



Annual Report and Financial Statements

for the year ended 31 March 2026

WestKent

Places to live. Space to grow.

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2025-26 Performance Highlights



Increased homes in management to **8,842**
(Target: 8,878)



Operating social housing margin **27%**
(Target: 27%)



£80m Invested in homes
(Target: £85m)



147 New homes delivered
(Target: 177)



Regulatory Grading **G1/V2**
(Target G1/V2)



Delivered **2.8** homes into management every week



Started **13** tenancies every week



98.6% Responsive repairs completed on time
(Target: 90%)



Achieved **99%** occupancy
(Target: 99%)



Achieved arrears **3.5%**
(Target: 3%)



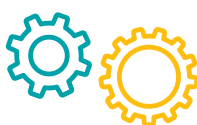
Average rent for General Needs **£133.19**
(per week)



Voids turnaround at **26 days**
(Target: 25)



£157m Loans available for future drawdown



Gearing **44%**
(Target: 47%)



Interest cover **178%**
(Target: 167%)



Employee satisfaction **70%**
(Target: 74%)



100% Decent Homes compliance
(Target: 100%)



152 New homes in contract or construction to be delivered 2026-27
(Target: 130)



Customer satisfaction on move in **4.18 out of 5**
(Target: 4.4)



Overall customer satisfaction **78%**
(Target: 77.1%)

Foreword

I am pleased to share this year's annual report. It sets out how we have worked over the past year to improve homes, services and communities, and provides an overview of our performance, priorities and financial position.

Everything we do starts with listening to our residents. During the year, we gathered thousands of pieces of feedback through surveys, conversations, complaints and involvement activities. This helps us understand what matters most and where we need to improve, and directly informs our priorities, service delivery and the changes we make.

Providing reliable and consistent services remains a key focus. This year, we have improved how we handle queries and complaints. Responses are quicker, with a stronger focus on learning when things go wrong. Feedback from the Housing Ombudsman reflects this progress, although we recognise the need to improve consistency further.

We have also been open about where things have not gone to plan. During the year, we took the decision to close our online customer portal. While the service was valued, we could not achieve the level of security required to protect customer data. We recognise the inconvenience this caused and apologise for the impact. We are now working towards introducing a new, secure replacement that will be simpler, more reliable and easier to use.

Alongside this, we are improving our phone service. A new system will create a more consistent experience and make it easier for teams to work together, with better visibility of contact and smoother handovers between services. It will also introduce additional ways to make contact, including digital and video options. These improvements will give colleagues better tools to provide support, particularly where needs are more complex, and residents will help shape how these services develop through ongoing involvement.

A good home is about more than the building itself. It is also about the community around it. Over the past year, we have continued to invest in neighbourhoods, working with local councils and partners to improve shared spaces and tackle issues such as fly tipping. In areas such as Swanley, this has led to faster response times and cleaner, safer environments.

We have also delivered over £0.2 million of social value through our partners, supporting jobs, training and local initiatives. At the same time, resident involvement continues to grow, with more people taking part in inspections, consultations and scrutiny activities. This helps ensure services reflect lived experience and supports better decision making.

We continue to invest for the long term, both in existing homes and new supply. Ensuring homes are safe, warm and well maintained remains a priority. Despite ongoing financial pressures, we have increased investment in existing homes, with higher spending on major repairs improving quality and energy efficiency. More than 93% of homes now meet EPC C or above.

Alongside this, we are building new homes to meet demand. Since 2019, the number of homes we manage has grown from 7,583 to 8,842. During the year, we delivered 147 new homes across affordable rent and shared ownership. This growth is being delivered in a balanced way alongside continued investment in existing homes and communities. Developments such as Woodland Place, together with regeneration at Heath Close and plans for Greatness Lane, are focused on creating places that will remain sustainable and valued over the long term.

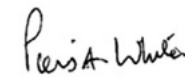
Our ambition remains to be one of the best housing providers in Kent, both in the quality of our services and in the strength of our organisation. This includes maintaining strong governance, high quality data and clear accountability, alongside a continued focus on listening and improvement. It also requires a firm financial foundation to support long term investment.

We maintain a strong financial position, with £157 million in loan facilities available for future investment. Our interest cover remains robust at 178% providing confidence that we can meet our commitments while continuing to invest in homes and services.

A significant moment this year has been a change in leadership. Tracy Allison stepped down as Chief Executive after more than six years of dedicated service. Under her leadership, West Kent was modernised and strengthened and positioned as one of the leading place shaping organisations in the region.

Following a careful and thorough selection process, Ian Joynson has been appointed as Chief Executive. He brings experienced and steady leadership, alongside fresh thinking and a strong focus on listening and delivery, building on Tracy's legacy as the organisation moves into its next phase.

Progress over the past year reflects the commitment of colleagues across the organisation, and we are grateful for the continued involvement and feedback from residents. This collective effort underpins our focus on providing good homes, strong communities and services that are reliable and sustainable.



Piers White
Chair, Board of Management



Strategic Report

Who we are

Our vision

We have a clear vision to provide great places to live and a space for people to grow.

Our purpose

We exist to create a prosperous, strong and sustainable society in Kent; a place of opportunity for all, where people can plan for their futures.

As a community-based organisation providing much needed affordable homes and services, we believe a good home is the foundation for getting on in life.

We see every day the positive impact that investing in communities and working alongside residents can have in tackling inequality, improving wellbeing and opening opportunity.

That vision and purpose have arguably never been more important.

Across the sector we are facing rising homelessness and pressure on affordable housing, and as an organisation and as individuals we all have a role to play in responding to these challenges.

Our culture

For our residents to have a positive experience, whatever their circumstances or how they choose to interact with us, we must foster a culture that cares, supports and delivers.

This is something everyone at West Kent owns: from the language we use, to the decisions we make, to the way we work with residents and with each other.

We continue to build a culture of inclusivity and curiosity, where difference is valued, people feel respected, included and heard, and where prejudice and discrimination are recognised and challenged.

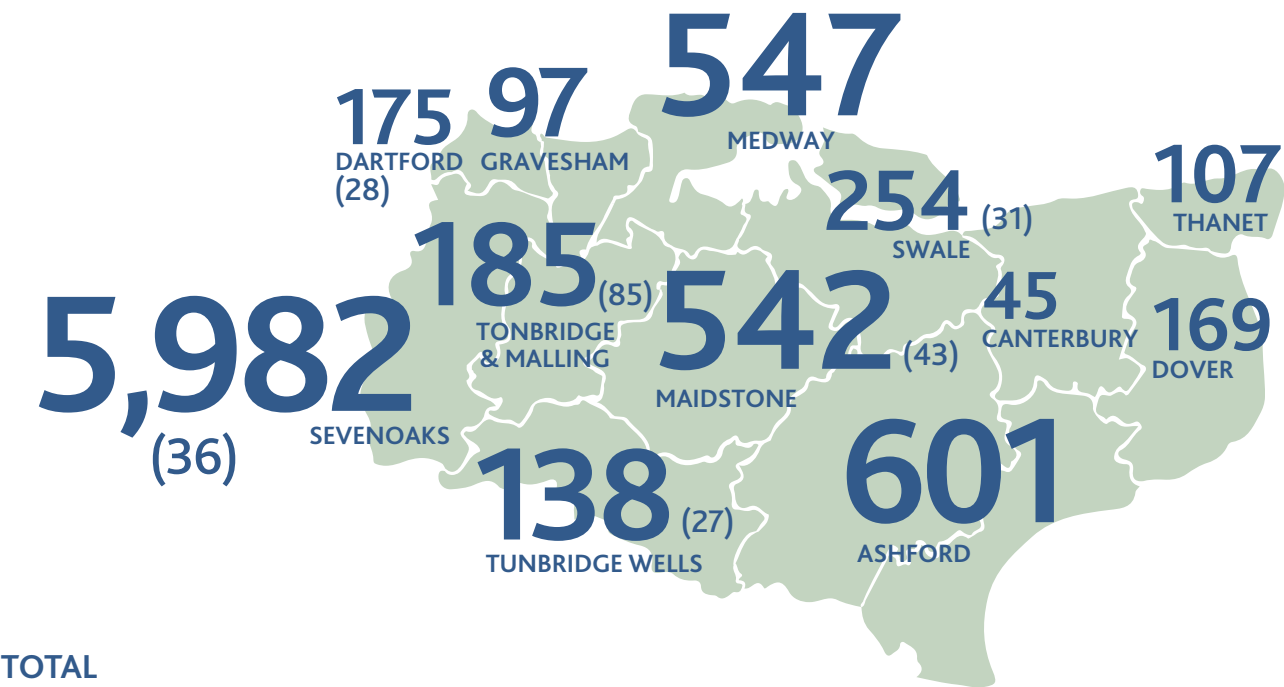
Our values

Our values guide how we behave and how we make decisions. They help us stay responsive to our residents and accountable to one another.

They mean that we:

- Deliver on our promises and show flexibility.
- Act with honesty, integrity and self-awareness.
- Commit to learning, compassion, working hard and having fun in what we do.

Our homes and development plans



TOTAL
8,842 (250)

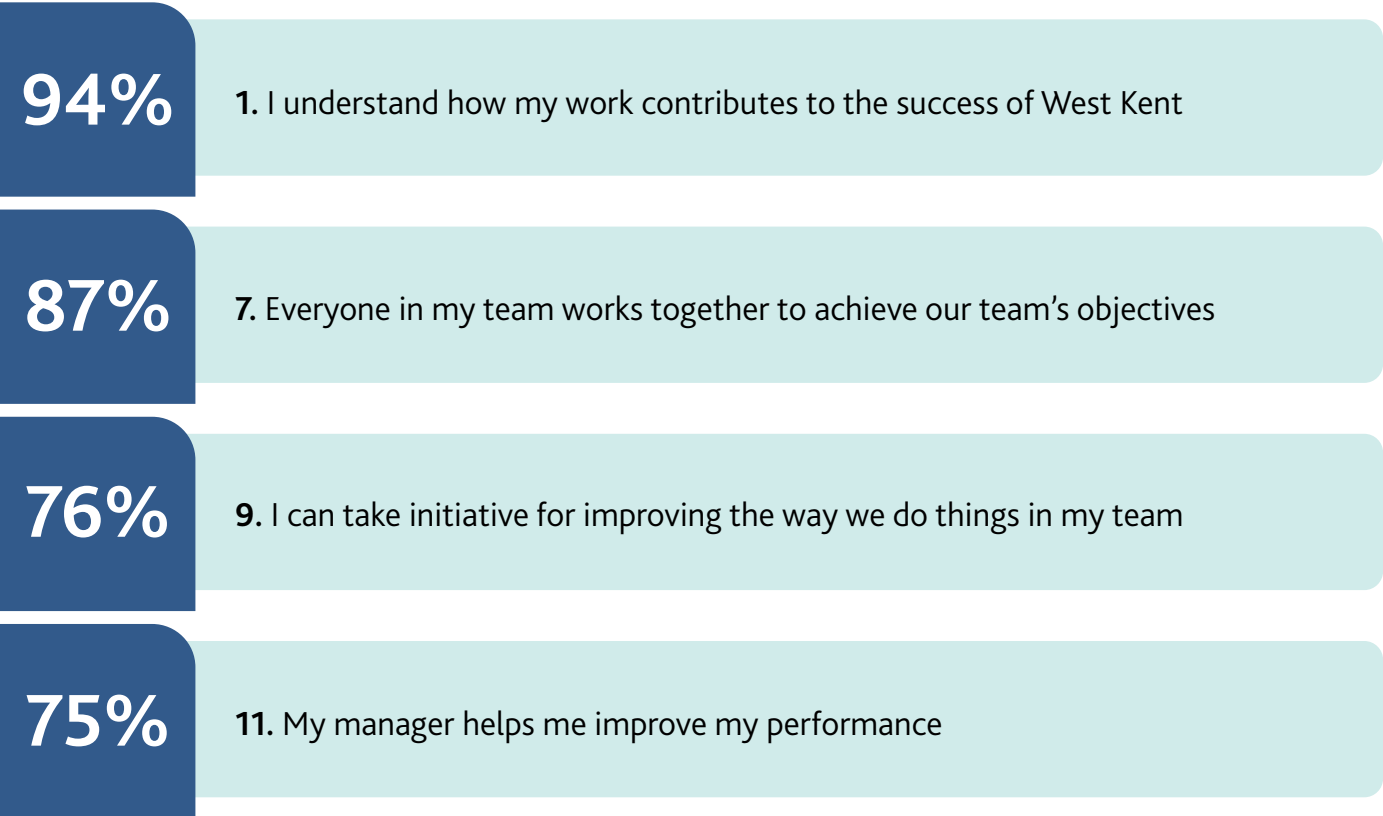
Our current homes by local authority
(Figures in brackets are homes under construction)

	2026	2025
Rented	7,492	7,466
Low cost home ownership	1,097	1,019
Total social housing homes	8,589	8,485
Leasehold	252	250
Non-social rental housing units owned	1	1
Total owned and managed	8,842	8,736
Homes under construction	250	311

Our people

Our latest engagement survey saw an 86% response rate with an overall engagement score of 70%, a slight reduction from 74% in 2024. The high response rate indicates that the survey was well received, employees trust the survey process and believe their input matters. It is also in line with the culture of openness and collaboration that is valued within West Kent.

The engagement score reflects how employees are feeling in the current pressurised operating environment. As follow up to the survey results, employee working groups are identifying actions that we can take to support areas where the scores have slightly reduced. The top four results in 2025 are set out below:



We were proud to be the first organisation in Kent to attain the Gold Investors in People accreditation (IIP) when it was introduced in 2009 and when it was updated in 2015 with new tougher criteria. We now continue this tradition having received recognition for 25 years of IIP accreditation in 2025-26.

This strong performance has been delivered through our people strategy, which supports our 'best in Kent' Strategic Pillar through three areas of focus: our people, our culture and our organisation and is underpinned by our values. During 2026-27 we will be developing our next three-year strategy.

We have continued to focus on building the knowledge, skills and experience needed by our people to provide a consistently great customer experience through our Making the Difference training, through our excellent

services improvement programme and through our equality, diversity and inclusion (EDI) Framework which prioritises:

- our use of data to support decision making
- our consideration of our strategies in the context of equality diversity and inclusion and
- delivery of cultural change to support our EDI ambition which is to:

"Create a culture of equality, inclusivity, and curiosity that values difference, where people feel respected, included, and heard, and where prejudice and discrimination is recognised and addressed. We want everyone at West Kent to have ownership and responsibility of this, from the language we use to the way we work with and deliver services to our customers."

Our strategic plan

In December 2024 the Board approved our strategic plan to 2030, which was supported by a three-year plan and the annual plan for 2025-26.

The strategic plan has the following four strategic objectives:

Excellent services: We want to continue to deliver excellent services in a friendly, solution focused way.

Successful communities: We want to provide homes and build communities residents are proud to live in, with better support to sustain a successful tenancy and manage life changes.

Grow and re-shape: We want to increase our homes in management to 10,000 and to re-shape our property portfolio to better meet the current and future local needs across Kent and Medway.

Best in Kent: We want to be known as one of the best social housing providers in Kent.

In the sections that follow we report on our progress against these strategic pillars during 2025-26 and our plans for 2026-27.





Excellent services

We want to continue to deliver excellent services in a friendly, solution focused way.

In 2025-26 we said we would:

Design our portal function to enable residents to book or change a repair online

We have taken the decision to re-procure a customer portal with our previous software no longer meeting our internal requirements. Procurement is underway and we anticipate a new portal will go live in the first half of 2026-27. Booking repairs online will now be introduced in 2027-28.

Reduce the number of repeat jobs by 10%, improving the time taken to complete a repair

During 2025-26 we focused on preparing the service to reduce repeat repairs and improve satisfaction with completion times. We implemented improved diagnostics, strengthened scheduling processes and introduced clearer first-time-fix expectations, alongside better performance reporting. These changes established the operational foundations needed to deliver a targeted reduction in repeat visits from 2026-27, while early improvements in repair completion times and customer experience were observed. This work also identified efficiency opportunities that will enable resources to be redirected into frontline delivery. We have set a longer-term target that repeat jobs will reduce by 30% by 2028-29.

We will consult on the services eligible for service charges with residents

Following two communication campaigns and a series of face-to-face events we have launched the move to variable service charges from 1 April 2026. As part of the move to variable service charges we will now be regularly consulting on the supply contracts that feed into our service charges. Lifts and pest control were consulted on in 2025-26, the first under the new regime.

Increase the number of tenancy checks carried out to 700 per annum

We now complete circa 700 audits of our residents' homes per annum (10% increase from 2024-25) with a focus on ensuring residents in flatted blocks are aware of fire safety changes to communal areas, the bin management within the Sevenoaks District Council area, and checking the overall welfare of our residents.

This is supplemented by 200+ winter calls contacting residents by telephone to check on wellbeing. Focus in 2025-26 was contact with over 60s, receiving benefits and who had other vulnerabilities.

Pilot approach to use managed moves to tackle homes with overcrowding and under occupancy

We have created a dedicated role within the organisation focused on assisting residents in securing appropriately sized accommodation to meet their needs. This includes downsizing as appropriate. We have supported two households to downsize to date and established a pipeline of households that wish to move as soon as appropriate alternative homes become available.

In 2026-27 we will:

- **Improve our telephony and email technology** which customers can use to contact us (Unified Communications Project).
- **Improve our website** which will make it more user-friendly and will incorporate routed processes to assist residents to find the information they need more easily.
- **Create a new customer portal** with functionality that enables self-service.
- We will use the **resident and influence strategy** and the **excellent services strategy** to ensure our residents voices are heard and acted on to improve our services driving our improvements in areas such as anti-social behaviour (ASB) and communal areas.
- **Deliver improvements in repairs performance and customer experience**, continuing delivery of our repeat repair reduction programme. Building on the work started in 2025-26, we will embed first-time-fix expectations and enhance our performance.
- **Embed Awaab's Law into service delivery** across repairs, inspections and resident engagement processes, strengthening early identification, response times and cross-team working to address damp and mould.
- **Improve estates and deliver the wheeled bin transition** by coordinating delivery between West Kent and local partners to minimise disruption and maintain estate standards. We will build on improved fly tipping response times and deliver estate enhancement priorities, including bin store investment and implementation of Sevenoaks District Council's move to wheeled bins.

Successful communities

We want to provide homes and build communities residents are proud to live in, with better support to sustain a successful tenancy and manage life changes.

In 2025-26 we said we would:

Roll out enhanced tenancy sustainment support to new-lets where needed

We provide enhanced support to all new lets and provide an onboarding service to help residents settle in, and answer questions at the start of tenancy, signposting residents to internal and external support provision.

Improve our cross-team response to cases of ASB reducing the level of our most serious cases

During 2025 we introduced a new triage service which enables first contact to be logged as an ASB enquiry and ensures we are prioritising the most serious cases for action. It also ensures we have accurate data for case reporting and should improve customer satisfaction with honest conversations about what we can and can't do, as well as putting a focus on the wider impact of ASB on individuals, the community and timely intervention.

Identify strategic partnerships to give residents access to wider support

We worked with Sevenoaks District Council and Swanley Town Council to identify fly tipping hotspots and developed a programme of bin store investment across priority estates. A new arrangement with Sevenoaks District Council significantly improved service responsiveness in Swanley, reducing average fly tipping clearance times from approximately 28 days to 1.5 days. This transformation was formally recognised in correspondence from Swanley Town Council, highlighting cleaner streets, safer communal areas and strong positive feedback from residents. These actions created a clear focus on cleaner estates and improved community environments.

Roll out an estate inspections application for neighbourhood housing officers to use, reducing the amount of time they spend on administration

This application was rolled out to employees during the year. We also completed a resident consultation on estate services resulting in the implementation of our estate standards. This enables transparency for residents on what level of service they should expect and hold us to account if it is not provided. The standards were published in our magazine, website, and leaflets within block notice boards, and will be under regular review. The new application enables employees to assess our estates against this standard in real time when undertaking inspections.

Support the new community in Woodland Place

A clear delivery plan has been established to support community integration for our 106-unit land-led development scheme Woodland Place. This has been based on consultation with partners, ensuring residents have access to local knowledge and information. A series of activities are planned to introduce the new community with implementation aligned to first handovers that took place in the last quarter of the year. In addition, a cross-tenure neighbourhood agreement establishes a community culture and ethos.

In 2026-27 we will:

- Help residents **increase resilience by improving access to support services** through West Kent or external agencies, focussed on cost-of-living pressures, digital inclusion and wellbeing.
- Introduce a **community-based early intervention approach** to identify residents and neighbourhoods at risk.
- Establish a **clear succession model after the closure of our Abacus Furniture project**.
- **Maximise the use of our community space at Northview**.
- **Redefine our youth offer**.



Grow and re-shape

We want to increase our homes in management to 10,000 and to re-shape our property portfolio to better meet the current and future local needs across Kent and Medway.

In 2025-26 we said we would:

Reduce Decent Homes access refusals to less than 89

During the year we reviewed refusal patterns for Decent Homes planned works and introduced closer joint working with housing support to address underlying causes including hoarding, vulnerability and homes no longer suited to residents' needs. New processes were established to support earlier intervention, practical assistance and downsizing conversations. This work created a clear process to improve access for planned works while strengthening links between tenure, suitability of accommodation, and future void costs. These actions have reduced the number of refusals allowing more residents access to essential home improvements, leading to safer, warmer homes and improved quality of life. Decent Homes access refusals reduced from 76 in 2024-25 to 73 in 2025-26.

Work towards reducing damp and mould recurrence to less than 10% by 2026-27

We strengthened our approach to damp and mould by improving response processes, completing remedial works more quickly and expanding the use of in-home humidity sensors to support residents in managing moisture levels. These changes established the framework for reducing recurrence in future years, alongside improved resident guidance and earlier identification of contributing factors.

Develop a plan to improve the ratio of responsive repairs to planned maintenance from 50:50 in favour of planned maintenance

Extensive work has taken place during the year to review our approach to asset management reviewing the balance between planned and responsive repairs alongside the increasing requirements on asset management from newly published legislation such as Awaab's Law, Decent Homes Standard and Heat Regulations. This work has supported the development of a new Asset Strategy which will be published during 2026-27.

Deliver 177 new homes

This year we took handover of 147 new homes, slightly less than our original target, with the remainder slipping into 2026-27. We have provided 88 new shared ownership homes enabling 88 families to access home ownership, and 59 new homes for affordable rent. The reduction is as a result of slippage in our Woodland Place scheme. The 30 homes that have slipped will instead be delivered in the first quarter of 2026-27, increasing our delivery numbers next year.

Deliver phase one consultation for Swanley master plan

We have carried out early internal consultation in relation to master planning in Swanley to align retrofit and EPC investment work with new build potential. We have also identified the need to ensure our local plans operate in the context of wider Swanley Town council environmental, social and economic regeneration plans which will be our focus for next year.

Commence options appraisals for four older person's schemes to ensure they continue to meet the needs of current and future residents

We have started this review by considering our first scheme in Sevenoaks, assessing the potential for remodelling, reviewing tenures, sale and reinvestment to ensure our homes continue to meet the needs of our older residents. We will assess the financial viability and optimum outcome for this scheme in 2026-27.

Develop a land programme, prioritising garage sites and vacant land

We have prioritised the redevelopment of seven of our existing garage sites, assessing their development potential. We have submitted one site for planning permission aligned to our Greatness Lane regeneration scheme. We are currently in discussions with Sevenoaks District Council in relation to the planning considerations for the other sites. In 2026-27 we will review the outcome of those discussions, balancing the potential for development of these sites with wider development opportunities to maximise the use of our resources in developing new homes.

In 2026-27 we will:

- **Prepare the stock for Decent Homes 2 and MEES.** We will progress readiness for Decent Homes 2 and Minimum Energy Efficiency Standards (MEES) by strengthening stock condition evidence, improving compliance oversight and aligning planned investment with emerging regulatory expectations.
- **Progress EPC certification and energy efficiency.** We will begin a structured EPC programme to improve coverage and accuracy of energy data, alongside continued delivery of energy efficiency improvements supported by Warm Homes Consortium funding.
- **Prepare for Heat Network regulation.** We will begin preparatory work for upcoming Heat Network regulations, including asset mapping, data validation and early compliance planning.
- **Obtain planning permission for our Greatness Lane regeneration scheme.**
- **Deliver 195 new homes.**
- **Embed Pamwin Plus** our new development appraisal and project management software.

Best in Kent

We want to be known as one of the best social housing providers in Kent.

In 2025-26 we said we would:

Establish our ESG reporting and unlock sustainable-linked funding and grants

We have agreed that we will work towards the adoption of the Sustainability Reporting Standards (SRS). We have also agreed ESG KPIs with one lender, Nationwide which should lead to a small reduction in interest costs in future years.

Deliver our Treasury Strategy to secure £30-£50m of new finance

During the year we have extended existing Revolving Credit Facilities (RCFs), re-financed with NatWest securing a further £25m in new loan funding, gained two-year credit approval for £50m on loan facilities available to us and are in discussions with lenders on options regarding a further £25m shelf agreement we have in place.

Identify benefits from replacing our telephony system

We have agreed the business case to replace our IPFX telephony system and commenced supplier procurement. We anticipate that the new solution will be implemented during 2026-27.

Continue to invest in the training and skills of our staff

We designed our leadership development programme 'Room to Lead' during the year. It will be rolled out from 2026-27 alongside a manager's toolkit. As part of preparations for the implementation of the Competence and Conduct Standard we have identified employees for Chartered Institute of Housing (CIH) training over a rolling four-year programme.



In 2026-27 we will:

- Make more use of AI and existing technology to improve our ways of working.
- Maintain IIP accreditation.
- Adopt the sustainability reporting standard and develop our sustainability strategy.
- Re-finance £30-50m of our loan portfolio.
- Review our Target Operating Model.

Our Residents

The overall customer satisfaction for 2025-26 for our residents in low cost rental accommodation (LCRA) improved to 78.1%, up from 74.4% the previous year, and above the 2024-25 national median position.

Our 'resident influence and impact' strategy has three guiding principles: hearing our residents' voice, demonstrating impact, and tailoring our involvement opportunities.

Our excellent services strategy sets out our aspiration: *"We want our customers to have a positive experience regardless of who they are, where they live, or how and when they choose to interact with us."*

We use improvements in the Tenant Satisfaction Measures (TSM), set out below, as a key measure of our performance against these strategies, which in 2025-26 saw an improvement against all but one measure.



Low Cost Rental Accommodation (LCRA):

Measure	2024-25	2025-26	Change	Landlord Median	Peer comparison*	Gap to Upper quartile
Overall satisfaction	74.4%	78.1%	+3.7%	71.8%	Median	-0.8%
Safe home	80.0%	82.6%	+2.6%	77.6%	Median	-0.3%
Well maintained home	76.0%	76.9%	+0.9%	71.9%	Median	-0.9%
Repairs last 12 months	75.9%	76.0%	+0.1%	73.6%	Median	-3.6%
Time taken for repairs	74.6%	77.8%	+3.2%	69.5%	Upper Quartile	1.3%
Communal areas	60.6%	66.2%	+5.6%	66.7%	Lower Quartile	-6.7%
Neighbourhood contribution	64.4%	68.2%	+3.8%	64.6%	Median	-3.4%
Approach to ASB	58.2%	63.5%	+5.3%	59.5%	Median	-2.9%
Listens and acts	63.2%	67.6%	+4.4%	61.6%	Median	-1.7%
Kept informed	75.6%	77.4%	+1.8%	72.0%	Upper Quartile	0.1%
Fairly and with respect	80.3%	80.9%	+0.6%	77.9%	Median	-3.0%
Complaints handling	37.0%	40.6%	+3.6%	35.5%	Median	1.5%

*denotes quartile nationally, as per RSH Headline Report published in November 2025

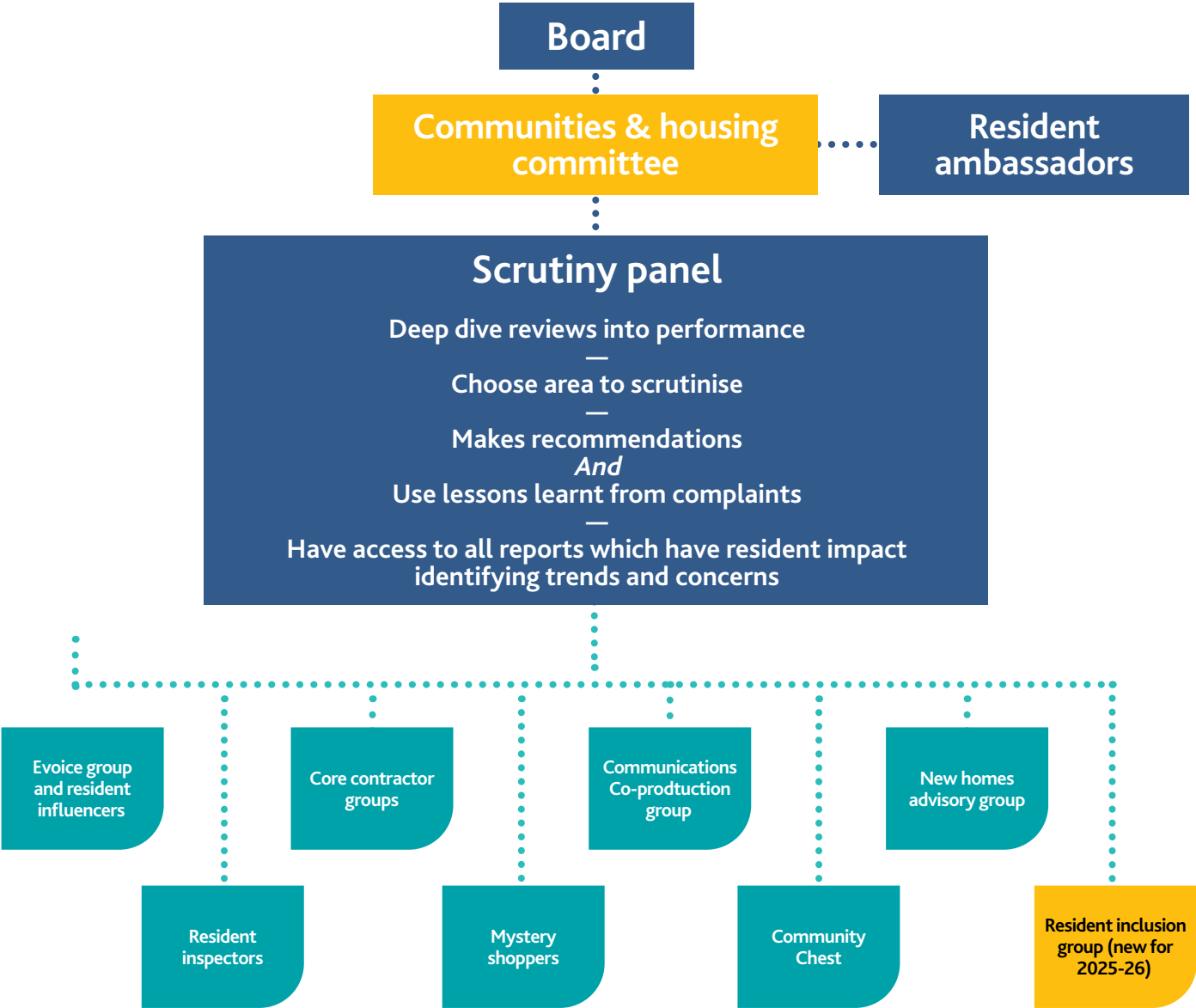
Low Cost Home Ownership (LCHO):

Measure	2024-25	2025-26	Change	Landlord Median	Peer comparison*	Gap to Upper quartile
Overall satisfaction	58.5%	61.0%	2.5%	47.9%	Upper Quartile	2.6%
Safe home	82.3%	84.6%	2.3%	72.5%	Upper Quartile	6.5%
Communal areas	35.8%	39.0%	3.2%	46.8%	Lower Quartile	-13.8%
Neighbourhood contribution	48.6%	54.5%	5.9%	40.8%	Upper Quartile	8.2%
Approach to ASB	44.5%	49.6%	5.1%	38.0%	Upper Quartile	4.1%
Listens and acts	46.3%	53.1%	6.8%	38.4%	Upper Quartile	8.0%
Kept informed	66.9%	69.9%	3.0%	55.8%	Upper Quartile	6.1%
Fairly and with respect	73.6%	71.0%	-2.6%	60.0%	Upper Quartile	3.2%
Complaints handling	29.4%	40.4%	11.0%	23.4%	Upper Quartile	11.0%

*denotes quartile nationally, as per RSH Headline Report published in November 2025

Our scrutiny panel have a formal relationship with our communities and housing committee (C&H) with access to committee and Board members. They report directly to C&H with the outcome of their reviews. C&H members will attend scrutiny panel quarterly. There are two resident ambassadors who are full members of the

C&H committee. New appointees have a training plan in place. This enables residents to sit on and contribute to committees. The scrutiny panel will receive all resident facing C&H reports. Any relevant feedback from resident groups will be circulated to the scrutiny panel.



The two main scrutiny panel reviews for this period have been the Service Charge communications review and the Service Improvements for (Physically) Disabled Residents. The Service Charge review led to changes in the communications that were issued to residents in October 2025 and March 2026 in relation to the change to variable service charges. This review was reported to our C&H committee during the year. The output from

the service improvements review will be reported to our C&H committee during 2026-27. During the year members of the panel have also assisted with non-executive directors (NED) and CEO recruitment and technology procurement exercises reviewing demonstrations from suppliers in relation to unified communications and the customer portal, alongside reviewing a number of draft strategies and policies.

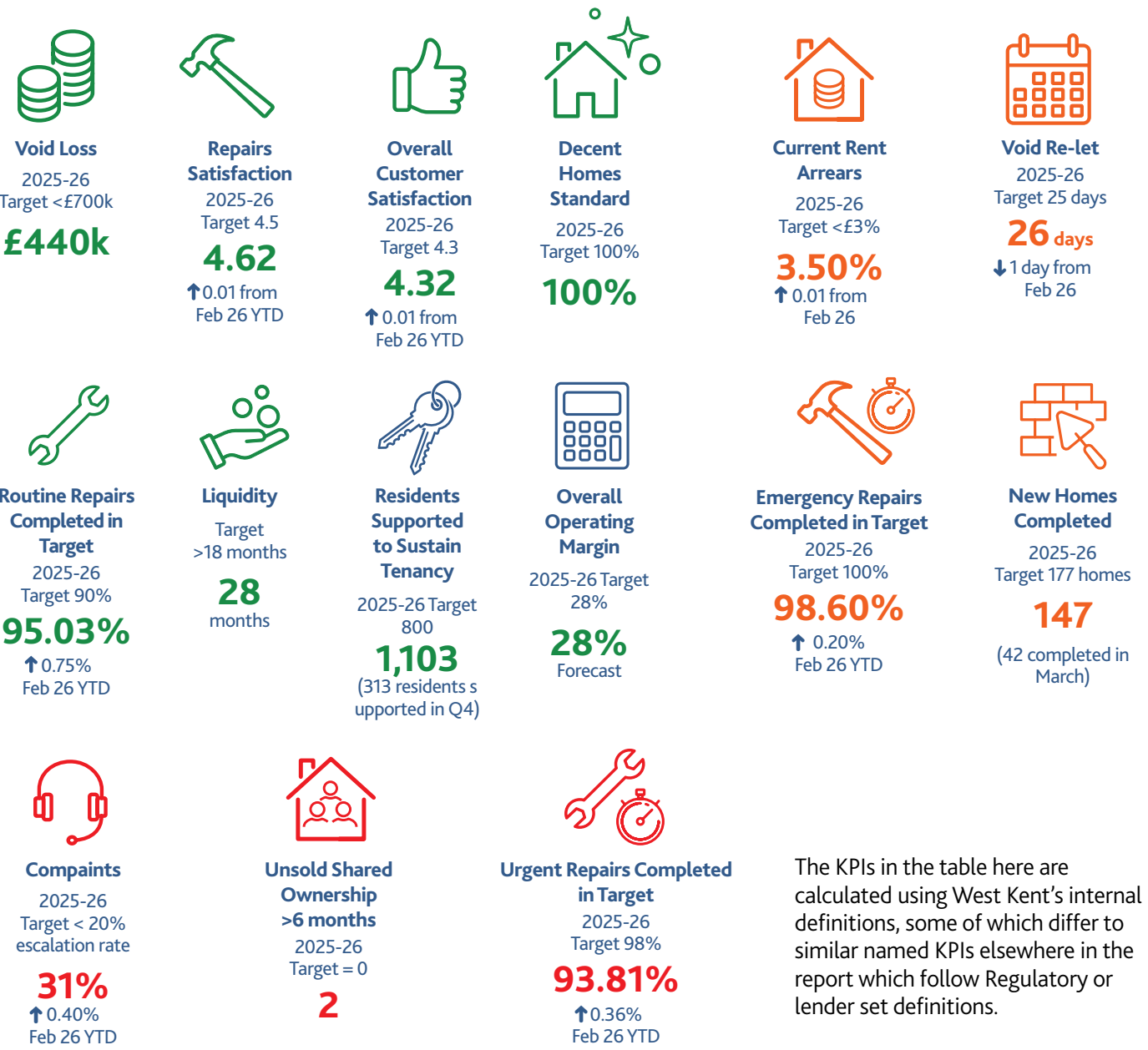


Our performance

Key performance indicators (KPIs)

Our performance for the year was strong against the majority of our KPIs as set out in the charts below. Urgent repairs completed on time, although below target, shows a strong increase in performance from the previous year and continues our month-on-month trend for improvement. Although we ended the year with two shared ownership sales over six months, both properties had been sold by the time the accounts were signed, and

the current KPI remains on target. We continue to work on complaints, with some strong success during the year, as outlined in the excellent services section of the report above, including the Ombudsman noting that this year's improvement reflects a highly positive complaint handling culture within our organisation and is deserving of positive recognition.



The KPIs in the table here are calculated using West Kent's internal definitions, some of which differ to similar named KPIs elsewhere in the report which follow Regulatory or lender set definitions.

Our compliance headlines:

Performance remains strong, with significant improvement seen in year on repairs completed on time compared with the previous financial year, with routine repairs performance well above target. Although urgent and emergency performance for the full 12 months has delivered below target, improvements made during the year have led to the year ending with March in-month performance meeting the targets of 100% for emergency repairs and urgent repairs exceeding the target by 0.2% at 98.02%.

Our key compliance KPIs for the year are:

- Building safety compliance over **99%** for all areas.

- Decent Homes compliance **100%** (2025: 100%).
- We received 40 disrepair claims of which 10 have been upheld.
- Repairs completed on time:
 - » Emergency (within 24 hours) **98.60%** (Target: 100% and 2025: 96.19%).
 - » Urgent (within 3 working days) **93.81%** (Target: 98% and 2025: 90.3%).
 - » Routine (within 21 working days) **95.03%** (Target: 90% and 2025: 85.01%).
- 173** homes moved to above EPC C (target of 194), **93%** of our properties are now rated EPC C or above. We are planning to deliver an overall total of 388 homes upgraded by 31 March 2028.

Number of EPC upgrades	2026	2027	2028
Annual target	194	113	81
Cumulative target	194	307	388
Annual actual	173	-	-
Cumulative actual	173	-	-

We are investing significantly in energy efficiency improvements to ensure homes meet Minimum Energy Efficiency Standards (MEES) and to support residents with warmer, more affordable homes.

In 2024, we joined a Places for People-led consortium to secure funding through the Government's Warm Homes: Social Housing Fund. The bid was successful, with West Kent securing £1.36m of grant funding, alongside £3.79m of our own investment. This £5.16m programme will improve 388 homes by March 2028.

Working in partnership with contractor Fortem, the programme is delivering a range of measures including

solar PV panels, insulation, new windows and air source heat pumps. Delivery began in late 2025 and is already showing good progress, with retrofit assessments completed on the majority of homes and installations well underway. Homes are seeing an average improvement of around 15 Standard Assessment Procedure (SAP) points.

The programme is expected to reduce energy bills, improve comfort, and cut carbon emissions. We have emerged as the strongest performing member of the consortium, remaining on track to deliver and fully utilise its allocated funding.

Risk



Effective risk management is fundamental to the successful delivery of our strategy and objectives and is a core part of our governance.

The Board is responsible for setting the overall direction of the organisation. In doing this, it ensures that West Kent has an appropriate, robust, and prudent business planning, risk, and control framework.

The strategic plan sets out our intentions for the future, informed by the risks we think we will face in trying to achieve them and our appetite for those risks.

The risk management framework links our vision, with the key risks and our risk appetite, in the context of our operating environment and opportunities.

The Board's oversight of West Kent's risk environment is supported by the detailed work of its committees. The Board has delegated responsibility for monitoring the

effectiveness of the internal control framework to the **audit and risk committee** and receives regular advice on financial performance and risk from the **investment and finance committee**. This includes updates on risks to our residents and communities from the **communities and housing committee**, and on people and culture risks from the **people and appointments committee**.

The executive team supports Board oversight of risk through monthly monitoring of emerging issues and key areas of operational risk and quarterly recommendations to the Board on the content and scoring of the Strategic Risk Register. Our top three risks as of March 2026 are set out in the table below:

Strategic risk	Operating context	Score	Mitigation
SR4 Failure in data capture, integrity and management	Data integrity continues to be a key area of focus for us as we transition to our new systems at a time when there is heightened scrutiny and focus on data integrity coming from recent legislative changes; Awaab's Law, Consumer Standards and increased powers of the Housing Ombudsman. We have undertaken a number of external assurance exercises on our data during the period including an internal audit of GDPR and data security concluded with reasonable assurance.	12	Robust data protection and information security policies are in place and regularly reviewed. We have a dedicated data protection officer, who monitors compliance with the UK GDPR, including management of subject access requests and ensuring employees have appropriate training and guidance. The training programme for cyber security and data protection was refreshed in 2024-25. Legacy systems have been consolidated and replaced with new housing and finance systems. Data integrity, security, and information governance form part of the five-year internal audit programme.
SR5 Failure to sustain tenancies and safeguard rental income	We have continued to see an impact of the cost of living on our residents, compounded by the reduction in external support services. We continue to provide tailored support to residents through our communities team and dedicated tenancy sustainment programme. We welcomed the consultation on a longer-term rent settlement from Government; however, we continue to keep under close review what investment plans form our core business plan and what need to be modelled as a scenario, subject to future funding levels.	11	Our proactive approach to rent collection with supportive tenancy sustainment, financial health checks, and advice aims to limit the number of tenancies falling into arrears and maximise the direct benefit payments.
SR14 Failure to ensure reliable, secure and robust IT services including CX	There is a heightened risk from ongoing cyber threats to the sector. Housing associations are known targets. There have been several high impact failures known to have taken place within the sector over the last two to three years. We have continued to build on work done in 2023-24 to ensure a robust infrastructure and control environment for IT, working with our external partners to test system security and resilience, including that of our software partners.	13	We complete independent checks on the resilience and security of our systems and monitor daily performance. We have a robust third-party security operations centre and have modelled responses to various threat scenarios during the year. Data integrity, security, and information governance form part of the five-year internal audit programme. Where weaknesses have been identified in software partner solutions we have switched-off elements of functionality, until weaknesses have been remedied.

Value for Money (VfM)

Our 2025-30 strategic plan sets out our approach to Value for Money, how we aim to achieve it, and how we will measure it against our four objectives: excellent services, successful communities, grow and re-shape and best in Kent. This is underpinned by a VFM plan approved annually by the Board.

At West Kent we deliver Value for Money by:

- Having a well-run business with our homes safe, fully occupied, collecting all income due and managing our business to plans within budget.
- Generating a surplus to enable us to invest in communities and new homes.
- Delivering on targets for supporting residents in successful tenancies and work to build thriving communities, set out in our strategic plan.
- Improving our customer experience through the delivery of our excellent services programme.

We measure our performance through the regulatory VFM metrics and compare our performance to peers and the sector. Alongside the Regulator’s VFM metrics during 2023-24 the Board approved two internal VFM metrics that we will use to monitor our operational performance; these were reconfirmed by the Board in 2025-26:

- Overall operating margin (with no exclusions) set by the budget annually and compared to peers and sector and targeting 30% over the longer term of the business plan.
- EBITDA-MRI excluding sales targeting over 100% over the longer term of the business plan.

During 2025-26 we have agreed two new peer groups, which we will use to measure our results against, alongside the sector as a whole. These two groups are:

- Similar characteristics: LSVT (Local Stock Voluntary Transfer), unit numbers between 6-15k and based in the South East.
- Kent: housing associations with 40% of stock or more in Kent.

Our Strategic Plan sets out our operational performance measures, performance against which is covered earlier in this report.

In 2025-26 we delivered Value for Money through:

- Reducing void loss by £0.1m.
- Reducing garage void loss by £0.1m
- The exit from LGPS (defined benefit pension) on the 31 March 2025 through which we have removed £0.3m of annual deficit associated costs.
- Through improvements in data collection and reporting we have improved our service charge recovery by £0.1m.

In 2026-27 we will deliver Value for Money in the following ways:

- After transitioning to variable service charges from the 1 April 2026, we anticipate that we will improve our service charge cost recovery by a further £0.1m. We anticipate that the recovery gap will reduce by £0.4m by 2028-29.
- We have a target for £0.2m of social value to be leveraged through supply chain contracts.
- We will deliver £0.2m of savings through a 10% reduction in repeat jobs within our repairs service. We anticipate that savings from repeat jobs will increase to £0.5m by 2028-29 (30%).

Regulatory VfM metrics

Our performance against the Regulatory VFM metrics for West Kent, compared to the sector and our chosen peer groups are set out in the table below. During 2024-25 we exited our Local Government Pension Scheme (LGPS), a Defined Benefit (DB) scheme. The 2024-25 accounts included an estimate for the exit cost. During 2025-26 the final exit valuation was received, which was £0.9m

less than the 2024-25 estimate. This has led to a £0.9m positive impact on the 2025-26 position from this exceptional item. The metrics below have been calculated to both include and exclude this LGPS exceptional item to show both the outturn position and the underlying performance.

Value for Money Metrics	2024-25 Actual	2025-26 Budget	2025-26 Actual exc. Pension	2025-26 Actual inc. Pension	2024-25 Sector Median	2024-25 Kent Peer Group Median*	2024-25 Similar characteristics Peer Group Median**	2026-27 Budget
Reinvestment	6.0%	9.0%	9.6%	9.6%	7.5%	5.9%	5.9%	7.5%
New Supply: Social	2.1%	2.0%	1.7%	1.7%	1.3%	1.9%	2.0%	2.1%
New Supply: Non-Social	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gearing	43%	45%	47%	47%	46%	45%	48%	49%
EBITDA MRI	98%	93%	94%	99%	113%	101%	107%	93%
Headline Social Cost per Unit	£6,146	£6,385	£6,364	£6,258	£5,688	£5,865	£5,648	£6,951
Operating Margin: Social	28.2%	23.9%	26.6%	27.7%	20.0%	28.2%	26.0%	25.2%
Operating Margin: Overall	26.1%	24.7%	25.2%	26.3%	17.4%	29.0%	26.1%	26.0%
Return on Capital Employed	2.9%	3.0%	2.8%	2.9%	3.0%	2.9%	3.0%	2.9%

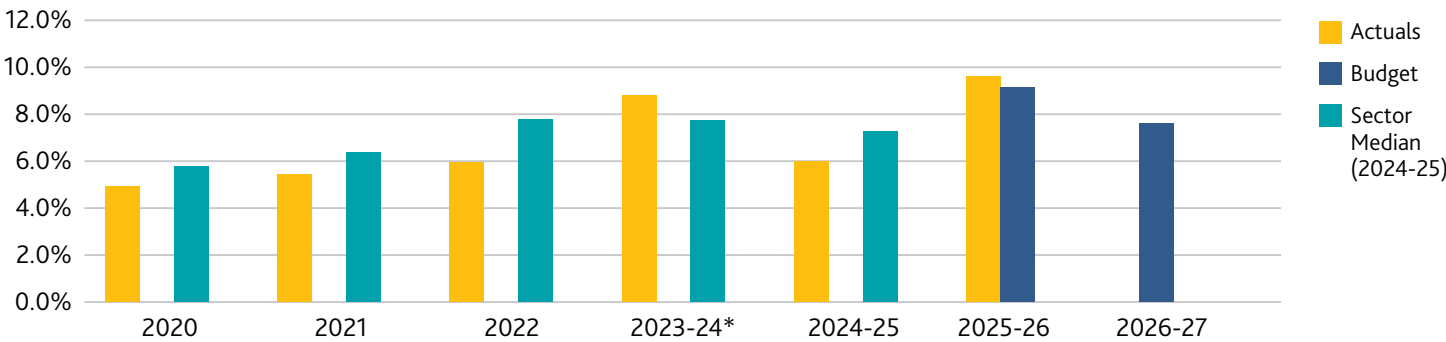
*Kent Peer Group include Golding Homes, mhs Homes, Moat and Town & Country Housing

** Similar Characteristics Peer Group include Golding Homes, mhs Homes, Raven Housing Trust, Saxon Weald and Town & Country Housing

The three metrics where our performance materially differs to peer are discussed below. These have been calculated to exclude the LGPS exit exceptional item (£0.9m).

Reinvestment

This KPI measures how much investment is made into existing and new properties.



* 2023-24 15 months year.

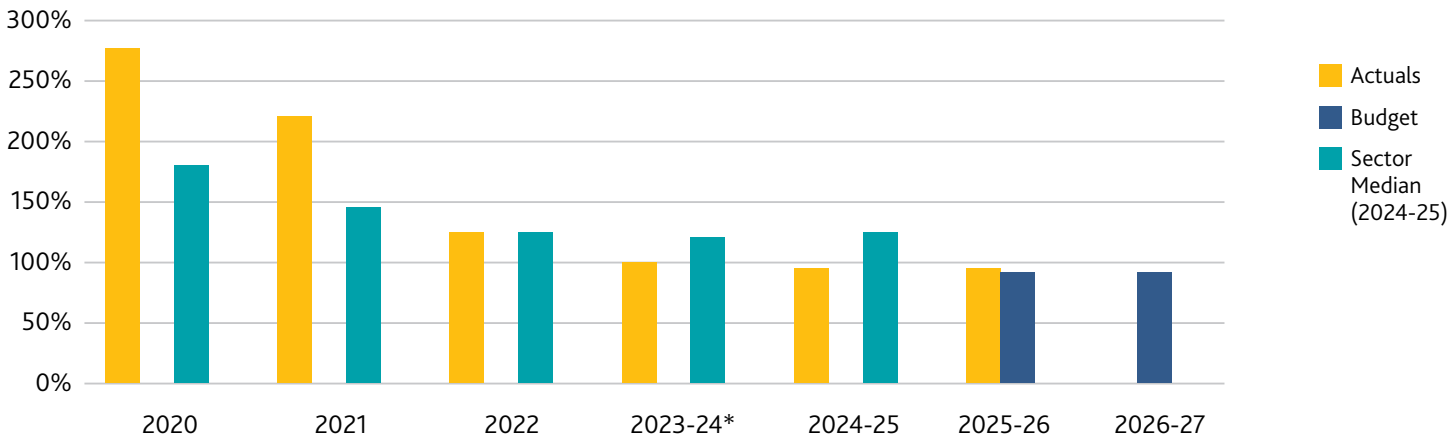
Reinvestment increased to 9.6% in 2025-26 from 6.0% in 2024-25, exceeding both budget (9.0%) and the prior year sector median (7.5%). Reinvestment levels have increased over time in order to respond to Government legislative requirements in relation to Awaab’s Law, Decent Homes 2 and Net Zero Carbon. Reinvestments of

note during the year were retrofit works at our Brook and Templar scheme and the completion of Woodland Place, our 106-unit land-lead development scheme. In 2026-27, reinvestment is forecast to reduce slightly to 7.5% in line with recent sector levels and our asset management and development strategies.

EBITDA MRI (Interest Cover)

(Earnings before interest tax depreciation and amortisation – major repairs included)

This KPI reflects how much cash surplus is available to cover annual interest costs.

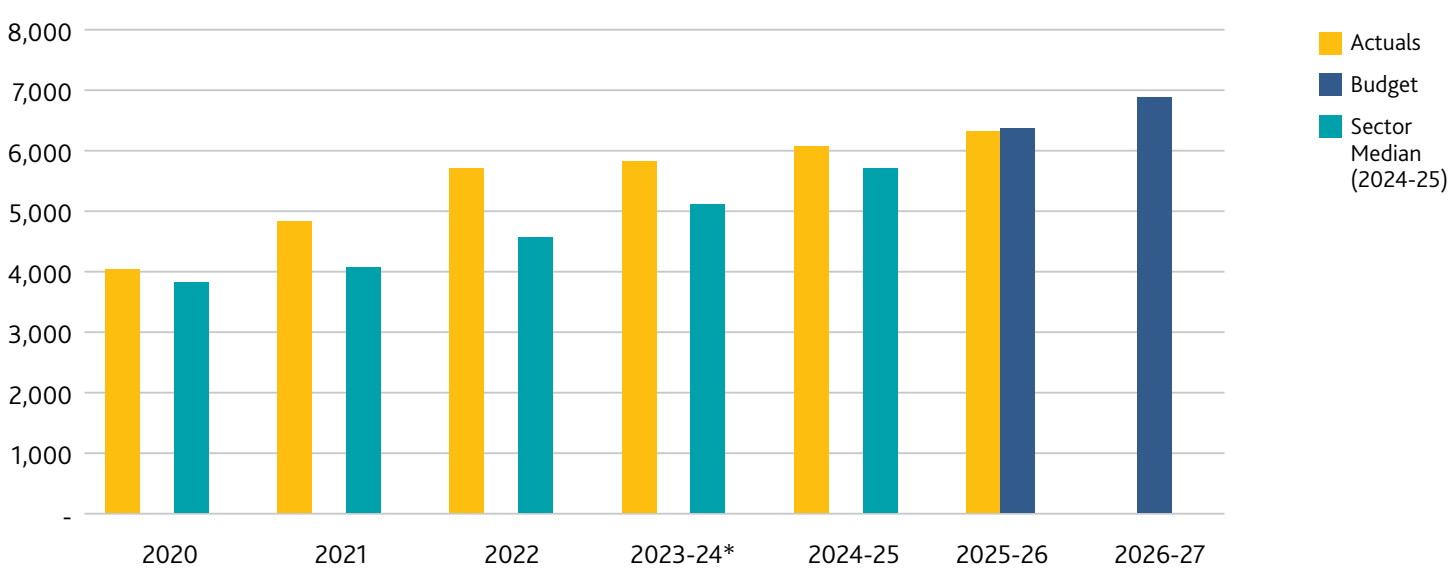


*2023-24 15 month period

EBITDA MRI reduced to 94% in 2025-26 (2024-25: 98%), delivering above budget (93%) but below the sector median (113%). The reduction in this measure over the last five years reflects both a strategic decision to invest more in our existing homes and an increase in overall costs, driven by high inflation and interest rates over the period, with interest cover being reduced as a result. In 2026-27, performance is expected to remain at around 93% in line with anticipated sector performance in the Regulator’s most recent quarterly reporting. For West Kent this reflects a continued commitment to increased investment levels in our existing stock in the first five years of our long-term plan during, a likely continued, period of economic uncertainty and anticipated high cost.

Headline Cost Per Unit (CPU)

This KPI measures gross costs divided by units owned and managed.



*2023-24 15 month period

Headline social housing cost per unit increased to £6,364 in 2025-26 (2024-25: £6,146), in line with budget (£6,385) but above the sector median (£5,688). The PFI contract KEHFA entered into in 2014, means that our management costs typically track slightly higher than peers. If the costs of this contract were excluded, our CPU would reduce by £291 to £6,073. We also continue to invest significantly in community investment, with £1m spent in this area during 2025-26. This is discretionary expenditure, if this had not taken place our CPU would have reduced further to £5,943. The increase in CPU in 2026-27 reflects planned investment levels in stock and infrastructure.

Internal VfM metrics

Measure	2025-26 Budget	2025-26 Actual	2026-27 Budget
Overall operating margin	27.3%	26.9%	28.5%
Interest cover excluding all sales	79.0%	84.0%	85.0%

Performance against our internal VfM metrics remained strong in 2025-26, reinforcing underlying financial resilience. Overall operating margin was 26.9% (budget: 27.3%), broadly in line with expectations and continuing to reflect underlying efficiency, supporting capacity for reinvestment. Interest cover excluding all sales improved to 84.0% (budget: 79.0%), demonstrating stronger core cash generation from social housing activities.

In 2026-27, both metrics are expected to improve further (28.5% margin and 85% interest cover), reflecting continued focus on cost control, treasury management, stable operating performance and the benefits of prior investment translating into sustained financial capacity.

VfM Supporting Future plans

Our Value for Money plan 2026-27 sets out our efficiency plans over the next ten years, looking at how we will capitalise on the technological foundations that the IT Investment programmes of the last three years have laid, to be in a position to implement process improvements over the next five years.

Our 30-year business plan demonstrates that we can meet our future commitments over the long term, with stress testing confirming that commitments could still be met, if efficiencies were delayed or reduced.

Our asset management strategy sets out our investment plans for our existing stock. It uses data from stock condition surveys to inform future investment requirements, taking into consideration future changes in legislation. Using appraisal assumptions approved by our investment and finance committee annually in November, the strategy identifies stock that is under-performing financially, and where it is considered to not provide value for money it is assessed firstly for redevelopment, and where this is not viable it is included in our disposal policy. Where upon being void, it will be marketed for sale, using market valuations to inform the sale price. The proceeds of

these disposals are used for investment in new and existing homes, and the business plan confirms net unit growth from the combination of the growth and regeneration strategy and the disposal policy.

Our growth and regeneration strategy sets out our investment plans for the development and acquisition of new homes. The plans are supported by appraisal assumptions approved annually by our investment and finance committee in November and stock acquisition criteria reviewed and approved regularly by the Board. The principles require that development schemes need to have a positive net present value (NPV) over 60 years and that stock acquisitions have to increase the financial capacity of the business plan over the 30-year period. These support reductions in our costs per unit (CPU), enabling our fixed overhead costs to be utilised to service more homes. These criteria ensure that investment in new homes delivers value for money for existing residents, through their positive impact on the overall business plan.

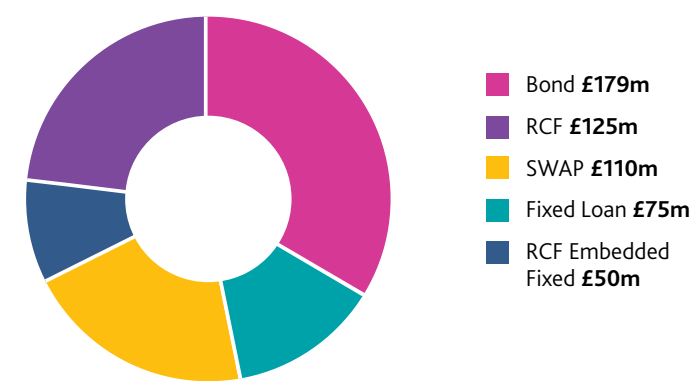
Financial review

West Kent’s financial strength ensures we stay a vibrant, sustainable organisation. Any surplus that we make is reinvested in our existing homes and used to build new homes.

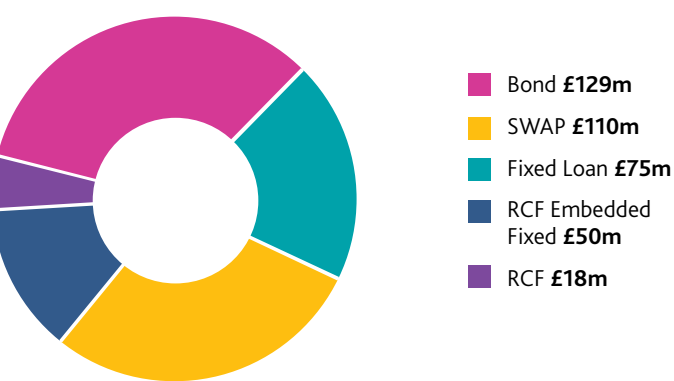
Our financial strategy to remove or mitigate financial risks due to the volatile operating environment has continued in 2025-26, with refinancing activity adding a new £25m loan with NatWest to our loan portfolio, a ‘blend and extend’ on an existing hedge improving our weighted average cost of capital and forward fixing of our utilities contract for 2026-27 providing protection for the next 12 months.

The charts below show the make-up of our loan portfolio. At the 31 March 2026 we had a weighted average cost of capital of 4.5%, putting us in a strong position to be able to financially plan for future investments with certainty against the uncertain operating environment.

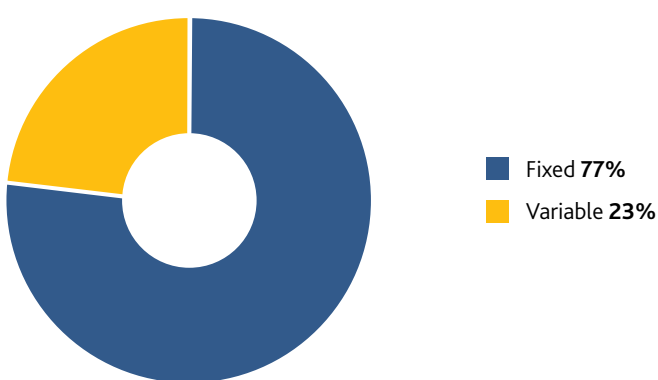
Agreed Facilities (£539m)



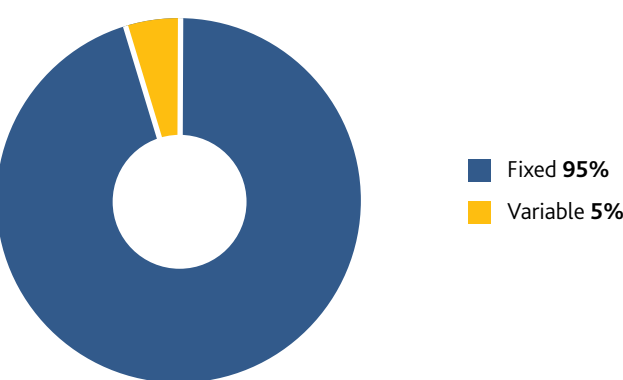
Drawn Debt (£382m)



Agreed Fixed / Variable



Drawn Fixed / Variable



Our operating surpluses contribute to investment in our existing homes and the construction of new homes through our development programme. By the period end we had increased our housing properties assets by £42m and had 250 homes in construction. We ended the year with £832m in fixed assets on the Balance Sheet. Our liquidity position is strong, with £9m available cash and £157m of undrawn loan facilities that we can draw on for future planned and unplanned expenditure, including contracted capital commitments of £30m.

Maria Organ
Executive Director of Finance and Corporate Services



Directors' report

Principal activities

West Kent Housing Association is the parent company of the group, which is branded as 'West Kent'. The Group is made up of West Kent Housing Association and West Kent Ventures, a dormant subsidiary. West Kent Housing Association is a registered provider of social housing, which is regulated by the Regulator of Social Housing.

Our most recent annual review in December 2025 confirmed the highest Governance rating of G1 and a Viability rating of V2 which reflects the inflationary and interest rate pressures in the current economic environment on our business plan and level of investment contained within it.

Governance

Our Board exists to set out the strategic direction of the Group and is committed to high standards of corporate governance. The Board is comprised of eleven non-executive members, two of whom are residents, plus one executive member. It normally meets with the executive directors six times a year. The whole Board is remunerated; however, members have the option to elect that this remuneration is donated to charity.

Our Board is supported by specialist committees: communities and housing (C&H), audit and risk (ARC), investment and finance (I&F) and people and appointments (P&A).

Two resident ambassadors joined us in post from May 2025, forming part of the C&H committee attendees.

Going concern

After reviewing the latest budget, treasury strategy, business plan and strategy, the Board has assured itself of the financial viability and liquidity of West Kent. The Board therefore has a reasonable expectation that West Kent has adequate resources to continue in operational existence for the foreseeable future. The latest budget and business plan confirm financial viability, with good liquidity, headroom across all covenants and all Golden Rules met. The scenario and stress testing highlights where and how covenant and Golden Rule headroom is eroded and mitigation plans have been developed to ensure business continuity, as a minimum, in the short to medium term. For this reason, the going concern basis continues to be adopted in the preparation of West Kent's financial statements.

Since the period end, none of the areas of key financial risk most notably: bad debt, sales margins and timings, inflation and interest rates, and demand for responsive repairs, have had a further detrimental effect from that assumed in the budget approved in March 2026.

Assessment of the effectiveness of internal control

The Board is the ultimate governing body and is responsible for ensuring that an adequate system of internal control is in place and for reviewing its effectiveness. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives will be met. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the association's assets and interests. The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk.

Risks are defined as those factors that could adversely affect the achievement of West Kent's strategic plan and underlying business plan. The internal control framework manages and mitigates the risks by identifying those risks and ensuring that controls are in place.

To assess the effectiveness of the control systems the Board considers the major risks facing West Kent and the appropriate controls to mitigate them. The Board also routinely considers matters of compliance, including health and safety, legal and regulatory compliance, quality assurance, business continuity and insurance, and compliance with the Regulator for Social Housing's Economic and Consumer Standards.

It is the Board's assessment that for 2025-26, West Kent has complied with the Regulator for Social Housing's Economic and Consumer Standards, including with relevant law and the NHF Code of Governance 2020. The Board has assessed the internal control framework as effective. This framework includes a robust annual and long-term planning process; strategic and operational risk management; regular monitoring of the effectiveness of operational controls and key performance indicators. West Kent has a dedicated risk and governance function, led by the head of risk and governance, which regularly reports into the executive team, the Board and its committees.

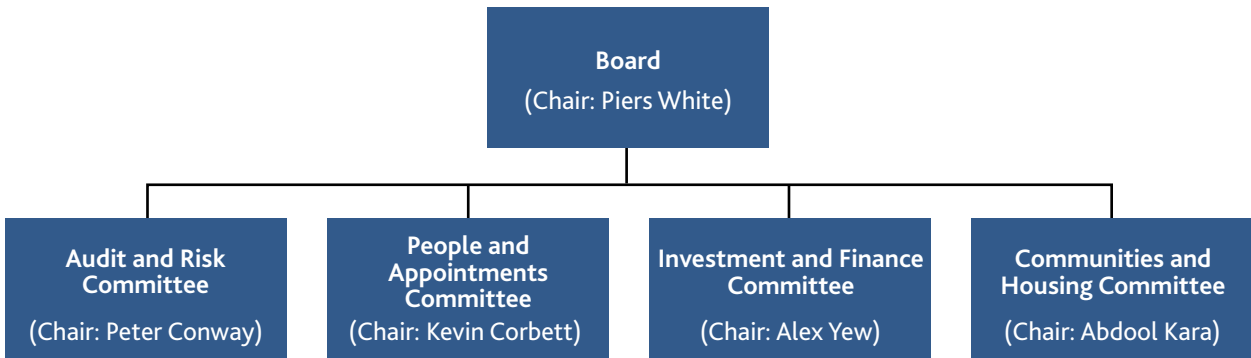
The effectiveness of the controls is assured by:

- Quarterly reporting on governance and compliance, including effectiveness of operational controls, by the risk and governance function to the audit and risk committee.
- Independent assurance by internal auditors as to the existence and effectiveness of the risk management activities described by management, supplemented by specialist third party reviews and advice where appropriate.
- Oversight, supported by quarterly reporting on governance, risk and compliance, by the Board and audit and risk committee, with clear delegations of authority.
- External audit activity, including review of the preparation of the financial statements.
- External regulatory and other reports.

The internal control framework, the risk management process and the fraud register are subject to regular review by internal audit, which has responsibility for providing independent assurance to the Board via its audit and risk committee. The audit and risk committee considers internal controls, compliance and risk at each of its meetings during the year.

The Board has conducted an appraisal of the effectiveness of the Board and its sub-committees, reviewed the effectiveness of the risk and control framework and has taken account of any changes needed to maintain the effectiveness of the risk management and control process.

The Board confirms that there is an on-going process for identifying, evaluating and managing the significant risks faced by West Kent. This process has been in place throughout the year under review and up to the date of



The details of the Board membership are set out in the section Board members, executives and advisers.

We have a well-established resident scrutiny panel who report into the C&H committee and in 2023-24 we introduced a new resident co-production group, to reflect resident feedback on key policies and resident-facing communications. We continue to develop our resident involvement model in line with good practice and the expectations of the new Consumer Standards.

West Kent undertakes an annual assessment of compliance with the Regulator of Social Housing's Economic and the Consumer Standards. West Kent considers it is fully compliant with the provisions of the Standards.

In March 2022, the Board agreed to adopt the 2020 National Housing Federation's Governance Code, against which compliance is measured annually. The Board has taken a self-assessment against the code for the year ended 31 March 2026 and considers itself fully compliant.

In March 2019, the Board reviewed the agreement to adopt the National Housing Federation voluntary code on 'Mergers, Group Structures and Partnerships - A voluntary code for housing associations. The Board has agreed criteria that would be applied in assessing a merger or partnership approach. No merger proposals have been reviewed or submitted in the 12 months to March 2026.

the annual report and financial statements and is reviewed by the Board. The Board has responsibility for the group as a whole.

Board member responsibilities

Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation requires the Board members to prepare financial statements for each financial period in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Board members 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 of the association for that period.

In preparing these financial statements, the Board members are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The Board members are 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, the Co-operative and Community Benefit Societies (Group Accounts) Regulation 1969, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention

and detection of fraud and other irregularities. The Board is responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018.

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

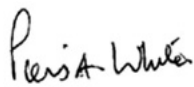
Disclosure of information to auditors

All current Board members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the association’s auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Auditors

Crowe have expressed their willingness to continue. A resolution for the re-appointment of Crowe as auditors of the association is to be proposed at the forthcoming Annual General Meeting on 23 September 2026.

By order of the Board.



Piers White
Chair of Board
Date: 9 September 2026

Board members, executives and advisers

West Kent Housing Association Board members

Piers White (Chair)	
Ian Joynson (CEO)	Appointed 1 February 2026
Tracy Allison	Resigned 1 February 2026
Ben Cooper	
Kevin Corbett	
Akin Durowoju	
Janet Eilbeck	Resigned 24 September 2025
Megan Morvan	
Dr Joanne Simpson	Resigned 24 September 2025
Peter Conway	
Abdool Kara	
Alex Yew	
Joanna Hills	Appointed 24 September 2025
Mark Evers	Appointed 24 September 2025

Independent member of audit and risk committee

Janet Eilbeck	Appointed 24 September 2025
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Resident ambassadors

Iain Walters	Appointed 1 March 2025
Paula Morvan	Appointed 1 March 2025

Company secretary

Georgia Bruce	Appointed 20 April 2026
Maria Organ	Resigned 20 April 2026

Executive team

Ian Joynson	Chief Executive Appointed 1 February 2026
Tracey Allison	Chief Executive Resigned 1 February 2026
Neil Diddams	Executive Director of Property and Asset Management Resigned 19 August 2026
Sasha Harrison	Interim Director of Housing and Communities Resigned 30 September 2025
Tracey Gray	Interim Director of Housing and Neighbourhoods Appointed 1 September 2025 Resigned 6 July 2026
Trafford Wilson	Interim Director of Housing and Communities Appointed 6 July 2026
Barbara Home	Executive Director of Strategic Programme
Maria Organ	Executive Director of Finance and Corporate Services
Anabel Palmer	Executive Director of Property Development and Partnerships Resigned 19 August 2026 Executive Director, Homes and Partnerships Appointed 19 August 2026

Registered office

101 London Road
Sevenoaks
TN13 1AX

Principal solicitors

Trowers & Hamlins LLP
55 Princess Street
Manchester
M2 4EW

Statutory auditors

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Bankers

National Westminster Bank plc
67 High Street
Sevenoaks
TN13 1LA

Funder

Bank of Scotland plc
25 Gresham Street
London
EC2V 7HN

Funder

National Westminster Bank plc
250 Bishopsgate
London
EC2M 4AA

Funder

AIB Group (UK) plc
92 Ann Street
Belfast
BT1 3HH

Funder

The Housing Finance Corporation Ltd
3rd Floor, 17 St. Swithin's Lane
London
EC4N 8AL

Funder

Nationwide Building Society
Kings Park Road
Moulton Park, Northampton
NN3 6NW

Funder

Saltaire Finance plc
1 Bartholomew Lane
London
EC2N 2AX

Legal status

Registered under the Co-operative and Community Benefit Societies Act 2014 number 26278R.

Independent auditor's report to the members of West Kent Housing Association

Opinion

We have audited the financial statements of West Kent Housing Association (the "association") for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and 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 Financial Reporting Standard 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 association affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with 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.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Board’s responsibilities statement set out on page 34, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the 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 intends to liquidate the 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:

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

We obtained an understanding of the legal and regulatory frameworks within which the association operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Co-operative and Community Benefit Societies Act 2014 (and related Directions and regulations), the Housing and Regeneration Act 2008 and other laws and regulations applicable to a registered social housing provider in England together with the Housing SORP. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the association’s ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the association for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing, health and safety, taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Board and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of variable service charge income, the assumptions applied in the consideration of property asset impairment and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the audit and risk committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over the timing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence, designing audit procedures over the timing of income and reading minutes of meetings of those charged with governance.

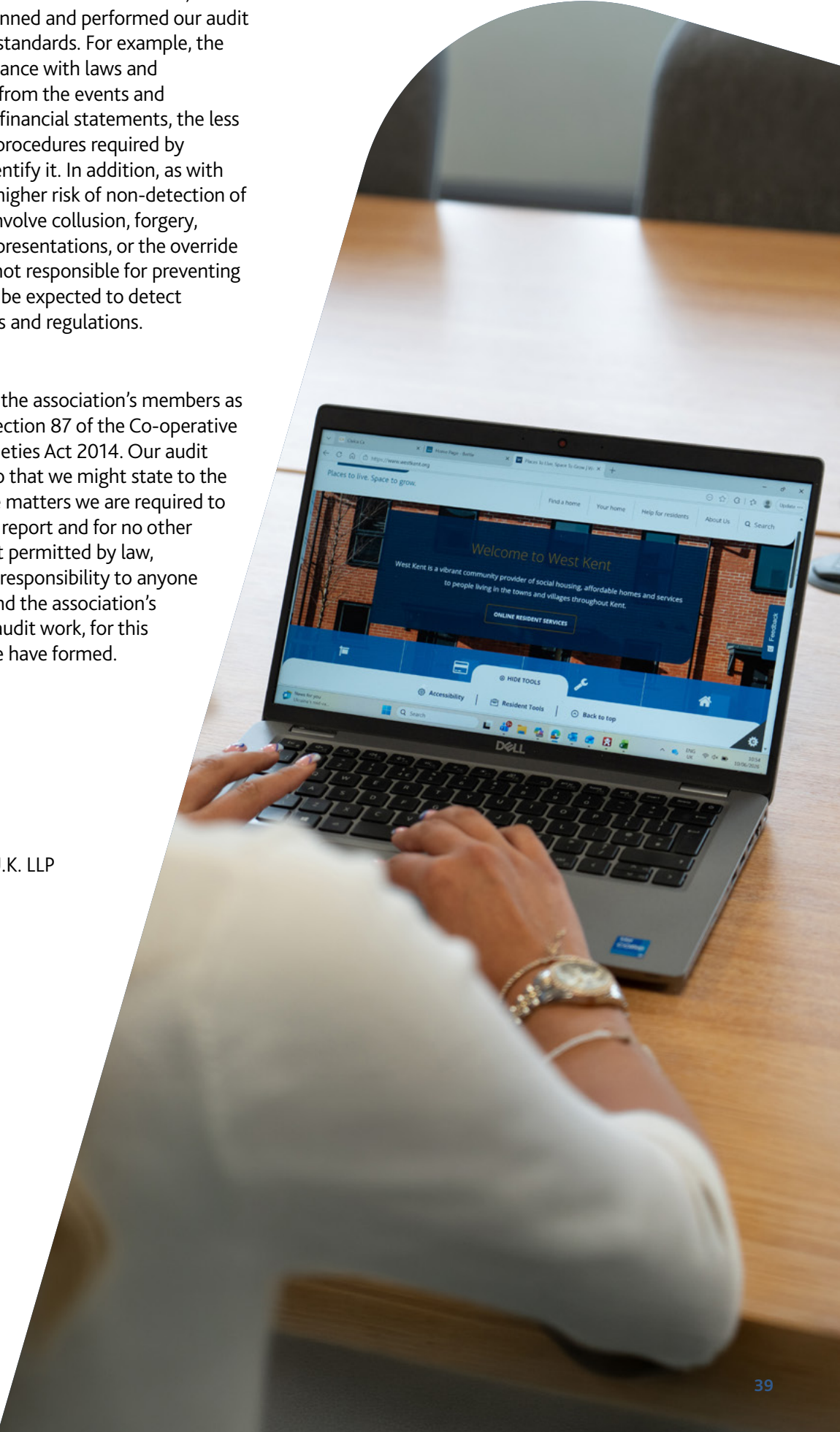
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the association’s members as a body 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 association’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 association and the association’s members as a body, for our audit work, for this report, or for the opinions we have formed.

JPoulter

Julia Poulter
Senior Statutory Auditor
for and on behalf of Crowe U.K. LLP
55 Ludgate Hill, London
EC4M 7JW
Date: 15 September 2026



Association Statement of Comprehensive Income for the year 31 March 2026

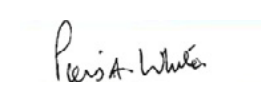
	Note	2026 £'000	2025 £'000
Turnover	4	82,926	76,800
Cost of sales	4	(7,932)	(6,008)
Operating costs	4	(54,109)	(50,724)
Exceptional item – Pension Scheme Settlement Project	4	933	(31,659)
Surplus on disposal of fixed assets	4, 11	3,022	3,404
Operating surplus / (loss)	4, 7	24,840	(8,187)
Movement in fair value of investment properties	17	(256)	38
Operating surplus / (loss) after fair value adjustment		24,584	(8,149)
Other interest receivable and similar income		334	421
Interest and financing costs	12	(17,111)	(15,430)
Gain from financial derivative	34	149	133
Surplus / (loss) before taxation for the year		7,956	(23,025)
Taxation on surplus	13	-	-
Surplus / (loss) for the financial year		7,956	(23,025)
Actuarial gain on defined benefit pension scheme		-	23,942
Movement in fair value of hedged financial instrument	34	586	1,331
Total Comprehensive Income for year		8,542	2,248

All operations are continuing.
The accompanying notes form part of these financial statements.

Association Balance Sheet at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible fixed assets – housing properties	14	832,338	797,182
Tangible fixed assets – other	15a	2,623	3,142
Intangible assets	15b	8,285	7,096
Investments		-	10
Investment properties	17	8,325	8,224
Total fixed assets		851,571	815,654
Current assets			
Properties for sale	18	5,722	6,522
Stock		124	97
Debtors: amounts receivable within one year	19	6,817	6,262
Debtors: amounts receivable after one year	19	5,886	4,913
Cash and cash equivalents	20	10,024	9,817
Total current assets		28,573	27,611
Creditors: amounts falling due within one year	21	(27,406)	(26,244)
Net current assets		1,167	1,367
Total assets less current liabilities		852,738	817,021
Creditors: amounts falling due after more than one year	22	(498,889)	(464,548)
Provisions for liabilities	27	(195)	(7,361)
Net assets		353,654	345,112
Capital and reserves			
Called up share capital	29	-	-
Income and expenditure reserve		196,242	187,246
Revaluation reserve		156,871	157,911
Cash flow hedge reserve		541	(45)
Total reserves		353,654	345,112

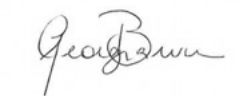
The financial statements were approved by the Board of directors and authorised for issue on 9 September 2026 and signed on their behalf by:



Piers White
Chair of Board



Ian Joynson
Chief Executive



Georgia Bruce
Company Secretary

The accompanying notes form part of these financial statements.

Association Statement of Changes in Reserves

	Note	Income and expenditure reserve	Revaluation reserve	Cash flow hedge reserve	Total
		£'000	£'000	£'000	£'000
Balance at 1 April 2024		185,206	159,034	(1,376)	342,864
Loss for the year		(23,025)	-	-	(23,025)
Actuarial gain on defined benefit pension scheme	28	23,942	-	-	23,942
Transfer from revaluation reserve to income and expenditure reserve		1,123	(1,123)	-	-
Effective portion of changes in fair value of cash flow hedges	34	-	-	1,331	1,331
Balance at 31 March 2025		187,246	157,911	(45)	345,112
Balance at 1 April 2025		187,246	157,911	(45)	345,112
Surplus for the year		7,956	-	-	7,956
Transfer from revaluation reserve to income and expenditure reserve		1,040	(1,040)	-	-
Effective portion of changes in fair value of cash flow hedges	34	-	-	586	586
Balance at 31 March 2026		196,242	156,871	541	353,654

The accompanying notes form part of these financial statements.

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

	Note	2026	2025
		£'000	£'000
Cash flows from operating activities			
Surplus / (loss) for the financial year		7,956	(23,025)
Adjustments for:			
Depreciation and impairment charges	14, 15	9,832	8,692
Amortised grant	5	(1,136)	(1,117)
Amortisation of intangible assets	15	629	610
Surplus / (loss) on revaluation of investment properties	17	256	(38)
Fair value gains on financial instruments	34	(149)	(133)
Cost of tangible assets disposed in year		2,675	2,152
Cost of investment in joint venture disposed of in year		10	-
Interest payable and financing costs	12	17,111	15,430
Other interest received		(334)	(421)
Difference between net pension expense and cash contribution		-	23,804
Increase in trade and other debtors		(789)	(3,263)
Decrease in properties for sale and stock		858	329
Increase in trade and other creditors		6,198	9,648
(Decrease) / increase in provisions		(7,166)	7,266
Cash from operations		35,951	39,934
Taxation paid		-	-
Net cash generated from operating activities		35,951	39,934
Cash flows used in investing activities			
Proceeds from sale of investment properties	11	19	-
Purchase of tangible fixed assets – housing properties		(50,896)	(52,303)
Purchases of tangible fixed assets – other	15a	(209)	(331)
Purchase of intangible assets	15b	(1,816)	(1,763)
Purchase of investment properties	17	(365)	(216)
Receipt of grant	23	3,000	5,730
Other interest received		334	410
Investment in joint venture		-	(10)
Cash acquired with subsidiary undertaking		-	(162)
Net cash used in investing activities		(49,933)	(48,645)
Cash flows from financing activities			
Interest paid		(17,223)	(15,997)
Capital element of lease repaid		(351)	(311)
New loans – bank		85,000	73,000
Debt issue costs incurred		(1,237)	(2,001)
Repayment of bank loans		(52,000)	(46,500)
Net cash from financing activities		14,189	8,191
Net increase / (decrease) in cash and cash equivalents		207	(520)
Cash and cash equivalents at beginning of year		9,817	10,337
Cash and cash equivalents at end of year		10,024	9,817

The accompanying notes form part of these financial statements.

Association Net Debt Reconciliation

	At 1 April 2025	Cash flows	Other non cash changes	At 31 March 2026
	£'000	£'000	£'000	£'000
Analysis of changes in net debt				
Cash and cash equivalents	9,817	207	-	10,024
Finance leases	(20,981)	351	-	(20,630)
Loans	(349,585)	(31,763)	(604)	(381,952)
Net debt reconciliation	(360,749)	(31,205)	(604)	(392,558)

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Legal status

West Kent Housing Association is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 (registration number 26278R) and with the Regulator of Social Housing (registration number LH3827). The association is a public benefit entity, incorporated in the United Kingdom.

West Kent Housing Association consists of West Kent Housing Association (the association), and West Kent Ventures Limited (WKV) (see note 33).

West Kent Ventures Limited is a wholly owned commercial subsidiary that is currently dormant.

West Kent participated in a joint venture (JV), Ink Development Company Limited ('Ink'), which was struck off in November 2025.

All entities are incorporated in the United Kingdom.

2. Accounting policies

2.1. Basis of accounting

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice), including the Co-operative and Community Benefit Societies Act 2014 (and related Group accounts regulations), the Housing and Regeneration Act 2008, the Financial Reporting Standard applicable in the UK and Republic of Ireland (September 2024) ('FRS 102'), the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The presentation currency is £ sterling. All amounts in the financial statements have been rounded to the nearest £1k.

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

The preparation of the financial information requires management to exercise its judgement in applying the association's accounting policies. Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are explained in the accounting policies below.

The accounts are prepared under the historic cost basis except for the modification to a fair value basis for investment properties and certain financial instruments (as specified elsewhere) which are held at their fair value.

The following principal accounting policies have been applied:

2.2. Basis of consolidation

In accordance with section 405 of the Companies Act 2006, the West Kent Housing Association has taken advantage of the exemption from consolidating the financial statements of West Kent Ventures, which is dormant and immaterial to the group's overall financial position and performance.

2.3. Going concern

The Board, after reviewing the association's budget for 2026-27 and its long-term financial plan, is of the opinion that the association has adequate resources to continue to meet its liabilities over the period of at least 12 months from the date of approval of the financial statements.

In order to reach this conclusion, the Board has considered the potential impacts from numerous multi-variant adverse scenarios, which include a decline in sales, downturn in the economy, increased borrowing interest rates, increased inflation, increase in rental arrears, increase in voids, and tightening of liquidity among other factors. Options for mitigation to ensure the association can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements. In addition to the scenarios outlined, the Board has stress tested a number of different scenarios which could affect the West Kent Housing Association future plans.

The Board's assessment of going concern is focused on the association's liquidity and its compliance with loan covenants.

Given the strength of the balance sheet and availability and liquidity of undrawn loan facilities the Board believes that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on West Kent Housing Association's ability to continue as a going concern. The Board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis. Going concern is discussed in more detail within the Directors' report section of the annual report.

2.4. Turnover and revenue recognition

Income is measured at the fair value of the consideration received or receivable. The association generates the following material income streams:

- Rental income receivable (after deducting lost rent from void properties available for letting)
- Service charges receivable
- Proceeds from the sale of land and property including first tranche sales of low cost home ownership housing properties developed for sale.

Rental income and service charges are recognised from the point when properties under development reach practical completion and are formally let. Income from property sales are recognised at the point of legal completion of the sale.

In addition to the association directly managing our properties, the association owns properties in respect of some supported housing which are run by outside agencies. A management fee is received from the managing agents and represents the fee receivable. Any charges incurred by the association are recharged to the managing agent.

Management fee income is recognised in the period in which the related services are provided.

2.5. Support grant income

The association receives support grants from Kent County Council and Medway Unitary Authority. The grants receivable in the period, as well as costs incurred by the association in the provision of support services, have been included in the Statement of Comprehensive Income.

2.6. Service charges

The association operates the fixed method for calculating and charging service charges to its residents and variable for leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

Where variable service charges are used, the treatment of balancing charges (surplus/deficit) arising from service charge year-end accounts is carried out in accordance with the terms of the occupancy agreement (lease) held by the resident. Based on this we provide an allowance for either

the surplus or deficit from prior years, with the surplus being returned to residents in the form of a reduced charge for the following year and a deficit being recovered via a higher service charge the following year, or by alternative methods if the lease allows.

The method for charging service charges to residents is under review for 2026-27.

2.7. Management of units owned by others

Management fees receivable and reimbursed expenses are shown as income and included in management fees receivable. Costs of carrying out the management contracts and rechargeable expenses are included in operating costs. Management fees are recognised over time as services are rendered.

2.8. Current and deferred taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

2.9. Value Added Tax

The association charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the association and not recoverable from HM Revenue and Customs. Recoverable VAT arises from partially exempt activities and is credited to the Statement of Comprehensive Income.

2.10. Finance costs

Finance costs are charged to income or expenditure account over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Interest is capitalised on borrowings to finance new housing developments. The capitalised interest is calculated on a proportional basis, using the weighted

average interest rate of borrowing that has been drawn in order to finance the relevant construction or acquisition. Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated.

2.11. Pension costs

The association participated in a multi-employer defined benefit pension scheme, as an admitted body in the Kent County Council Local Government Pension Scheme (LGPS), the Kent Pension Fund (KPF). The scheme was exited on 31 March 2025. During the current financial year, the association has made the final cessation settlement. See note 28 for further details.

Defined contribution pension scheme

The association operates a defined contribution scheme, administered by Royal London. Employees exiting the LGPS Scheme as of 31 March 2025 were enrolled in the Royal London Scheme from 1 April 2025.

Our defined contribution plan is a retirement benefit plan under which the association pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are shown as an operating expense in the Statement of Comprehensive Income for the year during which the services are rendered by employees.

2.12. Employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

A liability is recognised for all employee benefits to which employees have become entitled as a result of their service during the reporting period. This includes any unused holiday entitlement which has been accrued at balance sheet date and carried forward to future periods. Holiday pay liability is measured at the undiscounted salary cost of the future holiday entitlement.

2.13. Termination benefits

Termination benefits are recognised as an expense when the association is demonstrably committed, without realistic possibility of withdrawal to a formal detailed plan to terminate employment.

2.14. Tangible fixed assets – housing properties

Properties initially purchased by West Kent as part of the large-scale voluntary transfer from Sevenoaks District Council are recognised in tangible fixed assets – housing properties at deemed cost. All other housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property includes the cost of acquiring land and buildings, development costs, interest capitalised during the development period, directly attributable administration costs and expenditure incurred in respect of improvements that comprise the modernisation and extension of existing properties.

Housing properties are split between the land, structure and those major components that require periodic replacement. Replacement or restoration of such major components is capitalised and depreciated over the average estimated useful life, which has been set taking into account professional advice, the association's asset management strategy and the requirements of the Decent Homes Standard.

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

Mixed development housing properties are held within fixed assets and accounted for at cost less depreciation; commercial elements of mixed developments are held as investment properties. Costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to specific tenure, costs are allocated on a floor area or unit basis depending on the appropriateness for each scheme.

Housing properties in the course of construction, excluding the expected cost of the element of shared ownership properties expected to be sold in the first tranche, are included in fixed assets – housing properties and held at cost less any impairment, and are transferred to completed

properties when ready for letting. Expenditure on schemes that are subsequently aborted is written off in the period in which it is recognised that the scheme will not be developed to completion.

Surplus and deficit on disposals of housing properties are determined by comparing the proceeds with the carrying amount and incidental costs of sales and are recognised within surplus/deficit on disposal of fixed assets in the Statement of Comprehensive Income. Shared ownership, Right to Buy, Right to Acquire and voluntary disposals of fixed assets are included in operating surplus/deficit as they are part of West Kent’s normal operating activities. Other disposals of fixed assets are included after operating surplus.

In 2014, West Kent elected the FRS 102 transition option to measure some items of housing properties at fair value, using fair value as the deemed cost. Each year, the difference between depreciation based on historical cost and depreciation based on deemed cost is transferred between the revaluation reserve and the income and expenditure reserve.

2.15. Depreciation of housing properties

Housing land and property is split between the land, structure and other major components that are expected to require replacement over time with substantially different economic lives.

Land is not depreciated on account of its indefinite useful economic life. Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed. The cost of housing property and components are depreciated over the determined average useful economic life on a straight-line basis as follows:

Component	Useful economic life (years)
Structure	100
Roof	100
Windows	35
Doors	25-38
Boilers and heating systems	15-22
PV (Solar) panels	27

Component	Useful economic life (years)
Mechanical and Electrical Systems	10-30
Kitchens	23
Bathrooms	35
Lifts	25
Other scheme fixed assets	5-30
External bin storage	25-55

The portion of shared ownership property retained or expected to be retained is not depreciated on account of the high residual value. Neither the depreciable amount nor the expected annual depreciation charge for such assets is considered material, individually or in aggregate.

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last reporting date in the pattern by which the association expects to consume an asset’s future economic benefit.

2.16. Shared ownership properties and staircasing

Under low cost home ownership arrangements, the association disposes of a long lease on low cost home ownership housing homes for a share ranging between 10% and 75% of value. The buyer has the right to purchase further proportions up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element, “staircasing element”, is classed as fixed assets and included in completed housing property at cost less any provision for impairment. Sales of subsequent tranches are treated as a part disposal of fixed assets. Such staircasing sales may result in capital grant being deferred or abated and any abatement is credited in arriving at the surplus or deficit on disposal.

For shared ownership accommodation that the association is responsible for, it is the association’s policy to maintain them in a continuous state of sound repair. Maintenance of other shared ownership properties is the responsibility of the shared owner. Any impairment in the value of such properties is charged to the Statement of Comprehensive Income.

2.17. Other tangible and intangible fixed assets

Other tangible fixed assets, other than investment properties, are stated at historic cost less accumulated depreciation and any accumulated impairment losses.

The cost includes their purchase price, costs of improvement and directly attributable employee overheads. Direct overheads involved with administering IT projects are capitalised to the extent that they are directly attributable to the IT projects and in bringing the systems into their intended use.

2.18. Depreciation of other tangible and intangible fixed assets

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Description	Useful economic life (years)
Freehold buildings	50
Freehold buildings components	20-30
Furniture and equipment	5
Fixtures and fittings	5-25
Office lifts	25
IT hardware	3-10
IT software	3-10
Motor vehicles	3-5

The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

2.19. Government grants

Capital grants received in advance of scheme completion are held in grant in advance until completed, then transferred to deferred capital grant.

Grants received in relation to assets that are presented at deemed cost at the date of transition have been accounted for using the performance model as required by Housing SORP 2018. In applying this model, such grant has been presented as if it were originally recognised as income within the Statement of Comprehensive Income in the year it was receivable and is therefore included within brought forward reserves.

Grants received in relation to assets that are presented at historic cost at the date of transition and grant received since the transition date in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over a 60-year period for the shared ownership properties or 100-year period for the housing properties.

Where social housing grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets, any unamortised grant remaining within creditors is released and recognised as income within the income and expenditure account.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grant acquired as part of the housing stock acquisition transaction, is recognised at nil value, if the fair value of the obligation to repay or recycle the government grant is reflected in the fair value of the housing properties acquired. Therefore, no additional liability is attributed to the government grant transferred. The association is responsible for the recycling of the grant in the event of the housing properties being disposed and so a contingent liability exists for any grant recycled as a result of disposals of any of those properties.

2.20. Recycled capital grant fund

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

2.21. Investment properties

Investment properties consist of commercial properties (garages) not held for social benefit or for use in the business. They are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined biennially by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.22. Impairment of fixed assets

The housing property portfolio for the association is assessed for indicators of impairment at each balance sheet date. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell.

For the purpose of impairment testing, assets are grouped into the smallest group of assets that generates cash flows from continuing use (the "Cash Generating Unit" or "CGU"). Where the recoverable amount of an asset or cash generating unit is lower than its carrying value impairment is recorded through a charge to income and expenditure.

Impairment losses recognised in prior periods are assessed at each reporting date for indications that the loss has decreased or no longer exists. An impairment loss is reversed if the reasons for the impairment have ceased to apply, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been

determined, net of depreciation and amortisation, if no impairment loss had been recognised.

2.23. Properties held for sale

Properties held for sale represents the first tranche proportion of shared ownership properties under construction or completed and held for sale. Stock is stated at the lower of cost and net realisable value, cost comprises a proportion of the development construction cost.

2.24. Stock

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

2.25. Debtors and creditors

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

2.26. Rent and service charge agreements

The association has made arrangements with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

2.27. Rent received in advance

Rental debtors accounts which have a credit balance are recorded as rent received in advance, within creditors less than one year. Any credit balances remaining on former debtor accounts are investigated and where attempts to trace the former resident prove unsuccessful, these will be written off and offset against the bad debt provision.

2.28. Loans, investments and short-term deposits

The majority of loans, investments and short-term deposits held by the association have been assessed as meeting the definition of basic financial instruments as set out in FRS 102. Each facility within a loan agreement will be treated as a single financial instrument. FRS 102 requires that basic financial instruments are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses, however as the difference between this and the historic cost method is not materially different, these instruments are initially

recorded at the transaction price less any transaction costs (historic cost). Loans and investments that are payable or receivable within one year are not discounted.

2.29. Derivative financial instruments

West Kent Housing Association uses derivative financial instruments to reduce exposure to interest rate movements. West Kent Housing Association does not hold or issue derivative financial instruments for speculative purposes.

The association has entered into variable to fixed rate interest swaps to manage its exposure to interest rate cash flow risk on its variable rate debt. The association documents in advance the relationship between the item being hedged and the hedging instrument. These derivatives are measured at fair value at each reporting date. To the extent the hedge is effective, movements in fair value are recognised in other Comprehensive Income and presented in a separate cash flow hedge reserve. This amount is reclassified from the cash flow hedge reserve to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. Any ineffective portions of those movements are recognised in profit or loss for the period.

When a blend-and-extend hedge transaction is undertaken, the association assesses whether the modification results in a significant change to the hedging instrument in order to determine whether the existing hedge relationship continues or must be re-designated.

Hedge accounting is discontinued when a floating to fixed interest rate swap expires, is sold, terminated or exercised, or when the conditions for hedge accounting are no longer met or West Kent Housing Association documents its election to discontinue hedge accounting. Any fair value gains or losses accumulated in the cash flow hedge reserve are reclassified to Statement of Comprehensive Income either when the variable interest rate expense is recognised as a surplus or deficit, or immediately on discontinuation of hedge accounting if future variable interest rate cash flows are no longer expected to occur.

2.30. Cash and cash equivalents

Cash and cash equivalents in the association's Balance Sheet consists of cash at bank, cash in hand, deposits and short-term investments with an original maturity of three months or less.

2.31. Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximate to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

2.32. Leasehold sinking funds

Unexpended amounts collected from leaseholders for major repairs and cyclical decorations on leasehold schemes and any interest received are included in creditors.

2.33. Provision for liabilities

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date.

Where the effect of the time value of money is material the amount expected to be required to settle the obligation is recognised at the present value using a discount rate. The unwinding of the discount is recognised as a finance cost in income and expenditure in the period it arises.

2.34. Contingent liabilities

A contingent liability is disclosed for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

A contingent liability exists on grant repayment, related to the stock transferred, where grant liability has been recognised at nil value. The contingent liability is dependent on the disposal of related property.

2.35. Reserves

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds. Realised and unrealised gains and losses on assets held by these funds are also allocated to the fund.

The revaluation reserve is created from surpluses on asset revaluation. The depreciation charge on the revalued amount and assets disposals is charged to the revaluation reserve.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

3.1. Key judgements

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

- The extent to which there have been indicators of impairment triggering the performance of an impairment review of the association's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. Management have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on Existing Use Value – Social Housing (EUVSH) or depreciated replacement cost. Management have also considered impairment on the basis of their assumptions of cash or asset generating units. Had management assessed cash generating units at different levels (e.g. as individual properties within a particular scheme) the conclusion on impairment may have been different. Management considered possible alternatives and determined the possible impacts to be immaterial to the financial statements.
- The judgement has been made to recognise the cost of turnkey projects in the financial statements based on the stage of completion, rather than at the point of handover.

- Whether the Kent Excellent Homes for All – Private Finance Initiative should be treated as a finance lease. In considering this project an assessment of Section 34 'Service concessions' of FRS 102 was conducted. A service concession arrangement is an arrangement whereby a public sector body, or a public benefit entity (the grantor) contract with a private sector entity (the operator) to construct (or upgrade), operate and maintain infrastructure assets for a specified period of time (concession period). The operator is paid for its services over the period of the arrangement. Kent County Council and West Kent have been judged to be the public sector body and public benefit entity respectively. The agreement sees West Kent making regular payments to the Special Purpose Vehicle to operate and maintain the assets for the period to 31 December 2040. A significant judgement has been made that due to the arrangements in place and the risks West Kent takes on in this arrangement West Kent have control and therefore the assets and liabilities are included in the accounts.
- Whether the Kent Excellent Homes for All – Private Finance Initiative should be depreciated over the lease term rather than the term of the Private Finance Initiative contract. There is reasonable certainty that West Kent will own the homes after the term of the Private Finance Initiative has expired. The assets are classified as land and structure as West Kent is not responsible for the replacement of components.
- The extent to which garages owned by West Kent are treated as investment properties. These assets are let on a commercial basis, both in terms of price and customer base with the aim of generating income. They are valued in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual, using a widely recognised specialist valuer and property advisor in the social housing sector. A key estimate has been made in the valuation.
- The appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership between current and fixed assets.
- The categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.

- The categorisation of financial instruments as basic or other and therefore whether they are held at cost or fair value.

3.2 Other key sources of estimation uncertainty

Tangible fixed assets

- Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as major repairs profile, ability to let the property and alternative options for the site are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.
- The anticipated costs to complete on a development scheme are based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, management then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on management's best estimate of sales value based on economic conditions within the area of development.
- In assessing recoverable amount, should there be an indicator of impairment of assets an estimate of current new build property build costs is applied, depreciation is calculated based on the age of the existing property to arrive at a depreciated replacement cost.
- Properties built under the Kent Excellent Homes for All – Private Finance Initiative are depreciated over their useful economic life.

Allocation of costs for mixed tenure and shared ownership developments

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

Investment properties valuation

Our investment properties are professionally valued. A rent capitalisation methodology (rent and yield approach) has been adopted coupled with an owner occupier approach, in order to arrive at investment properties valuations.

Future payments under the Kent Excellent Homes for All – finance lease

The finance lease sees West Kent making regular payments to the Special Purpose Vehicle to operate and maintain the assets for the period to 31 December 2040. Management's estimate of the future payments is based on critical underlying assumptions on inflation. Variation in these assumptions may significantly impact the obligations in the finance lease payments.

Valuation of derivatives

All financial assets or liabilities are calculated using measurements based on inputs that are observable for the asset either directly or indirectly from prices. The association has chosen to test the effectiveness of its hedges annually.

4. Particulars of turnover, cost of sales, operating expenditure, surplus on disposal of fixed assets and operating surplus

	Turnover	Cost of sales	Operating costs	Surplus on disposal of fixed assets	Operating surplus/ (deficit)	Turnover	Cost of sales	Operating costs	Surplus on disposal of fixed assets	Operating surplus/ (deficit)
	2026	2026	2026	2026	2026	2025	2025	2025	2025	2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (Note 5)	71,105	-	(51,390)	-	19,715	67,423	-	(76,119)	-	(8,696)
Other social housing activities										
First tranche sales	10,511	(7,932)	-	-	2,579	7,955	(6,008)	-	-	1,947
Low cost home ownership staircasing (Note 11)	-	-	-	1,025	1,025	-	-	-	738	738
Sale of other assets (Note 11)	-	-	-	1,997	1,997	-	-	-	2,666	2,666
Charges for support services	19	-	(92)	-	(73)	57	-	(130)	-	(73)
Supporting people	4	-	(28)	-	(24)	6	-	(27)	-	(21)
Community engagement	169	-	(1,147)	-	(978)	294	-	(1,697)	-	(1,403)
Development costs not capitalised	-	-	(19)	-	(19)	-	-	(76)	-	(76)
Exceptional Item – LGPS exit*	-	-	126	-	126	-	-	(3,947)	-	(3,947)
Other	178	-	(120)	-	58	281	-	(93)	-	188
Total social housing activities	81,986	(7,932)	(52,670)	3,022	24,406	76,016	(6,008)	(82,089)	3,404	(8,677)
Lettings – Garages	940	-	(506)	-	434	784	-	(294)	-	490
Total	82,926	(7,932)	(53,176)	3,022	24,840	76,800	(6,008)	(82,383)	3,404	(8,187)

*LGPS exit costs have been apportioned across social housing lettings operating costs (see note 5) and other social housing activities (note 4 above) based on proportion of all social and non-social operating expenditure.

5. Particulars of turnover and operating expenditure from social housing lettings

							Restated
	General needs housing	Supported housing (inc. housing for older people)	Kent Excellent Homes for All	Low cost home ownership	Leasehold	Total	Total
	2026	2026	2026	2026	2026	2026	2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Rents net of identifiable service charges	49,478	3,130	3,541	6,460	5	62,614	59,349
Service charge income	4,240	268	888	560	99	6,055	5,569
Net rental income	53,718	3,398	4,429	7,020	104	68,669	64,918
Amortised government grants	928	59	-	149	-	1,136	1,117
Other grants	626	40	-	-	-	666	771
Other income	-	-	634	-	-	634	617
Turnover from social housing lettings	55,272	3,497	5,063	7,169	104	71,105	67,423
Operating expenditure							
Management	(6,662)	(421)	(232)	(1,070)	(247)	(8,632)	(7,440)
Services	(5,739)	(363)	(200)	(922)	(213)	(7,437)	(6,963)
Routine maintenance	(9,014)	(570)	(314)	-	-	(9,898)	(8,250)
Planned maintenance	(10,926)	(691)	-	-	-	(11,617)	(12,600)
Major repairs expenditure	(979)	(62)	-	-	-	(1,041)	(1,153)
Operating service agreement	-	-	(4,174)	-	-	(4,174)	(4,020)
Bad debts	(245)	(16)	(9)	-	-	(270)	(73)
Depreciation of housing properties:							
- annual charge	(8,071)	(511)	(281)	-	-	(8,863)	(7,734)
- accelerated on disposal of components	(242)	(15)	(8)	-	-	(265)	(175)
Exceptional Item – LGPS exit*	623	39	22	100	23	807	(27,711)
Operating expenditure on social housing lettings	(41,255)	(2,610)	(5,196)	(1,892)	(437)	(51,390)	(76,119)
Operating surplus / (deficit) on social housing lettings	14,017	887	(133)	5,277	(333)	19,715	(8,696)
Void losses	(300)	(125)	(75)	-	-	(500)	(604)

*LGPS exit costs have been apportioned across social housing lettings operating costs (note 5 above) and other social housing activities (see note 4) based on proportion of all social and non-social operating expenditure.

6. Accommodation in management and development

	2025	Units developed or newly built units acquired	Units sold / demolished	Other movements	2026
	Number	Number	Number	Number	Number
Social housing ownership					
Social rent general needs	5,439	5	(26)	175	5,593
Affordable rent general needs	1,146	54	-	1	1,201
Social rent supported housing and housing for older people	748	-	(2)	(182)	564
Affordable rent supported housing and housing for older people	106	-	-	-	106
Shared ownership	1,019	88	(10)	-	1,097
Leasehold	250	-	-	2	252
Other social housing	27	-	-	1	28
Total social housing units owned and managed	8,735	147	(38)	(3)	8,841
Non-social rental housing units (excluding leasehold units)					
Non-social rental housing units owned	1	-	-	-	1
Total owned accommodation	8,736	147	(38)	(3)	8,842
Homes under construction	311	-	-	-	250

7. Operating surplus

	Restated	
	2026	2025
	£'000	£'000
This is arrived at after charging / (crediting):		
Grant amortised	(1,136)	(1,117)
Depreciation – housing properties	8,863	7,734
Depreciation – other fixed assets	704	783
Accelerated depreciation on replaced components	265	175
Amortisation – intangible assets	629	-
Operating lease rentals:		
- land and buildings	129	161
- other	196	172
Auditors' remuneration (excluding VAT):		
- fees payable to the association's auditor for the audit of the accounts	74	88
- fees for other non-audit services	14	11

8. Employees

	2026	2025
	£'000	£'000
Employee costs (including executive management team) consist of:		
Wages and salaries	15,213	14,868
Social security costs	1,900	1,543
Cost of defined benefit pension scheme	-	604
Cost of defined contribution scheme	1,152	1,112
Total	18,265	18,127

Wages and salaries in 2026 include £72k of costs related to compensation for the loss of office (2025: £28k). All amounts have been fully paid during the year.

The average number of employees (including executive management team) expressed as full time equivalents (FTE), calculated based on a standard working week of 37 hours, during the year was as follows:

	2026	2025
	FTE	FTE
Administration	90	88
Development	27	26
Housing, Support and Care	214	216
Total	331	330

A defined contribution pension scheme was operated by the association on behalf of employees. The assets of the scheme were held separately from those of the association in an independently administered fund. The pension charge represented contributions payable by the association to the fund and amounted to £1,152 during the year (2025: £1,112k). No contributions (2025: £nil) were outstanding for the fund at the year end.

9. Directors' and senior executives' remuneration

The key management personnel are defined as the members of the Board of management, the Chief Executive and the executive management team disclosed within the Executives and Advisers section of this report.

	Restated	
	2026	2025
	£'000	£'000
Executive directors' emoluments (excluding pension)	851	819
Pension contributions	244	183
Amounts paid to non-executive directors	101	81
Total	1,196	1,083

There was no cost related to compensation of the loss of office reported in the Executive directors’ emoluments (2025: £nil).

The remuneration payable to the highest paid Director in relation to the period of account, excluding pension contributions was £129k (2025: £171k).

The pension entitlement of the Chief Executive is identical to those of other members in the defined contribution pension scheme. No enhanced or special terms apply.

There were seven directors in the association’s defined contribution pension scheme during the year (2025: six).

The cost per housing unit for directors’ remuneration is £135 (2025: £128), based on total aggregate directors’ remuneration including pension and National Insurance contributions, payable to directors or former directors in relation to the period of account, divided by total social housing units owned and/ or managed at period end. The remuneration payable to the highest paid director (excluding pension and National Insurance contributions), relative to the size of the landlord is £14 per social housing unit (2025: £20).

The Executives’ emoluments presented for the prior reporting period have been restated to include pension and national insurance contributions.

The association has the following numbers of employees, including the executive management team, with the total remuneration (including pension), of £60,000 or more per annum at 31 March 2026:

	2026	2025
	Number	Number
£60,000 - £69,999	28	22
£70,000 - £79,999	11	17
£80,000 - £89,999	7	7
£90,000 - £99,999	8	5
£100,000 - £109,999	4	6
£110,000 - £119,999	-	1
£120,000 - £129,999	2	-
£130,000 - £139,999	-	3
£140,000 - £149,999	3	1
£150,000 - £159,999	1	1
£200,000 - £209,999	1	1
Total	65	64

10. Board members

During the year, Board members received emoluments totalling £101k (2025: £81k) and were members of the following Board committees:

Board members	Remuneration £	Board	Audit and Risk	Investment and Finance	Communities and Housing	People and Appointments
Tracy Allison - Chief Executive ¹	-	●				
Ian Joynson - Chief Executive ²	-	●				
Ben Cooper	8,002	●			●	
Peter Conway ³	8,694	●	○	●		
Kevin Corbett ⁴	8,694	●		●		○
Akin Durowoju	8,002	●		●	●	
Janet Eilbeck ⁵	6,476	●	○■			○
Mark Evers ⁶	6,550	●		●	●	
Joanna Hills ⁶	6,550	●	●		●	
Abdool Kara ⁷	-	●			○	●
Megan Morvan ⁸	8,002	●			●	●
Dr Joanne Simpson ⁹	4,515	●			○	
Piers White - Chair	17,471	○				●
Alex Yew	9,335	●	●	○		
Iain Walters ¹⁰	4,196	●			▲	
Paula Morvan ¹⁰	4,149	●			▲	
Total	100,636					

○ Chair ● Member ▲ Resident ambassador ■ Independent member

- ¹ Retired as Chief Executive and stepped down from the Board on 1 February 2026.

² Appointed Chief Executive and Board member on 1 February 2026.

³ Appointed Chair of Audit and Risk Committee, following the AGM on 24 September 2025.

⁴ Appointed Chair of the People and Appointments Committee, following the AGM on 24 September 2025.

⁵ Retired from the Board at the AGM on 24 September 2025 and was appointed independent member of the Audit and Risk Committee.
- ⁶ Appointed to the Board at the AGM on 24 September 2025.

⁷ Appointed Chair of Communities and Housing Committee following the AGM on 24 September 2025.

⁸ Moved from Communities and Housing Committee to People and Appointments Committee following the AGM on 24 September 2025.

⁹ Retired from the board at the AGM on 24 September 2025.

¹⁰ Resident ambassador.

11. Surplus on disposal of fixed assets

	2026	2025
	£'000	£'000
Proceeds from low cost home ownership staircasing	2,828	1,831
Cost of sales (including selling costs)	(1,782)	(1,082)
Transfer to recycled capital grant fund	(21)	(11)
Surplus on low cost home ownership sales	1,025	738
Proceeds from Right to Buy sales	-	880
Cost of sales (including selling costs)	-	(249)
Transfer to recycled capital grant fund	-	(23)
Surplus on Right to Buy sales	-	608
Proceeds from other housing property sales	2,978	2,934
Cost of sales (including selling costs)	(937)	(823)
Transfer to recycled capital grant fund	(36)	(32)
Surplus on other housing property sales	2,005	2,079
Proceeds from disposal of other and intangible assets	-	-
Cost of disposal (including selling costs)	(22)	(21)
Loss on disposal of other and intangible fixed assets	(22)	(21)
Proceeds from investment properties sales	19	-
Cost of disposal (including selling costs)	(5)	-
Surplus on disposal of investment properties	14	-

The loss on disposal of other fixed assets relates to the write off out of date equipment.

12. Interest payable and similar charges

	2026	2025
	£'000	£'000
Bank loans and overdrafts	17,395	15,245
Interest on finance leases	836	845
Other finance cost	-	347
Notional interest on RCGF* balances	32	34
Interest payable	18,263	16,471
Interest capitalised in construction costs of housing properties	(1,152)	(1,041)
Total interest and financing costs	17,111	15,430

*RCGF: Recycled Capital Grant Fund

13. Taxation on surplus on ordinary activities

The tax assessed for the year differs from the standard rate of corporation tax in the UK applied to surplus before tax. The differences are explained below:

	2026	2025
	£'000	£'000
Surplus / (loss) on ordinary activities before tax	7,956	(23,025)
Surplus / (loss) on ordinary activities at the standard rate of corporation tax in the UK of 25% (2025: 25%)	1,989	(5,756)
Effects of:		
Charitable (income) / loss	(1,989)	5,756
Total tax charge for year	-	-

The aggregate current and deferred tax relating to items recognised in other Comprehensive Income is a charge of £nil (2025: £nil).

Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing property to its market value or on the sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would become payable only if the property was sold without it being possible to claim rollover relief. The total un-provided amount is £nil (2025: £nil). At present, it is not envisaged that any tax will become payable in the foreseeable future.

14. Tangible fixed assets – housing properties

	General needs completed	General needs under construction	Low cost home ownership completed	Low cost home ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2025	724,864	19,983	134,734	11,696	891,277
Additions	-	18,817	-	15,969	34,786
Works to existing properties	12,057	-	-	-	12,057
Completed schemes	14,058	(14,058)	18,091	(18,091)	-
Repurchase of units	-	-	133	-	133
Transfer	(219)	265	(226)	180	-
Transfer from investment properties (Note 15b)	-	3	-	-	3
Transfer to stock	(85)	-	-	-	(85)
Disposal of properties	(1,635)	-	(1,857)	-	(3,492)
Disposals of components	(1,690)	-	-	-	(1,690)
At 31 March 2026	747,350	25,010	150,875	9,754	932,989
Depreciation:					
At 1 April 2025	(94,095)	-	-	-	(94,095)
Charge for the period	(9,128)	-	-	-	(9,128)
Disposals	2,572	-	-	-	2,572
At 31 March 2026	(100,651)	-	-	-	(100,651)
Net book value at 31 March 2026	646,699	25,010	150,875	9,754	832,338
Net book value at 31 March 2025	630,769	19,983	134,734	11,696	797,182

	2026	2025
	£'000	£'000
The net book value of housing properties may be further analysed as:		
Freehold	795,109	759,587
Long leasehold	37,229	37,595
	832,338	797,182
Interest capitalisation		
Interest capitalised in the year (Note 12)	1,152	1,041
Works to properties		
Improvements to existing properties capitalised	2,039	874
Major components replacement capitalised	10,018	10,362
Major repairs expenditure to income and expenditure account	1,041	1,153
	13,098	12,389
Total Social Housing Grant received or receivable to date is as follows:		
Held as deferred income (Note 23)	98,888	97,012
Recycled capital grant fund (Note 24)	845	768
Recognised in the Statement of Comprehensive Income	1,136	1,117
	100,869	98,897

Finance leases

The net book value of housing properties for the association includes an amount of £20.4m (2025: £20.5m) in respect of assets held under finance leases and hire purchase contracts. Such assets are generally classified as finance leases as the rental period amounts to the estimated useful economic life of the assets concerned and often the association has the right to purchase the assets outright at the end of the minimum lease term by paying a nominal amount. The finance lease is from a Private Finance Initiative called Kent Excellent Homes for All. This is a contract between Kent County Council and Kent EHFA ProjectCo Limited. West Kent has concluded that it is the grantor due to the conditions it fulfils within the contracts. West Kent collects rents and service charges from its residents. It pays Kent EHFA ProjectCo an operating and construction services payments over the life of the contract. At the end of the contract West Kent is likely to purchase the assets outright.

Impairment

The association considers individual properties to represent separate cash generating units (CGUs) when assessing for impairment in accordance with the requirements of FRS 102 and SORP 2018. During the current year, the association have not recognised any impairment loss (2025: £nil) in respect of general needs housing stock.

Properties held for security

West Kent Housing Association had property with a net book value of £564m pledged as security as at 31 March 2026 (2025: £561m). There was also further property with a net book value of £6m charged as unallocated with a Security Trustee company and ready for designation to new funding as at 31 March 2026 (2025: £6m).

15a. Tangible fixed assets - other

	Office buildings	Plant, machinery and vehicles	Fixtures, fittings, tools and equipment	Total
	£'000	£'000	£'000	£'000
Cost:				
At 1 April 2025	2,423	3,802	544	6,769
Additions	-	203	6	209
Transfer to intangible fixed assets (Note 15b)	-	(24)	-	(24)
Disposals	-	(338)	-	(338)
At 31 March 2026	2,423	3,643	550	6,616
Depreciation:				
At 1 April 2025	(1,045)	(2,227)	(355)	(3,627)
Charge for the period	(40)	(615)	(49)	(704)
Disposals	-	338	-	338
At 31 March 2026	(1,085)	(2,504)	(404)	(3,993)
Net book value				
At 31 March 2026	1,338	1,139	146	2,623
At 31 March 2025	1,378	1,575	189	3,142

	2026	2025
	£'000	£'000
The net book value of office buildings may be further analysed as:		
Freehold	1,331	1,369
Short leasehold	7	9
At 31 March	1,338	1,378

Finance leases

The company had no Tangible fixed assets – other held under finance leases at either period end.

15b. Intangible fixed assets

	Computer Software	Total
	£'000	£'000
Cost		
At 1 April 2025	7,706	7,706
Additions	1,816	1,816
Transfers from other tangible fixed assets (Note 15a)	24	24
Disposals	(28)	(28)
At 31 March 2026	9,518	9,518
Amortisation		
At 1 April 2025	(610)	(610)
Charge for the year	(629)	(629)
Disposals	6	6
At 31 March 2026	(1,233)	(1,233)
Net book value		
At 31 March 2026	8,285	8,285
At 31 March 2025	7,096	7,096

16. Fixed asset investments

Details of subsidiary undertakings, associated undertakings and other investments

West Kent Ventures Limited (WKV) is a 100% owned subsidiary of West Kent Housing. The company has been dormant during the financial year.

Ink Development Company Limited was a jointly controlled entity between Southern Housing Group and West Kent. Ink Board met on 30 June 2025 and took the decision to dissolve the entity. An application to strike off was granted in November 2025 by Companies House, and the entity has since been struck off.

17. Investment properties

	2026	2025
	£'000	£'000
At 1 April	8,224	7,980
Additions	365	216
Transfer to tangible fixed assets – housing properties (Note 14)	(3)	-
Disposals	(5)	(10)
Movements in fair value of investment	(256)	38
At 31 March	8,325	8,224

The association owns garages which are classified as investment properties. The association engaged Jones Lang LaSalle Limited for the 31 March 2026 fair value valuation. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors’ Appraisal and Valuation Manual.

In valuing investment properties, a discounted cashflow methodology was adopted with the following key assumptions:

	2026	2025
Net Initial Yield	8%	7%
Management and maintenance cost (per unit / per annum)	£209	£186
Rent loss through voids	18%	20%-25%

Based on the valuation assumptions outlined above, the valuers are of the opinion that the market value of the 1,754 properties is £8.3m.

18. Properties for sale

	2026	2025
	£'000	£'000
First tranche low cost housing properties:		
Work in progress (properties under construction)	4,591	5,521
Completed properties (properties completed and unsold)	1,131	1,001
Total	5,722	6,522

19. Debtors

	2026	2025
	£'000	£'000
Due within one year		
Rent and service charge arrears	2,665	2,644
Less: provision for doubtful debts	(896)	(1,040)
Net rental debtors	1,769	1,604
Other debtors	804	605
Prepayments and accrued income	4,244	4,053
Total debtors: amounts falling due within one year	6,817	6,262
Due after one year		
Amounts held on trust	4,286	4,103
Derivative financial instruments designated as hedge	823	88
Prepayments and accrued income	777	722
Total debtors: amounts falling due after one year	5,886	4,913
Total	12,703	11,175

The amounts held on trust relate to an interest servicing reserve held on loans of £4.3m (2025: £4.1m) held by The Housing Finance Corporation and Affordable Housing Finance Plc. Amounts held on trust for the loan principal where security is to be provided £nil (2025: £nil).

20. Cash and cash equivalents

	2026	2025
	£'000	£'000
Cash at bank and in hand	8,953	8,770
Leaseholder accounts	1,071	1,047
Total	10,024	9,817

21. Creditors: amounts falling due within one year

	2026	Restated 2025
	£'000	£'000
Debt (Note 25)	4,813	4,984
Trade creditors	5,565	6,157
Rent and service charges received in advance	1,814	1,445
Taxation and social security	477	440
Obligations under finance leases (Note 25)	393	351
Other creditors	586	921
Recycled capital grant fund (Note 24)	237	261
Accruals and deferred income	10,736	9,308
Accrued interest	2,785	2,377
Total	27,406	26,244

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

	2026	2025
	£'000	£'000
Debt (Note 25)	377,139	344,601
Obligations under finance leases (Note 25)	20,237	20,630
Deferred capital grant (Note 23)	98,888	97,012
Recycled capital grant fund (Note 24)	608	507
Sinking fund balances	1,232	1,074
Capital retentions	785	724
Total	498,889	464,548

23. Deferred capital grant

	2026	2025
	£'000	£'000
At 1 April	97,012	92,509
Grants received during the year	3,000	5,730
Grants recycled from the recycled capital grant fund	261	194
Released to income during the year	(1,136)	(1,117)
Grant transferred to revenue	-	(134)
Grants on disposed properties	(306)	(236)
Eliminated on disposal	57	66
At 31 March	98,888	97,012

During 2024-25 West Kent Housing and London & Quadrant (L&Q) agreed a stock transfer of 77 homes in Tonbridge and Malling. The cost of the acquired properties was measured at fair value. £2.5m of social housing grant was associated with this transaction. The fair value of the obligation to repay or recycle the government grant was reflected in the fair value of the housing properties acquired and therefore no additional value was attributed to the government grant transferred.

24. Recycled capital grant fund

	2026	2025
	£'000	£'000
At 1 April	768	692
Inputs to recycled capital grant fund:		
- grants recycled from deferred capital grants	306	236
- interest accrued	32	34
Recycling of grant:		
- new build	(261)	(194)
At 31 March	845	768
Amounts falling due within one year	237	261
Amounts falling due after one year	608	507
At 31 March	845	768
Amounts three years or older where repayment may be required	-	-

Withdrawals from the recycled capital grant fund are used for the purchase and development of new housing schemes for letting and for approved works to existing housing properties. All funds pertain to activities within areas covered by Homes England.

25. Debt analysis

	2026	2025
	£'000	£'000
Due within one year		
Loans	5,250	5,000
Bond premium	224	390
Less: issue cost	(661)	(406)
Total due within one year	4,813	4,984
Due after more than one year		
Loans	376,750	344,000
Bond premium	4,275	4,333
Less: issue cost	(3,886)	(3,732)
Total due after more than one year	377,139	344,601

All loans are in the form of bank loans or aggregated bonds. All historic loans accrue interest at a variable or fixed rate equivalent to Sterling Over Night Index Average (SONIA) plus margin. Issue costs incurred have been deducted from the initial carrying value and will be charged to profit or loss as part of the interest charge calculated using the amortised cost method.

Loans are secured by specific charges on the housing properties of the association. The loans bear interest at fixed rates ranging from 1.78% to 5.38% or at variable rates calculated at a margin above SONIA.

At 31 March 2026 the association had undrawn loan facilities of £157m (2025: £170m).

Based on the lender's earliest repayment date, borrowings are repayable as follows:

	2026	2025
	£'000	£'000
Borrowings		
Within one year	5,250	5,000
One year or more but less than two years	7,650	5,250
Two years or more but less than five years	87,350	94,500
Five years or more	281,750	244,250
Total	382,000	349,000

	2026	2025
	£'000	£'000
Obligations under finance leases		
Within one year	393	351
One year or more but less than two years	438	393
Two years or more but less than five years	1,020	923
Five years or more	18,779	19,314
Total	20,630	20,981

26. Financial instruments

a. Carrying amount of financial instruments

		Restated
	2026	2025
	£'000	£'000
Financial assets measured at historic cost		
Trade receivables	1,769	1,604
Other receivables	10,934	9,571
Cash and cash equivalents	10,024	9,817
Total financial assets	22,727	20,992
Financial assets measured at historic cost		
Loans payable	381,952	349,585
Trade creditors	5,565	6,157
Other creditors	118,148	114,069
Finance leases	20,630	20,981
Total financial liabilities	526,295	490,792

The association's financial assets consist of trade receivables, other receivables and cash and cash equivalents measured at historic cost. There are a limited number of agreements in place with customers to pay debts owed to West Kent, the value of the repayment plans is small and have been included, and continue to be held at transaction price.

The association's financial liabilities consist of loans payable, measured at historic cost as an approximation for amortised cost, as the difference between them is not deemed material, and trade creditors, other creditors and finance leases, measured at historic cost.

b. Hedge accounting

West Kent Housing has entered into £110m of interest rate swap contracts (2025: £111.3m) to fix the rates of £110m (2025: £111.3m) of its borrowing portfolio until various dates up to 2036.

The positive fair value of these swap contracts as at 31 March 2026 was £0.8m (2025: positive £0.1m). The fair value was determined by calculating the net present value of the future cashflows of the swaps discounted using an appropriate mid-market swap curve as at 31 March 2026.

The "positive ineffectiveness" of these swap contracts as at 31 March 2026 was £0.1m (2025: positive £0.1m) and has been recognised in the Statement of Comprehensive Income as defined in the Accounting Policies.

Periods in which the forecast cash flows associated with standalone interest rate swaps are expected to occur:

	2026	2026	2025	2025
	£'000	£'000	£'000	£'000
	Receivable	Payable	Receivable	Payable
Interest rate swaps				
In one year or less	7,643	(4,331)	4,722	(4,467)
Between one and two years	2,445	(4,272)	4,236	(4,415)
Between two and five years	5,073	(6,047)	7,064	(7,316)
In five years or more	5,437	(4,863)	6,322	(5,982)
Total	20,598	(19,513)	22,344	(22,180)
Nominal value of the above Interest rate swaps	110,000	110,000	111,250	111,250

27. Provisions for liabilities and charges

	2026	2025
	£'000	£'000
At 1 April	7,361	95
Arising during the year	195	7,361
Utilised during the year	(6,225)	(95)
Unused and reversed during the year	(1,136)	-
At 31 March	195	7,361

	2026	2025
	£'000	£'000
The association has recognised		
LGPS settlement provisions	-	6,952
Major works obligation provisions	-	231
Other provisions	195	178
At 31 March	195	7,361

During last year the association recognised a provision for remedial property works and following the decision to exit LGPS on 31 March 2025, the pension cessation payment. The provisions were settled during the current year.

28. Pensions

Defined benefit pension scheme

The association was an admitted body to the Kent County Council local government superannuation scheme, a defined benefit pension scheme. The scheme was closed to new entrants from West Kent and was subject to the regulations of the Local Government Superannuation Scheme. Contributions to the scheme were determined by a qualified actuary on the basis of valuations, using the projected unit method.

There was a stated policy for charging the net defined benefit scheme between those companies that were a party to the scheme and hence a proportion of the defined benefit scheme assets, liabilities, income and costs were recognised by individual companies in accordance with that policy.

Pension benefits depend upon age, length of service and salary level.

The Board agreed to close the existing defined benefit pension scheme on 10 January 2025, following employee consultation, with an agreed exit date of 31 March 2025.

On 19 September 2025 the association received the 31 March cessation valuation report. The association repaid the pension liability during the year 2025-26, at a value £0.9m less than the 2024-25 estimate.

	2026	2025
	£'000	£'000
Total exit costs comprise:		
Project costs	(1)	499
Employee compensation	-	429
Final/estimated exit cost	(929)	6,582
Unfunded benefits payment	(3)	184
Non cash net movement in defined benefit pension assets and liabilities	-	23,965
Total	(933)	31,659

Defined contribution scheme

A defined contribution pension scheme is operated by the association on behalf of employees. The assets of the scheme are held separately from those of the association in an independently administered fund. The pension charge represents contributions payable by the association to the fund and amounted to £1,152k during the year (2025: £1,112k). Contributions totalling £nil (2025: £nil) were payable to the fund at the year end.

29. Share capital

	2026	2025
	£	£
At 1 April	21	23
Shares issued in the year	2	1
Shares cancelled in the year	(3)	(3)
At 31 March	20	21

The share capital of the association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When a shareholder ceases to be a member, that share is cancelled and the amount paid thereon becomes the property of the association. Therefore, all shareholdings relate to non-equity interests.

30. Contingent liabilities

The association has entered into a residual value deed with Kent EHFA ProjectCo Limited as part of the Kent Excellent Homes For All Private Finance Initiative. The amount outstanding under the Residual Value Facility was, and at any relevant time shall not exceed, £9m save with the prior written consent of West Kent Housing Association. An overage payment is potentially payable if the Existing Use Valuation - Social Housing at the end of the contract exceeds £9m. No existing security has currently been provided by West Kent Housing Association in connection with this liability. The homes built under the contract are held as security. If this is not sufficient, further security will be used from West Kent Housing Association's £178m unencumbered stock.

During 2024-25 West Kent Housing and London & Quadrant (L&Q) agreed a stock transfer of 77 homes in Tonbridge and Malling. The cost of the acquired properties was measured at fair value. £2.5m of social housing grant was associated with this transaction. The fair value of the obligation to repay or recycle the government grant was reflected in the fair value of the housing properties acquired and therefore no additional value was attributed to the government grant transferred.

31. Operating leases

The association had minimum lease payments under non-cancellable operating leases as set out below:

	2026	2025
	£'000	£'000
Amounts payable as lessee		
No later than one year	149	254
Later than one year and not later than five years	473	467
Later than five years	3,201	2,992
Total	3,823	3,713

Amounts payable as lessee include rented housing properties, office properties, and equipment in accordance with the terms of the lease, where West Kent Housing Association is the leaseholder.

32. Capital commitments

	2026	2025
	£'000	£'000
Expenditure contracted for but not provided in the accounts	26,245	59,342
Expenditure authorised by the Board, but not contracted	64,469	2,123
Total	90,714	61,465

These are commitments towards fixed assets which have been contracted and predominantly relate to developments where known contracts have been appointed, and which have started on site.

Capital commitments for the association will be funded as follows:

	2026	2025
	£'000	£'000
Social Housing Grant	12,906	3,060
Approved loan facility	55,570	36,685
Sales of properties	22,238	21,720
Total	90,714	61,465

33. Related party disclosures

The ultimate controlling party of the Group is West Kent Housing Association. There is no ultimate controlling party of West Kent Housing Association.

West Kent considers the key management personnel to be the Board and Executive Team, the only transactions between West Kent and the key management personnel are remuneration which is set out in note 10.

West Kent has assessed the declared interests of Board members and the Executive Team against the supplier listing and contracts register. Two suppliers are connected to a member of the Board (BPTW and Maidstone Council), however no decisions on the use or appointment of these two suppliers has been considered by the Board during the year and as such, we have confirmed that no related party transactions have taken place during the year.

West Kent participated in the Royal London defined contribution scheme. The transactions with these pension schemes are set out in note 28.

The Board includes two resident members (2025: two) who hold tenancy agreements on normal terms and cannot use their position to their advantage. There are seven shareholders (2025: seven), excluding the Board members, who are also residents, or have close family that are residents, of the association, who hold tenancy agreements on normal terms and cannot use their position to their advantage.

The aggregated transactions with the residents, Board members and shareholders are shown below:

	2026	2025
	£'000	£'000
Payment due from previous year	-	(1)
Charges in year	58	67
Payments in year	(58)	(66)
Payments due at end of year	-	-

Joint venture

Ink Development Limited company has been dissolved during the year 2025-26. There was no intra-group transaction during the year (2025: £5k net sales and purchases of goods and services).

34. Movement in fair value of financial instruments

	2026	2025
	£'000	£'000
Fair value movements where effective through OCI	(586)	(1,331)
Fair value of ineffective cash flows	(149)	(133)
Total movement	(735)	(1,464)





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