AIHA

Annual Report 2025-26

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Board, executive and advisors

Board

Mr J Scharfer (Chair)
Mrs B Feldman
Mrs C Rechnitzer (joined October 2025)
Mr M Hirschler
Cllr M Levy
Mr I Moskowitz
Mr J Silver
Mr O Weissbraun
Mr J Sorotzkin (resigned October 2025)
Mr S Z Stauber (resigned June 2025)
Cllr C Potter (resigned May 2025)

Registered office

206 Lordship Road,
London N16 5ES

Bankers

Barclays Bank PLC
1 Churchill Place Canary Wharf
London E14 5HP

Auditors

S&W Partners Audit Limited
Chartered Accountants
45 Gresham Street
London EC2V 7BG

Solicitors

Devonshires Solicitors LLP
30 Finsbury Circus
London EC2M 7DT

Capsticks Solicitors LLP
Wellington House
Wimbledon Hill Road
London SW19 7PA

Blake Morgan LLP
New Kings Court, Tollgate
Chandlers Ford,
Eastleigh SO53 3LG

Registered under the
Co-operative and Community
Benefit Societies Act No 23535 R
Registered by the Regulator of
Social Housing No LH 3673

Executive Management Team

Mrs Chaya Spitz OBE
Chief Executive and
Company Secretary

Mr Brett Simon
Director of Finance

Ms Leora Basalian
Director of Care
Services

Mr Malcolm Rogers
Director of Property
Services

Mr Solomon Tescher
Director of Housing
Services

Message from the Board

AIHA's Board is pleased to present our annual report and financial accounts for the year 2025-26.

We are unique in our mission of providing good quality homes to Orthodox Jewish people in housing need. We own and manage 930 homes across England, and are ambitious to do more to alleviate the housing crisis for the community we serve.

We are proud to be led by the community, for the community, with strong governance and an agile response to need.

During the year we delivered against our objectives:

- **Increased access to decent housing**. At the same time as growing AIHA's housing stock, we have also increased our supply of leased homes, helping people affected by homelessness to secure a decent home through AIHA and our partners.
- **Exemplary housing management**. Our results and KPIs for 2025-26, which we report on pages 15-16, mark us out as a high performing association.
- **Outstanding care and support**. Our beautiful care homes and supported housing provisions continue to be a source of pride and comfort to our residents.
- **Strengthening the organisation for the future**. At a time when housing associations face challenges from many different directions, we have focused on building AIHA's resilience. We have strengthened our use of IT, built our finance systems and capabilities and strengthened governance, leadership and team working. We want to not only survive the headwinds, but thrive, so that we can make a greater impact.

North East team from the Greater London Authority (GLA) Housing and Land Directorate spent a morning learning about AIHA's work

Board Report

Our mission and objectives

AIHA's mission is to provide good quality homes to people in housing need in the Orthodox Jewish community

We have four objectives that encompass everything we do:

1. **Increase access to decent housing**

   We will achieve this by developing more homes, as well as by working in partnership with local authorities, housing associations and private landlords, and advocating for those in housing need.

2. **Exemplary housing management**

   We will hold the needs of the community and the voice of tenants at the heart of everything we do, and ensure all our homes are safe, compliant and good quality.

3. **Outstanding care and support**

   We will continue our focus on excellent provision of specialist housing for those with extra needs, and grow our supported housing provision

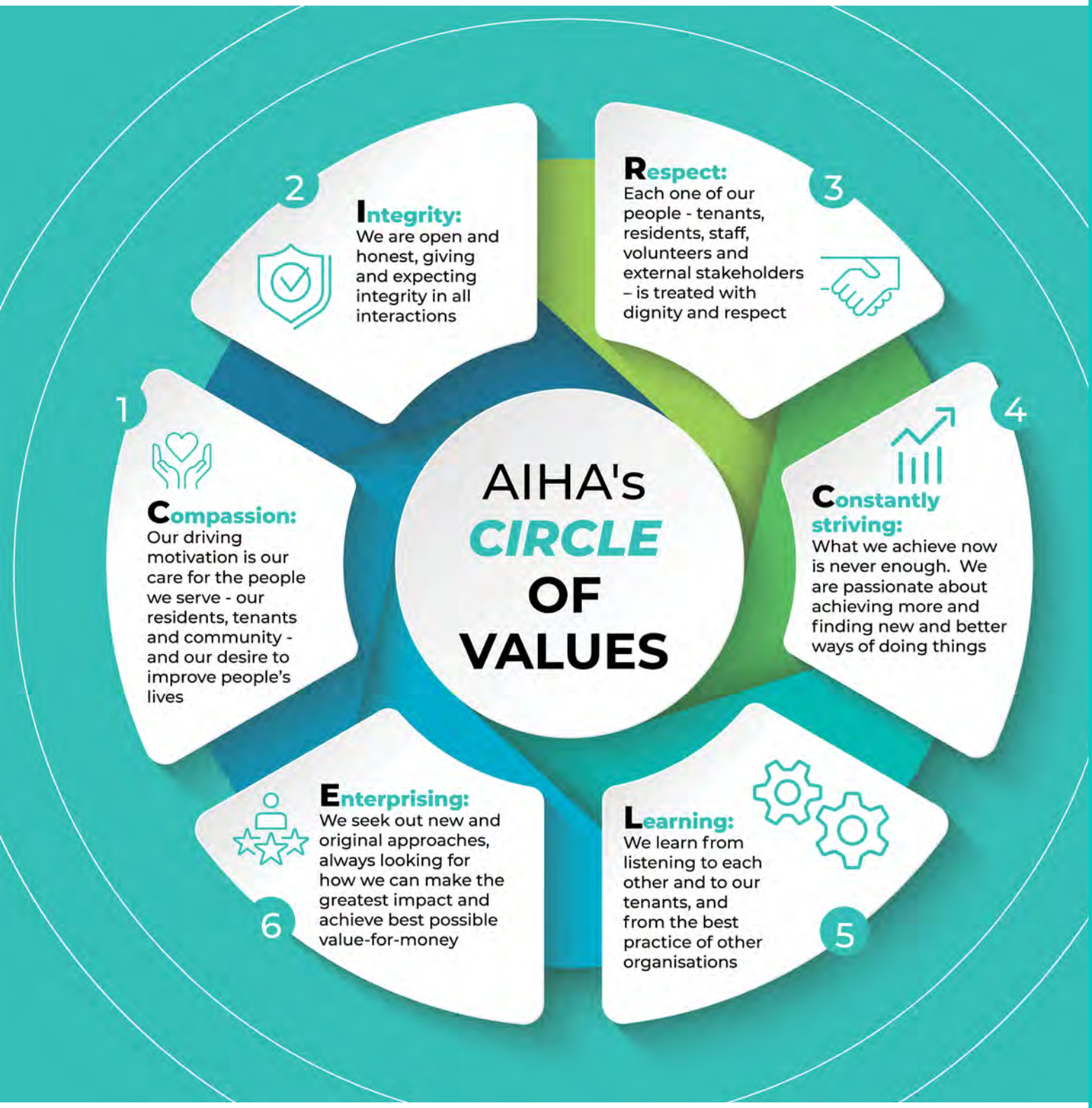
4. **Strengthening the organisation for the future**

   We will develop and strengthen AIHA to ensure that we have the skills, capacity and financial resilience to meet the challenges and the opportunities of future growth.

Our people and values

We're proud of Team AIHA, where 192 colleagues carry out many different frontline and back office roles. We share a strong culture of caring about the people we serve and a focus on how we can do things even better.

We are united in our commitment to the AIHA values CIRCLE:



AIHA's Gold Award against the Investors In People standard was reaccredited in May 2026.

From the Investors in People report:

"Leaders and managers consistently lead by example, set clear expectations and support people to ensure expectations are met. They are viewed as extremely kind, caring, dedicated, focused and motivating and they inspire people to go over and above what is expected whenever they can."

"AIHA have continued to make significant improvements over the last three years and they demonstrate a considerable commitment to investing in their people. Over the next three years they should concentrate on building on the many good practices that currently exist. AIHA continues to meet the We Invest in People Gold Standard and is well on its way to being a We Invest in People Platinum organisation."

"People love working for AIHA because they feel supported, empowered, trusted, respected and they are always gaining new skills and knowledge. Leaders are aware of future challenges and have made sure they have the skills and knowledge to meet these challenges by bringing in external consultants and working with external organisations."

"AIHA has an innovative approach that helps it stand out."

"AIHA has a very strong values driven culture which everyone understands and supports."

Governance and Legal Structure

A strong and effective Board is at the heart of a well-run housing association, and is a key regulatory requirement. AIHA's Board comprises eight elected members, all of whom are non-executive and unpaid. They bring a wide array of knowledge, skills and experience, along with many hours of voluntary time, to their role.

The Board is collectively responsible for our strategic direction and leadership, for compliance with all regulatory requirements, and for achievement of AIHA's objectives, within a clearly defined framework of delegation and systems of control.

The Board met eight times during 2025-26, including 6 regular Board meeting with 2 additional meetings to enable in depth discussion about specific topics. One new Board member was elected during the year and was given a full induction. Training and development is provided to the whole Board, in line with the Board Development Plan. The Board's performance is appraised annually, and an in-depth appraisal of Board Members' performance takes place every other year.

The Board is assisted by three Committees:

Audit and Risk Committee

Supports the Board on risk management, internal and external audit, compliance, and controls in procurement, fraud and IT.

Members:

Michael Levy (Chair)
Brenda Feldman
Adrian Cohen
(independent Committee Member)
Jack Silver

Selection and Remuneration Committee

Has oversight of AIHA's remuneration policies and supports the Board on employment of the Chief Executive and the senior leadership team. Also leads recruitment to AIHA's Board

Members:

Michael Levy (Chair)
Julian Scharfer
Moses Hirschler

Development Committee

Provides in-depth scrutiny of AIHA's development activities and advises the Board about proposed new development.

Members:

Julian Scharfer (Chair)
Israel Moskowitz
Moses Hirschler
Oshi Weissbraun

Day-to-day management of AIHA's affairs is delegated by the Board to the Chief Executive who is supported by four directors, who lead the functions of Property Services, Housing Services, Care, and Finance. Together, the senior leadership team ensures that the Board has sufficient information to exercise their role, and works with the Board to define the strategic direction.

Subsidiaries

AIHA has one wholly owned private limited subsidiary company, AIHA Sales Ltd. The subsidiary is not regulated by the Regulator of Social Housing but is constituted under the Companies Act 2006. The company was dormant for a number of years and became active again in 2024-25.

The Directors of AIHA Sales Ltd are the Chief Executive of AIHA and one other member of AIHA's Board. AIHA's Board has oversight of activities of the subsidiary, whose purpose is to conduct activities that will further AIHA's economic viability and charitable objectives.

Independent legal advice is taken about compliance of AIHA Sales Ltd, and we confirm that all legal requirements are met.

Compliance with the Regulatory Standards, the Code of Governance and all relevant law

The Board confirms compliance with the Regulator of Social Housing's Regulatory Standards, and has internal systems for regularly reviewing and checking compliance. Some of the mechanisms through which we assure compliance are:

- An effective Board supported by the Committees that provide in depth scrutiny of different areas of activity;
- A system of internal controls which are tested by internal audit;
- An operational business plan and long term financial plan that is subject to stress testing, approved by the Board and regularly updated;
- A detailed risk map and risk management strategy, reviewed by the Board;
- Compliance with lenders' covenants with Board monitoring compliance on a quarterly basis;
- Golden Rules agreed by the Board to provide a secure buffer protecting lenders' covenants and ensuring sufficient liquidity to meet contractual requirements;
- An annual Value for Money (VfM) statement and report on performance against set metrics;
- An asset and liability register;
- An effective framework for tenant engagement and set of controls to ensure compliance with consumer standards.

AIHA has adopted the NHF Code of Governance 2020 and reviews its compliance against the Code annually. The Board confirms that AIHA is fully compliant with the 2020 Code of Governance.

As an Association with fewer than 1000 homes, AIHA is not routinely inspected by the Regulator and does not have regulatory gradings.

Statement of the Board's responsibilities

The Board is responsible for preparing the Board Report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008 requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the Association's financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The Board 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 Association and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

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

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

In the case of each person who was a member of the Board at the time this report was approved:

- so far as that member was aware there was no relevant audit information of which the Association's auditor was unaware; and
- that member had taken all steps that the member ought to have taken as a member to make himself or herself aware of any relevant audit information and to establish that the Association's auditor was aware of that information.

Awardees at the Dryan Square opening ceremony, Gateshead

Delivery against our plan and achievements during 2025-26

New homes for the community

Our scheme in Gateshead achieved practical completion at the end of 2025-26, enabling us to welcome 8 new tenants and shared owners into newly built AIHA homes.

Our building on Golders Green Road was affected at a late stage by the contractors going into administration. AIHA took over completion of the scheme directly, and practical completion was achieved in August 2026, and sales of the 22 shared ownership homes expected to be completed by November 2026.

All of the new homes are a bespoke design to meet the needs of Orthodox Jewish households.

We have also progressed with a specialist 5 home scheme for Orthodox Jewish disabled adults, a demographic with substantial unmet housing need, at 95 Lordship Park, Hackney. The project is being run in partnership with disability charity Misgav and is expected to complete in 2027/28. The neighbouring property, 93 Lordship Park, has now also been acquired for identical purpose.

We thank our funders from the GLA and Homes England who have been supportive partners on these schemes and look forward to continuing to work with them as we explore further opportunities for the future.

There has been a sharp increase in homelessness in the community, most prominently in London boroughs of Hackney and Haringey. To

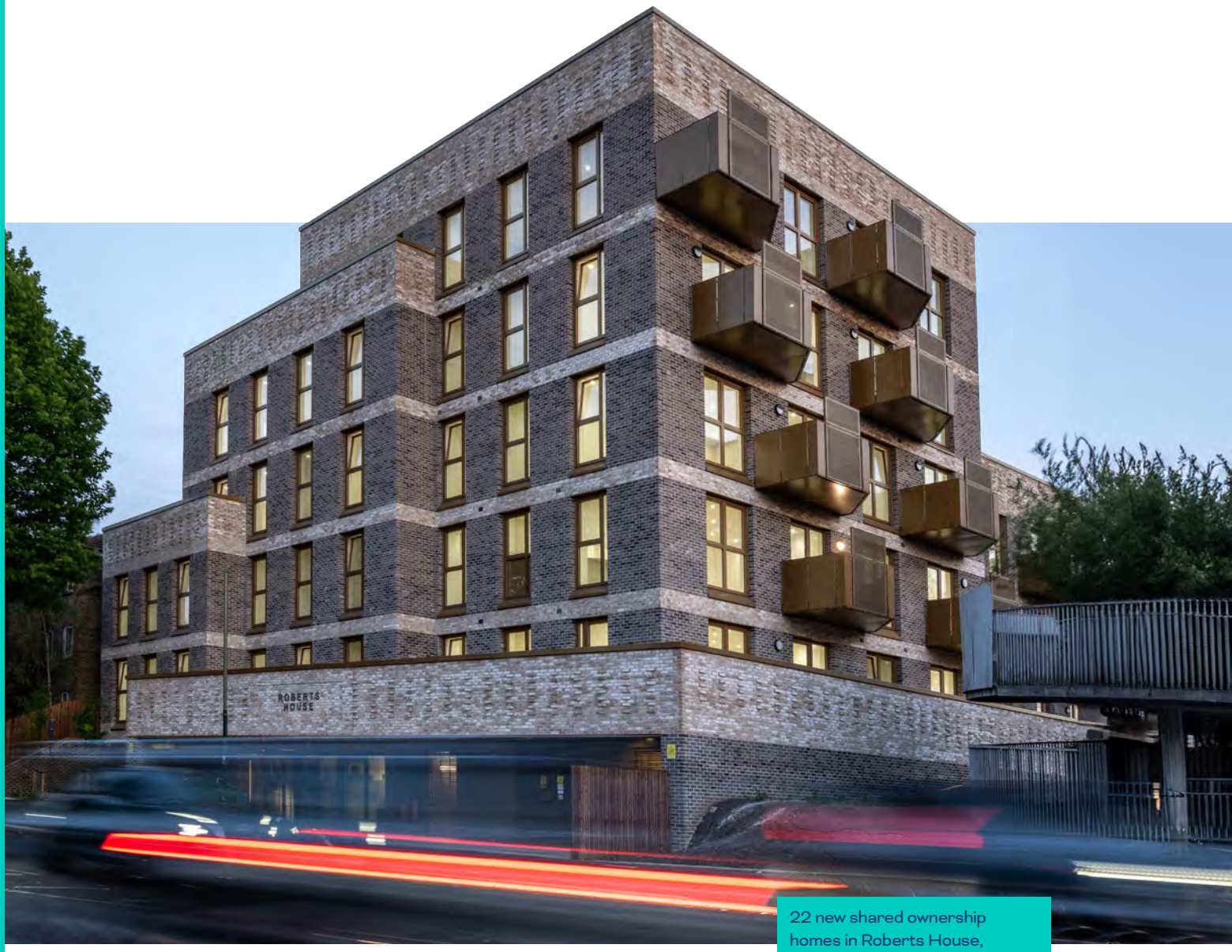
- **Over 900 households are now on AIHA's housing waiting list**
- **Only a small proportion of those in housing need in the community apply to AIHA – the chances of being allocated a home are so narrow**
- **Almost 60% on our waiting list are overcrowded, including 45% who are overcrowded by two or more bedrooms**
- **We can only help those in the most urgent need, people who are homeless or have acute social or medical needs**

20 new 5-bed houses in Dryan Square, Gateshead , are now occupied

respond to this, we have been operating an emergency housing scheme, where we lease homes from private sector landlords to accommodate families who are homeless or on the cusp of homelessness. We now manage 42 homes under this scheme, which is continuing to grow.

Going forward, AIHA aspires to make an impact on housing need in the community by leveraging all of our assets to this end. We will:

- Use our business plan headroom to invest strategically in new development where it can make the greatest difference. We are particularly interested in investing in neighbourhoods outside of but reasonably close to Stamford Hill/ Tottenham where families will still be able to rely on existing community infrastructure.
- Find new forms of investment and partnership that enable us to extend what we can do.
- Advocate for people in housing crisis, to persuade other providers, including local authorities who have statutory homelessness duties, to do more to relieve housing need in the Orthodox Jewish community.
- Expand the number of homes we lease from private sector landlords.



22 new shared ownership homes in Roberts House, Golders Green

Exemplary housing management

We report below on AIHA's performance against the Tenant Satisfaction Measures (TSMs) set by the Regulator. We are pleased to show strong performance against these measures from our survey carried out in April 2026.

Comparative data are provided from RSH data for the sector for 2024-25 (calculated average for LCRA and LCHO), and for a smaller providers cohort provided in the Acuity Benchmarking Report 2025.

TP01-Overall customer satisfaction

93%

Performance 2024-25
AIHA: 89%
RSH: 60%
Small Providers: 70%

TP05- Satisfied that the home is safe

95%

Performance 2024-25
AIHA: 87% RSH: 75% Small Providers: 73%

TP09 - Satisfied with complaint handling

84%

Performance 2024-25
AIHA: 70% RSH: 29% Small Providers: 47%

TP02- Overall satisfaction with repairs

92%

Performance 2024-25
AIHA: 87%
RSH: 74%
Small Providers: 71%

TP03- Satisfied with time taken to complete recent repair

84%

Performance 2024-25
AIHA: 71%
RSH: 70%
Small Providers: 70%

TP04-Satisfied that the home is well maintained

91%

Performance 2024-25
AIHA: 84%
RSH: 72%
Small Providers: 70%

TP10-Satisfied that communal areas are clean and well maintained

78%

Performance 2024-25
AIHA: 83%
RSH: 57%
Small Providers: 67%

TP11 -Satisfied that AIHA makes a positive neighbourhood impact

86%

Performance 2024-25
AIHA: 86%
RSH: 53%
Small Providers: 63%

TP12- Satisfied with AIHA's approach to anti-social behaviour

71%

Performance 2024-25
AIHA: 82%
RSH: 49%
Small Providers: 58%

TP06- Satisfied that AIHA listens to tenants' views and acts upon them

81%

Performance 2024-25
AIHA: 70%
RSH: 50%
Small Providers: 62%

TP07- Satisfied that AIHA keeps tenants informed about relevant matters

86%

Performance 2024-25
AIHA: 82%
RSH: 64%
Small Providers: 67%

TP08- Agreement that AIHA treats tenants fairly and with respect

92%

Performance 2024-25
AIHA: 85%
RSH: 69%
Small Providers: 72%

PERFORMANCE MEASURE	AIHA 2025-26	AIHA 2024-25	RSH 2024-25	Small Providers 2024-25
GAS SAFETY WORKS	99%	99.8%	100%	99.7%
FIRE SAFETY CHECKS	100%	100%	100%	99.8%
ASBESTOS SAFETY CHECKS	100%	100%	100%	97.2%
WATER SAFETY CHECKS	100%	100%	100%	100%
LIFT SAFETY CHECKS	100%	100%	100%	98.7%
HOMES THAT FAIL TO MEET THE DECENT HOMES STANDARD	.3%	.1%	.5%	.4%
EMERGENCY REPAIRS COMPLETED WITHIN TARGET TIMESCALES	94%	94%	94.9%	97.3%
NON-EMERGENCY REPAIRS COMPLETED WITHIN TARGET TIMESCALES	89%	87%	82.5%	91.6%
ASB INCIDENTS	10	26	36	21
ASB HATE INCIDENTS	0	0	7	0

COMPLAINTS PERFORMANCE	AIHA 2025-26	AIHA 2024-25	RSH 2024-25	Small Providers 2024-25
STAGE 1 COMPLAINTS *(per 1000 homes)*	17	23.5	46.8	41.7
STAGE 2 COMPLAINTS *(per 1000 homes)*	4.9	8.7	9.6	4.8
STAGE 1 COMPLAINTS RESPONDED TO WITHIN TARGET TIMESCALES	100%	100%	87.9%	87.2%
STAGE 2 COMPLAINTS RESPONDED TO WITHIN TARGET TIMESCALES	100%	100%	87.4%	80.9%

Planned works and building remediation

AIHA's planned works programme is designed to ensure that our estate is maintained to a good standard and we are continually investing in its upkeep.

We have a dedicated compliance function within our Property Services team to ensure that we fulfil our responsibilities on all matters relating to landlord health and safety. The team deals with all routine compliance requirements, as well as addressing emerging problems. Our performance, shown in the TSM table, benchmarks very well against our peers.

Fire remediation works on the Aviv estate have now been completed, with final decking replacement work to be carried out in 2026-27. We have continued the programme of assessing the fire risk of external walls across all our estates, and identified that remediation is required on three sites. Works are being planned at Weissmandel Court, to be undertaken by the developer Hill. Works at Avigdor Mews will be supported by the Cladding Safety Scheme. Potential fire safety works at a further site remain at the investigative stage.

Sustainability and the environment

During 2025-26, we continued on a path towards carbon reduction and a more sustainable future. Our aims are:

» To reduce AIHA's carbon footprint

» To ensure that AIHA meets its 2030 target of a minimum EPC C rating across our estate

» To make headway with the journey to net carbon zero by 2050

» To reduce the cost of energy for our tenants and leaseholders

We are on the pathway to delivering this through the following:

✓ AIHA's sustainability strategy, covering new development, how we manage our homes and how we run our day-to-day housing and care operations.

✓ Ambitious targets for energy efficiency of new homes, including net zero wherever possible.

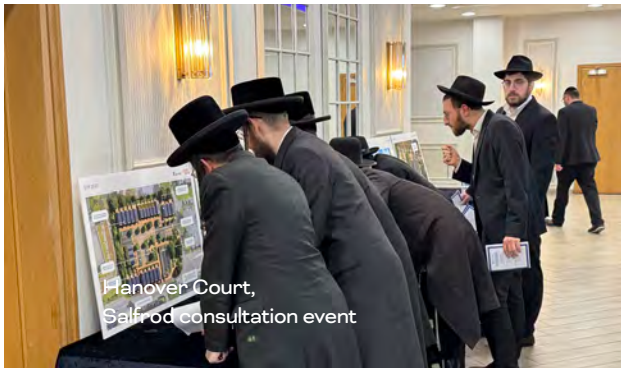
✓ Delivery of our Warm Homes Programmes, with funding of £1,001,483 from Department for Energy and Net Zero from the Warm Homes Social Housing Fund. This is supporting AIHA and other small housing associations to improve energy efficiency of 114 homes by 2025 - 2028.

✓ Participation in the Retrofit Credits scheme run by the Housing Association Charitable Trust

✓ We are testing lower carbon technologies, including air source heat pumps, in some of our London homes.

✓ We have negotiated agreements with our lenders for lower interest rates on money used for carbon reduction works, and for exclusion of these works from covenants that limit expenditure

Mark Feguson MP at the opening event for Dryan Square, Gateshead



Hanover Court, Salford consultation event

Community consultation event for development of Hanover Court, Salford

Attendees of the Dryan Square opening

Care and Support Provision

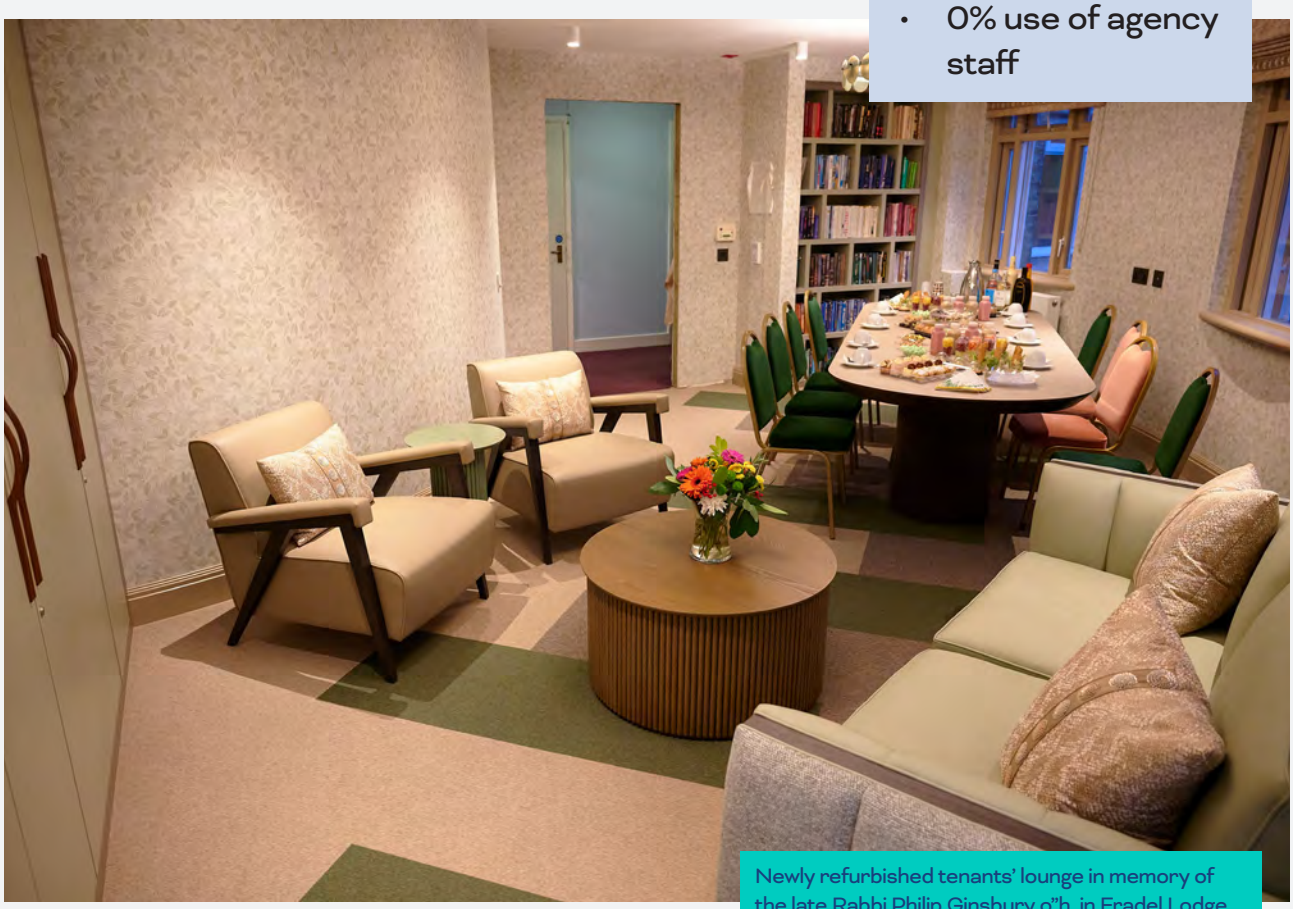
AIHA is proud of our exceptional care and supported housing provision. At the heart of this are the beautiful Schonfeld Square Homes which incorporates Beis Pinchos care home and Fradel Lodge sheltered housing. Beis Pinchos occupancy was 99.8% over the year and Fradel Lodge was 100%. AIHA's two mental health provisions also delivered support to a very high standard and had 100% occupancy.

Other schemes continue to be managed for the Association by our trusted community partners, including Beis Brucha Mother and Baby Home, Beenstock Home for older people in Salford and Yad Voezer homes for disabled people.

All registered AIHA care provision is rated by the Care Quality Commission as Good.

Performance of AIHA's directly managed care and support schemes:

- Overall occupancy 99.9%
- Overall resident satisfaction over 95%
- 100% of supported housing tenants satisfied with their scheme manager
- 0% use of agency staff



Newly refurbished tenants' lounge in memory of the late Rabbi Philip Ginsbury o"h, in Fradel Lodge

Strengthening the organisation for the future

During 2025-26, we made further progress in building AIHA's resilience for the future, including:

» Continuing to focus on strong leadership, values and strategic direction that is understood and owned by all AIHA's people.

» We have further advanced our digital infrastructure to support operational efficiency and data integrity. Enhancements to core systems include the move to a new HR system (Natural HR) and completion of the transition to cloud-based platforms. We are progressing well with digitisation of legacy records and have introduced mobile and smart technologies to improve service delivery and asset performance monitoring.

Treasury matters

At the end of 2025-26, AIHA had drawn loans of £66.6m, and available facilities to draw a further £4m. Additional facilities with two other lenders were negotiated post year-end, with a £2m revolving credit facility with one lender now being finalised and a further £14m facility with a second lender expected to be finalised shortly. With the sale of the Commercial space at Aviv in July 2026, shared ownership sales in Gateshead, and further shared ownership sales expected in Golders Green, AIHA's cash position is substantially strengthened during 2026-27. This is a strong position as we consider new development activity.

AIHA's Treasury Policy is set by the Board and lays out the Golden Rules that guide AIHA's treasury related actions and decisions. The Board has set a benchmark of 60% or higher for the level of fixed versus variable debt. After the major refinancing exercise carried out in 2024-25, the level of fixed debt dropped below this benchmark. The Board has approved the fixing of a substantial portion of our borrowing with Natwest and we will also be fixing most of our loan with Unity Trust Bank. Once this exercise is complete, AIHA will be above the benchmark.

Work is ongoing to refinance borrowing where the rate is disadvantageous, as well as to release excess security. This work is well progressed.

The main treasury risk to which AIHA is exposed is interest cover covenant risk (EBITDA MRI), which is dependent on a number of factors including income and expenditure, as well as interest rates. The Board wishes to take a cautious approach to Treasury risk, despite its appetite for growth. It has set a Golden Rule for EBITDA MRI interest cover of 1.25, which provides a buffer for the bank covenants. Performance against the EBITDA MRI covenant has been strong and is forecast to remain so.

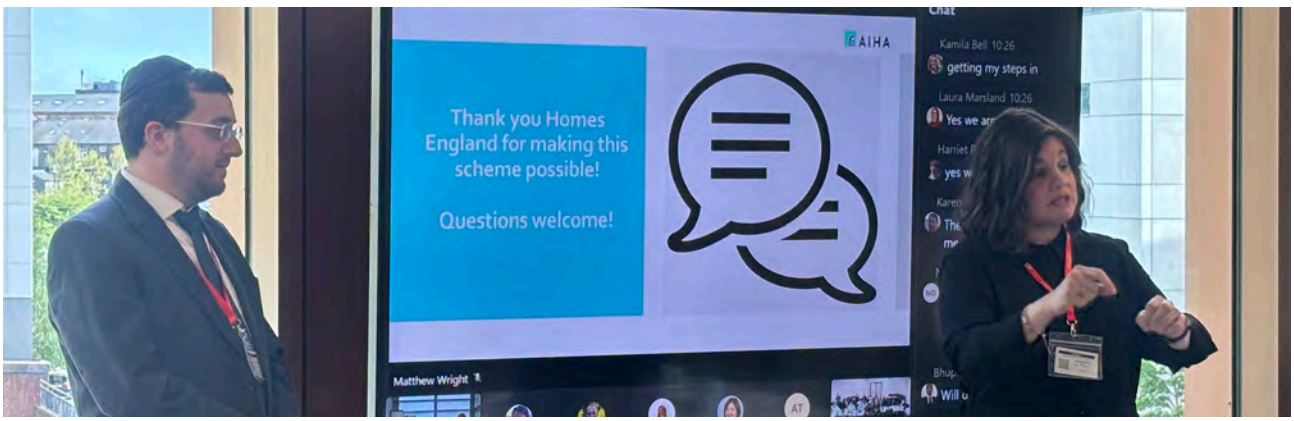
Value for Money Statement

The VfM Standard requires AIHA to demonstrate that:

- overall, optimal benefit is derived from resources and assets in the delivery of their strategic objectives;
- performance against our own value for money targets and any metrics set out by the regulator are reported on, and how that performance compares to peers;
- areas of underperformance are clearly explained and supported by plans to address areas of concern; and
- include this detail in the annual accounts.

The requirements in the Regulator of Social Housing (RSH) standards are demonstrated in this statement. The table below shows AIHA's performance against the RSH value for money metrics, compared to the previous year's performance and peer performance. Peer benchmarking data of smaller housing associations nationally is drawn from Acuity and relates to 2024/25, the most recent year for which comparative data is available.

VFM Metric	2025/26 AIHA performance	2024/25 AIHA performance	2024/25 Peer group lower quartile	2024/25 Peer group median	2024/25 Peer group upper quartile
1. Reinvestment %	**4.48**	4.55	1.48	3.4	8.01
2. New Supply Delivered %	**1.17**	0	-	-	1.88
3. Gearing %	**35.53**	33.38	0.08	14.35	31.78
4. EBITDA MRI interest cover %	**127.5**	155	122.5	184.25	506.75
5a. Headline Social Housing Cost per Unit (overall)	**£13,336**	**£11,887**	**£5,153**	**£6,524**	**£9,210**
5b. Headline Social Housing Cost per Unit (excluding supported housing)	**£6,706**	**£5,674**	supplementary metric, thus no comparatives		
6a. Operating Margin (social housing lettings only) %	**25.20**	16.69	6.4	17.3	22.68
6b. Operating Margin (overall) %	**25.45**	29.29	6.38	15.55	24.20
7. Return on Capital Employed	**2.72**	4.11	2.1	3.1	4.10



Taken together, the metrics show a positive financial performance by AIHA for the year.

Reinvestment decreased only slightly from 4.55% to 4.48% but remained at a strong level well above the peer median of 3.4. This is mainly due to the continued investment in two new housing schemes which will come to completion in 2026-27. New supply delivered rose to 1.17% from nil, the uptick anticipated in last year's statement. AIHA also took on further leased homes during the year to improve supply to its target community; these are not owned by AIHA and so do not appear in either metric.

Gearing rose to 35.53% (2024/25: 33.38%), reflecting the deliberate deployment of debt capacity to fund development. It remains comfortably within the covenant limits set by AIHA's lenders. EBITDA MRI remains within acceptable parameters, well ahead of lenders' covenants and above its own internal requirements.

AIHA's headline social housing cost per unit, calculated in accordance with the Regulator of Social Housing's Value for Money technical note, was £13,336. AIHA has also disclosed a second, supplementary measure this year, which excludes the costs relating to its supported housing. On this basis, the cost per unit was £6,706, reflecting continued investment in maintaining its homes while keeping costs under control.

Both figures are presented because AIHA's supported housing, and in particular its care home, carries costs that are high relative to the number of units it represents. The main driver is care home staff salaries, which relate mainly to the care and support provided to residents rather than to the management and upkeep of the homes themselves. A single combined figure therefore gives a less meaningful picture of how efficiently AIHA manages and maintains its general needs stock.

AIHA's operating margins for social housing lettings, 25.2% and overall, 25.45% are both above the peer group upper quartile. This indicates that AIHA continues to generate a healthy surplus from its core activities, while maintaining its investment in services and in the upkeep of its homes. The strength of these margins also gives AIHA the financial capacity to support its development programme.

Return on capital employed fell to 2.72% from 4.11%. This principally reflects the surplus on disposal of fixed assets, which is included in ROCE; disposals contributed £2.18m in 2024/25 against £238k in 2025/26.

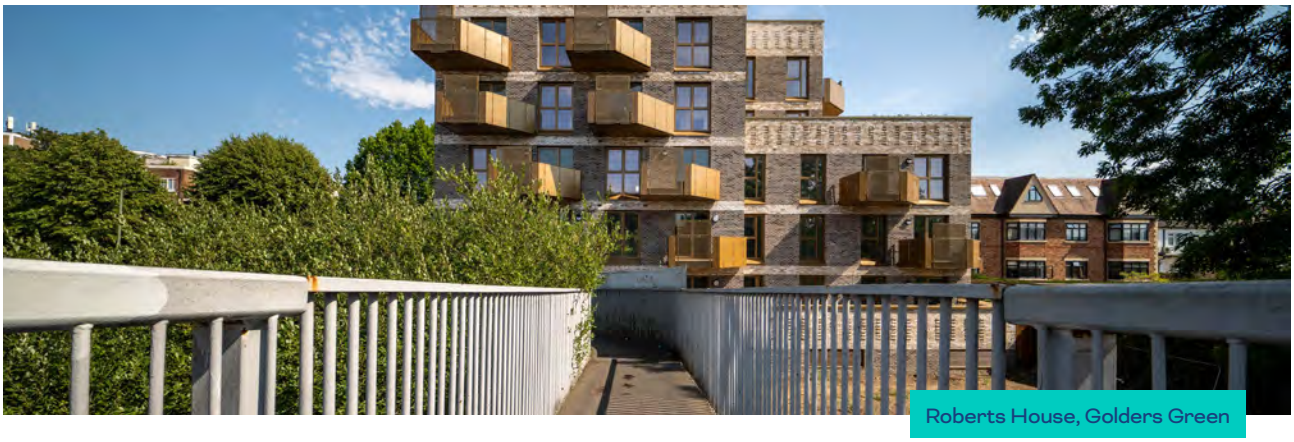
By Order of the Board

Julian Scharfer

Julian Scharfer (Sep 25, 2026 15:38:30 GMT+1)

Chairman

Date: 25 September 2026



Roberts House, Golders Green

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGUDAS ISRAEL HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Agudas Israel Housing Association Limited (the 'Parent Association') and its subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise the Consolidated and Association Statements of Comprehensive Income, the Consolidated and Association Statements of Financial Position, the Consolidated and Association Statements of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Association's affairs as at 31 March 2026 and of the Group's and Parent Association's surplus 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 Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

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

Responsibilities of Board
As explained more fully in the Statement of Board's Responsibilities set out on page 12, the Board 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 Board 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's and the Parent Association'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 Parent Association 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.

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

We obtained a general understanding of the Group and Parent Association's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the Group and Parent Association's industry and regulation.

We understand that the association complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change;
- A risk assessment framework and register that includes regular review and scrutiny by the board;
- An annual assessment of compliance with regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing; and
- The Board's close oversight through regular Board meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Group and Parent Association's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group and Parent Association:

- FRS 102, the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022, in respect of the preparation and presentation of the financial statements;
- Health and safety regulations, including building and fire safety; and
- Regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Performed a review of Board minutes to identify any indicators of known or suspected non-compliance with significant laws and regulations; and
- Performed a review of any correspondence between the Regulator of Social Housing and the most recent reports from the Care Quality Commission.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Group and Parent Association's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were:

- Management override of controls;
- Presentation and Disclosure of loans;
- Housing properties - component additions and disposals; and
- Valuation of housing properties (fixed and current asset) including impairment considerations.

The procedures carried out to gain evidence in the above areas included:

- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the Group and Parent Association's processes and controls surrounding manual journal entries;
- Reviewing the presentation and disclosure of loans;
- Substantive testing of component additions and disposals;
- Substantive testing on housing property additions to ensure they are consistent with the supporting evidence; and
- Evaluating management's valuation of fixed and current asset housing properties, including challenging judgements and estimates applied in carrying out impairment assessments, to verify that they align with the applicable financial reporting framework.

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, the senior statutory auditor and the audit manager have a number of years' experience in dealing with associations with similar risk profiles.

A further description of our responsibilities is available 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 Parent Association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Parent Association 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 Parent Association for our audit work, for this report, or for the opinions we have formed.

S&W Audit

S&W Audit (Sep 25, 2026 16:23:08 GMT+1)

S&W Audit
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

Date 25/09/2026

Financial Statements

Chaya Spitz CEO at leadership and impact event arranged by AIHA lender Unity Bank

Agudas Israel Housing Association Limited
Consolidated and Association Statements of Comprehensive Income

For the year ended 31 March 2026

		GROUP		ASSOCIATION	
	Notes	2026	2025	2026	2025
Turnover	3	18,930,524	17,660,868	18,917,751	17,658,912
Cost of Sales		(433,857)	-	(433,857)	-
Total operating costs		(13,730,804)	(13,045,060)	(13,716,852)	(13,042,671)
Surplus before surplus on disposal of property		**4,765,863**	**4,615,808**	**4,767,042**	**4,616,241**
Surplus on disposal of property	7	238,584	2,180,317	238,584	2,180,317
Operating surplus		**5,004,447**	**6,796,125**	**5,005,625**	**6,796,558**
Interest receivable	8	59,408	83,564	59,408	83,564
Interest payable	9	(2,810,178)	(2,784,799)	(2,810,178)	(2,784,799)
Surplus for the year		**2,253,677**	**4,094,890**	**2,254,855**	**4,095,323**

All amounts relate to continuing activities.

Agudas Israel Housing Association Limited
Consolidated And Association Statements of Financial Position

As at 31 March 2026

	Notes	GROUP 2026 £	GROUP 2025 £	ASSOCIATION 2026 £	ASSOCIATION 2025 £
Fixed Assets					
Housing properties	10	180,818,764	174,311,141	180,239,225	173,724,236
Other tangible fixed assets	11	1,285,907	1,261,879	1,285,907	1,261,879
		182,104,671	175,573,020	181,525,132	174,986,115
Current assets					
Stock	13	6,694,162	5,426,455	6,694,162	5,426,455
Debtors	14	762,664	1,011,242	1,363,814	1,598,579
Cash at bank and in hand		2,567,873	5,562,202	2,547,873	5,562,202
		10,024,699	11,999,899	10,605,849	12,587,236
Creditors					
Amounts falling due within one year	15	(8,131,873)	(23,555,219)	(8,131,873)	(23,555,219)
Net current assets/ (liabilities)		1,892,826	(11,555,320)	2,473,976	(10,967,984)
Total assets less current liabilities		183,997,497	164,017,699	183,999,108	164,018,131
Creditors					
Amounts falling due after more than one year	16	(126,655,045)	(108,928,924)	(126,655,045)	(108,928,924)
Net assets		57,342,452	55,088,775	57,344,063	55,089,207
Capital and reserves					
Called-up share capital	20	16	16	16	16
Revenue reserves	21	57,342,436	55,088,759	57,344,047	55,089,192
Association's funds		57,342,452	55,088,775	57,344,063	55,089,208

The financial statements were approved by the Board of Management on 25th Sep 2026 and were signed on its behalf by:

Julian Scharfer
Julian Scharfer (Sep 25, 2026 15:38:30 GMT+1)

J Scharfer
Board Member

israel moskovitz
israel moskovitz (Sep 25, 2026 15:42:15 GMT+1)

I Moskovitz
Board Member

Chaya Spitz
Chaya Spitz (Sep 25, 2026 16:04:06 GMT+1)

C Spitz OBE
Secretary

Agudas Israel Housing Association Limited
Consolidated and Association Statements of Changes in Equity

	GROUP			ASSOCIATION		
	Share Capital	Revenue Reserves	Total Capital and Reserves	Share Capital	Revenue Reserves	Total Capital and Reserves
	£	£	£	£	£	£
At 1 April 2025	**16**	**55,088,759**	**55,088,775**	**16**	**55,089,192**	**55,089,208**
Surplus from Statement of Comprehensive Income	-	2,253,677	2,253,677	-	2,254,855	2,254,855
At 31 March 2026	**16**	**57,342,436**	**57,342,452**	**16**	**57,344,047**	**57,344,063**

	Share Capital	Revenue Reserves	Total Capital and Reserves	Share Capital	Revenue Reserves	Total Capital and Reserves
	£	£	£	£	£	£
At 1 April 2024	**16**	**50,993,869**	**50,993,885**	**16**	**50,993,869**	**50,993,885**
Surplus from Statement of Comprehensive Income	-	4,094,890	4,094,890	-	4,095,323	4,095,323
At 31 March 2025	**16**	**55,088,759**	**55,088,775**	**16**	**55,089,192**	**55,089,208**

Estate days at The Gardens and Avigdor Mews

Agudas Israel Housing Association Limited
Consolidated Statement of Cash Flows

For the Year Ended 31 March 2026

	2026 £	2025 £
Net cash generated from operating activities	**4,711,969**	**1,044,298**
Cash flow from investing activities		
Interest received	59,408	83,564
Grant received	264,050	114,385
Payments to acquire and construct housing properties	(7,064,082)	(8,146,313)
Purchase of other tangible fixed assets	(126,536)	(106,592)
Proceeds from disposal of tangible fixed assets	444,544	2,560,000
Net cash used in investing activities	(6,422,616)	(5,494,956)
Cash flow from financing activities		
Interest paid	(3,794,723)	(3,382,007)
Loans received	24,405,000	8,920,000
Repayment of borrowings	(21,893,959)	(1,251,441)
Net cash used in financing activities	(1,283,682)	4,286,552
Net decrease in cash and cash equivalents	**(2,994,329)**	**(164,106)**
Cash and cash equivalents at beginning of year	**5,562,202**	**5,726,308**
Cash and cash equivalents at end of year	**2,567,873**	**5,562,202**

Agudas Israel Housing Association Limited
Consolidated Statement of Cash Flows

For the Year Ended 31 March 2026

A. Reconciliation of surplus for the year to cash generated by operations

	2026 £	2025 £
Surplus for the year	2,253,677	4,094,890
Interest receivable and similar income	(59,408)	(83,564)
Interest payable and similar charges	2,810,178	2,784,799
Profit on sale of housing properties	(238,584)	(2,180,317)
Depreciation charge on tangible fixed assets	1,415,411	1,485,561
Loss on disposal of tangible fixed assets	51,098	-
Impairment of properties developed for sale	151,768	556,755
Amortisation of Social Housing Grant	(610,837)	(585,185)
Increase in stock	(1,267,707)	(2,358,919)
Decrease / (increase) in debtors	248,578	(12,541)
Decrease in creditors	(42,206)	(2,657,181)
Net cash inflow from operating activities	**4,711,969**	**1,044,298**

B. Analysis of net debt

	At 1 April 2025 £	Cash flow £	Other non-cash changes £	At 31 March 2026 £
Bank borrowings due within 1 year	(18,723,069)	21,893,959	(6,428,407)	(3,257,517)
Bank borrowings due after more than 1 year	(44,695,926)	(24,405,000)	6,367,200	(62,733,726)
Cash at bank and short term deposits	5,562,202	(2,994,329)	-	2,567,873
Net debt	(57,856,793)	(5,505,370)	(61,207)	(63,423,370)

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2026

1. PRINCIPAL ACCOUNTING POLICIES

1.1. General information

The Association is a Registered Provider of Social Housing registered with the Regulator of Social Housing and is incorporated under the Co-operative and Community Benefit Societies Act 2014.

A description of the nature of the Association's operations and its principal activity is disclosed in the Board Report on page 4.

The Association's registered office is 206 Lordship Road, London, N16 5ES.

1.2. Basis of accounting

These financial statements are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, and the Housing SORP 2018 "Statement of Recommended Practice for registered social housing providers 2018" ("the SORP") and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

In accordance with FRS 102 (3.3A), the Association is a public benefit entity that has applied the "PBE" prefixed paragraphs.

The financial statements have been prepared under the historical cost convention.

The functional and presentational currency of the Association is Sterling (£).

The Association has taken advantage of the exemption from preparing a statement of cash flows available under FRS 102.

Basis of Consolidation

The consolidated financial statements present the results of the Association and its subsidiary AIHA Sales Limited as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

AIHA Sales Limited, a company incorporated in England, is a 100% subsidiary of the Association during the year. This company was previously dormant and became active as a profit arm late in 2024.

1.3. Going concern

The financial statements have been prepared on a going concern basis, which the Board considers appropriate for the following reasons. The Board has reviewed the changes arising from increased costs of doing business and higher borrowing rates and concluded that there is appropriate headroom under the Association's financial covenants. The Association continues to generate surpluses and has maintained sufficient liquidity. New lenders have provided terms to refinance loans due to expire and to secure additional funding for the development program. The long-term business plan has been subject to sensitivity testing. Consequently, the Board is confident that the Association will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. They therefore have prepared the financial statements on a going concern basis.

1.4. Turnover

Turnover represents rental income and service charges receivable net of voids, grants from local authorities, amortisation of government grant, income from first tranche shared ownership. Care income is recognised on the basis of the value of services provided in the period.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.4. Turnover (continued)

Turnover arises solely within the United Kingdom.

Rental income is recognised on the basis of the amount receivable for the year. Rental income received in advance is disclosed within creditors in the Statement of Financial Position.

Service charge income is accounted for on the basis of the value of goods or services supplied during the period. Any over- or under-recovery of amounts due is reflected as a debtor or a creditor, respectively. Amounts collected in advance to fund future repairs and referred to in the financial statements as sinking fund charges are accounted for as a creditor until utilised or returned to leaseholders.

Revenue grants are recognised within income in the same period as the related expenditure provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

First tranche shared ownership sales are recognised when legal completion occurs.

1.5. Property managed by agents

Where agents carry the majority of the financial risk on property managed on behalf of the Association, all the income and expenditure arising from the property is excluded from the Statement of Comprehensive Income.

1.6. Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease, including where payments are not required to be made on a straight line basis. Lease incentives are similarly spread on a straight-line basis over the relevant lease terms.

1.7. Taxation

The Association has charitable status and is therefore not subject to Corporation Tax on the surplus arising from its charitable activities. Provision is made for the tax liabilities, which may arise when property is developed for commercial outright sale or private rent. Tax is chargeable on these activities and a provision is made for any tax payable.

Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the statement of financial position date except as otherwise required by FRS 102.

1.8. Property, plant and equipment

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide community benefit.

Freehold and long leasehold housing properties are stated at cost less any provision for depreciation and impairment.

The cost of properties is the initial purchase price together with those costs that are directly attributable to acquisition and construction, including interest charges incurred during the development period.

Properties in the course of construction are stated at cost and transferred to completed housing properties when completed. Where an asset comprises components with materially different useful lives, those assets are separately identified and depreciated over those individual lives.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.8. Property, plant and equipment (continued)

Subsequent expenditure which relates to either the replacement of previously capitalised components or the enhancement of such components which results in incremental future benefit is capitalised and the carrying amount of any replaced component or part component is derecognised.

Depreciation is provided on a straight-line basis over the periods shown below:

Land	Infinite
Structure	120 years
Roofs – Flat/Pitched	15/60 years
Lifts and bathrooms	30 years
Windows and Doors	25 years
Heating systems and electrical circuits	40 years
Boilers	15 years
Kitchens	20 years
Leasehold, buildings and improvements	Over the period of the lease or the life of the property, if less

We conduct periodic reviews of our policies, including benchmarking against other housing associations to ensure we remain aligned with sector good practice.

Other costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into their intended use.

Capitalisation of interest

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Mixed tenure developments

Where the Association has a mixed tenure development which has more than one element, the Association allocates the cost of the land to each element of the scheme to reflect the respective values of the land for different tenure types.

Shared ownership

The costs of shared-ownership properties are split between current and fixed assets based on the percentage of the property to be sold in a first-tranche disposal. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Other tangible fixed assets

Other tangible fixed assets are stated at cost, less depreciation and impairment. Depreciation of tangible assets, except freehold land, is charged by equal annual instalments from the date of acquisition at rates estimated to write off their cost or valuation, less any residual value, over the expected useful lives, as follows:

Property fixtures	20%
Office equipment	20%
Motor Vehicles	20%

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.9. Stock

Stock is carried at the lower of cost and net realisable value.

Cost includes all statutory and professional fees relating to the acquisition of a property, obtaining planning consents, legal fees, the costs of construction and redevelopment, and direct development overheads. Finance costs are capitalised within the cost of properties for sale. For shared ownership properties the amount held as stock is the estimated cost to be sold as a first tranche.

1.10. Impairment

Non-financial assets

Non-financial assets comprise Property, Plant and Equipment and property held as stock.

Non-financial assets, other than those measured at fair value, are assessed for indications of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income. Should there be a reversal of impairment, this would also be recognised in the statement of comprehensive income but not so as to increase the carrying value above its initial cost.

Financial assets

Financial assets comprise trade and other debtors and cash and cash equivalents.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

1.11. Grant

Government grant

Government grants include grants receivable from Homes England, the Greater London Authority (GLA), local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure (excluding land), on a pro rata basis under the accrual model of accounting.

The unamortised element of the government grant is recognised as deferred income in creditors due within one year or due after more than one year as appropriate in the Statement of Financial Position.

Government grant is repayable indefinitely unless formally abated or waived. On the occurrence of certain relevant events, primarily following the sale of property, the government grant repayable or to be recycled will be restricted to the net proceeds of sale where appropriate. In recognition of this, external lenders seek the subordination of the Homes England's and the GLA's right to recover government grant to their own loans.

Government grant received in respect of revenue expenditure is recognised within income in the same period as the related expenditure, provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received using the performance model of grant accounting.

Recycled capital grant fund

Following certain relevant events, primarily the sale of dwellings, Homes England and the GLA can direct the Association to recycle capital grant or to repay the recoverable capital grant back to the Authorities. Where the grant is recycled the recoverable capital grant is credited to a recycled capital grant fund which is included as a creditor due within one year or due after more than one year as appropriate.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.11. Grant (continued)

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose a specific future performance condition is recognised as income when the grant proceeds are receivable. A grant that imposes a specific future performance related conditions on the Association, is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is shown as a liability in the Statement of Financial Position.

1.12. Financial Instruments

Financial assets and liabilities comprise trade and other debtors, cash and cash equivalents, trade and other payables and loan balances.

Financial assets and financial liabilities are recognised when the Association becomes party to the contractual provisions of the financial instrument.

All financial assets and financial liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Association intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of Section 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are only derecognised when and only when:

- the contractual rights to the cash flows from the financial asset expire or are settled,
- the Association transfers to another party substantially all the risk and rewards of ownership of the financial asset, or,
- the Association, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Association does not use standalone derivative financial instruments to reduce exposure to interest rate movements.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank and short term deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.13. Employee benefits

Multi-employer defined benefit pension scheme

The Association is party to a multi-employer defined benefit (final salary) contributory pension scheme administered independently. The Association is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As there is a contractual agreement between the scheme and the Association that determines how the deficit will be funded, the contributions payable that arise from the agreement to the extent that they relate to the deficit are recognised as a liability in the Statement of Financial Position and the resulting expense in the Statement of Comprehensive Income.

When the contributions are not expected to be settled within 12 months after the reporting period, the liability is measured at the present value of the contributions payable by using a discounted rate (discounted present value basis). The rate used is determined by reference to market yields at the reporting date on high quality bonds.
Contributions in respect of current service are recognised in the Statement of Comprehensive Income as they fall due.

1.14. Provisions

Provisions for liabilities and charges are recognised when the Association has a present obligation (whether legal or constructive) as a result of a past event that can be reliably estimated and it is probable that a transfer of economic benefit will be required to settle the obligation.

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of Financial Statement requires the use of estimates and judgements that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenses for the year. Although these estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Critical judgements in applying the Association's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Board has made in the process of applying the Association's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Identification of housing property components

The Association accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component by component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Key sources of estimation uncertainty

The estimates and assumptions which have the most significant effect on amounts recognised in the financial statements are discussed below:

Bad debt provision

The rent arrears balance of £743,824 and the sales ledger balance of £117,914, recorded in the Association's Statement of Financial Position, comprise a relatively large number of small balances. A full line-by-line review of rent arrears is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not accurately reflect the level of debt that may prove uncollectible. The provision on 31 March 2026 was £333,546 and £89,211 respectively.

Stock – properties for sale

Properties held for sale include completed properties developed for outright sale and shared-ownership properties. For shared-ownership properties, the value held as stock represents the cost attributable to the estimated percentage expected to be sold in the first tranche.

Properties held for sale are stated at the lower of cost and net realisable value. Cost comprises materials, direct labour, and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

Estimated selling prices are based upon management's experience of the local market and advice from independent surveyors.

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2026

3. SOCIAL HOUSING TURNOVER AND COSTS - ASSOCIATION

	Total 2026 £	Total 2025 £
Rents receivable	9,900,545	9,594,588
Service charge income	5,486,675	5,174,193
Other social housing activities	2,919,694	2,306,902
Grants amortisation	610,837	585,185
Total turnover from social housing activity	**18,917,751**	**17,590,500**
Social housing activity expenditure	**(14,150,709)**	**(12,488,305)**
Operating surplus from social housing activities	**4,767,042**	**5,102,195**
Net surplus from social housing activities	**2,254,855**	**2,471,329**
Voids	(65,493)	(70,368)

4. EMPLOYEE INFORMATION - GROUP & ASSOCIATION

	2026 Number	2025 Number
The average monthly number of persons (including the Chief Executive) employed during the year was: (full-time equivalents calculated on a 35-hour week).	**164.3**	**164.5**
Staff costs (for the above persons)	**£**	**£**
Wages and salaries	5,904,848	5,634,485
National Insurance contributions	715,766	519,766
Pension costs	136,683	123,687
	6,757,297	**6,277,938**

The full-time equivalent number of staff whose remuneration is payable in relation to the period of account fell within each band of £10,000 from £60,000 upwards is as follows:

	2026 Number	2025 Number
£60,001 - £70,000	4	4
£70,001 - £80,000	1	1
£80,001 - £90,000	3	1
£90,001 - £100,000	2	3
£100,001 - £110,000	1	1
£110,001 - £120,000	-	-
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	13	11

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2026

5. DIRECTORS' EMOLUMENTS - GROUP & ASSOCIATION

	2026 £	2025 £
The aggregate emoluments paid to or receivable by the Executive Management Team, including pension contributions	630,196	589,159
The emoluments paid to the highest paid Director (who is not the Chief Executive) of the Association excluding pension contributions:	125,001	107,900

No remuneration is paid to any non-executive Board Members.

The Chief Executive is an ordinary member of the pension scheme. No enhanced or special terms apply. There are no additional pension arrangements. A total contribution by the Association of £15,000 (2025 - £13,781) was paid in addition to the personal contributions of the Chief Executive.

6. SURPLUS FOR THE YEAR - GROUP & ASSOCIATION

	GROUP		ASSOCIATION	
	2026 £	2025 £	2026 £	2025 £
Is stated after charging:-				
Auditor's remuneration (excluding VAT):				
In their capacity as auditors – annual fee	45,375	69,750	44,525	66,780
In respect of other services	2,269		2,226	
Depreciation:				
Housing properties	1,312,903	1,414,544	1,305,537	1,412,154
Other tangible fixed assets	102,508	71,016	102,508	71,016

7. SURPLUS ON DISPOSAL OF PROPERTY - GROUP & ASSOCIATION

	2026 £	2025 £
Sale proceeds	444,544	2,560,000
Net Book Value	(205,960)	(379,683)
	238,584	**2,180,317**

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2026

8. INTEREST RECEIVABLE – GROUP & ASSOCIATION

	2026 £	2025 £
Bank interest	59,408	83,564

9. INTEREST PAYABLE - GROUP & ASSOCIATION

	2026 £	2025 £
Interest payable	3,585,400	3,348,937
Less - Interest capitalised	(984,545)	(597,208)
Net Interest payable	**2,600,856**	**2,751,729**
Other Loan costs	209,322	33,070
	2,810,178	**2,784,799**

10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES - GROUP

	Housing properties held for housing letting £	Housing properties held for shared ownership £	Housing properties in progress £	Total £
Cost				
At 1 April 2025	160,694,552	22,344,854	14,042,093	197,081,499
Additions	-	-	7,244,459	7,244,459
Completed schemes	1,084,643	1,970,435	(3,055,077)	-
Component additions	836,895	-	-	836,895
Disposals	(469,272)	-	-	(469,272)
At 31 March 2026	**162,146,818**	**24,315,289**	**18,231,474**	**204,693,581**
Depreciation				
At 1 April 2025	21,404,248	1,366,110	-	22,770,358
On disposals	(39,022)	-	-	(39,022)
Components written off	(169,422)	-	-	(169,422)
Charge for year	1,312,903	-	-	1,312,903
At 31 March 2026	**22,508,707**	**1,366,110**	-	**23,874,817**
Net Book Value				
At 31 March 2026	**139,638,111**	**22,949,179**	**18,231,474**	**180,818,764**
At 31 March 2025	139,290,304	20,978,744	14,042,093	174,311,141

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2026

10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES - ASSOCIATION

	Housing properties held for social housing letting	Housing properties held for shared ownership	Housing properties in progress	Total
	£	£	£	£
Cost				
At 1 April 2025	160,105,257	22,344,854	14,042,093	196,492,204
Additions	-	-	7,244,459	7,244,459
Completed schemes	1,084,643	1,970,435	(3,055,077)	-
Component additions	836,895	-	-	836,895
Disposals	(469,272)	-	-	(469,272)
At 31 March 2026	**161,557,523**	**24,315,289**	**18,231,474**	**204,104,286**
Depreciation				
At 1 April 2025	21,401,858	1,366,110	-	22,767,968
On disposals	(39,022)	-	-	(39,022)
Components written off	(169,422)	-	-	(169,422)
Charge for year	1,305,537	-	-	1,305,537
At 31 March 2026	**22,498,951**	**1,366,110**	**-**	**23,865,061**
Net Book Value				
At 31 March 2026	**139,058,572**	**22,949,179**	**18,231,474**	**180,239,225**
At 31 March 2025	138,703,400	20,978,744	14,042,093	173,724,236

Included within housing properties is £618,172 (2025: £447,906) of interest capitalised in the year in relation to properties under development. The cumulative interest capitalised to date is £1,066,078 (2025: £447,906).

10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES (continued)

UNITS AT END OF YEAR – SOCIAL HOUSING

	2026 Units	2025 Units
Owned and managed by the Association		
General needs - social housing	389	389
General needs – affordable housing	175	194
General needs – market rent	21	-
Supported housing	101	101
Shared ownership	93	86
Freehold providing services to Leaseholders	33	-
	812	**770**
Owned by the Association and managed by others		
Supported housing	**78**	**78**
Owned by others and managed by the Association		
Private Sector Lease	**42**	-

11. TANGIBLE FIXED ASSETS – OTHER - GROUP AND ASSOCIATION

	Property Fixtures £	Offices £	Motor Vehicles £	Office Equipment £	Total £
Cost					
At 1 April 2025	447,394	1,193,611	75,415	243,919	1,960,339
Additions	71,044	-	-	55,492	126,536
At 31 March 2026	**518,438**	**1,193,611**	**75,415**	**299,411**	**2,086,875**
Depreciation					
At 1 April 2025	318,304	113,247	75,415	191,495	698,460
Charge for year	47,662	9,947	-	44,899	102,508
At 31 March 2026	**365,966**	**123,194**	**75,415**	**236,394**	**800,968**
Net Book Value					
At 31 March 2026	**152,472**	**1,070,417**	-	**63,016**	**1,285,907**
At 31 March 2025	129,090	1,080,364	-	52,424	1,261,879

12. FIXED ASSETS INVESTMENTS

The Association has provided a guarantee in favour of the following subsidiary undertaking, allowing it to be exempt from the requirement to obtain a statutory audit under section 479A of the Companies Act 2006 for the year ended 31 March 2026:

Name	Registered office	Class of shares	Holding
AIHA Sales Limited	206 Lordship Road, London, N16 5ES	Ordinary	100%

13. STOCK - GROUP AND ASSOCIATION

	Shared Ownership £	Market Sale £	Total £
As at 31 March 2026			
Completed	126,542	2,250,000	2,376,542
In Development	4,317,620	-	4,317,620
	4,444,162	**2,250,000**	**6,694,162**
As at 31 March 2025			
Completed	-	2,250,000	2,250,000
In Development	3,176,455	-	3,176,455
	3,176,455	**2,250,000**	**5,426,455**

Included within stock is £216,600 (2025: £149,302) of interest capitalised in the year in relation to properties under development.

14. DEBTORS – GROUP & ASSOCIATION

	GROUP		ASSOCIATION	
	2026 £	2025 £	2026 £	2025 £
Amounts falling due within one year				
Rent arrears	743,824	555,710	743,824	555,710
Less: Rental provision	(333,546)	(299,783)	(333,546)	(299,783)
	410,277	255,927	410,277	255,927
Sales ledger	117,914	216,907	117,914	216,907
Less: Sales ledger provision	(89,211)	(96,445)	(89,211)	(96,445)
	28,704	120,462	28,704	120,462
Prepayments and accrued income	323,683	634,853	323,683	634,853
Amounts owed by group companies	-	-	601,150	587,338
	762,664	1,011,242	1,363,814	1,598,579

15. CREDITORS: Amounts falling due within one year – GROUP AND ASSOCIATION

	2026 £	2025 £
Trade creditors	684,952	1,144,185
Capital accruals	936,743	768,828
Rents in advance	1,394,757	1,197,478
Taxation and social security	149,785	107,038
Accruals and deferred income	497,007	365,309
Loans repayable within one year	3,257,517	18,723,069
Deferred income – Government grant	610,837	594,917
Other creditors	600,275	654,395
	8,131,873	**23,555,219**

16. CREDITORS: Amounts falling due after more than one year – GROUP AND ASSOCIATION

	2026 £	2025 £
Sinking funds	384,646	333,241
Recycled capital grant fund	247,036	324,334
Loans repayable after more than one year	62,733,726	44,695,926
Deferred income - Government grant	63,289,638	63,575,422
	126,655,045	**108,928,924**

17. LOAN ANALYSIS - GROUP AND ASSOCIATION

	2026 £	2025 £
Loans are repayable as follows:		
Due within one year	**3,257,517**	**18,723,069**
Between one and two years	1,326,242	3,201,537
Between two and five years	5,182,461	4,941,109
In five years or more	56,225,023	36,553,280
Due in more than one year	**62,733,726**	**44,695,926**
	65,991,243	**63,418,995**

Loans from Barclays Bank, CAF Bank, Lloyds TSB, and the Metro Bank are secured by specific charges on the Association's housing properties. Interest is payable at interest rates varying from 2.26% to 7.00%.

Included in the above are new lenders: NatWest Bank facility of £11m (£4m unutilised at year-end) and Unity Trust Bank facility of £12m. Included within loans is £589k of finance costs (2025: £415k).

18. GOVERNMENT GRANT – GROUP & ASSOCIATION

COMPLETED & IN PROGRESS

	Total 2026 £	Total 2025 £
Cost		
Opening balance	77,824,717	77,793,976
Additions	264,050	154,385
Grants recycled	76,922	(123,644)
Closing balance	**78,165,689**	**77,824,717**
Amortisation		
Opening balance	13,654,377	13,069,192
Grant amortised in the year	610,837	585,185
Closing balance	**14,265,214**	**13,654,377**
Carrying amount	**63,900,475**	**64,170,340**

18. GOVERNMENT GRANT – GROUP & ASSOCIATION (continued)

	2026 £	2025 £
Deferred income – Government grant		
Amount due to be released within one year	610,837	594,917
Amount due to be released in more than one year	63,289,638	63,575,423
	63,900,475	**64,170,340**

Homes England has provided Social Housing Grants to fund the development of Social Housing for rent.

19. RECYCLED CAPITAL GRANT – GROUP & ASSOCIATION

	2026 £	2025 £
At 1 April 2025	324,334	293,463
Grants recycled	-	123,644
Drawdown	(76,922)	(111,464)
Opening balance adjustment	(10,210)	-
Interest accrued	9,834	18,691
	247,036	**324,334**

RCGF due for repayment within one year to the Greater London Authority was £nil (2025: £nil). RCGF due for repayment within one year to Homes England was £nil (2025: £nil).

20. CALLED UP SHARE CAPITAL – GROUP & ASSOCIATION

	2026 £	2025 £
Allotted issued and fully paid shares of £1 each		
At start of the year	16	16
At 31 March 2026	16	16

The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights.

21. REVENUE RESERVE – GROUP & ASSOCIATION

The revenue reserve represents the accumulated surpluses and deficits recognised in profit or loss.

22. PENSION LIABILITY – GROUP & ASSOCIATION

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

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

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

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

Reconciliation of opening and closing liability	2026 £	2025 £
Liability at start of period	6,196	2,139
Unwinding of the discount factor (interest expense)	243	56
Deficit contribution paid	(2,214)	(2,180)
Remeasurements - impact of any change in assumptions	(3)	31
Remeasurements - amendments to the contribution scheme	8	6,150
Liability at end of period	**4,230**	**6,196**

Assumptions	2026 % per annum	2025 % per annum	2024 % per annum
Rate of discount	4.92	4.84	5.31

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

23. RELATED PARTY TRANSACTIONS – GROUP & ASSOCIATION

Cllr M Levy was a councillor during the year whilst serving on the Board of Management for the Association. All transactions with his relevant council were on an arm's length basis on commercial terms, and he could not use his position to his advantage.

Relatives to various members of key management personnel held tenancies during the year under the same terms and conditions as applied to other tenants and leaseholders of the Association. Rental and service charges during the year totalled £198,094 with arrears of £2,508 at year end (2025: £160k charged and arrears of £1.5k).

Key management are the persons having authority and responsibility for planning, controlling and directing the activities of the Association. In the opinion of the Board, the key management are the senior management team. The remuneration of key management during the year was as follows:

	2026 £	2025 £
Remuneration (as per note 5)	630,196	538,564
Employer's social security costs	81,306	66,839
	711,502	**605,403**

24. CAPITAL COMMITMENTS – GROUP & ASSOCIATION

The Board have approved a few developments which are now in progress. The estimated remaining cost of developments is £5m. This will be funded by a combination of Social Housing Grant, undrawn loan facilities and reserves.

	2026 £	2025 £
Capital expenditure that has been contracted for, but has not been provided for in the financial statements	1,122,000	7,682,939
	1,122,000	**7,682,939**
The above expenditure is expected to be financed by:		
Grant	-	371,500
Sales	-	2,000,000
Loans	1,122,000	5,311,439
	1,122,000	**7,682,939**

25. POST BALANCE SHEET EVENTS – GROUP & ASSOCIATION

In June 2026, the Market Sale property shown in Note 13 was disposed for £2,900,000.

Agudas Israel Housing Association
206 Lordship Road
London N16 5ES
Tel: 020 8802 3819
Email: reception@aihaltd.co.uk

Schonfeld Square
1 Schonfeld Square
London N16 0QQ
Tel: 020 8802 7477
Email: schonfeld@aihaltd.co.uk

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