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Three Sixty SHG
Cornerstone
2 Edward Street
Stockport
SK1 3NQ

Menzies LLP Manchester
One Express
1 George Leigh Street
Manchester M4 5DL

Date: 27 July 2026

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of Three Sixty SHG Limited ("the Company") for the year ended 31 March 2026 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position of Three Sixty SHG Limited in accordance with the relevant financial reporting framework, FRS 102.

During the course of your audit of our financial statements for the year ended 31 March 2026 the following representations were made to you by management and directors.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 16 January 2026 under FRS 102 (UK GAAP), as supplemented by The Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), together with relevant social housing legislation. for the preparation of the financial statements, in accordance with the relevant financial reporting framework; in particular the financial statements give a true and fair view in accordance therewith.

2. The methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the relevant financial reporting framework.
4. All events subsequent to the date of the financial statements and for which the relevant financial reporting framework require adjustment or disclosure have been adjusted or disclosed.
5. We confirm the financial statements are free of material misstatements, including omissions. We believe that those uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of these items is attached to this letter of representation, together with our reasons for not correcting them.
6. We confirm that the Company has had, at no time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the Company) for Directors, nor to provide guarantees of any kind on behalf of the Directors, except as disclosed in the financial statements.
7. There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.
8. We confirm that the Company has not contracted for any capital expenditure other than as disclosed in the financial statements.
9. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
10. We believe that the Company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Company's needs. We also confirm our plans for futures action(s) required to enable the Company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the Company's ability to continue as a going concern need to be made in the financial statements.
11. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and accounted for and disclosed in accordance with the applicable financial reporting framework.

12. The Company has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.

Information provided

13. We have provided you with:
    - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters.
    - Additional information that you have requested from us for the purpose of the audit; and
    - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
14. All transactions have been recorded in the accounting records and are reflected in the financial statements.
15. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.
16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
17. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
    - Management;
    - Employees who have significant roles in internal control; or
    - Others where the fraud could have a material effect on the financial statements.
18. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
19. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effect should be considered when preparing financial statements.
20. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
21. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that, so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each director has taken all the steps that they ought to have taken as a director in

order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully,

Signed on behalf of the board of directors of Three Sixty SHG Limited by:

Director ....

Date 27/07/2026.

Three Sixty SHG Ltd

Directors' report and financial statements

Registered number 10377645

Year ended 31 March 2026

Contents

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General Information

Directors:

Philip Pemberton, Chair from 28.09.22

John Barrow

Alistair Chapman

Maria Earl

Alison Foster

Anthony Williams

Registered Office:	Cornerstone 2 Edward Street Stockport SK1 3NQ
Auditor:	Menzies One Express 1 George Leigh St Manchester M4 5DL
Bankers:	Barclays Bank Limited PO Box 190 Leeds LS1 5WU
Solicitors:	Stockport MBC Stopford House Stockport SK1 3XE

Strategic Report

The directors present the Strategic Report for the year ended 31 March 2026.

Business Review

Three Sixty is a medium sized construction & maintenance company that is a subsidiary of Stockport Homes and linked closely with Stockport Metropolitan Borough Council ('the Council') who is the ultimate controlling party of the company. Three Sixty carries out reactive and planned maintenance, facilities management and construction activities across the Council's and Stockport Homes' portfolio of over 11,000 homes and beyond, keeping local people employed on works within the local area. Over 91% of the workforce lives locally within Greater Manchester, with over 13% of the team identifying as women. Three Sixty's aim is to deliver high standards of quality and customer care for its clients both in Stockport and Greater Manchester whilst maintaining a keen focus on value for money and service excellence.

Overall, the year has been a success for Three Sixty, both financially and operationally. Whilst challenges arose, the team were able to meet the standards set out by Stockport Homes Group and the Social Housing Regulator in delivering works of a high standard in customers homes. Within the Repairs division the average lead time for appointments were significantly reduced throughout the 12 months with customers now having the majority of their appointments met within 7 days. The average customer satisfaction for repairs improved and notably non-emergency repairs that were completed on time significantly improved from previous years. This is most notable in the tenant perception measures where Repair Satisfaction has been maintained at an average of 81% of customer rating the service positively.

Three Sixty have dedicated teams that undertake critical compliance activity for Stockport Homes Group customers in line with the Safety and Quality Consumer Standard. Gas compliance checks are completed annually with dedicated, Gas Safe registered staff also maintaining customers heating appliances. Skilled Electrical staff complete Fixed Wire testing on customers' homes ensuring that their homes are safe. Specialists within the Mechanical and Electrical teams also maintain renewable technologies, CCTV and alarm systems.

Over the last twelve months the team have been embedding a new Facilities Management team within the business that undertake works including both hard and soft FM for both the group and schools across the borough. The team have a dedicated Remote Security service that provide support across the borough.

The Planned Maintenance teams within Three Sixty have developed a wealth of experience over the last 10 years, completing many projects including internal and external refurbishment works, Door and Window replacement, Kitchen and Bathroom replacement and Roof replacement activity. Working in partnership with Stockport Homes Assets team the team completed the replacement of over 180 roof replacements, whilst also reducing the overall cost of these activities for the Group through a change of working practices and intelligent procurement.

Construction teams within Three Sixty successfully completed a number of projects within the year including the newbuild project at Melford Rd, Stockport, comprising a mix of apartment blocks and houses for private sale and shared ownership proving to be extremely sought after by the community. The finished standard of these properties have been noted by both the customers and the client team Viaduct.

It is pleasing to note that financial targets were exceeded in the year, with improvements in both the Gross Profit and Operating Profit margins compared to 2024/25. A profit before tax of £490k enabled Three Sixty to gift aid £400,000 to the group's charitable entity Skylight enabling further investment in crucial services for the Stockport communities such as Pantries and the furniture recycling programme. Three Sixty has now contributed £1.13m to such causes over the 10 years since inception, demonstrating the added value that Three Sixty brings to the group.

During the year the company continued to maintain its strong performance towards Health & Safety with a well below national average of accidents reported whilst also achieving the RoSPA Gold award for the sixth year running. Recognising the increased demand in Fire compliance activity, the team plans to train and achieve the BM Trada fire accreditation in order to further support group operational activity.

The company's key financial performance indicators for the year are as follows:

KPI	2025/26	2024/25
Gross Profit %	11.60%	10.25%
Profit before interest & tax %	1.68%	1.37%

Principle Risks and Uncertainties

A risk register is in place for Three Sixty which is approved by the Board. This risk register allows Three Sixty to manage risk and embrace opportunities and therefore supports the delivery of its strategic objectives. Each year, Three Sixty assesses the internal and external operating environment and identifies those risks (and opportunities) which could affect performance and achievement of agreed objectives. Quarterly risk update reports are then provided to the Board describing progress against delivery of risk control actions, highlights any exceptions, and identifies any new or emerging risks which the organisation needs to take account of.

The key risks for 2025-26 included:

- Three Sixty does not successfully deliver the approved 2024-27 Business Plan and / or the approved 2025-26 Budget
- The customer experience of services delivered by Three Sixty is poor
- Three Sixty is unable to attract / recruit / retain competent staff and employees in post (both current and future) are not engaged with SHG's values
- Health and safety and statutory compliance obligations are not fulfilled, and relevant accreditations are not maintained
- New build development schemes are not completed successfully

Approval

This Strategic Report was approved by order of the Board on 27 July 2026.

Phil Pemberton, Chair

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 March 2026.

Principal Activities

Three Sixty SHG Limited (Three Sixty) is a wholly owned subsidiary of Stockport Homes Limited. The principal activities of the company are to provide construction and maintenance services.

Directors and Directors' Interests

The directors who held office during the year were as follows:

Philip Pemberton, appointed chair 28.9.22

Maria Earl

John Barrow

Alistair Chapman

Alison Foster

Anthony Williams

None of the directors had a beneficial interest in the shares of the company.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

So far as each director is aware there is no relevant audit information of which the company's auditor is unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant information and to establish that the company's auditor are aware of that information.

The auditor, Menzies, is deemed to be reappointed in accordance with section 487 of the Companies Act 2006.

Approval
This report was approved by the Board on 27 July 2026.

By order of the Board

Phil Pemberton

Director

Cornerstone
2 Edward Street
Stockport
SK1 3NQ

Independent Auditor's Report to the Members of Three Sixty SHG Limited

Opinion

We have audited the financial statements of Three Sixty SHG Limited ('the company') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities, set out on pages 4 and 5, the directors are 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 directors 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 directors are responsible for assessing 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 directors either intend to liquidate 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.

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

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

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

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006, tax legislation and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws relating to taxation matters.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

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

Menzies LLP

Maria Hallows BA FCA DChA (Senior Statutory Auditor)
For and on behalf of
Menzies LLP
Chartered Accountants and Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 27th July 2026

**Statement of Comprehensive Income and Retained Earnings
for the year ended 31 March 2026**

	2026 £'000	2025 £'000
Turnover	29,238	30,226
Cost of sales	(25,846)	(27,128)
Gross profit	3,392	3,098
Administrative expenses inc set-up costs	(2,960)	(2,683)
Operating profit	432	415
Other interest receivable	58	109
Profit before taxation	490	524
Tax on profit	(19)	(56)
Profit after taxation	471	468
Retained earnings as at the beginning of the accounting period	1,634	1,466
Gift Aid	(400)	(300)
Retained earnings as at the end of the accounting period	1,705	1,634

All the activities are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 11 to 17 form part of these accounts.

Statement of Financial Position at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Property, plant and equipment	8	-	-
Current assets			
Stock	9	321	315
Debtors	10	2,359	1,775
Cash at bank and in hand		2,586	2,873
		5,266	4,963
Creditors: amounts falling due within one year	11	(3,561)	(3,329)
Net current assets		1,705	1,634
Total assets less current liabilities		1,705	1,634
Total net assets		1,705	1,634
Capital and reserves			
Called up share capital		-	-
Profit and loss account		1,705	1,634
Total shareholder funds		1,705	1,634

These financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK And Republic of Ireland.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements were approved and authorised for issue by the Board of directors on 27 July 2026 and were signed on its behalf by:

P Pemberton
Director
Company registration number: 10377645

The notes on pages 11 to 17 form part of these accounts.

Notes to the Financial Statements
(forming part of the financial statements)

1. **Statutory Information**
Three Sixty SHG Ltd is a private company limited by shares, registered in England and Wales. The registered office is Cornerstone, 2 Edward Street, Stockport, SK1 3NQ.

2. **Compliance with Accounting Standards**
The financial statements have been prepared on a going concern basis, in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) in compliance with FRS 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

3. **Accounting Policies**

Basis of Preparation
The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, rounded to the nearest £'000, which is the functional currency of the entity.

Revenue Recognition
Turnover is measured at the fair value of consideration received or receivable and represents amounts received for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Fixed assets and depreciation
Depreciation is provided by the company to write off the cost or valuation less the estimated residual value of its tangible fixed assets by equal annual instalments over their useful economic lives as follows:

Site set up - 5 years
Tools and equipment - 5 years

A de minimis value of £1,000 applies to individual items. No depreciation is provided on freehold land or investment properties.

Stock
Stock represents materials used for repairs and maintenance and are stated at the lower of cost and net realisable value.

Pension costs
The company participates in two pension schemes, the Greater Manchester Pension Fund (GMPF) and the Social Housing Pension Scheme (SHPS).

The SHPS scheme is a defined contribution pension scheme. Contributions are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either other creditors or accruals at the year end.

The GMPF is a defined benefit pension scheme and retirement benefits to the employees of the company are funded by contributions from all employers and employees in the scheme. The company participates in the GMPF via membership of its parent company, Stockport Homes Ltd, who recognises the net defined benefit cost of the scheme. There is no policy for charging an allocation of the net defined benefit cost to the company. The company is responsible for paying contributions to the scheme in relation to its employees, at the prevailing contribution rate determined by the GMPF. Contributions are charged to

Notes *(continued)*

the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either other creditors or accruals at the year end.

Holiday pay accrual
A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Income Tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Financial Instruments
All financial instruments help by the company are classified as basic with regards FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost. Loans that are payable or receivable within one year are not discounted.

Gift Aid
Gift aid payments are accounted for as a distribution. Gift aid payments are only accrued where a legal obligation to make the payment exists at the reporting date.

Notes *(continued)*

4. Particulars of turnover, cost of sales, operating costs and operating surplus

	Turnover	Cost of sales	Operating costs	Operating Surplus/(deficit)
	2026	2026	2026	2026
	£'000	£'000	£'000	£'000
Construction	8,377	(7,829)	(942)	(393)
Maintenance	11,909	(10,238)	(1,338)	332
Mechanical & Electrical	3,737	(2,943)	(420)	374
Facilities Management	2,310	(2,018)	(260)	32
SHL staff provision	2,905	(2,818)	-	87
Total	29,238	(25,846)	(2,960)	432

	Turnover	Cost of sales	Operating costs	Operating Surplus/(deficit)
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Construction	10,164	(9,025)	(990)	149
Maintenance	12,058	(10,645)	(1,175)	239
Mechanical & Electrical	3,219	(2,998)	(314)	(92)
Facilities Management	2,094	(1,850)	(204)	39
SHL staff provision	2,691	(2,610)	-	81
Total	30,226	(27,128)	(2,683)	415

Auditors remuneration amounted to £10,650 (2025: £8,250).

5. Employees

	2026	2025
	£000's	*£000's*
Staff costs (including Executive Management Team) consist of:		
Wages and salaries	8,600	8,124
Social security costs	1,105	843
Other Pension costs	669	656
	10,374	9,623

The average number of employees during the period was 219 (2025: 215).

Further detail on the average number of employees is included within the consolidated accounts of Stockport Homes Limited which are available to members of the public from its registered office: Stockport Homes Limited, Cornerstone, 2 Edward St, Stockport, SK1 3NQ.

6. Board Members

Amounts paid to non-executive directors during the period totalled £13,408, in addition expenses of £42 were paid in 2025/26 (£48 in 2024/25) related to travel and subsistence:

Board member	Remuneration 2025/26	Remuneration 2024/25
	£	£
Jenny Osbourne	-	1,500
Phil Pemberton	3,702	3,588
John Barrow	2,614	2,533
Alistair Chapman	1,234	1,011
Maria Earl	1,979	1,867
Alison Foster	1,307	638
Tony Williams	2,614	1,277
Total	13,450	12,414

Further detail on Directors remuneration is included within the consolidated accounts of Stockport Homes Limited which are available to members of the public from its registered office: Stockport Homes Limited, Cornerstone, 2 Edward St, Stockport, SK1 3NQ.

Notes *(continued)*

7. Taxation on surplus/(deficit) on ordinary activities

	2026 £'000	2025 £'000
UK corporation tax		
Current tax on surplus for the year	20	56
Adjustment in respect of previous periods	0	0
Taxation on surplus on ordinary activities	20	56

8. Tangible fixed assets

	Plant and Machinery etc. £ '000	Total £ '000
Cost		
At 1 April 2025	20	20
Additions	-	-
Disposals	-	-
At 31 March 2026	20	20
Depreciation	-	-
At 1 April 2025	(20)	(20)
Charge for year	-	-
Disposals	-	-
At 31 March 2026	(20)	(20)
Net Book Value	-	-
At 31 March 2026	-	-
At 31 March 2025	-	-

9. Stock

	2026 £'000	2025 £'000
Consumables	321	315
	321	315

Notes *(continued)*

10. Debtors

	2026 £'000	2025 £'000
Amounts owed by group undertaking	901	701
Amounts owed by the Council and associated companies	1,208	677
Other Debtors	117	264
Prepayments and accrued income	133	132
	2,359	1,775

11. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Trade creditors	1,090	412
Corporation tax	19	56
Other amounts owed to group undertaking	1,115	1,361
Other Tax and Social Security	239	229
Other creditors	51	48
Accruals and deferred income	1,047	1,223
	3,561	3,329

12. Operating Leases

Amounts payable as Lessee

	2026 £'000	2025 £'000
Not later than 1 year	695	708
Later than 1 year and not later than 5 years	2,226	2,383
Later than 5 years	0	0
Total	2,921	3,091

Notes *(continued)*

13. Contingent Liabilities

There were no contingent liabilities at the balance sheet date.

14. Guarantees and Financial Commitments

The company had guarantees and financial commitments at the balance sheet date of £nil (2025 £nil).

15. Related party disclosures and ultimate controlling party

The company is controlled by Stockport Homes Limited, which owns 100 ordinary £1 shares (100%) of the share capital of the company. Stockport Homes Limited produces consolidated accounts which are available to members of the public from its registered office: Stockport Homes Limited, Cornerstone, 2 Edward St, Stockport, SK1 3NQ.

Stockport Metropolitan Borough Council is the ultimate controlling party of the company. Stockport Metropolitan Borough Council produces consolidated accounts which are available to members of the public from its registered office (Fred Perry House, Stockport, SK1 3UR).

The company has taken advantage of the exemption available under Financial Reporting Standard 102 not to disclose transactions with other wholly owned entities that are part of the group on the basis that consolidated financial statements in which the company is included are publicly available. These exemptions include:

- Preparation of a cashflow statement.
- Disclosures relating to financial instruments, income, expenses, gains and losses, exposure to and management of financial risks.