than planned levels of new housing supply

During the year we acquired 122 new social homes, 40 less than originally targeted. The shortfall is mainly due to construction delays at one scheme, Imperial Park Bristol. Overall performance for this new supply metric remains positive, 2nd quartile when compared to our peers.

Value for Money - Future targets 2025/26

The table below shows the trajectory of results for the last three years on VFM metrics, together with our plans and targets for 2025/26:

Performance Metric	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Target	Quartile (*)
Business health & efficiency					
Operating margin % - Social housing lettings only	25.3%	23.8%	19.0%	17.5%	Q3
Operating margin % - Overall	20.7%	17.8%	14.0%	12.0%	Q4
Interest cover % (EBITDA MRI)	181%	140%	112%	81%	Q3
Headline social housing cost per unit CPU – Curo Places Ltd. (entity level)	£4,901	£4,850	£5,644	£5,919	Q3
Return on capital employed %	4.4%	3.7%	3.3%	2.7%	Q3

Performance Metric	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Target	Quartile (*)
Development & investment					
New supply delivered % - Social housing units	1.4%	1.9%	0.9%	1.3%	Q3
New supply delivered % - Non-social housing units	0.9%	0.8%	0.8%	0.8%	Q1
Gearing %	48%	54%	50%	53%	Q3
Reinvestment %	7.9%	8.8%	7.9%	7.3%	Q3
Social return on investment (SROI)	£30.5m	£39.8m	£60.4m	£60m	n/a

** Note: Benchmark quartile compares 2025/26 budget targets against the latest published sector results (2023/24) as reported by the regulator in the Value for Money Metrics and Reporting 2024.*

Each year during the financial planning cycle the Board consider allocation of resources and the impact that has on delivering the Strategic Plan and our VfM metrics. In order to deliver the strategic priorities outlined in the Strategic Plan, the Board agreed to make substantial increases in the level of investment in our existing stock. The Board also agreed to make additional funds available to prioritise further investment around IT systems, change management, data and leadership training and development.

As a result of this the Board have reviewed and updated Curo's Financial Rules ensuring they accurately reflect our maximum financial risk appetite providing management with the guardrails within which we can operate.

As a result of the increased level of investment planned next financial year almost all VfM metric targets are set in the lower quartiles when compared to the latest available sector median from FY 2023/24. The Board are conscious of the risk this brings and are mitigating it through the creation of the 'Efficiency Plan' targeting operational saving over the next 3 financial years to bring financial performance back in line with sector median by 2027/28.

Key highlights relating to 2025/26 targets are explained below:

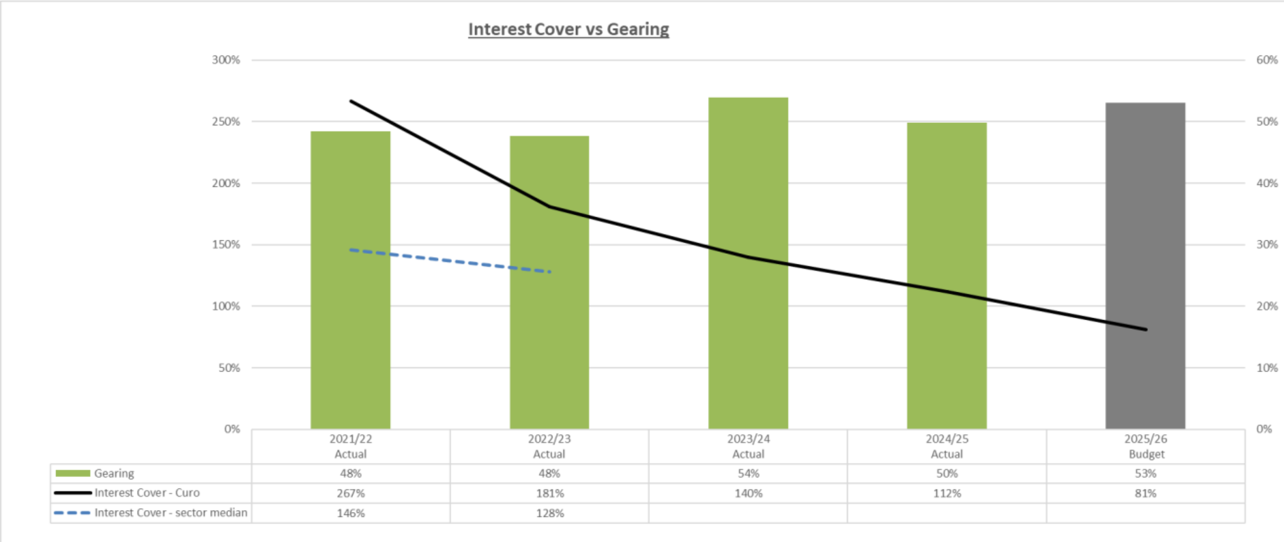
a) Interest cover and gearing

Interest cover and gearing are measures of an organisation's ability to take on more debt to support the delivery of new homes and improvements to existing stock, and its ability to cover ongoing finance costs from operating activities.

The Board is aware that gearing has remained historically high in comparison with our peers, currently borderline Q3-Q4 benchmark. This does not expose the business to undue risk as borrowing levels are maintained well within planned levels and interest cover capacity to our loan covenants remains strong demonstrating our ability to repay loans.

The graph below shows that Curo's interest cover, which has consistently remained well above the sector median in the past, is on a declining trajectory mirroring the reductions being experienced elsewhere in the sector.

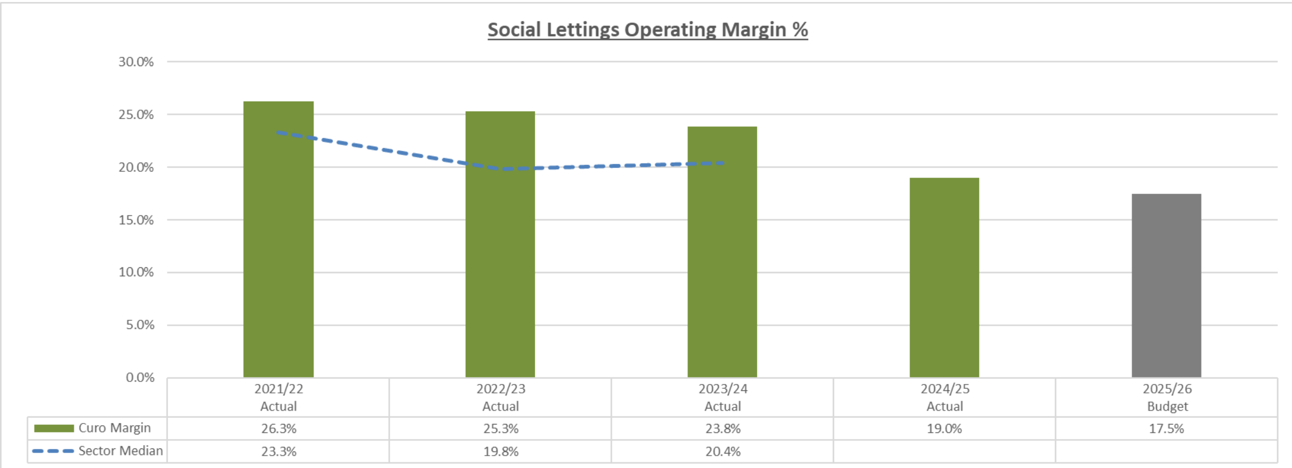
Interest cover in our Financial Plan is projected to increase back to more sustainable levels above 100% by 2027/28 primarily driven by savings targeted in the Efficiency Plan which commences during 2025/26.



b) Operating Margin % (Social Lettings)

Maintaining a strong Social Lettings margin forms an integral part of our internal Financial Rules ensuring that our core landlord business remains financially resilient to future challenges.

The table below charts actual performance over the last 4 years demonstrating our commitment to retaining surpluses within our Financial Rule framework whilst still delivering our strategic priorities.



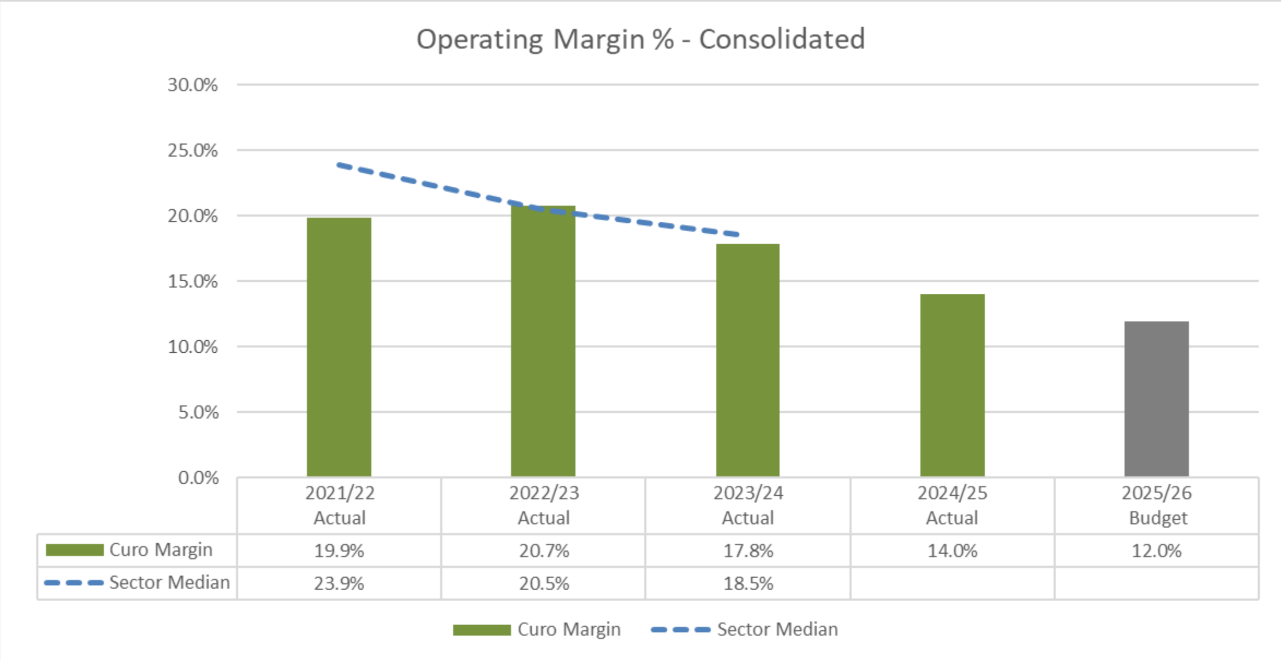
The sector median has decreased by 2.9% over the two-year period to 2023/24. Curo's operating margin decreased by 2.5% over the same period reflecting the increased asset investment in existing homes coupled with rising repairs & maintenance costs.

Curo's social lettings operating margin reduced by a further 4.8% in 2024/25 and is projected to fall by 1.5% to 17.5% during 2025/26 demonstrating the increased pressure on margins from increased operating costs.

c) Operating Margin % (Overall)

While the operating margins for our core landlord service have historically outperformed the median compared to our peers, overall margins have remained close to average due to the relatively lower returns from our housebuilding division, Curo Enterprise.

In 2025/26, operating margins are expected to decline to 12.0%, driven by reduced social lettings margins and lower profitability within Curo Enterprise.



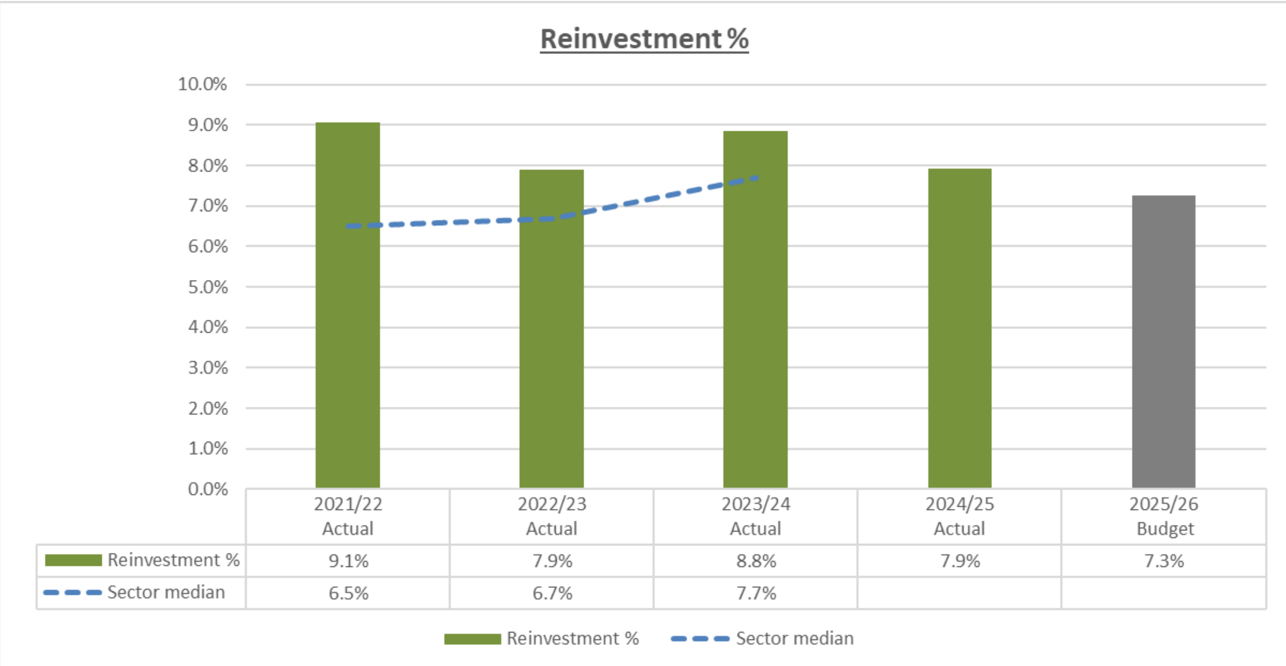
	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Budget
Curo Margin	19.9%	20.7%	17.8%	14.0%	12.0%
Sector Median	23.9%	20.5%	18.5%		

d) Reinvestment + new social homes %

Two integral parts of our strategy include:

- Invest in homes and shared spaces to make them comfortable, safe, energy efficient and welcoming for everyone; and
- Build more homes – the high-quality, energy-efficient and affordable homes that our region needs

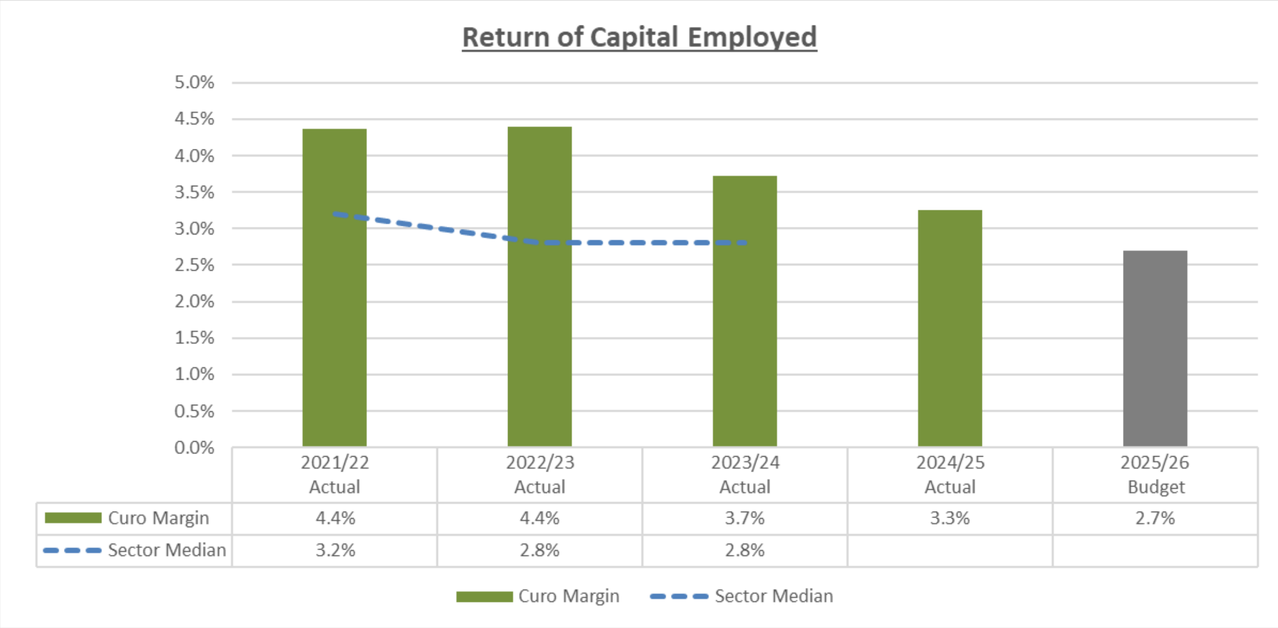
Historically Curo have performed strongly against our peers on these two metrics with above median performance reflecting our appetite to create new homes and investment in our existing homes. 2025/26 targets for both metrics have now just tipped below the median threshold into quartile 3 primarily due to concessions made on our ambition to acquire new social homes.



	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Budget
Reinvestment %	9.1%	7.9%	8.8%	7.9%	7.3%
Sector median	6.5%	6.7%	7.7%		

e) Return on capital invested (ROCE)

Curo's targeted ROCE for 2025/26 at 2.7% is marginally below the median sector benchmark of 2.8%, taking us into third quartile performance levels for the first time. The reduction in ROCE is directly linked to the increased investment costs referred to above.



	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Budget
Curo Margin	4.4%	4.4%	3.7%	3.3%	2.7%
Sector Median	3.2%	2.8%	2.8%		

The Group Strategic Report was approved by the Board on 21 July 2025 and signed on its behalf by:

Jane Tabor Katherine Gullon Michael Petter

…………………………	…………………………	…………………………
Jane Tabor	Katherine Gullon	Mike Petter
Chair	Secretary	Board Director

Independent auditor's report to the members of Curo Group (Albion) Ltd

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2025 and of the Group's and the Company's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Curo Group (Albion) Ltd. ("the Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the Consolidated and Company Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' 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 and of the 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 board are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 to report to you if, in our opinion:

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

Responsibilities of the board

As explained more fully in the Statement of Board's responsibilities, 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 members determine 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 are responsible for assessing the Group and the 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 intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management; those charged with governance and the Audit and Assurance Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the applicable accounting framework, the Accounting Direction for Private Registered Providers of Social Housing and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of Internal Audit Reports;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Review of Fire Safety reports.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, those charged with governance, the Audit and Assurance Committee and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these; and
- Review of revenue recognition relating to property sales.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journal entries, judgements and estimates and revenue recognition relating to property sales.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator of Social Housing
- Assessing significant estimates made by management for bias; and
- Testing the accuracy, completeness and cut-off relating to property sales.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Use of our report

This report is made solely to the members of the Company, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
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BDO LLP
Statutory Auditor
London, UK

Date: 01 August 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated and Company Statement of Comprehensive Income

For the year ended 31 March 2025

	Note	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Turnover	5	151,356	142,653	7,972	7,274
Operating expenditure	5	(130,175)	(117,222)	(7,967)	(7,270)
Gain on disposal of property, plant and equipment	5,7	3,589	3,237	-	-
Impairment of stock	5	(15,332)	-	-	-
Pension settlement charges	5,26	(1,011)	-	-	-
Operating surplus	5	**8,427**	**28,668**	**5**	**4**
Interest receivable	8	414	368	6,793	7,337
Interest payable and similar charges	9	(15,736)	(14,331)	(6,726)	(7,282)
Other financing costs		-	(26)	-	-
Movement in fair value of investment properties	15	360	(1,082)	-	-
(Deficit)/surplus on ordinary activities before taxation		**(6,535)**	**13,597**	**72**	**59**
Taxation	13	-	(1)	-	-
(Deficit)/surplus for the year	10	**(6,535)**	**13,596**	**72**	**59**
Other comprehensive income/(expenditure)					
Change in fair value of hedged financial instruments		904	(1,050)	-	-
Actuarial losses in respect of pension schemes	26	-	(133)	-	-
Other comprehensive income/(expenditure)		**904**	**(1,183)**	**-**	**-**
Total comprehensive (expenditure)/income for the year		**(5,631)**	**12,413**	**72**	**59**

Consolidated and Company Statement of Financial Position

As at 31 March 2025

	Note	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Fixed assets					
Housing properties	14	714,371	679,512	108	108
Investment properties	15	18,441	18,081	-	-
Other property, plant & equipment	16	3,583	3,295	-	-
Total fixed assets		**736,395**	**700,888**	**108**	**108**
Current assets					
Debtors: amounts falling due after more than one year	18	-	-	-	147,600
Stocks	17	100,130	126,829	-	-
Debtors: amounts falling due within one year	18	14,001	9,004	111	90
Cash and cash equivalents		10,431	12,341	1,248	2,001
		124,562	148,174	1,359	149,691
Creditors: amounts falling due within one year	19	(98,911)	(79,010)	(440)	(8,443)
Net current assets		**25,651**	**69,164**	**919**	**141,248**
Total assets less current liabilities		**762,046**	**770,052**	**1,027**	**141,356**
Creditors: amounts falling due after more than one year	20	(487,931)	(490,315)	(37)	(140,438)
Provision for liabilities and charges	21	(2,446)	(2,437)	-	-
Net assets		**271,669**	**277,300**	**990**	**918**
Capital and reserves					
Revenue reserve		274,233	280,768	990	918
Cash flow hedge reserve		(2,564)	(3,468)	-	-
		271,669	**277,300**	**990**	**918**

The financial statements on pages 29 to 61 were authorised for issue by the Board of Directors on 21 July 2025 and were signed on its behalf.

Jane Tabor Katherine Gullon Michael Petter

Jane Tabor
Chair

Katherine Gullon
Secretary

Mike Petter
Board Director

Consolidated and Company Statement of Changes in Equity
For the year ended 31 March 2025

Group consolidated	Cash flow hedge reserve	Revenue reserve	Total
	£000	£000	£000
At 1 April 2023	**(2,418)**	**267,305**	**264,887**
Surplus for the year	-	13,596	13,596
Actuarial losses in respect of pension schemes	-	(133)	(133)
Change in fair value of hedged financial instruments	(1,050)	-	(1,050)
At 31 March 2024	**(3,468)**	**280,768**	**277,300**
Deficit for the year	-	(6,535)	(6,535)
Change in fair value of hedged financial instruments	904	-	904
At 31 March 2025	**(2,564)**	**274,233**	**271,669**

Company	Revenue reserve	Total
	£000	£000
At 1 April 2023	859	859
Surplus for the year	59	59
At 31 March 2024	**918**	**918**
Surplus for the year	72	72
At 31 March 2025	**990**	**990**

Consolidated Statement of Cash Flows
For the year ended 31 March 2025

	Notes	Group 2025 £000	Group 2024 £000
Net cash inflow from operating activities	31	**53,313**	**3,129**
Cash flows from investing activities			
Purchase of fixed assets – housing properties		(47,524)	(51,914)
Purchase of fixed assets – other	16	(857)	(318)
Proceeds from sale of fixed assets		807	133
Grant received		22,445	5,179
Interest received		414	368
Net cash used in investing activities		**(24,715)**	**(46,552)**
Cash flows from financing activities			
Interest paid		(17,806)	(17,598)
New loans		70,172	91,516
Repayment of borrowings		(82,848)	(57,471)
Net cash (outflows)/ inflows from financing activities		**(30,482)**	**16,447**
Decrease in cash and cash equivalents in the year		**(1,884)**	**(26,976)**
Cash and cash equivalents at the beginning of the year		12,315	39,291
Cash and cash equivalents at the end of the year		**10,431**	**12,315**

Curo Group – Accounting Policies

Notes to the Financial Statements for the Year ended 31 March 2025

1) General information

Curo Group (Albion) Limited ('the Company') and its subsidiaries (together ''the Group'') operate a not-for-profit housing and support organisation based in Bath, providing affordable homes and high quality care and support services across the West of England.

Curo Group (Albion) Ltd. is a charitable Community Benefit Society registered with the Financial Conduct Authority. The Company is also registered with the Regulator of Social Housing as a social housing provider. Curo Group (Albion) Ltd. registered office is The Maltings, River Place, Lower Bristol Road, Bath BA2 1EP.

Curo Choice Ltd. (registered company number 24208R), Curo Market Rented Services Ltd. (company registration 4705482) and Mulberry Park Community Benefit Society (registered company number 7696) also form part of the consolidated Group and are exempt from the requirements of carrying out an external audit under section 479A of the Companies Act 2016.

2) Statement of compliance

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for the Group includes the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefits Societies (Group Accounts) regulations 1969, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, the Accounting Direction for Private Registered Providers of Social Housing 2022.

3) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

b) Going concern

The Financial Plan includes a range of assumptions including property construction, house prices and sales activity, bad debts, repairs and planned investment in our existing homes. In addition to this base case, we modelled the financial impact of a more extreme case in the form of a "perfect storm". We have a mitigation plan in place in order to ensure that we will not break any loan covenants or any of our Financial Rules in the event of a perfect storm. The Financial Rules are internal parameters for us to operate within which encapsulate the Board's appetite for risk and are used to measure performance which is reported regularly to the Board.

The conclusion from the financial modelling and stress testing was that neither the base case, or extreme case stress tests will break our loan covenants or Financial Rules at any point in the foreseeable future. As a result, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason it continues to adopt the going concern basis in the financial statements.

3) Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102

In preparing the separate financial statements of the parent company, advantage has been taken not to disclose a separate cash flow statement under FRS 102.

d) Basis of consolidation

The Group financial statements consolidate the financial statements of the Curo Group (Albion) Ltd. and all its subsidiaries up to 31 March 2025. Intra group sales and profits are eliminated fully on consolidation.

The accounting treatment adopted for the consolidation of Curo Group (Albion) Ltd, Curo Places Ltd, Curo Choice Ltd, Curo Enterprise Ltd, Curo Market Rented Services Ltd, Mulberry Park Community Benefit Society and Curo Finance Ltd for the preparation of the consolidated financial statements is set out below. Accounting policies are consistent across the Group.

e) Revenue recognition

Turnover

The Group generates and recognises turnover from the following material income streams:-

Income Stream	Revenue Recognition
Rental income	Recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of void loss. Rental income is deferred to a future period where it does not relate to the current period.
Service charge income	The Group adopts the variable method for calculating and charging service charges to its tenants and leaseholders. Turnover, net of void loss, is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and revenue recognition criteria met. The cost of providing these services is recognised in operating cost.
Support income	Income relating to support services funded under Supporting People is recognised as it falls due under the contractual arrangements with the Administering Authority.
Disposal proceeds of current assets such as: • properties developed for outright sale; or • shared ownership first tranche sales.	Proceeds on property sales are recognised when the risks and rewards of ownership transfer, principally on legal completion of the sale. Proceeds from first tranche disposals are accounted for as turnover in the Statement of Comprehensive Income of the period in which the disposal occurs and the cost of sale is transferred from current assets to operating costs. Proceeds from subsequent tranche sales are treated as disposals of fixed assets.
Other miscellaneous income sources	Recognised as receivable on the delivery of services provided.

3) Summary of significant accounting policies (continued)

f) Employee benefits

Pensions

The Group operated three pension schemes during the year:

Defined contribution schemes (Scottish Widows and Social Housing Pension Scheme)

The Company participated in two defined contribution schemes during the year where the amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period. All existing and new colleagues are eligible to join this defined contribution scheme. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Under the scheme, colleagues have been allocated their own personal pension policy and can choose their own investment fund from the many offered. The assets of the scheme are separate from the Company and are invested by independent investment managers. The pension cost charge in note 26 represents contributions payable by the company to all funds.

Defined benefit pension scheme – Social Housing Pension Scheme

The Social Housing Pension Scheme (SHPS) is a defined benefit multi-employer scheme administered by TPT Retirement Solutions (formerly The Pensions Trust) ("TPT").

This is a legacy pension scheme that was closed to new members in 2007.

Curo Places Limited ceased to participate in the SHPS on 31 August 2024, following the withdrawal of the last remaining active member triggering the Section 75 of the Pensions Act 1995 debt. Mercer, the scheme actuary, calculated the Section 75 debt to exit totalling £1.4m which was subsequently paid before 31st March 2025.

Ordinarily this would distinguish all remaining liabilities with a pension fund. However, TPT are involved in long standing legal review comparing the changes that have been made to the benefits provided to members within the requirements of the Scheme's Rules. This review has identified that, in some cases, changes to benefits may have been implemented at a time or in a way that may not be in accordance with the Scheme Rules. TPT is currently awaiting the outcome of this case which is expected later this year.

We have recognised our best estimate of this additional liability in our financial statements using guidance provided by our independent pension advisors (Isio) and TPT.

Full disclosure of our pension liability can be found in note 26.

g) Taxation

Corporate tax

Provision has been made for any corporation tax liabilities arising from the profits made in the year by Curo Enterprise Ltd, Curo Market Rented Services Ltd and Curo Finance Ltd. Curo Group (Albion) Ltd, Curo Places Ltd, Curo Choice Ltd and Mulberry Park Community Benefit Society have charitable status and are not liable for corporation tax on their charitable activities. The current charge or credit for taxation is based on the surplus or deficit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

3) Summary of significant accounting policies (continued)

Value added tax (VAT)

The Group's primary income stream, rent, is exempt for VAT purposes. The vast majority of expenditure is subject to VAT, which the Group is unable to reclaim and hence expenditure is shown inclusive of VAT. Some VAT can be reclaimed under the partial exemption method; this is credited to the statement of comprehensive income in the relevant cost heading. All Curo companies, with the exception of Curo Enterprise Ltd and Curo Finance Limited, operate within one VAT group.

Curo Enterprise Ltd's primary income stream, the market sale of houses, is not exempt for VAT purposes. Expenditure for Curo Enterprise Ltd is stated net of input VAT as it is wholly recoverable.

h) Fixed assets

Housing properties

Housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset, the costs directly attributable to bringing the asset to its working condition for its intended use and interest charges incurred during the development period.

Interest incurred during the construction of a new development from acquisition to practical completion is capitalised to each scheme at the average interest rate incurred, unless the financing of the development has been specifically hedged against, in which case that interest rate will be used.

Overhead costs relating to development activities are capitalised on an apportionment of the colleague time spent on this activity. Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed properties when handed over for letting or sale.

Housing properties are split between the land, structure and those major components which have significantly different patterns of consumption of economic benefits. The replacement cost of components is capitalised. Each component is treated as a separate asset and depreciated over its expected useful economic life at the following annual rates:

Structure - General housing stock	100 years
Structure - Precast reinforced concrete (PRC) housing stock	30 years
Structure – Georgian housing stock	150 years
Kitchen	20 years
Bathroom	30 years
Boilers and Electrical Heating Systems	15-25 years
Heating distribution systems	30 years
Windows	30 years
Lifts	25 years
Fire alarms & fire doors	20 years

Properties held on long leases are depreciated over their estimated useful economic lives or the lease duration if shorter.

Land is not depreciated on account of its indefinite useful economic life.

3) Summary of significant accounting policies (continued)

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the statement of comprehensive income.

Shared ownership

All shared ownership properties, including those under construction, are split between fixed assets and current assets. This split is determined by the percentage of the property to be sold under a first tranche sale, which is shown on initial recognition as a current asset, with the remainder classified as a fixed asset. Any surplus on disposal of the first tranche is limited to the overall surplus by adjusting the costs allocated to current or fixed assets. The overall surplus for these purposes is the difference between net present value of cash flows and cost.

Proceeds from the first tranche disposals are accounted for in the statement of comprehensive income in the period in which the disposal occurs. All subsequent tranche disposals are recognised in the statement of comprehensive income as a gain or loss on disposal of assets.

Allocation of costs for mixed tenure and shared ownership developments

Costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure costs are allocated on a floor area or unit basis depending on the appropriateness for each scheme.

Other fixed assets

Non-housing property, plant and equipment is stated at historic cost less accumulated depreciation and any provision for impairment. Non housing fixed asset expenditure under £1,000 is not capitalised.

Depreciation is provided on all non-housing property, plant and equipment, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Other fixed assets	
Computer equipment and IT software	3-5 years
Furniture and equipment	3-15 years
Office premises (freehold)	40 years

Impairment of fixed assets

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

The housing property portfolio for the Group is assessed for indicators of impairment at each balance sheet date. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset or cash generating unit is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell.

Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

The Group defines cash generating units as neighbourhoods. Where the recoverable amount of an asset or cash generating unit is lower than its carrying value an impairment is recorded through a charge to the statement of comprehensive income.

3) Summary of significant accounting policies (continued)

Social housing grant

Government grant is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2014. Grant is carried as deferred income in the Statement of Financial Position and released to the statement of comprehensive income on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2014 the useful economic life of the housing property structure has been selected.

Recycled Capital Grant Fund

On the occurrence of certain relevant events, primarily the sale of dwellings, Homes England can direct the Group to recycle capital grants or to make repayments of the recoverable amount. The Group adopts a policy of recycling, for which a separate fund is maintained. If unused within a three-year period, it will be repayable to Homes England with interest. Any unused recycled capital grant held within the recycled capital grant fund, which it is anticipated will not be used within one year is disclosed in the Statement of Financial Position under "creditors due after more than one year". The remainder is disclosed under "creditors due within one year".

Sale of social housing properties

Under the terms of the transfer agreement, a proportion of the proceeds from right to buy sales made by Curo Places Ltd. is shared with Bath and North East Somerset Council. On completion of a right to buy sales contract the full proceeds are credited to the Statement of Comprehensive income and the share payable to the Council is treated as a cost of sale.

Investment properties

Investment properties consist of commercial properties and other properties, assets not held for social benefit or for use in the business. Investment properties under construction are held at cost. Investment properties are professionally valued on completion and subsequently every 5 years, with the last formal valuation taking place in 2021. The fair value of each property is assessed and updated annually using the most appropriate indexation information publicly available. Any surplus or deficit arising is recognised in the Statement of Comprehensive Income for the period. Investment properties are not depreciated.

Investment in subsidiary undertakings

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

i) Stock

Stock

Stock and work in progress are valued at the lower of cost and net realisable value. Cost comprises of direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Land held for development, including land in the course of development, is initially recorded at cost. Where, through deferred purchase credit terms, the carrying value differs from the amount that will ultimately be paid in settling the liability, this difference is charged as a finance cost in the Statement of Comprehensive Income over the period of settlement.

Due to the scale of the company's developments, the company has to allocate site-wide development costs between units built in the current year and in future years. It also has to estimate costs to complete on such developments. In making these assessments, there is a degree of inherent uncertainty. The company has developed internal controls to assess and review carrying values and the appropriateness of estimates made.

For shared ownership properties the value held as stock is the estimated cost to be sold as a first tranche.

Where necessary, provision is made for obsolete, slow moving and defective stocks.

3) Summary of significant accounting policies (continued)

j) Debtors and creditors

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

Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and makes a provision for unrecoverable debt. When assessing the level of impairment, it considers both the value and classification of debt to apply a tiered level of provision based on a prudent estimated risk of potential non-payment.

Rent and service charge agreements

Tenants who have a payment arrangement to pay their debts over a period of longer than the group's normal terms of business are treated as having a financing transaction. These transactions are recognised at their present value rather than transaction value.

Leasehold sinking funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors, either within amounts falling due within one year, or amounts falling due after more than one year, depending on when the funds are expected to be used.

k) Cash and cash equivalents

Cash

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

l) Financial instruments

Financial assets

Basic financial assets such as rent arrears, trade and other receivables and cash and cash equivalents are initially recorded at transaction price. If the arrangement constitutes a financing transaction, then the transaction is measured at the present value of future receipts discounted at a market rate. The assets are subsequently carried at amortised cost using the effective interest rate method. At the end of each reporting period the amortised cost is assessed for evidence of impairment. Any impairment is recognised in the Statement of Comprehensive Income. A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial Liabilities

Basic financial liabilities such as trade and other payables, bank loans and intercompany loans are initially recognised at transaction price. If the arrangement constitutes a financing transaction, then the debt instrument will be measured at the present value of the future receipts discounted at a market rate of interest. The debt instrument is subsequently carried at the amortised cost, using the effective interest rate method.

Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in surplus or deficit immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in surplus or deficit depends on the nature of the hedge relationship.

3) Summary of significant accounting policies (continued)

m) Leased assets

Leased assets

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

n) Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

4) Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

In preparing these financial statements, the key judgements have been made in respect of the following:

- **Impairment**: whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit, incorporating any future regeneration plans. The Group have considered the measurement basis to determine the recoverable amount of assets based on depreciated replacement cost as the primary method of measurement. The Group have also considered impairment based on their assumptions to define cash generating units.

- **Stock value**: the anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, we then determine the recoverability of the cost of properties developed for outright sale and land held for sale. This judgement is also based on the Group's best estimate of sales value based on economic conditions within the area of development.

4. Critical accounting judgements and estimation uncertainty (continued)

Estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Investment properties are professionally valued every 5 years and updated annually using the most appropriate indexation information publicly available. Market values may change considerably year on year depending on fluctuations within the property market coupled with potential changes in interest rates. There is an inevitable degree of judgement involved in making this estimate that can only ultimately be reliably tested in the market itself.

Provision for liabilities

A provision for liabilities is recognised only where probable that there is a legal or constructive obligation to transfer economic benefits. The provision is recognised at the best estimate of the amount required. These provisions require management's best estimate of the costs that will be incurred determined by a combination of management information available and technical specialist opinion.

The provision recognised and disclosed in note 21 is primarily comprised of fire safety property costs.

The provision for Fire Safety property costs is based on management judgement that we have both a legal and constructive obligation to undertake corrective remedial works. Management have considered realistic alternatives and have come to the judgement these do not represent viable alternatives to settling the obligation for Curo.

Provision for bad or doubtful debts

The Group estimates the cost of irrecoverable debt linked to rent and service charge income. This provision is based on individual debtor balances, with increased levels of provision attributed to the highest risk cases primarily based on the size of the debt and dependant on whether the debtor is a remaining customer or not. Management estimates for provision levels aim to proportionately and prudently reflect the estimated cost of irrecoverable debt. We have reviewed the level of provision applied in light of the increased risk of non-payment linked to the current economic challenges that our customers face and have concluded that our existing provisions are prudent.

5. Particulars of turnover, operating expenditure and operating surplus

Group consolidated	Turnover 2025 £000	Operating Costs 2025 £000	Surplus on disposal 2025 £000	Other operating costs 2025 £000	Operating surplus 2025 £000	Operating surplus 2024 £000
Social housing lettings (Note 6)	89,241	(72,263)	-	-	16,978	19,596
Other social housing activities						
First tranche low cost home ownership sales	5,703	(4,724)	-	-	979	1,238
Charges for support services	3,505	(3,435)	-	-	70	174
Development administration	-	(248)	-	-	(248)	(414)
Gain on disposal of property, plant and equipment	-	-	3,589	-	3,589	3,237
	9,208	(8,407)	3,589	-	4,390	4,235
Activities other than social housing						
Market renting	2,852	(1,358)	-	-	1,494	1,081
Community Hub	740	(854)	-	-	(114)	(124)
Commercial properties	501	(107)	-	-	394	261
Leasehold properties	1,790	(2,265)	-	-	(475)	(256)
Open market property sales	45,480	(44,209)	-	-	1,271	2,853
Garages	1,544	(412)	-	-	1,132	1,022
Pension settlement charge	-	-	-	(1,011)	(1,011)	-
Impairment of shared ownership stock	-	(300)	-	-	(300)	-
Impairment of stock for resale (Note 17)	-	-	-	(15,332)	(15,332)	-
	52,907	(49,505)	-	(16,343)	(12,941)	4,837
Total	**151,356**	**(130,175)**	**3,589**	**(16,343)**	**8,427**	**28,668**

5. **Particulars of turnover, operating expenditure and operating surplus (continued)**

Company	**Turnover 2025**	**Operating expenditure 2025**	**Operating surplus 2025**	**Operating surplus 2024**
Social housing lettings activities	**£000**	**£000**	**£000**	**£000**
Social rental homes	8	(3)	5	4
Other social housing activities				
Group services	7,964	(7,964)	-	-
Total	**7,972**	**(7,967)**	**5**	**4**

6. Income and expenditure from social housing lettings

Group consolidated	General needs 2025	Affordable rent 2025	Sheltered housing 2025	Supported housing 2025	Shared ownership 2025	Rent to buy 2025	Total 2025	Total 2024
Income from lettings	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Income from rents receivable	57,773	8,455	11,567	1,318	2,782	604	82,499	75,492
Service charges receivable	2,170	-	1,216	870	733	0	4,989	5,050
Amortised government grants	1,102	-	218	2	107	8	1,437	1,376
Other income from lettings	316	-	-	-	-	-	316	329
Total income from lettings	**61,361**	**8,455**	**13,001**	**2,190**	**3,622**	**612**	**89,241**	**82,247**
Service costs	2,058	-	1,153	825	695	-	4,731	4,443
Management costs	9,631	1,129	1,887	95	923	69	13,734	12,041
Routine maintenance	17,681	2,092	3,494	156	-	127	23,550	19,236
Rent losses from bad debts	17	3	4	1	1	-	26	792
Major repairs	8,962	1,060	1,771	20	-	64	11,877	9,888
Housing property depreciation	10,377	1,233	2,059	23	437	75	14,204	12,539
Estate costs	1,680	199	332	4	163	12	2,390	2,510
Other expenditure	1,231	146	243	3	119	9	1,751	1,202
Operating expenditure on social housing lettings	**51,637**	**5,862**	**10,943**	**1,127**	**2,338**	**356**	**72,263**	**62,651**
Operating surplus on social housing activities	**9,724**	**2,593**	**2,058**	**1,063**	**1,284**	**256**	**16,978**	**19,596**
Void losses	595	66	200	127	7	12	1,007	950

7. Gain on disposal of property, plant and equipment

	Right to buy 2025	Shared ownership 2025	Other 2025	Group Total 2025	Group Total 2024
	£000	£000	£000	£000	£000
Proceed of sales	1,235	2,180	3,208	6,623	5,285
Cost of sales	(119)	(1,396)	(410)	(1,925)	(1,557)
Amount due to Bath & N.E. Somerset Council	(1,109)	-	-	(1,109)	(491)
	7	**784**	**2,798**	**3,589**	**3,237**

Cost of sales includes legal and valuation fees incurred in connection with the sale of properties as well as the net book value of the disposed properties.

Right to Buy is available to Curo Places Ltd. tenants who transferred from Bath and North East Somerset Council and who hold an assured protected tenancy and to certain tenants of the former Curo Places (Bristol) Ltd. These tenants are eligible for a percentage discount when applying to purchase their homes.

Shared ownership sales relate to subsequent tranche disposals of low cost home ownership properties.

Other property sales are derived from open market disposals through our active asset management programme and Right to Acquire sales. Tenants applying under Right to Acquire are eligible for a lump sum discount. The levels of discount are governed by statute and contract.

8. Interest receivable

	Group 2025	Group 2024	Company 2025	Company 2024
	£000	£000	£000	£000
Interest receivable and similar income	414	368	-	-
Interest receivable from group undertakings	-	-	6,793	7,337
	414	**368**	**6,793**	**7,337**

9. Interest payable and similar charges

	Group 2025	Group 2024	Company 2025	Company 2024
	£000	£000	£000	£000
Bank loans and overdrafts	17,831	17,831	6,726	7,282
Right to buy interest	-	22	-	-
	17,831	17,853	6,726	7,282
Net cost on interest rate swaps	(25)	(255)	-	-
Capitalised interest	(1,720)	(3,022)	-	-
	16,086	14,576	6,726	7,282
Gain on basic swap – derivative instruments	(350)	(245)	-	-
	15,736	**14,331**	**6,726**	**7,282**

9. Interest payable and similar charges (continued)

Interest incurred during the construction of new developments, not for resale, is capitalised based on the weighted average borrowing rate for Curo Places Ltd. for the year of 4.4% (2024: 4.4%).

10. Surplus for the year

	Group	Group	Company	Company
	2025	2024	2025	2024
This is arrived at after charging:	£000	£000	£000	£000
Depreciation on owned tangible fixed assets	14,774	13,183	-	2
Bad debts	26	792	-	-
Other operating lease rentals	1,304	1,195	-	-
Auditors' remuneration as statutory auditors	112	78	29	17
Auditors' remuneration – other services certification	6	6	-	-
Auditors' remuneration – tax compliance services	15	22	4	-

11. Directors' emoluments

Directors are defined as the members of the Board (non-Executive Directors), the Group Chief Executive and the Executive Team as disclosed on page 1.

Fees of £115,701 (2024: £106,477) were paid to non-executive Board Directors and committee members across all group entities during the year. Expenses paid during the year to board directors are included in the remuneration figures reported below and amounted to £8,600 (2024: £10,894)

Board/committee director	Remuneration £
Jane Tabor (Chair)	21,122
Sonya Chowdhury (resigned)	4,018
Alice Cummings	13,571
Helen Hyde	13,268
Jerry Loy (resigned)	1,967
Kerri Anne Mills	8,000
Vinay Parmar	8,990
Mike Petter	16,880
Neil Sexton	8,384
Jamie Strathearn	10,342
Joe Webster	8,117
Helen Dean (Cope) (appointed & resigned)	1,042
Aileen Evans (appointed)	-
Grand Total	115,701

All members of the Executive Team receive remuneration from Curo Group (Albion) Ltd, with the exception of the Chief Property Officer who is remunerated through Curo Places Ltd, with the associated costs presented in their entity financial statements.

11. Directors' emoluments (continued)

Details of remuneration for the Company are as follows:	Company 2025 £	Company 2024 £
Aggregate emoluments paid or receivable by the Executive Directors (including pension contributions and benefits in kind)	1,068,826	738,605
Aggregate pension contributions paid for the Executive Directors (including the Group Chief Executive)	63,256	66,972
Emoluments paid to the highest paid director (2025: Chief Finance Officer, 2024: Chief Executive Officer) excluding pension contributions	333,967	202,729

Emoluments paid to Executive Directors increased during the year as a result of the full year impact of expanding the Executive Team through the creation of the Chief People Officer and Chief Governance Officer roles. In addition, emoluments paid to the Chief Finance Officer included bonuses tied to eligibility for a Long-Term Incentive Plan in their capacity as Managing Director of Curo Enterprise Ltd. This bonus, paid in July 2024, was earned and accrued over the three year period ending 31 March 2024.

No compensation payments for loss of office were paid to directors during the year (2024: nil).

12. Employees

The average number of full-time equivalents (37 hour week) employed during the year was as follows:

	Group 2025 Number	Group 2024 Number	Company 2025 Number	Company 2024 Number
Housing, support & administration	477	463	84	85
Direct maintenance	187	165	-	-
Total	**664**	**628**	**84**	**85**

Colleague costs	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Wages and salaries	27,954	26,028	6,163	5,801
Social security costs	2,708	2,542	617	560
Other pension costs	2,262	1,989	518	507
Total	**32,924**	**30,559**	**7,298**	**6,868**

The full-time equivalent number of colleagues who received emoluments, including pension contributions and payments for loss of office, during the year were:

	Group 2025 Number	Group 2024 Number	Company 2025 Number	Company 2024 Number
£60,000 - £69,999	21	16	6	7
£70,000 - £79,999	14	4	6	-
£80,000 - £89,999	9	12	1	-
£90,000 - £99,999	3	4	-	1
£100,000 - £109,999	4	2	1	-
£110,000 - £119,999	2	4	-	3
£120,000 - £129,999	3	2	2	1
£140,000 - £149,999	1	8	1	1
£150,000 - £159,999	2	-	1	-

12. Employees (continued)

	Group 2025 Number	Group 2024 Number	Company 2025 Number	Company 2024 Number
£170,000 - £179,999	1	-	1	-
£210,000 - £219,999	-	1	-	1
£220,000 - £229,999	-	1	-	1
£230,000 - £239,999	2	-	1	-
£250,000+	6	-	1	-
Total	**68**	**54**	**21**	**15**

The increase in colleagues receiving remuneration in the top band is due to bonus payments relating to 7 colleagues working for Curo Enterprise Ltd, eligible for a Long-Term Incentive Plan that ran for three years from 2021/22 to 2023/24.

All bonus payments under that plan were earned and accrued over the three years to 31 March 2024, but not allocated to individual colleagues as at this date. These payments were paid during July 2024.

13. Taxation

a) Tax expense included in statement of comprehensive income

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
UK corporation tax charge on surpluses for the year	-	1	-	-

The corporation tax liability recognised during the year relates to taxable profits for Curo Enterprise Ltd.

14. Housing Properties

Company	**Housing properties completed freehold £000**
Cost	
At 1 April 2024	126
At 31 March 2025	**126**
Accumulated depreciation & impairment	
At 1 April 2024	18
Charge in year	-
At 31 March 2025	**18**
Net book value	
At 31 March 2025	**108**
At 31 March 2024	108

14) Housing properties (continued)

Group Consolidated	Housing properties completed freehold	Housing properties completed long term leasehold	Housing properties under construction	Housing properties shared ownership	Group Total
	£000	**£000**	**£000**	**£000**	**£000**
Cost					
At 1 April 2024	724,070	597	42,668	64,622	831,957
Additions	-	-	41,209	-	41,209
Components capitalised	15,397	-	-	-	15,397
Disposals	(3,228)	(19)	-	(7,404)	(10,651)
Transfer	29,198	-	(44,134)	14,890	(46)
At 31 March 2025	**765,437**	**578**	**39,743**	**72,108**	**877,866**
Accumulated depreciation & impairment					
At 1 April 2024	150,448	138	-	1,859	152,445
Charge in year	13,728	39	-	437	14,204
Disposals	(3,026)	(39)	-	(89)	(3,154)
At 31 March 2025	**161,150**	**138**	**-**	**2,207**	**163,495**
Net book value					
At 31 March 2025	**604,287**	**440**	**39,743**	**69,901**	**714,371**
At 31 March 2024	573,622	459	42,668	62,763	679,512

15) Investment properties

Group Consolidated	Group Total
Cost/Valuation	**£000**
At 1 April 2024	18,081
Revaluation in the year	360
At 31 March 2025	**18,441**

Investment properties consist of commercial properties and other properties, assets not held for social benefit or for use in the business. Investment properties are professionally valued on completion and subsequently every 5 years with the last valuation taking place in 2021. The fair value of each property is assessed and updated annually using the most appropriate indexation information publicly available.

16) Other property, plant & equipment

Group Consolidated	Computer equipment and IT software	Office premises (freehold)	Furniture and equipment	Group Total
	£000	**£000**	**£000**	**£000**
Cost				
At 1 April 2024	4,340	7,010	1,328	12,678
Additions	631	-	226	857
At 31 March 2025	**4,971**	**7,010**	**1,554**	**13,535**
Accumulated depreciation				
At 1 April 2024	3,837	4,545	1,001	9,383
Charge for the year	405	116	48	569
At 31 March 2025	**4,242**	**4,661**	**1,049**	**9,952**
Net book value				
31 March 2025	**729**	**2,349**	**505**	**3,583**
31 March 2024	503	2,465	327	3,295

17) Stocks

Group Consolidated	First tranche Shared Owenship properties	Outright market sales	Group Total	Group Total
	2025	**2025**	**2025**	**2024**
Properties for sale	**£000**	**£000**	**£000**	**£000**
Properties under construction	4,196	81,887	86,083	112,798
Completed properties	1,647	12,166	13,813	13,566
	5,843	94,053	99,896	126,364
Consumable maintenance stock				
Stock			389	775
Stock provision			(155)	(310)
			234	465
Total			**100,130**	**126,829**

A review of market sale work-in-progress stock levels held by Curo Enterprise Ltd was undertaken to assess whether the carrying values reflect a fair market valuation. Each development site was evaluated under revised economic assumptions, including rising build cost inflation and lowering sales price growth. Based on updated cashflow forecasts, a total impairment of £15.3 million was recognised in the year, representing the estimated fair value adjustment of stock held for re-sale.

18) Debtors

	Group	Group	Company	Company
	2025	**2024**	**2025**	**2024**
Amounts falling due within one year	**£000**	**£000**	**£000**	**£000**
Rental arrears	3,138	2,916	-	-
Net present value adjustment	(204)	(223)	-	-
Less provision for bad debts	(2,023)	(2,040)	-	-
	911	**653**	**-**	**-**
Other debtors	5,375	3,948	20	16
Amounts owed by group undertakings	-	-	4	4
Prepayments and accrued income	7,709	3,769	87	70
Taxation & social security	6	634	-	-
	14,001	**9,004**	**111**	**90**
Amounts falling due after more than one year				
Amounts owed by group undertakings	-	-	-	147,600
	-	**-**	**-**	**147,600**

19) Creditors: amounts falling due within one year

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Land vendor	4,324	4,324	-	-
Rent paid in advance	2,509	2,509	-	-
Trade creditors	7,120	7,598	-	-
Amounts owed to group undertakings	-	-	227	337
Other creditors	6,251	3,942	213	780
Housing loans due within one year (note 22)	7,905	22,677	-	7,200
Social housing grant received in advance	36,132	16,790	-	-
Taxation and Social Security	89	645	-	126
Bank overdraft	-	26	-	-
Accruals and deferred income	31,272	17,866	-	-
Right to buy accruals	1,126	499	-	-
Sinking fund liabilities	1,542	1,503	-	-
Recycled capital grant (note 24)	298	-	-	-
Retentions	343	631	-	-
	98,911	**79,010**	**440**	**8,443**

20) Creditors: amounts falling due after more than one year

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Loans and borrowing (note 22)	358,343	356,247	-	140,400
Derivative financial instruments	2,552	3,805	-	-
Deferred capital grants (note 23)	120,991	119,408	37	38
Recycled capital grant fund (note 24)	3,341	3,391	-	-
Pension defined benefit liability (note 26)	206	616	-	-
Leaseholder sinking fund balances	2,498	2,058	-	-
Land Vendor	-	4,790	-	-
	487,931	**490,315**	**37**	**140,438**

Provision has been made representing the value of contributions paid in advance by leaseholders at 31 March 2024 in respect of their share of future planned maintenance.

21) Provision for liabilities and charges

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
At 1 April	2,437	2,851	-	-
Amounts provided for	348	819	-	-
Amounts utilised	(339)	(414)	-	-
Amounts released	-	(819)	-	-
At 31 March	**2,446**	**2,437**	-	-

22) Loans and borrowing

Maturity of debt:	Group 2025	Group 2024	Company 2025	Company 2024
Banks and mortgages amounts falling due:	**£000**	**£000**	**£000**	**£000**
Between one and two years	15,815	30,582	-	14,400
Between two and five years	37,363	25,546	-	23,400
Over five years, not payable by instalments	313,070	322,796	-	109,800
	366,248	**378,924**	**-**	**147,600**
Less due within one year	(7,905)	(22,677)	-	(7,200)
	358,343	**356,247**	**-**	**140,400**

Housing loans

At 31 March 2025 the Group had a borrowing facility of £506.2 million (2024: £618.9 million) of which an amount of £366.2 million (2024: £378.9 million) had been drawn at the year end. All of the £506.2 million loan facility has been fully secured in fixed charges over properties owned by Curo Places Ltd.

The interest rate profile of the Group's financial liabilities was:

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Variable Rate	46,700	53,260	-	112,600
Fixed Rate	319,548	325,664	-	35,000
	366,248	**378,924**	**-**	**147,600**

The weighted average period for loans that are fixed was 17 year 7 months (2024: 18 years 9 months) and the weighted average interest rate at the 31st March 2025 was 4.4% (2024: 4.1%).

Fair value of financial liabilities

The Group has applied FRS 102 to its financial instruments and accounted for our derivative financial instruments on the Statement of Financial Position. The following disclosures have been made in relation to its interest rate swaps. At the 31 March 2025 Curo Places Ltd. had the following swaps:

- £20 million fixed interest rate swap which matures on 30 March 2035. This swap has a fixed interest rate of 5.0%.
- £8.7 million forward starting interest rate swap which matures on 20 June 2026. This swap fixes the interest rate at 3.2%.
- £40 million fixed interest rate swap which matures on 30 June 2027. This swap has a fixed interest rate of 5.3%.

22) Loans and borrowing (continued)

The Group's interest rate risk management policy is designed to reduce volatility in cash flows and earnings over the year. Of particular importance is the reduction of potential increases in net interest payable to an acceptable level.

The currency, size and maturity of debt is matched and hedged using a combination of various interest rate hedge instruments. The Group's policy is to maintain a level of fixed rate debt of between 40% to 85% of total debt.

The Group had hedge instruments in place at year end with the following fair values:

	2025 £000	2024 £000
Fair value of interest rate swaps	(2,552)	(3,805)

Curo Places Ltd has completed an effectiveness test and has concluded that there is no liability under FRS 102. The movement in the year (2024: £0.3m) which has been recognised in the income statement.

	£000
Ineffective hedge balance at 1 April 2024	338
Movement in income statement	(338)
Ineffective hedge balance at 31 March 2025	-

The fair value of the interest rate swaps has been determined by discounting the cash flows at prevailing interest rates and has been derived from the Group's Treasury management system.

23) Deferred capital grants

	Group 2025 £000	Group 2024 £000
At 1 April	119,408	114,960
Grants received during the year	3,103	5,838
Recycled capital grants	(82)	391
Grants transferred to other RPs	-	(404)
Amortisation to Statement of Comprehensive Income	(1,438)	(1,377)
At 31 March	**120,991**	**119,408**

The total accumulated amount of capital grant received or receivable, before amortisation to the statement of comprehensive income, at the balance sheet date is £142.9m (2024: £140.7m).

24) Recycled capital grant fund

	Group 2025 £000	Group 2024 £000
At 1 April	3,391	3,608
Inputs to recycled capital grant fund		
Grants recycled	252	66
Interest accrued	166	173
Recycling of grant		
New homes	(170)	(456)
At 31 March	**3,639**	**3,391**

24) Recycled capital grant fund (continued)

Recycled capital grant as at 31 March 2025 is less than 3 years old and relates to funding provided by Homes England (2024: all less than 3 years old).

	Group 2025 £000	Group 2024 £000
To be used within one year	298	
To be used after more than one year	3,341	3,391
At 31 March	**3,639**	**3,391**

25) Financial derivatives

The Group and the Company has the following financial instruments:

i). Financial assets that are debt instruments measured at amortised cost.

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Trade receivables	911	653	4	4
Other receivables	5,375	3,948	20	16
	6,286	**4,601**	**24**	**20**

ii). Financial instruments measured at fair value through cash flow hedge reserve.

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Derivative financial instruments	2,552	3,805	-	-
	2,552	**3,805**	**-**	**-**

Curo Places Ltd enters into interest rate swaps to mitigate the risk from interest rate movements on its variable rate debt. The fair value of the interest rate swaps has been determined by discounting the cash flows at prevailing interest rates and has been derived from using the Group's Treasury management system (see note 22).

iii). Financial liabilities measured at amortised cost.

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Bank loans and overdrafts	358,343	356,273	-	140,400
Trade creditors	7,120	7,598	-	-
Amounts owed to group undertakings	-	-	227	337
Other creditors	16,871	14,679	214	907
	382,334	**378,550**	**441**	**141,644**

26) Pensions

During the year the Group operated three pension schemes for its colleagues:-

- Defined contribution schemes:
  - Scottish Widows Services Ltd Pension Scheme
  - Social Housing Pension Scheme (SHPS)
- Defined benefit scheme:
  - Social Housing Pension Scheme

Defined contribution schemes

Curo colleagues participated in two defined contribution schemes (Scottish Widows Services Ltd and SHPS) where the amount charged to surplus in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. All existing and new colleagues are eligible to join a defined contribution scheme. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Under the schemes, colleagues have been allocated their own personal pension policy and can choose their own investment fund from the many offered. The assets of the scheme are separate from the company and are invested by independent investment managers.

Defined benefit scheme (Social Housing Pension Scheme)

The Social Housing Pension Scheme (SHPS) is a defined benefit multi-employer scheme administered by TPT Retirement Solutions (formerly The Pensions Trust) (“TPT”).

This is a legacy pension scheme that was closed to new members in 2007.

Curo Places Limited ceased to participate in the SHPS on 31 August 2024, following the withdrawal of the last remaining active member triggering the Section 75 of the Pensions Act 1995 debt. Mercer, the scheme actuary, calculated the Section 75 debt to exit totalling £1.4m which was subsequently paid before 31st March 2025.

Ordinarily this would distinguish all remaining liabilities with a pension fund. However, TPT are involved in long standing legal review comparing the changes that have been made to the benefits provided to members within the requirements of the Scheme’s Rules. This review has identified that, in some cases, changes to benefits may have been implemented at a time or in a way that may not be in accordance with the Scheme Rules. TPT is currently awaiting the outcome of this case which is expected later this year.

We have recognised our best estimate of this additional liability in our financial statements using guidance provided by our independent pension advisors (Isio) and TPT assumed at 5% of total liabilities (£0.2m).

The table below summarises the financial impact the exit has had on the Statement of Comprehensive Income.

	31 March 2025
	(£000)
Pension liability at 31 March 2024	**616**
Less: Deficit contributions paid in year	(77)
Less: Pension exit costs (paid March 2025)	(1,344)
Less: Estimated Scheme Review liability	(206)
Movement in year	**(1,627)**
	-
Charge to Statement of Comprehensive Income	**(1,011)**

26) Pensions (continued)

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

	31 March 2024 (£000)
Fair value of plan assets	2,740
Present value of defined benefit obligation	(3,356)
Deficit in plan	**(616)**
Unrecognised surplus	-
Defined benefit liability to be recognised	**(616)**

Assets

	31 March 2024 (£000)
Global equity	273
Absolute return	107
Distressed opportunities	97
Credit relative value	90
Alternative risk premia	87
Emerging markets debt	35
Risk sharing	160
Insurance linked securities	14
Property	110
Infrastructure	277
Private Equity	2
Private debt	108
Opportunistic illiquid credit	107
Cash	54
Long lease property	18
Secured income	82
Liability driven investment	1,115
Currency hedging	(1)
Net current assets	5
Total assets	**2,740**

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

26) Pensions (continued)

Key assumptions:

	31 March 2024 % per annum
Discount rate	4.90
Inflation (RPI)	3.15
Inflation (CPI)	2.78
Salary growth	3.78
Allowance for commutation of pension for cash at retirement	75% of max allowance

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

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

27) Capital commitments

	Group 2025 £000	Group 2024 £000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	87,868	76,767
Capital expenditure that has been authorised by the Board but not yet contracted for	12,738	41,499
	100,606	**118,266**

Capital commitments for the Group will be funded as follows:

	Group 2025 £000	Group 2024 £000
Social Housing Grant	1,264	5,584
Loan drawdowns	85,548	91,675
Sales of properties	13,794	21,007
	100,606	**118,266**

28) Operating leases

The Group holds non-cancellable operating leases for vehicles, water machines, franking machine and a storage unit. There were no leases relating to land during the financial year. At 31 March, the Group had the total of future minimum lease payments for each of the following periods:

	Group 2025 £000	Group 2024 £000
Not later than one year	599	70
Later than one year and not later than five years	10	68
	609	**138**

29) Related party transactions

Curo Group consists of Curo Places Ltd, Curo Choice Ltd, Curo Enterprise Ltd, Curo Market Rented Services Ltd, Mulberry Park Community Benefit Society, Curo Finance Ltd and Curo Group (Albion) Ltd.

Curo Group (Albion) Ltd is the ultimate controlling party and parent undertaking of Curo Places Ltd. It is a charitable Community Benefit Society registered with the Financial Conduct Authority and a Registered Provider of Social Housing. It has the right to appoint the Board directors of Curo Places Ltd.

The consolidated financial statements of Curo Group (Albion) Ltd are available from The Maltings, River Place, Lower Bristol Road, Bath, BA2 1EP.

Legal status of associated companies

Curo Group (Albion) Ltd. is the ultimate controlling party and ultimate parent undertaking of Curo Places Ltd, Curo Choice Ltd, Curo Enterprise Ltd, Curo Market Rented Services Ltd and Mulberry Park Community Benefit Society and Curo Finance Limited.

The consolidated financial statements of Curo Group (Albion) Ltd. are available from The Maltings, River Place, Lower Bristol Road, Bath, BA2 1EP.

Curo Places Ltd. – a charitable Community Benefit Society registered with Financial Conduct Authority and a Registered Provider of Social Housing.

Curo Choice Ltd. – a charitable Community Benefit Society registered with the Financial Conduct Authority.

Curo Enterprise Ltd. - a company limited by shares.

Curo Market Rented Services Ltd. - a company limited by shares.

Mulberry Park Community Benefit Society – a charitable Community Benefit Society registered with the Financial Conduct Authority.

Curo Finance Ltd. - a company limited by shares.

Transactions with associated companies

Curo Group (Albion) Ltd. provides management services to the companies within the Group. The most significant element of this is staff costs for the provision of group-wide central services including the Executive Management Team, Finance, IT, Human Resources, Communications etc. Costs are apportioned within the group based on a combination of turnover and units in management. Group services are provided at arm's length based on commercial terms.

29) Related party transactions (continued)

Curo Choice Ltd. and Curo Places Ltd. provide housing management services to group members. Inter company charges are based on pre-agreed resources required to deliver this service. Charges are calculated on a management cost per property basis.

Curo Places Ltd has provided an arm's length facility of up to £25m to Curo Enterprise Ltd. The funding facility is available for up to 10 years from March 2024. The interest rate on this loan has been temporarily wavered. As at 31 March 2025, Curo Enterprise Ltd had no drawings on the loan facility (2024: £9.7m).

Curo Places Ltd has provided a loan facility of £35m to Curo Market Rented Services Ltd, £1.1m to Mulberry Park Community Benefit Society and £1m to Curo Finance Ltd. All four inter-company loan facilities are repayable on demand.

Curo Places Ltd. Lease 183 market rental properties to Curo Market Rented Services Ltd. on 7 year leases.

Curo Enterprise Ltd., the commercial housebuilding company within the group, build and sell social units to Curo Places Ltd.

The table below summarises the intra company charges by service and legal entity for the year:

Intra Group Service Provided Income/(costs) - £000	Curo Group (Albion) Ltd.	Curo Places Ltd.	Curo Choice Ltd.	Curo Enterprise Ltd.	Curo Market Rented Services Ltd.	Mulberry Park CBS	Curo Finance Ltd.
Group management services	7,964	(7,404)	(241)	(270)	(46)	(3)	-
Housing management services	(1)	(221)	301	-	(79)	-	-
Intra group interest charges	6	(26)	16	4	-	-	-
Leased property services	-	1,687	-	-	(1,687)	-	-
Property sales	-	(609)	-	552	-	-	57
Community Hub services	(1)	(14)	-	(97)	-	112	-
Total	7,968	(6,587)	76	189	(1,812)	109	57

There are no current Board Directors who hold tenancies.

29) Fixed asset investments

Curo Group (Albion) Ltd is a member of Curo Places Ltd and has agreed to contribute £1 in the event of the winding up of Curo Places Ltd. Curo Places Ltd became a subsidiary of Curo Group (Albion) Ltd in 2002 by amending its Memorandum and Articles of Association.

Curo Group (Albion) Ltd exercises control over Curo Places Ltd by virtue of its right to appoint and remove the Board directors of the organisation, and the need for its consent to any constitutional amendments.

Curo Group (Albion) Ltd owns one of three shares in Mulberry Park Community Benefit Society.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

30) Homes and bed spaces in management

	Group 2025 Number	Group 2024 Number
General needs housing	9,044	9,049
Affordable rent	1,030	1,002
Sheltered housing	1,787	1,786
Supported housing	203	199
Shared ownership	875	855
Rent to buy	65	65
Total social housing units	**13,004**	**12,956**
Market renting	233	235
Leasehold	1,027	1,024
Total non-social units	**1,260**	**1,259**
Total homes in management	**14,264**	**14,215**

There were 872 social housing properties in the pipeline for development at 31 March 2025 (2024: 797). Curo Places Ltd own 30 housing properties that are managed by external organisations (2024: 30).

31) Net cash inflow from operating activities

	2025 £000	2024 £000
Operating surplus	8,427	28,668
Depreciation of tangible fixed assets	14,774	13,183
Impairment of stock	15,332	-
Amortisation of grant	(1,437)	(1,376)
Decrease/(increase) in stocks	11,367	(45,715)
Increase in debtors	(4,997)	(3,992)
(Decrease)/increase in trade creditors	(478)	2,900
Increase in accruals and provisions	10,325	9,461
Cash inflow from operations	**53,313**	**3,129**