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Bournville Village Trust Group

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 December 2025

Registered Charity No: 219260

Regulator of Social Housing No: L0702

Docusign Envelope ID: 7141DA12-7FC5-8AEB-81E4-4C1F1E69FDB4

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Bournville Village Trust
Board Members, Executive Directors, Advisors and Bankers

BVT Trustees

Chair	Caroline Cadbury - BSc (Hons), MA
Vice Chair	Alison Fisher
Other Trustees	Alison McKittrick - BA (Hons) Claudia Coulson - BA (Hons) Prof. Philip Lumley BDS, FDSRCPS (Glas), MDentSci, PhD, FDSRCS (Eng), FDSRCS (Edin) (retired 12th June 2025) Claire Bowman (retired 19th March 2026) Derek Douglas William Cadbury - MA (OXON), CGMA George Woods - BA (Hons), PGDL Mark Cadbury - BSc (Hons)
Co-opted Independent Board Members	Kate Foley - BA (Hons), MA, MSc Adem Mahmoud - BA (Hons)

Bournville Works Housing Society Board Members

Chair	Caroline Cadbury - BSc (Hons), MA
Vice Chair	Alison Fisher
Other Board Members	Alison McKittrick - BA (Hons) Claudia Coulson - BA (Hons) Prof. Philip Lumley BDS, FDSRCPS (Glas), MDentSci, PhD, FDSRCS (Eng), FDSRCS (Edin) (retired 12th June 2025) Claire Bowman (retired 19th March 2026) Derek Douglas William Cadbury - MA (OXON), CGMA George Woods - BA (Hons), PGDL(appointed 11th December 2025) Mark Cadbury - BSc (Hons)
Co-optees	Kate Foley - BA (Hons), MA, MSc Adem Mahmoud - BA (Hons)

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Bournville Village Developments

Director & Chair	Peter Richmond
Director	David Robinson BA (Hons), ACMA, CGMA, FRSA
Director	Greg Lakin MRICS, MCIOB, PG DMS (resigned 1st June 2025)
Director	Arthur Tsang
Director	Helen Harvey BSc (Hons), MBA, FCIH, MCIPD
Director	Neil Ashford MRICS
Director & Company Secretary	Hannah Pryce (appointed 13th June 2025)

Bournville Village Enterprises

Director & Chair	Peter Richmond
Director	David Robinson BA (Hons), ACMA, CGMA, FRSA
Director	Greg Lakin MRICS, MCIOB, PG DMS (resigned 1st June 2025)
Director	Arthur Tsang
Director	Helen Harvey BSc (Hons), MBA, FCIH, MCIPD
Director	Neil Ashford MRICS
Director & Company Secretary	Hannah Pryce (appointed 13th June 2025)

Executive Directors

Peter Richmond - Chief Executive
David Robinson BA (Hons), ACMA, CGMA, FRSA - Director of Finance & ICT
Greg Lakin MRICS, MCIOB, PG DMS – Director of Assets (resigned 1st June 2025)
Arthur Tsang – Director of Communities
Helen Harvey BSc (Hons), MBA, FCIH, MCIPD - Director of People and Performance
Neil Ashford MRICS – Director of Maintenance Services
Hannah Pryce - Company Secretary

Registered Office

350 Bournville Lane
Bournville
Birmingham
B30 1QY

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Registered Number

Registered Charity Number - 219260
Registered with the Regulator of Social Housing - L0702

Auditor

Menzies LLP
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Bankers

Lloyds Bank Plc
798 Bristol Road South
Birmingham
B31 2NP

Solicitors

Eversheds LLP
115 Colmore Row
Birmingham
B3 3AL

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Report of the Board

The Board presents its report and audited Financial Statements for the year ending 31 December 2025. This report covers a year in which inflationary pressures continued to ease compared with the peaks experienced in 2023 and early 2024, providing some limited relief to our customers, colleagues and partners. Nevertheless, for many within our communities the cost of living remains a significant challenge. For Bournville Village Trust, while cost inflation has moderated, our drive to invest in our homes, ensuring they are great places to live both now and in the future and the need to meet the requirements of our customers means that expenditure continues to rise, and careful financial management remains essential.

Whilst 2025 was a challenging economic year, much was achieved with positive performance and progress in many areas. We continued to work hard to build financial and organisational strength. We were pleased to be able to continue our collaborative work with our Regulator (the Regulator for Social Housing) and in the summer of 2025 we underwent a regulatory inspection.

We were pleased to again be awarded the highest grading for governance (G1). The Board of BVT recognise the responsibility of their role and remain committed to driving continuous improvement through all our activities and to ensuring we deliver value for money in all we do. The year 2025 was BVT's 126th year of operation and the Board will continue to build on the legacy they inherit whilst making sure BVT delivers what our communities need now and in the future.

The regulatory inspection saw us maintain our (V2) viability rating. The Board accepts that this viability grading reflects the challenging economic environment in which BVT is operating and the level of investment the Board is making and will continue to make into our homes. Whilst BVT will continue to operate with less financial headroom than we have had in the past, the Board is committed to acting on our customers voice and doing the right thing. This means continuing to invest in our homes and communities to create and sustain communities where people can thrive. Our long-term financial plans do make clear that in the medium term BVT will return to a stronger financial position but for now we are clear that the levels of investment we are making are right for BVT and our communities.

We were also pleased that the Regulator for Social Housing awarded us a C1 rating, the highest rating for meeting their consumer standards. This standard judges a range of important matters, such as the safety and quality of our homes, our knowledge of our homes and their condition, our repairs and maintenance delivery, how we engage with tenants, the respect and fairness we show tenants, how we deal with complaints, and the transparency we demonstrate in our operations. We are extremely grateful to all our tenants and community stakeholders who helped us achieve this, by providing us with guidance, support, challenge and who told us whenever we got things wrong and stuck with us whilst we worked together to put thigs right. The Board will ensure BVT never stops seeking to improve and works tirelessly with our tenants and

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communities to ensure we deliver what is needed from us, whenever we can.

The information contained in this report together with the Operating and Financial Review complies with the requirements of the Housing Statement of Recommended Practice (Housing SORP 2018).

The Directors of Bournville Village Trust are defined as the Board of Trustees. The Board's responsibilities are set out in these Financial Statements. The statements should be read in conjunction with the audit report on pages 45-48.

Bournville Village Trust ("the Trust") is a charity registered with the Charity Commission and a registered social housing provider regulated by the Regulator of Social Housing. (Registered Charity No: 219260, Regulator of Social Housing Registered No: L0702)

About BVT

BVT is a values-led charitable trust, established by George Cadbury in 1900, working to create and sustain communities where people can thrive. We holistically manage estates, provide great homes and deliver community-support services that help people live successful lives. We also seek to make surpluses from some of our activities, reinvesting this money back into our communities in Central and South Birmingham, and Telford.

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Our Structure

The Bournville Village Trust Group comprises; -

- Bournville Village Trust (BVT) - Bournville Village Trust is the parent body, based in Bournville, Birmingham. BVT provides a range of social housing in South Birmingham, Central Birmingham and Telford. Providing landlord services and working with our tenants to make our homes great places to live. We provide estate management in Bournville, Lawley and Lightmoor, to over 7,000 households. We own and let a number of offices, shops, and healthcare facilities in our neighbourhoods to ensure our communities have the amenities they need. BVT also runs a small number of commercial premises outside our communities to provide a profit which we reinvest in our neighbourhoods. We manage around 2,400 acres of agricultural land that was gifted to BVT and that we use in line with the charitable aims of the original donation. We invest in, and work with, our communities to provide services and facilities which assist people to thrive. BVT also provides management and maintenance services to other registered providers and organisations.

- Bournville Almshouse Trust (BAT) - A linked charity, BAT is a charitable provider of housing based in Bournville, Birmingham. BAT manages 97 properties in total, 33 of which are Almshouses. Priority is given to retired employees of Cadbury's, seeking affordable accommodation. The remaining 64 properties are Endowment Houses, surpluses from which help to support the contributions made by the residents of the Almshouses. BAT is accounted for as a restricted reserve within the BVT financial statements.

- Bournville Works Housing Society Ltd (BWHS) - A wholly owned subsidiary of BVT, BWHS is a Registered Provider owning 313 properties in Bournville. The Trustees of BVT are also the Board Members of BWHS. BWHS was founded in the same period as BVT and shares BVT's values. The main difference between BVT and BWHS on founding was that the BWHS properties were specifically aimed at workers of Cadbury's. This remains the case today with priority given to current or retired employees of the company and their families.

- Bournville Village Developments Ltd (BVD) – A wholly owned subsidiary of BVT. BVD is a company that is used to co-ordinate the development of a modern urban village at Lightmoor in Telford.

- Bournville Village Enterprises Ltd (BVE) – A wholly owned subsidiary of BVT. A commercial trading subsidiary set up to undertake market rent activities. BVE leases properties from BVT, lets the homes at a market rent and then returns the profits to BVT as a year-end donation to invest in our socially rented homes and wider charitable purposes.

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Operating and Financial Review

- The operating and financial review has been prepared in accordance with the applicable Accounting Standards in the United Kingdom and the Housing Statement of Recommended Practice (SORP 2018).

Operating Review

Our Mission - *Creating and sustaining communities where people can thrive*

At BVT, we want everyone to thrive and reach their full potential, and building a strong, values-led organisation is key to achieving our mission. We're now more resilient, focussed and inspired than ever before, developing partnerships and co-creating with groups and organisations that share our values. Since 2020, we've spent time exploring and refreshing what we do and are now determined to deliver consistently great services and a great customer experience.

Our Values

Partnership – we work with others to achieve great things

Fairness – we treat people as individuals by exercising the right approach at the right time

Quality – we are clear about what we do and we do it well

Integrity – we do the right thing

Innovation – we look for new and better ways of doing things.

Our values guide everything we do. They define our culture, shape how we behave and influence our decisions.

Our Aims



Place-shaping: creating and sustaining thriving, well-designed and connected neighbourhoods that are well-managed and sustainable



Community building: connecting the people and organisations in neighbourhoods together to develop diverse, strong and engaged communities

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Championing People: delivering support services and working in partnership with others to help all people to thrive

Providing great homes: providing safe and sustainable homes that meet people's needs and aspirations, now and in the future

Building organisational strength: building a strong, focussed, and resilient organisation driven by our values

Inspiring learning & sharing: sharing our heritage and experience to inspire others, listening and learning from those around us

More information about our aims and values is included within our corporate plan BVT-Corporate-Plan-2023-2032.pdf

Here are the highlights of what we have done to deliver our corporate aims during 2025 and what we have planned for 2026:

Place-shaping

Highlights from 2025

- Launched a new Estate Caretaker Service in Birmingham.
- Carried out a full tree inventory.
- Coordinated an all-assets plan and strategy.
- Carried out a SHAPE stock appraisal and updated our Asset Grading Model.

Planned for 2026

- Further develop neighbourhood profiles & plans to strengthen local insights and improve targeted service delivery.
- Create a community governance framework for the Birmingham Estate to increase resident participation.
- Deliver the year 1, National Lottery Heritage Funded feasibility study of 'Celebration Bournville', an exploration of what the future of the Bounville Estate could be.
- Implement the grounds maintenance comprehensive service review, including progress toward Green Flag standards.

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- Carry out a strategic asset review including SHAPE 2026 and sinking fund frameworks to ensure sustainability.
- Continue our preparation for the First-Tier Tribunal (FTT) for the scheme of management.
- Complete the Cultural Action Area funded Bournville Live green performance space on Bournville Green.



Community building

Highlights from 2025

- Continued to develop our neighbourhood profiles.
- Delivered community development programs and activities across Birmingham and Telford with existing and new partners
- Reported on Social Value of our Community Building and Championing People activities
- Reviewed and delivered a new Resident Involvement Strategy and new scrutiny model.
- Delivered Heritage-led community activities including the Museum of Us.
- Successfully held contested elections for our resident led Lawley Management committee.

Planned for 2026

- Establish our Your Tenancy and Your Neighbourhood scrutiny groups to strengthen customer voice.
- Review and align our Community Building Strategy with the 2026 Strategic Review.
- Review our Community Places Policy and how we promote access to these spaces.
- Enhance our Social Value Framework to continue to measure and report outcomes.
- Deliver a community governance conference to further engage with community-led organisations.
- Increase the number of tenants on our Customer and Neighbourhoods Committee
- Develop a Bournville Heritage Hub.
- Hold open elections for five Lightmoor Management Committee positions.
- Undertake a community building feasibility study with partners for Celebration Bournville.



Championing People

Highlights from 2025

- Achieved a C1 consumer rating including for our delivery against the Transparency, Influence and Accountability standard

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- Secured funding to deliver a digital inclusion programme in Birmingham.
- Further developed our jobs, skills and learning offer from Shenley Court Hall.
- Updated Supporting People policies and service statements.
- Launched an Older Persons Engagement forum in Birmingham.
- Launched our new customer portal.
- Continued to deliver a successful youth service in Lightmoor Village in partnership with Shropshire Youth Association
- Delivered a comprehensive Customer Service Offer including a new approach to supporting customers with additional needs.

Planned for 2026

- Roll-out tenancy empowerment approach across BVT.
- Review Supporting People strategy to explore opportunities to develop youth, employment and skills services.
- Review viability of the Out of Hours Club and The Holdings.
- Review BVT's approach to EEDI to strengthen fair and equitable services.



Providing great homes

Highlights from 2025

- Achieved a C1 consumer rating from our regulatory inspection
- Carried out a comprehensive service review of our customer service offer
- Evolved our tenant-led Maintenance Improvement Panel into the Your Home Scrutiny Group
- Evolved our approach to managing damp and mould
- Delivered a major renewals programme.
- Improved letting processes and mobile working.

Planned for 2026

- Deliver a major renewals programme (windows, kitchens, bathrooms, boilers).
- Conduct a full renewed asset strategy review and integrate into the 30-year financial plan.
- Procure a warm homes improvement delivery programme to support achieving EPC C in our homes by 2030.
- Pilot carbon zero measures to inform retrofit approach.
- Continue to implement the responsive repairs comprehensive service review improving processes and satisfaction.
- Fully implement Awaab's Law Phase 1 for damp, mould and hazard response.
- Fully integrate stock data into one comprehensive system.

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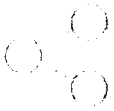
Building organisational strength

Highlights from 2025

- Maintained our G1/V2 governance and financial ratings from our regulatory inspection
- Carried out a governance review
- Enhanced risk and assurance systems by embedding risk appetite into our risk register.
- Introduced improvements to our finance KPIs and internal audit completion.
- Updated procurement arrangements
- Delivered Year 2 of our organisational development strategy.
- Continued investment in the skills and welfare of our workforce, with excellent staff survey results highlighting that BVT is a great place to work.
- Modernised reporting systems and asset data integration.

Planned for 2026

- Carry out a comprehensive strategic review
- Complete and implement the procurement comprehensive service review to enhance processes.
- Create a benchmarking framework to improve insight and reporting.
- Review the Risk Management & Assurance Strategy.
- Review the Group Standing Orders & Financial Regulations.
- Deliver fraud risk assessment methodology with internal auditors.
- Carry out treasury work, including refinancing and reducing excess security holdings.
- ICT modernisation: OneDrive, Versaa mobile tools, data strategy alignment, threat modelling.
- Prepare for and achieve Social Tenants Access to Information Scheme (STAIRs) regulatory compliance.



Inspiring learning & sharing

Highlights from 2025

- Heritage exhibitions and public engagement that took place across neighbourhoods, including Telford established, Shenley and Nechells.
- Continued to grow our education offer through Heritage Services with just under 6,500 school children attending sessions.
- Improved customer insight reporting to help shape service improvements
- Asset strategy evidence base for 2026 Strategic Review.
- Delivered *Common Threads* a partnership project between Selly Manor Museum and

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the National Trust

Planned for 2026

- Develop a Heritage Forward Plan (2027-2030).
- Develop the creation of a Bournville Heritage Hub at The Rest House
- Deliver the Celebration Bournville Feasibility Study, showcasing what a future could look like.
- Continue to develop heritage participation (schools, tours, museum visits) at Selly Manor and across our neighbourhoods.
- Strengthen the Your scrutiny groups and broader tenant voice opportunities.

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Financial Review

The Statement of Comprehensive Income for the year ended 31st December 2025, shows a group surplus of £5.3m compared to a group surplus of £9.4m for 2024. The main changes to note are: -

- In line with the requirements of the Housing SORP and in recognition that BVT has continued letting some properties on a Market Rented Basis, we have reviewed all of our properties to confirm that the category they sit under in our accounts is a fair representation of their purpose. Through this exercise we confirmed that all the homes we are letting on a market rented basis should be categorised as Investment Properties. Alongside this, in reviewing our commercial and agricultural assets, we have identified 4 shops which we continue holding for profit generation purposes, rather than to ensure our communities have access to important amenities in their neighbourhood. This means we have continued to categorise these 4 shops as Investment Properties too. All our other shops, offices and agricultural holdings remain in line with their original social purpose, but this review will be undertaken each year to ensure that remains the case. This review means that following an external revaluation exercise, we are now recognising £10.9m of assets as Investment Properties, up from £9.3m in 2024.
- Under accounting requirements, the Group has to account for the fair value of its portfolio of interest rate hedging instruments. Details of these hedging instruments are set out in note 17. The movement in the fair value of these hedging instruments over the course of the year is reflected in the Statement of Comprehensive Income. The movement for 2025 was a negative value of £0.3m compared to a positive movement of £3.8m for 2024. Such movements reflect the changing market expectations regarding future interest rates. This swing in the valuation of our hedging instruments causes a significant reduction in our surplus for 2025, compared with 2024.
- In 2025 BVT sold more assets (housing properties, land and other assets), £2.6m compared to 2024 £1.6m. In 2024 BVT commenced the first of seven years in which a small number of our social housing stock will be sold as it becomes vacant. So 2025 was the second year of this programme. These are strategic asset sales designed to bring in additional income to support BVTs extensive investment programme in our existing housing stock and to divest stock that is uneconomic to return to social housing use or that may prove uneconomic to move to improved environmental standards. This small-scale sales programme is being carefully managed to minimise the effect on our communities but none the less the Board of BVT recognise it will impact those on our waiting list for homes and are working towards once again being able to develop new homes in our core communities in the medium term. (see Note 5a)

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Whilst the above accounting actions, when combined, negatively impacted our surplus position for 2025, we are happy that our underlying operational performance was strong and in line with expectations and not significantly altered from previous years. In 2025 (£33.3m) our turnover was up on 2024 (£31.8m), mainly due to rent increases, and our Group operating surplus was reduced from £6.6m in 2024 to £6.0m in 2025 (see Note 1). In 2025 we wrote off development costs, mainly linked to our earlier exploration of potential new developments at Groveley and College Walk, which we no longer intend will progress in the medium term. This reduced our surplus by £0.5m. We, along with many of our peers we saw the costs of running our homes rise considerably in 2025 with the costs or delivering routine maintenance rising from £5.1m in 2024 to £5.5m in 2025. The implementation of our Community Caretaker programme also added to cost rises in service charge expenditure, with costs rising from £1.6m in 2024 to £1.9m in 2025. We have a programme of increasing our service charge income in our plans, but we will only be increasing charges within an affordable cap for existing residents and implementing full charges for new residents, so achieving an overall balance of service charge costs and income will take many years. The costs of managing our homes rose from £4.6m to £4.9m. Overall, however, without the write off of past development costs, we would have seen our surplus in 2025 very close to that achieved in 2024.

Treasury Management

Trustees have approved a Treasury Policy which sets out the key treasury management policies and practices for the Group. This policy was renewed in 2025. It sets out clear guidelines for BVT on all treasury matters.

The Group had total housing loans of £88.1m at the end of 2025, compared to £89.7m at the end of 2024 (see Note 18). BVT also has further undrawn available facilities in place of £13m.

The BVT Group held a cash balance of £2.3m at the end of 2024, compared to £4.2m at the end of 2024 (see note 17a).

BVT uses stand-alone interest rate derivatives to manage the interest rate risk on the loan portfolio, having secured the required wider-range powers from our Regulator. All interest rate derivatives are authorised by the Finance and Investment Committee, in line with the overall strategy which is to hedge or fix at least 65% of the portfolio, with the overall level of hedging to be at a level that best supports the delivery of the BVT business plan.

As at 31 December 2025 the balance of the loan portfolio was 80% hedged/fixed and 20% variable.

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Our Treasury Policy requires that adequate access to funds is available to enable BVT to meet its business and service objectives for at least the following 24 months. BVT utilise external treasury management support and advice to ensure we offer the best value for money possible in our Treasury Management. Having secured a new Rolling Credit Facility from Danske Bank in 2021, which was extended in 2025, BVT has sufficient loan facilities in place to cover our business plan requirements until 2028. A refinancing exercise in advance of our 2028 requirement has commenced and BVT has no concerns that sufficient financing is available to BVT.

Cash Flow Management

Cash flows for the year are set out in the Statement of Cash Flows in the financial statements. The Group has a strong cash inflow from operating activities. This is used to service the interest payments on the loans that have been taken out and also to partly fund the capital improvement programme. The balance of the capital improvement programme as well as the development programme are funded from capital receipts and loans.

Covenants

All loan covenants were met, and our 30-year financial forecast demonstrates that BVT can meet all future covenant requirements.

- ✓ Interest Cover on our tightest measure was 208% which exceeds the 110% requirement.
- ✓ Gearing was 45% against a maximum level of 66% (please note this calculation is different to the Gearing calculation required by the sector score card shown later in these accounts).
- ✓ Debt per unit was £26,964 per unit against a maximum of £36,116.

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Principal Risks and Uncertainties

BVT has a mature risk management framework in action with the Board constantly horizon scanning and managing risk through a risk register. Risks are identified, quantified and managed through 1st line management actions, 2nd line internal oversight and 3rd line external assurance. This includes an extensive and robust internal audit programme delivered by RSM during 2025.

The Board of BVT has agreed the following levels of risk appetite.

Averse	Avoidance of any risk exposures
Minimal	Ultra-safe, leading to only minimum risk exposure as far as practicably possible; a negligible/low likelihood of occurrence of the risk after application of controls
Cautious	Preference for safe, though accept there will be some risk exposure: a low/medium likelihood of occurrence of the risk after application of controls
Open	Willing to consider all potential options, subject to continued application and/or establishment of controls: recognising there could be a high risk of exposure
[redacted]	Eager to be innovative and take on a very high level of risk, but only in the right circumstances.

All decision-making risks are considered in the context of the BVT's risk appetite. To assist this further the Board has identified a number of risk appetite themes, driven by the organisation's values, mission and corporate aims, against which they have assigned a risk appetite level. With this knowledge the Board is more easily able to determine how it responds to risks associated with a decision and so make best use of mitigation resources.

BVT's risk appetite themes and descriptions were determined by the Board after considering key negative and positive events that might affect the achievement of the corporate aims. These are presented, in no particular order of priority, in the following statements.

- We have a **minimal** appetite for **legal and regulatory** risk and will take a comply or explain approach as appropriate as we consider the impact of legislation and/or regulation in decision making around all of our activities.
- We have a **cautious** appetite for **customer experience and service quality** risk. We want to innovate to drive improvements but will take a balanced approach to reduce any potential risk of damage to our existing customer services.
- We have a **minimal** appetite for **business transformation & change** risk and will focus on embedding our continuous improvement model to improve and transform what we do now.

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- We have a **cautious** appetite for **asset management risk** and will focus our resources on investment in our existing stock with appropriate appraisal of disposal or replacement options. We will not seek development opportunities that could undermine this investment.
- We have a **cautious** appetite for **ICT/digital transformation** risk and will invest to protect data and systems. Where possible we will enhance service delivery through modest investment and smaller scale projects. We will be a follower rather than a leader in digital transformation.
- We have an **open** appetite for **profit for purpose** risk and are open to this where it could improve our financial position and where the opportunity aligns to our mission and aims values.
- We have a **cautious** appetite for **development & growth** risk whilst we focus our resources on existing asset investment and will only respond to nurturing future pipeline opportunities.
- We have a **cautious** appetite for **environmental sustainability** risk and will take incremental steps towards improving sustainability and reducing our carbon footprint. We will do this primarily through component renewals, low-carbon technology and bio-diversity projects. We will be a follower rather than a leader in this field.
- We have a **cautious** appetite for **financial resilience** risk and want to ensure our long-term future. We will consider investment e.g. in projects or existing assets where these deliver our mission and aims but will use our Financial Golden Rules to control risk exposure.
- We have a **cautious** appetite for **reputation** risk and will focus on delivering good quality services and achieving high levels of customer satisfaction. Our reputation includes being innovative and we will not be afraid to innovate to push forward to further our mission, aims and values.
- We have an **open** appetite for **people (employee)** risk and will innovate to remain an employer of choice, driven by our values and with a competitive offer but won't be afraid to make tough decisions in service of our mission and aims.

All decisions made by BVT are in line with the Board's stated risk appetite.

The Board of BVT considers the following to be significant risks faced by the organisation. These risks remain live on our risk register, with on-going work monitored.

- Access to Surveying Labour and Skills – BVT has identified that demand for surveyors and project managers is high. BVT has many strategies to recruit and retain the right staff, including competitive benchmarked pay and rewards, innovative recruitment and training and flexible employment.

- Large scale ICT system interruption – BVT has a range of measures in place to keep data secure. This includes being Cyber Essentials Plus accredited, staff training, third party

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monitoring and support, quality and up to date firewall and authentication systems and cyber insurance.

- Poor quality and/or poorly managed data – BVT understands the key role accurate data plays in running our organisation. BVT has developed a data governance framework, KPI data integrity checks and deployed restrictions on who can access and amend data. Asset data is managed by a key officer, and all staff are trained in GDPR requirements.

- Serious Landlord Health and Safety Incident - BVT has a range of measures to ensure compliance with the highest standards of landlord health and safety. These include a suite of KPI's, clear organisational responsibility and accountability for H&S, dedicated staff for building compliance, a separate category for damp and mould cases with correlation undertaken to match potential causation within our housing stock. BVT ensures regular independent internal audits are run against all aspects of landlord health and safety and takes learning from such audits with the utmost seriousness.

- Deteriorating stock quality and inability to maintain decent homes standard - BVT has many systems in place to ensure stock quality, including customer satisfaction feedback, regular monitoring, systematic stock condition surveys and regular feedback from BVT staff who cross the threshold of one of our Group's Homes. We have an extensive programme of investment in our homes and our 30-year component replacement programme is fully aligned with our business plan.

- Inability to deliver landlord services and meet customer expectations for a prolonged or indefinite period - the Group gathers customer insight data regularly (including TSM surveys). A Your Home Scrutiny Panel operates across the Group and there are many opportunities offered to engage with BVT in shaping services. A Your Tenancy and Your Neighbourhood Group is also in place in 2026. We have a designated Customer Liaison Officer in Assets and a Customer Support Officer in Maintenance and all complaints are reviewed to identify learning to ensure we continuously improve. We have established Neighbourhood Co-ordinators in place across each of our neighbourhoods and in Lightmoor and Lawley we have Resident-led Management Committees.

- Reliable contractor(s) not available for delivery of key services -. BVT directly delivers all housing management, asset management and repairs services so quality can be more easily assured and contractor risk is reduced. Where contractors are used this is controlled via due diligence on new contractors, a contract management process, proactive engagement with the contracting supply chain and a range of partners to optimise delivery opportunities and create delivery resilience

- Financial Viability reduced to the point that delivery of objectives is

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compromised – BVT has a system of 30-year financial planning, early warning systems, trigger points for action and mitigation plans, along with clear procedures to ensure these plans are followed by Officers, Committees and the Board. Budget compliance is monitored monthly, with the Board supported by a dedicated Finance and Investment Committee ensuring financial plans remain on track.

- Non-compliance with legal and regulatory requirements - BVT actively manages a compliance calendar, a legislation compliance list, has standing orders in place and seeks legal advice where necessary.

- Business diversity stretches resources unreasonably – as a Charitable Trust BVT has a wide range of core services. The Corporate Plan sets out the priorities and trade-offs between services, with our 30-year plan setting out our long term financial priorities. The Community Building Strategy, Championing People Strategy & Heritage Forward Plan set out parameters for these services. The Asset Management strategy covers all asset portfolios and the investment priorities in each. We have a Specialist Commercial Team to manage our commercial portfolio and heritage-based covenants, leases etc. and our Agricultural Estate is managed by a third-party specialist agency.

- Ineffective development planning and/or delivery arrangements – This risk predominantly relates to the completion of Lightmoor, and is controlled via a Joint Venture Partnership and a Designated Project Director. BVT also has confidential discussions with various parties about future development opportunities and the Board has a number of strategies in place to identify and manage risk in this area as it emerges

Environment Statement

As covered in our risk appetite, BVT has a cautious appetite for environmental sustainability risk. We are taking incremental steps and are currently focused on improving sustainability through component renewals.

BVT is committed to doing all we can to ensure as many as possible of our homes reach a minimum EPC rating of C by 2030 and we have financial plans in place to achieve this, with some additional grant funding having been secured in 2025. In 2026 we will be procuring a programme to commence the delivery of the required improvements to achieve EPC C or above.

The Board sees this as a minimum standard and we are working to fully detail our journey towards carbon neutrality, with estimated costs already included in our 30-year financial plan. Clearly the historic nature of large elements of BVTs housing stock and the strict conservation area rules we must adhere to add a level of complexity to this journey, but the Board of BVT is committed to making this a reality.

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Value for Money Statement

Approach to VfM

As a charitable trust with competing demands on our finite resources, we recognise the importance of achieving Value for Money (VfM). Our VfM framework sets out our definition:

> *'To BVT, Value for Money means achieving our Corporate Plan, by using our resources in the most effective, efficient, and economic way, whilst ensuring we live our values in all that we deliver.'*

In 2025, we continued to operate in line with our updated 10-year Corporate Plan (2023 – 32). Developing and updating this plan remains a vital component of our value for money approach as it enables the Trustee Board to debate and reach agreement on the difficult trade-offs that need to be made between business health, asset investment, future growth & development and the delivery of operational services.

In 2025, we also introduced a refreshed Value for Money Framework, building on our previous strategy and further embedding VfM across the organisation. This framework brings together our approach across strategy and operations and reinforces that achieving VfM and being an effective social business are the same thing.

VfM is embedded into our operational services as part of our approach to continuous improvement. Over recent years we have developed a suite of performance measures for each service area that enables us to measure the effectiveness and efficiency of their operation, aligned to the three elements of VfM: effective (right activity), efficient (right way) and economy (right cost). We are continuing to develop and our economy measures at a service level. All KPIs are captured in our planning and performance framework with front line staff actively involved in setting targets for their service area.

VfM Metrics

To help drive VfM in BVT we use the nine metrics set by the Regulator for Social Housing together with additional metrics. These complement a range of performance measurement tools in operation across BVT and support our wider VfM Framework.

The table on the following 2 pages sets out our trends on past performance, our performance against targets in 2025 and our targets for 2026.

Following the introduction of our updated Value for Money Framework in 2025, we have extended our table in these accounts to cover some items that were not previously included but which the Board has identified as important measures of performance. This does mean that for some new measures, we do not have comparable previous years' data.

We reviewed our Peer Group in 2022 and are using the same Peer Group in 2025 to

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ensure consistency and we are confident it remains a fair and balanced group to judge ourselves against.

We have opted to choose associations based on the following characteristics:

- At least 50% of their homes are in the West Midlands.
- They are a traditional housing association, or any local authority stock transfer occurred at least 12 years ago.
- They have between 2,000 and 15,000 homes.
- No more than 5% of their stock is supported housing.
- No more than 15% of their stock is housing for older people.

This gave us a group of nine local housing associations who are known to us and against whom we believe we can fairly benchmark our performance. These Associations are:

Aspire Housing Limited
Black Country Housing Group Limited
Connexus Homes Limited
Honeycomb Group Limited
Rooftop Housing Group Limited
The Pioneer Housing and Community Group Limited
The Wrekin Housing Group Limited
Trent & Dove Housing Limited
WATMOS Community Homes

When reviewing the sector scorecard, it is important to note that BVT is comparing our December 2025 year end to the March 2025 year end of our Peer Group and the sector as a whole. This is the most up to date information available for BVT to benchmark against, but the time difference is an important consideration, especially in a period of rising costs and increasing investment in existing stock levels being seen across the sector.

We use the RSH Value for Money Benchmarking Tool, supported by the HQN Benchmarking Tool and Housemark Results to benchmark and cross check our results.

We have in the past benchmarked using the median figures for our Peer Group and the sector as a whole, however, as the sector has continued to consolidate, reducing the number of Social Housing Providers and increasing the impact the very large providers have on benchmarking within the sector, we have opted to continue using the Sector Weighted Average where possible and appropriate. We believe this offers a better route to assess the financial performance of the sector as a whole and is a figure now provided as standard in the Regulator's and HQN benchmarking tools.

Where we are benchmarking Tenant Satisfaction Measures (TSMs), the benchmark will be the median of the sector or our Peers, as we are seeking to show our performance against other landlords.

Metrics	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2025 Target	2025 Peers	2025 Sector	Forecast 2026	Target 2026	Corporate Aim
Business Health										
*Operating Margin (all BVT activities)	18.2%	22.3%	20.7%	17.9%	18.2%	16.4%	17.2%	18.77%	18.77%	Org & Fin Health
*Operating Margin (social housing)	27.6%	29.9%	26.4%	24.9%	29.7%	18.7%	21.7%	25.70%	25.70%	Org & Fin Health
*Interest cover (EBITDA MRI%) (Sales Excluded)	136.7%	112.1%	49.8%	29.8%	44%	77.6%	87%	3%	3%	Org & Fin Health
Development Capacity & Supply										
*New social housing supply delivered as % of current stock	0.3%	0.6%	0.5%	0%	0%	0.9%	1.6%	0%	0%	Providing Great Homes
*New non-social housing supply delivered as % of stock	0%	0%	0%	0%	0%	0.05%	0.15%	0%	0%	Providing Great Homes
*Gearing Ratio	52.8%	53%	53.6%	52.3%	53%	53.8%	49%	52%	52%	Org & Fin Health
Effective Asset Investment										
*Return on capital employed	3%	3.8%	4%	4.4%	3.16%	3.22%	2.73%	2.96%	2.96%	Org & Fin Health
*Reinvestment %	3%	5.9%	7.2%	6.2%	5%	8.19%	7.34%	6.9%	6.9%	Org & Fin Health
Outcomes Delivered										
Overall satisfaction with BVT as a landlord (TSM)	80%	77%	76%	83%	80%	79%	75%	83%	83%	Providing Great Homes
Investment in Community Development (£)(Benchmark provided by Housemark – Mean Average)	960,000	927,000	888,000	782,000	780,228"	125	526,337	783,600	783,600	Community Building
Proportion of Residents Satisfied with time taken to complete the most recent repair (TSM)	No Data	76.60%	73.10%	72%	83%	78%	71%	80%	80%	Providing Great Homes
Non – Emergency Repairs completed within target time set (TSM)	No Data	65.2%***	69.14%	75%	85%	83%	82%	85%	85%	Providing Great Homes
Emergency Repairs completed within target time set (TSM)	No Data	97%***	98.70%	99.9%	95%	94%	95%	95%	95%	Providing Great Homes
Compliance with Fire, Gas, Water and Lift Safety Requirements (%) – (TSM)	100%	100%	100%	100%	100%	100%	100%	100%	100%	Providing Great Homes
Number of tenants losing their home due to rent arrears. (Benchmark provided by Housemark - Median)	0.05% (2 Tenants)	0%	0.08% (3 Tenants)	0%	0%	0.14%^	0.1%^^	0%	0%	Championing People

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Operating Efficiencies											
*Headline social housing cost per unit (£)	4,527	5,131	6,311	6,594	6,300	5,925	6,278	6,525	6,525	Providing Great Homes
Management cost per unit (£)	1,065	1,073	1,196	1,261	1,306	1,293	1,387	1,274	1,274	Providing Great Homes
Service Charge cost per unit (£)	365	381	448	549	428	592	916	494	494	Providing Great Homes
Maintenance cost per unit (£)	1,436	1,561	1,841	1,918	1,889	1,968	1,797	2,037	2,037	Providing Great Homes
Major Repair cost per unit (£)	1,163	1,699	2,442	2,601	2,557	1,547	1,618	2,920	2,920	Providing Great Homes
Overheads as % of turnover – (Benchmark provided by Housemark – Weighted Average)	11.43%	11.61%	10.02%	9.89%	11.5%	20%^	17%^^	10.2%	10.2%	Org & Fin Health
Rent loss due to voids as a % of rent due	1.36%	0.65%	1.36%	0.39%	0.45%	0.8%^	1.2%^^	0.46%	0.45%	Providing Great Homes
Current tenant rent arrears (at the optimum point for HB and DD collections), as a percentage of rent-due (Benchmark provided by Housemark - Median)	2.78%	2.62%	2.67%	2.56%	2.85%	2.6%^	2.9%^	2.7%	2.7%	Providing Great Homes

**** Regulator of Social Housing VfM metrics***

" This target was restated to include depreciation to match the required presentation of the outcome

^ this benchmark has been established using Housemark Data and is a Mean figure.

^^ the benchmark has been established using Housemark Date and is a Median figure.

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Review of Performance in 2025 and Targets for 2026

Overview of 2025

2025 was a more stable year for most organisations following the period of significant economic turbulence, extremely high inflation and rising borrowing costs seen in previous years. That said, whilst costs are more stable, they remain at higher levels than forecast in previous years.

The number of repairs reported was close to that seen in 2024, whilst the requirement to undertake damp, mould and condensation works has settled at the levels seen in 2024. This provides greater certainty that demand will remain at this high level for the foreseeable future and that the additional resources previously invested represent a new baseline. The improvement in customer satisfaction demonstrates that this investment is delivering results for our customers.

Our customers continued to be impacted by cost-of-living pressures and sought support from BVT, particularly in relation to financial advice, energy efficiency advice and emergency financial assistance.

The actions taken to meet our customers' needs continued to impact our costs. Our headline social housing cost per unit remained above previous targets, with additional repairs and service investment being the main drivers of this increase.

Performance in 2025

In line with our Corporate Plan 2023-2032, during 2025 we focused on ensuring all our services are of high quality and improving our customers' experience. This meant our VfM activity was focused on service improvements rather than financial savings. That said, we have a robust budget setting process where all expenditure is challenged to ensure it is necessary. We continued to ensure that all services and procured goods represented the best value achievable, whilst maintaining or improving service quality.

2025 was also the year in which we began to see the results of our sustained focus on continuous improvement. This included strengthening our policies and processes, improving our approach to project management and placing a clear emphasis on behaviours and attitudes to support delivery of our customer offer. As a result, our overall performance strengthened over the course of the year, leaving BVT in a strong position going into future years.

As covered previously, during the year BVT underwent a regulatory inspection by the Regulator of Social Housing and gained strong ratings of C1 for Consumer Standards, V2 for Viability and G1 for Governance. The Board is satisfied that these ratings reflect both our current performance and the progress made in strengthening our organisational foundations.

The Board continued to make informed trade-offs between competing

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priorities. We maintained our ambitious investment programme in our existing homes, increased resources for repairs and customer services in response to tenant feedback and continued to improve our environmental performance.

To support this, we maintained tight control of costs in other areas and kept corporate overheads at a low level. The Board also progressed the strategic disposal of poorly performing assets, with disposals undertaken following careful consideration of financial performance, social value, environmental performance and geographic fit within our communities.

Alongside this, the Board converted a small number of vacant properties to market rent, continued to improve returns from commercial assets and maintained a lower level of new development activity.

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Priorities for 2026

We will continue to invest in our landlord services, estates and stewardship and community development. Our results demonstrate that we have achieved a strong balance between cost and quality, reflected in improving customer satisfaction.

We will carry out a full review of our approach to benchmarking. This will include assessing the most appropriate peer groups for our services, enhancing cost measures to enable internal benchmarking over time, and developing methods to identify more efficient ways of working that both reduce costs and improve service quality. This work is key to embedding our VfM Framework and Continuous Improvement Strategy.

We will undertake a strategic review in 2026 to consider the long-term opportunities for BVT. This will include reviewing our purpose and long-term stewardship role, testing the level of strategic stretch we can achieve within our financial and organisational capacity, and exploring options across our core services and future activities before agreeing a clear long-term direction.

Business Health

Performance in 2025

Our operating margin across all activities was 17.9% (target 18.2%). We would have achieved a position closer to 19%, slightly above target, reflecting a stronger underlying surplus. However, during the year we took the decision to write off approximately £500k of previously capitalised development costs relating to sites not currently progressing (including Groveley and College Walk). This prudent decision reduced our reported margin but has no impact on compliance with Bank Covenants.

Our operating margin for social housing reduced to 24.9% (target 29.7%), primarily driven by higher costs in repairs, service charges and housing management. Whilst below target, this reflects delivery aligned to tenant priorities. The Board also recognises that the original target was ambitious and did not fully reflect the cost base required to meet customer demand.

EBITDA MRI (excluding strategic asset sales) reduced to 29.8% (target 44%). Without the write-offs noted above, this would have been approximately 43%, broadly in line with target. The Board has no concerns with this level of interest cover, as funder covenants include strategic asset sales and the business plan shows improvement once the current period of high investment reduces.

Our gearing reduced slightly to 52.3% (target 53%), reflecting lower borrowing than forecast. The Board has no concerns regarding this position.

Overall, BVT remains in a positive business health position, with lower short-term headroom reflecting deliberate investment choices and a planned return

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to stronger metrics over time.

Priorities for 2026

The Board will continue with its current approach of prioritising investment in existing homes and customer services, including progressing our programme to bring homes to EPC C, where they are not already at or above this level. This reflects a clear and deliberate strategy to respond to tenant priorities and improve the quality and sustainability of our homes, whilst maintaining overall financial stability.

The Trustee Board recognises that this approach results in tighter financial headroom in the short term. However, this position is well understood and actively managed within our business plan and covenant framework. EBITDA MRI is expected to return to above 100% in the medium term as the current period of higher investment reduces, and the Board remains satisfied that BVT is operating within an appropriate level of risk while continuing to deliver value for money.

Development Capacity & Supply

Performance in 2025

During 2025, development activity continued to be centred on the Lightmoor urban village. Whilst developers continued to deliver homes to market, no new homes were transferred to BVT during the year.

The phasing of the remaining development has been reviewed to reflect the challenging sales market and altered to ensure the village achieves the intended tenure mix and remains sustainable in the long term. The trade-off is a delay in receiving Section 106 homes, which the Board considers appropriate in support of long-term sustainability.

BVT currently holds and is building a future supply of development land within the Bournville Estate, including small freehold sites and land where long-leaseholders no longer require their interests. This is a long-term programme to support future development activity.

Priorities for 2026

Through the Lightmoor joint venture with Homes England, BVT will continue to work with the developer to progress the remaining homes and to complete the outstanding adoptions of roads and sewers.

BVT will continue to assemble and assess land opportunities and develop a clear development strategy.

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Effective Asset Management

Performance in 2025

Return on capital employed improved to 4.4% (target 3.16%), reflecting slightly lower borrowing than assumed in our plan and some variance in asset valuation.

Reinvestment levels were 6.2% (target 5%). This reflects the absence of new homes at Lightmoor alongside increased investment in existing homes. The original target understated true reinvestment as it did not include BWHS.

During the year we approved a new Stock Quality Policy, strengthening our approach to understanding the condition of our homes. As a result, 95% of our homes now have a recent condition survey, with a clear programme in place to achieve 100% coverage by the end of 2026.

We also implemented an updated asset grading model, supported by Savills and their SHAPE model, to assess performance across the portfolio. The results of this work are being finalised and will inform future asset decisions.

We continued to progress our EPC improvement programme, supported by our wider investment programme. During 2025 grant funding totalling £900k was secured from the Combined Authority Warm Homes Programme, which will add to the funds BVT has set aside for this programme.

Priorities for 2026

In 2026 we will carry out detailed asset appraisals on poorly performing assets identified through the grading model to inform future investment and disposal decisions.

We will continue our investment programme, with components (kitchens, bathrooms, boilers, windows, doors, etc) being replaced as part of our ongoing commitment to maintaining and improving our homes.

We will refine BVT's Warm Homes Programme to reflect the new Decent Homes Standard and MEES requirements, and develop an updated delivery programme to ensure all homes achieve a minimum of EPC C. This will include delivering the programme for 640 1950s homes in the Shenley area of Bournville.

Alongside this, we will produce a new Asset Management Strategy to provide a clear long-term framework for investment, performance and decision-making across our housing portfolio.

Outcomes Delivered

Performance in 2025

Overall customer satisfaction improved to 83% (target 80%), exceeding both

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our target and sector benchmarks. This reflects the impact of our continued focus on service quality and the customer experience.

Satisfaction with the time taken to complete repairs was 72% (target 83%). Whilst below target, performance is broadly in line with our peers and reflects the ongoing pressures within repairs services.

Non-emergency repairs completed within target timescales reached 75% (target 85%). We added additional staff to our in-house Repairs Team during 2025, as we found we fell behind on the measure early in 2025. These additional staff saw us improve our performance against this target later in 2025 and we expect this improvement to be maintained in 2026 and beyond. This need for additional staffing reflects the continued high demand for repairs and the challenges in maintaining performance at previous levels.

Emergency repairs performance remained strong at 99.9%, demonstrating our continued focus on prioritising urgent issues and ensuring tenant safety.

Compliance with all safety requirements remained at 100%, providing assurance that we continue to meet all statutory obligations.

No tenants lost their home due to rent arrears (0%), reflecting our ongoing commitment to supporting tenants to sustain their tenancies, particularly in the context of continued cost-of-living pressures.

Investment in community development was £782k. The 2025 target published in 2024 for this measure has been restated in these accounts to ensure both the target and the performance include deprecation.

Priorities for 2026

In 2026 we will continue to drive performance through our Continuous Improvement Board, ensuring that services continue to evolve in response to customer feedback and performance data.

We will focus on improving repairs performance, particularly non-emergency repairs, by embedding the changes identified through our service review and strengthening our operational delivery.

We will also continue to build on improvements in customer satisfaction by maintaining our focus on service quality, communication and responsiveness, ensuring that the customer voice remains central to service design and delivery.

Alongside this, we will maintain our commitment to supporting tenants and communities, ensuring that our investment continues to deliver meaningful outcomes and reflects the needs of the communities we serve.

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Operating Efficiencies

Performance in 2025

Headline social housing cost per unit increased to £6,594 (target £6,300), reflecting agreed additional investment in services, particularly our improved Caretaker Service, and repairs to meet customer demand. The Board also recognise that BVTs headline social housing cost is pushed above our Peers due to our extensive investment in our existing homes, especially the costly investment in our conservation area homes. This will return to more standard levels in due course and return our costs to more sector comparable levels.

Management costs were £1,261 (target £1,306). We continue to strive to deliver value for money and achieve savings wherever possible whilst maintaining the standards expected by our customers.

Service charge costs were £549 (target £428). The original target did not fully reflect the final cost of the community caretakers model and associated service improvements, although overall costs remain low relative to peers and the sector.

Maintenance costs increased to £1,918 (target £1,889), driven primarily by higher levels of reactive demand, partially offset by efficiencies in planned works.

Major repairs costs were £2,601 (target £2,557), reflecting an agreed overspend to support the delivery of our investment programme.

Overheads reduced to 9.89% (target 11.5%), demonstrating continued strong cost control and a focus on directing resources towards frontline services.

Void loss and arrears both improved and remain strong relative to peers and the sector. Rent arrears reduced slightly to 2.56% (target 2.85%), outperforming both peer and sector benchmarks.

Priorities for 2026

In 2026 we will focus on maintaining operational discipline and ensuring consistent delivery across all services, particularly during the period of the strategic review.

We will continue to embed the improved service models introduced in recent years, ensuring that increased investment in repairs, maintenance and neighbourhood services delivers sustained improvements in performance and customer satisfaction.

We will also strengthen our approach to cost control by improving benchmarking and cost transparency across services, enabling us to identify further efficiencies over time without compromising service quality.

Alongside this, we will maintain our focus on keeping overheads low and

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ensuring that resources are directed towards frontline delivery, while continuing to monitor performance on voids and arrears to sustain our strong position relative to peers and the sector.

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Constitution and Governance

BVT is governed by its Deed of Foundation which was amended in June 2021 to enable access to a wider pool of potential trustee candidates by reducing the number of family trustees from 9 to 6, removing the nominated positions from The University of Birmingham, The Society of Friends and Birmingham City Council and creating positions for up to 6 independent trustees (2 co-opted) to help to increase the diversity of BVT's trustees and to bring in the skills required by the Board.

The Board meets at least 4 times each year and is supported by a range of committees with delegations clearly set out in a suite of Terms of Reference approved by the Board. There are a number of governance policies and documents in place to support effective governance across the Group.

BVT adopted the National Housing Federation Code of Governance 2020 in March 2021 and completed an annual self-assessment of compliance with the new Code in early 2025. There is one key area of non-compliance with the Code relating to the terms of office of family trustees. The BVT Deed of Foundation does not apply set terms of office for family trustees, so Family trustees may serve longer terms than those set out in the NHF code of governance. Family trustees are subject to annual re-appointment after serving 9 years on the Board which takes into consideration individual trustee's performance and the skills requirements of the Board and committees.

BVT assesses its Group compliance with the Regulator of Social Housing's Governance and Financial Viability Standard on an annual basis and certifies that it is compliant with these standards.

Employee Involvement

To provide for consultation between management and employees on matters of concern to employees, a Joint Consultative Committee (JCC), comprising staff members and managers, including the Chief Executive, meets at least 3 times per year. In 2025 the JCC discussed areas such as maternity, adoption and paternity, sickness absence, equality, equity, diversity and inclusion (EEDI), employee wellbeing and benefits, personal and professional development and health and safety.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of BVT and in planning future activities. The Trustees have concluded that BVT's aims and objectives contribute benefits in many ways, including the following:

- provision of rented housing accommodation to those in housing need;
- provision of community facilities and services; and
- provision of advice and support to residents.

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Statement of Board's Responsibilities in respect of the Board's report and the financial statements

Registered Provider legislation requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and BVT as at the end of the financial year and of the income and expenditure of the Group and BVT for that period. In preparing those financial statements, suitable accounting policies have been used, framed to the best of the Trustees' knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. The Trustees prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Applicable accounting standards have been followed. The Trustees are also required to indicate where the financial statements are prepared other than on the basis that the Group and BVT are going concerns.

The Trustees are responsible for ensuring that arrangements are made for keeping proper accounting records with respect to the Group's and BVT's transactions and assets and liabilities, and for maintaining a satisfactory system of control over the Group's and BVT's books of account and transactions. The financial statements have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The Trustees are also responsible for ensuring that arrangements are made to safeguard the assets of the Group and BVT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Group and financial information included on the Bournville Village Trust website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Political and Charitable Donations

BVT is a charitable organisation and as such we made no contributions to political organisations. To further the charitable aims of BVT we made charitable donations to other charitable organisations who have a connection to the Group, of £43,497 (2024: £43,600).

Alongside this BVT offered partner organisations, who furthered our charitable aims, accommodation that equals a benefit in kind donation valued at £7,800 (2024: £7,800).

Disclosure of Information to the Auditor

Trustees who were in office on the date of approval of these financial statements have

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confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The Trustees resolved that Menzies LLP be reappointed as auditor for the BVT Group for the 2026 accounting year.

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Annual Controls Assurance Statement 2025

Introduction

This statement sets out the evidence officers have collated on the effectiveness of BVT's system of internal controls that encompasses a number of elements that together facilitate an effective and efficient business, enabling BVT to respond to a variety of operational, financial, and commercial risks. These elements are:

- Policies and Procedures
- Data Breaches
- Business Planning, Budgeting and Performance Management/ Regular Reporting
- Strategic Risk & Assurance Register
- Audit & Assurance Committee
- Internal Audit Programme
- External Audit Programme
- Third Party Reports
- Compliance with key laws and regulation
- Compliance with charitable vires
- Probity Reporting
- Managed Clients Assurance

Policies and Procedures

A series of policies and other documents underpin the internal control process and written procedures support these policies and documents where appropriate. These include rules, group standing orders and financial regulations that are regularly reviewed and approved by the Board. They are supported by other major documents and practices such as the Corporate Plan, code of conduct, a performance management framework, management delegation systems, employment contracts, appraisals and monitoring processes and one-to-one reviews.

The Board approves the approval levels for all policies on an annual basis.

Data Breaches

BVT's Data Protection Officer manages and records all data breaches, both internal and external, that occur. On average, since we began recording, we have 6.75 data breaches each year and the trend over the last 8 years shows a slight increase year on year. There is a slight decrease in number compared to 2024, however we are still finding low-level errors in ensuring email recipients are correct and towards the latter part of the year we had 2 data breaches that related to the use of Property Portal (similar to issues we had in 2024).

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This has been raised with the lead officer to identify further improvements we may need to make to how customers are uploading information to the portal. The most significant incident last year related to the third-party data breach with our DBS checking service provider, APCS. A significant amount of remedial work has been carried out, including reporting to the ICO and the commissioning of an independent review by auditors RSM to understand the lessons learned. The process for reporting data breaches is set out in the Data Breach Notification Procedure.

There were two data breach incidents in 2025 that required informing the Information Commissioner's Office (ICO). There were eight breaches where the Data Subject was informed.

Of the 54 data breaches reported since 2018, 46% (25) relate to email usage with the use of Autofill specifically causing 44% (11) of those breaches. Most of these breaches were disclosure of information to the wrong recipient and all were considered easily preventable.

The APCS third party data breach resulted in both the ICO and the impacted data subjects being informed. Aside from this, there were no further data breach incidents in 2025 that required informing the Information Commissioner's Office (ICO). There was 1 data breach where the Data Subject (internal staff members) were informed.

Spam emails are ever-present and do continue to pose a risk. We continue to achieve the Cyber Essentials Plus accreditation and online training has been delivered to all staff to increase awareness of the issues that spam emails can cause.

We are continually learning from data breaches. There is no blame associated with breaches, and we actively encourage staff to report all instances they are involved in, with a key focus on learning from breaches to reduce the likelihood of further breaches occurring.

All staff continue to receive online Data Protection and ICT Security training which has given them a good understanding of our Data Protection policies and process and also their responsibilities when managing personal data, as well as useful information on ICT Security through our Cyber Essentials Plus training videos.

The Data Protection training is valid for two years and is automatically sent to staff when it is due. New staff undergo the training during their induction.

Business Planning, Budgeting and Performance Management/Reporting

The annual business planning and budgeting process for 2025 was based on achieving the strategic objectives in the Corporate Plan and managing the key risks that might impact on achieving this as well as meeting regulatory requirements. The 2025 Annual Plan was approved and monitored by the board. There are also Departmental Plans and Service Improvement Plans approved each year which capture key improvement activities including policy reviews. All planning was in line with BVT's Great BVT Services Strategy which sets out to enable BVT to provide quality services and a great customer experience through a clear approach to continuous improvement and service-based Value for Money (VFM) across BVT.

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There was regular reporting of both risk and performance across BVT throughout the year. Standardised report templates are in place to ensure that information is presented clearly and consistently across key issues.

A robust, business-led approach to a quarterly performance reporting cycle and reporting from a suite of KPI measures is firmly established and includes specific suites of KPIs for employer and landlord health and safety compliance.

The advanced stress testing we have been running for some years was updated in line with our annual cycle. The detailed stress testing completed has enabled trustees to understand BVT's financial position clearly and also understand the impact of various scenarios on its financial viability and has resulted in very clear indicators for ensuring:

a. there is access to sufficient liquidity at all times
b. financial forecasts are based on appropriate and reasonable assumptions
c. effective systems are in place to monitor and accurately report on the delivery of our plans
d. the financial and other implications of risks to the delivery of plans are considered
e. we monitor, report on and comply with our funders' covenants.

Risk & Assurance

A strategic Risk & Assurance Register is compiled and updated by the Executive Team to help to facilitate the identification, assessment and ongoing monitoring of risks significant to the organisation, also considering the need for further mitigation.

The register was presented to the Audit & Assurance Committee and to the Board of Trustees each quarter in 2025.

In 2024 into 2025, a small working group of officers and trustees with support from consultants DTP worked on how to embed risk appetite into the risk register and reporting. The risk register now clearly links back to BVT's risk appetite.

Audit & Assurance Committee

The Audit & Assurance Committee alerts trustees to any emerging issues or concerns it has. In addition, the committee oversees internal audit, external audit and management responses as required in its review of internal controls. The committee is therefore well-placed to provide advice and assurance to trustees on the effectiveness of the internal control system, including the organisation's system for the management of risk including the scope and effectiveness of the strategy, policies and procedures.

The committee has a mix of experienced and new trustees plus two very experienced independent committee members who bring valuable skills and experience to the committee.

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The Committee met 5 times during 2025 and also held a joint meeting with the Finance and Investment Committee to review the annual financial statements and external audit report. The minutes of all these meetings have been made available to the Board of Trustees.

As part of good governance, the Chair and members of the Audit and Assurance Committee have regularly met with both our External and Internal Auditors without officers present to gain independent assurance on BVT's controls over its business.

Internal Audit Programme

Internal audit is an important element of the internal control process. Apart from its normal risk driven programme of work, including recommending improvements to service areas, internal audit is responsible for aspects of the annual review of the effectiveness of the internal control system within the organisation, giving an independent objective assessment of the effectiveness of the risk management and control processes operating at BVT.

A tender took place in 2024 resulting in RSM being appointed as BVT's auditors from 2025. Officers and the committee have worked closely with the auditors to refine and embed the approach to audits and reporting.

The internal audit programme for 2025 was fully delivered with the exception of the risk management framework audit planned for September 2025 which has been deferred and replaced with an asbestos audit. The decision to defer was based on a substantial piece of external work carried out in 2024 and 2025 to review BVT's risk management approach. The external consultant was very positive about BVT's approach to risk and together with no queries or concerns raised by the RSH during the Regulatory Inspection, this demonstrates a strong approach to risk management. Asbestos was selected to replace this audit as there had not previously been a standalone asbestos audit and the RSH were advised during the inspection that BVT would complete an audit.

An Annual Internal Audit Assurance Report was presented to the Audit and Assurance Committee and to the Board of Trustees in March 2026. The Internal Audit opinion rating for BVT in 2025 was 'The organisation **has an adequate and effective framework** for risk management, governance and internal control. However, our work has identified **further enhancements** to the framework risk management, governance and internal control to ensure that it remains adequate and effective'

This rating is on a scale of 'does not have an adequate framework', 'there are weaknesses in the framework', '**has an adequate framework with enhancements required**' and an 'adequate framework with no enhancements required'.

80% of RSM's social housing clients in 2024-25 received the same rating as BVT, with just 16% receiving the top rating.

The Audit and Assurance Committee took a robust role in terms of ensuring scrutiny and oversight of both the tracking and implementation of internal audit recommendations through regular and more detailed reporting of any outstanding recommendations as part of the quarterly reports.

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External Audit

External audit provides feedback to the Board of Trustees on the operation of the internal financial controls reviewed as part of the annual audit.

In May 2025, Menzies LLP issued their second Audit Findings Report, based on BVT's 2024 financial statements. Menzies LLP made two recommendations relating to BVT's asset lifecycles and the accounting policies relating to BVD.

Audit and Assurance Committee received an update on progress with these recommendations at the meeting in November 2025. The recommendation relating to BVT's asset lifecycles is complete and the 2025 accounts will include changes to meet the recommendation relating to BVD's accounting policies.

There were no further recommendations identified during the course of our audit work.

BVT, BVD, BVE and BWHS all received a clean audit.

Third Party Reports

External assessments and advice provide additional and useful assurance. Major sources include regulatory judgements and independent advice around governance, treasury management and health and safety.

External expertise and impartiality play an important role in in supporting BVT to review and provide support to aspects of its work. Examples of external third-party support used during 2025 includes the following:

- External Auditors - Menzies LLP
- Internal Auditors – RSM
- Land Agent - Savills
- Governance Review & Regulatory Inspection preparation support - DTP
- Risk management review advice - DTP
- H&S competent advisor - PEMCO
- Executive Director recruitment - PENNA & Gatenby Sanderson
- Repairs and maintenance comprehensive service review support – Sharon Gilligan Consultant
- Grounds maintenance follow-up review to assess the implementation of previous recommendations and evaluate the overall improvements made since the last audit – Thornton & Lowe
- Grounds maintenance Audit– BALI (British Association of Landscape Industries)
- Awaab's Law review external support - Trowers & Hamlins Solicitors
- Gas yearly inspection – Gas Safe

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- Electrical yearly inspection - NICEIC
- Personal injury case advice – PEMCO
- Employment advice – Trowers & Hamlins Solicitors
- Website accessibility audit – Rivo Agency
- Housing Management Support - Trowers & Hamlins Solicitors
- Community Places lease renewals legal support – Sanderson Weatherall & FBC Manby Bowdler
- Customer portal requirements gathering & procurement support – Shaw Consulting
- New ICT Security partner – Arctic Wolf
- Development Employers Agent - Thornton & Firkin
- Development Compliance Inspector - PMP consultants
- Legal advice of BVT relating to the Joint Venture agreement Gowlings Solicitors.
- Technical support with the QI Housing Management System - Aareon
- Technical support with Invoice Management system review - Shaw Partnership
- Technical support Brixx - DTP
- Tax advice – Menzies LLP
- Treasury Advice – Allia
- Insurance Support - Marsh
- Commercial valuations - JLL, Savills
- Technical 1999 Rent Valuations - Bridgehouse Valuation Services

BVT built on achieving Cyber Essentials Accreditation in December 2021, by achieving Cyber Essentials Plus in 2022 and maintaining this through 2025. This is an externally verified accreditation that BVT's ICT security arrangements met the standards expected of the highest performing organisations in our industry sector.

BVT's last Regulatory Inspection by the Regulator of Social Housing was completed in May to July 2025 and was published in September 2025.

Compliance with key laws and regulation

We confirm our compliance with relevant legislation in a number of ways:

- Monthly KPI monitoring (a number of KPI targets are set to achieve legal
- compliance)
- Regular review of policies to ensure they reflect current legislation
- Constant scanning of trade press for updates and attendance at major conferences

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- Horizon scanning as part of monthly Executive team risk discussions to identify any new legislation
- Internal and external audits
- Relevant employees are required to maintain professional accreditation, which includes remaining up to date with relevant statutory requirements
- Use of legal advisors for more complex legal issues that are either beyond the professional capacity of BVT employees, or to seek an opinion on our interpretation of legislation and attendance at legal briefings
- External competent advisor for health and safety
- Lists of relevant legislation provided annually to support this statement are provided to BVT's Audit & Assurance Committee and Board.

There is a section for compliance with relevant legislation in BVT's standard report template so that any issues or concerns are clearly highlighted to the Board and Committees.

There were no self-referrals made to BVT's Social Housing Regulators in 2025.

A self-assessment of compliance with the Regulatory Standards was completed in quarter 1 2025. There was one area of non-compliance with the standards which is within the Governance and Financial Viability Standard. BVT does not fully comply with its adopted Code of Governance as there are no set terms of office for family trustees, but this does comply with BVT's Deed of Foundation. The self-assessment was approved by the Board of Trustees in March 2025.

The Regulator of Social Housing (RSH) completed a full Regulatory Inspection (completed around every four years) in May to July 2025 and BVT's Regulatory Judgment was published in September 2025. BVT was awarded a G1 for Governance, a V2 for Financial Viability and a C1 for Consumer Standards. The G1 and V2 grades were the same as previously awarded. The C1 grade was BVT's first assessment against the Consumer Standards which came into effect in April 2024. This judgment reflects the hard work being completed by teams to improve services and respond to customer needs.

The regulator advised that the continued high levels of investment in BVT's existing stock had reduced the EBITDA MRI interest cover metric significantly and as set out in our 30-year plan, would continue to keep us at a reduced level for several years to come. The Regulator explained that their internal working group recognised that BVT had put in place a treasury position that fully supported the business plan and that this was a clear indication of good governance and strong financial management. The Regulator made clear that they hold no concerns about BVT's ability to manage debt or maintain the investment levels we have set out. BVT is one of an increasing number of registered providers (approximately 62%) who have been graded as a V2 rating, which is still deemed as compliant by the regulator.

Learning from regulatory downgrades in the sector is included in the quarterly risk reports at Audit and Assurance Committee.

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All regulatory returns were submitted to the Regulator of Social Housing, Charity Commission, Financial Conduct Authority (FCA) and Companies House within the required deadlines.

Ofsted compliance continued for both The Holdings and the Shenley Out of School Club in 2025, with no inspections taking place.

Charitable Vires

BVT operates within the purposes and powers set out in our Deed of Foundation governing document. Any significant new activities are automatically assessed to ensure they advance BVT's stated charitable objects and do not give rise to ultra vires activity.

Legal advice on BVT's compliance with its charitable vires was last sought in 2021 when BVT was considering actively increasing its market rent portfolio. Advice from Trowers solicitors recommended the establishment of a new subsidiary (BVE) to carry out this non-charitable activity to ensure compliance with BVT's charitable purpose. BVT established BVE as a wholly owned subsidiary later in 2021.

Legal advice would be sought for any potential new non-charitable activity, although there are no plans for this in the current Corporate Plan.

Probity Reports

Biannual probity reports are presented to Audit and Assurance Committee and annually to the Board of Trustees. These reports detail any entries in the following registers: Anti-Money Laundering, Fraud, Bribery & Corruption, Probity, Gifts & Hospitality, Whistleblowing (non-safeguarding), Declarations of Interest, Disposals of assets or property over the value of £500.

There have been no issues of concern reported.

Managed Clients Assurance

BVT provides services to four Managed Clients through management agreements or contracts (Bournville Tenants Ltd, 20/20 Housing Co-operative, Witton Lodge Community Association and Lyng Community Association). Services range from a full management service including customer services, tenancy management, governance, finance and repairs, to just delivering repairs only.

An annual assurance report is presented to the Executive team which contains details of each of the agreements and contracts, risks and opportunities, the income from each of these organisations, and details of how performance is reported.

A review of the way performance is presented, including at which level of BVT performance is reported is taking place in 2026 and will be considered by the Executive team.

BVT commissions the ExtraCare Charitable Trust (ECCT) to manage homes on behalf of BVT at Bournville Gardens. Regular meetings between BVT and the ECCT take place and we are currently updating the service level agreement following identified improvements in how we work together. This includes an annual assurance report that is being developed

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to be presented to the Executive team. A new section relating to the health and safety of BVT's homes managed by ECCT is being included in BVT's quarterly health and safety report from quarter 1 2026.

Effectiveness of Controls

Our risk and control mechanisms are generally effective. This annual internal controls certification process has not highlighted any issues that were not previously identified through normal management processes.

The Executive team and Audit and Assurance Committee has reviewed the effectiveness of the system of internal controls, including the sources of assurance agreed by the Board. There is sufficient evidence to confirm that adequate systems of internal control are in place and operated throughout the year.

Reserves

All surpluses generated are reinvested to meet the Group's principal objectives, therefore, the reserves that the Group has accumulated have been largely invested in its housing and other properties and are not represented by cash balances. The rationale for certain restricted reserves is explained within the Accounting Policies section.

Fixed Assets

Details of the changes in fixed assets are set out in Notes 7A and 7B to the financial statements.

By order of the Trustees

Hannah Pryce
Secretary
11th June 2026

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNVILLE VILLAGE TRUST

Opinion

We have audited the financial statements of Bournville Village Trust ("the Trust") and its subsidiaries ("the Group") for the year ended 31 December 2025 which comprise the consolidated and trust statement of comprehensive income, the consolidated and trust statement of financial position, the consolidated and trust statement of changes in reserves, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Trust's affairs as at 31 December 2025 and of the Group's and the Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Trust'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.

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

Other information

The Board are responsible for the other information. 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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained during the course of the audit, we have not identified any material misstatements in the Report or the Board, including the operating and financial review.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the Trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board members remuneration specified by law are not made; 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 statement of responsibilities of the Board set out on page 34 and 35, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- We obtained an understanding of laws and regulations that affect the Group and the Trust, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Charities Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud.
- We enquired of the Board about any incidences of fraud that had taken place during the accounting period.

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- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing, recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the members of the Trust, as a body, in accordance with the Housing and Regeneration Act 2008 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trust'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 Trust and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Lee Cartwright
DBC7679AF0DF489...

Lee Cartwright (Senior Statutory Auditor)
For and on behalf of Menzies LLP, statutory auditor
20 Colmore Circus
Queensway
Birmingham
B4 6AT
Date: 22-Jun-2026

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Bournville Village Trust Group

CONSOLIDATED AND TRUST STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Notes	Group		Trust	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
TURNOVER	1	33,257	31,792	32,792	31,146
Operating expenditure	1	(27,302)	(25,216)	(26,718)	(24,728)
OPERATING SURPLUS	1	5,955	6,576	6,074	6,418
Surplus on sale of housing and other properties	5a	2,530	1,156	2,530	1,156
Surplus on the sale of land	5a	111	467	111	467
Surplus on sale of other fixed assets	5a	2	4	2	4
Interest receivable	3	41	48	143	174
Interest and financing costs	4	(4,550)	(4,658)	(4,765)	(4,879)
Movement in fair value of financial instruments	17	(256)	3,811	(256)	3,811
Movement in fair value of investment properties	8	1,427	1,947	1,427	1,947
SURPLUS ON ORDINARY ACTIVITIES	20	5,260	9,351	5,266	9,098

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Bournville Village Trust Group

CONSOLIDATED AND TRUST STATEMENTS OF FINANCIAL POSITION
as at 31 December 2025

	Notes	Group 2025	Group 2024	Trust 2025	Trust 2024
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets					
Housing properties - Cost	7A	211,293	204,150	198,894	192,044
- Depreciation	7A	(48,120)	(45,560)	(43,416)	(41,103)
		163,173	158,590	155,478	150,941
Other fixed assets	7B	21,983	22,284	21,983	22,284
Investment properties	8	10,901	9,349	10,901	9,349
Fixed asset investments	9	0	0	8,400	8,400
Restricted cash	10	1,067	1,040	1,067	1,040
		197,124	191,263	197,829	192,014
CURRENT ASSETS					
Properties held for sale		109	338	109	338
Stock	11	1,041	635	1,519	1,195
Debtors	12	2,738	2,933	4,505	4,620
Cash at bank and in hand		2,341	4,158	2,083	3,719
		6,229	8,064	8,216	9,872
CREDITORS: Amounts falling due within one year	13	(10,590)	(10,222)	(15,290)	(14,774)
NET CURRENT ASSETS		(4,361)	(2,158)	(7,074)	(4,902)
TOTAL ASSETS LESS CURRENT LIABILITIES		192,763	189,105	190,755	187,112
CREDITORS: Amounts falling due after more than one year	14	(112,993)	(114,880)	(112,253)	(114,132)
Financial instruments at fair value	17	(1,862)	(1,606)	(1,862)	(1,606)
TOTAL NET ASSETS		77,908	72,619	76,640	71,374
CAPITAL AND RESERVES					
Restricted reserves	19	8,484	8,262	8,484	8,262
Endowments		696	696	696	696
Income and expenditure reserve		68,728	63,661	67,460	62,416
		77,908	72,619	76,640	71,374

The financial statements on pages 39 to 75 were approved by the Trustees and authorised for issue on 11 June 2026 and were signed on its behalf by:

C Cadbury - Chair

A Fisher - Vice Chair

P Richmond - Chief Executive

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Bournville Village Trust Group

STATEMENT OF CHANGES IN RESERVES
as at 31 December 2025

Group	Income and expenditure reserve	Restricted reserve	Endowments	Total
	£ £'000	£ £'000	£ £'000	£ £'000
Balance at 1 January 2024	54,161	8,380	696	63,237
Surplus for the year	9,351	0	0	9,351
Transfer of restricted expenditure from unrestricted reserve	118	(118)	0	0
Gift aid received	31	0	0	31
Balance at 31 December 2024	63,661	8,262	696	72,619
Surplus for the year	5,260	0	0	5,260
Transfer of restricted expenditure from unrestricted reserve	(222)	222	0	0
Gift aid received	29	0	0	29
Balance as 31 December 2025	68,728	8,484	696	77,908

Trust	Income and expenditure reserve	Restricted reserve	Endowments	Total
	£ £'000	£ £'000	£ £'000	£ £'000
Balance at 1 January 2024	53,200	8,380	696	62,276
Surplus for the year	9,098	0	0	9,098
Transfer of restricted expenditure from unrestricted reserve	118	(118)	0	0
Balance at 31 December 2024	62,416	8,262	696	71,374
Surplus for the year	5,266	0	0	5,266
Transfer of restricted expenditure from unrestricted reserve	(222)	222	0	0
Balance as 31 December 2025	67,460	8,484	696	76,640

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Bournville Village Trust Group

CONSOLIDATED AND TRUST STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

	Notes	Group 2025 £'000	Group 2024 Restated £'000	Trust 2025 £'000	Trust 2024 Restated £'000
OPERATING ACTIVITIES					
Net cash generated from operations	20	11,636	10,921	11,424	10,038
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition and construction of tangible fixed assets		(10,653)	(12,100)	(10,239)	(11,715)
Net proceeds on disposal of tangible fixed assets		3,059	1,988	3,065	1,988
Capital grants repaid		0	0	0	0
Interest received		41	48	143	174
NET CASH USED IN INVESTING ACTIVITIES		(7,553)	(10,064)	(7,031)	(9,553)
CASH FLOW FROM FINANCING ACTIVITIES					
Loans received		2,000	7,000	2,000	7,000
Loan principal repayments		(3,612)	(3,516)	(3,612)	(3,516)
Interest paid		(4,578)	(4,686)	(4,793)	(4,907)
NET CASH USED IN FINANCING ACTIVITIES		(6,190)	(1,202)	(6,405)	(1,423)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(2,107)	(345)	(2,012)	(938)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		3,989	4,334	(1,479)	(541)
CASH AND CASH EQUIVALENTS AT END OF YEAR	20	1,882	3,989	(3,491)	(1,479)

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Bournville Village Trust Group

ACCOUNTING POLICIES

LEGAL STATUS

Bournville Village Trust is an unincorporated charity and is an English registered social housing provider, and is a public benefit entity.

The principal activities and operations are disclosed in the Report of the Board of Trustees.

The address of the Trust's registered office and principal place of business is

350 Bournville Lane
Bournville
Birmingham
B30 1QY

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. They are prepared under the historical cost convention, modified to include certain financial instruments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of the Trust and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2025.

All intra group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

GOING CONCERN

Under the governance requirements, the Trustees confirm that the 30 year financial plan they have in place, along with no refinancing concerns and positive robust stress testing and mitigation plans, means they have reasonable expectation that the Group and Trust have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

TURNOVER AND REVENUE RECOGNITION

Turnover represents rents and service charges receivable in respect of tenanted leasehold and freehold properties, and amounts invoiced in respect of the provision of services to third parties (net of VAT). It also includes turnover from shared ownership first tranche sales, donations, proceeds from land sales, income for release of covenant restrictions, revenue grants receivable in the period, income from community activities and income from Selly Manor Museum.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and land sales is recognised at the point of legal completion of the transaction. Services to third parties are recognised at the point of service delivery.

OTHER INCOME

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

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ACCOUNTING POLICIES (continued)

Profit Share

BVT worked with the Extra Care Charitable Trust to develop an extra care scheme for older people on land owned by BVT in Bournville. The scheme is managed and run by the Extra Care Charitable Trust, but as part of the development arrangement BVT is entitled to a share of the profits on care provision within the scheme and of the surplus on property buy back and sales.

TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

Housing properties are properties for the provision of social housing and are principally properties available for rent and shared ownership. Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses. Agriculture, commercial, community, communal, and office buildings are stated at cost less accumulated depreciation and impairment losses.

Cost includes the cost of acquiring land and buildings, and expenditure incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs;
- A significant extension to the life of the property.

Shared ownership properties are split proportionally between fixed assets and current 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 are included in turnover. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Where the first tranche has been sold prior to the acquisition of properties, these are included in fixed assets only.

SOCIAL HOUSING AND OTHER GOVERNMENT GRANTS

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

When SHG in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is recorded as a subordinated unsecured repayable debt.

DEPRECIATION OF HOUSING PROPERTIES

Housing properties are split between land, structure and other major components that require replacement over time. The land element of housing properties and housing under the course of construction are not depreciated.

The group separately identifies the major components of its housing properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over the following years:

	Years
Structure	100 -150
Kitchen	20
Bathroom	30
Windows	30
Central Heating	30
Boilers	15
Rewiring	30
Front/Rear Doors	30
Roofs	60
Door Entry Systems	15
Sewerage	20

BVT considers each commercial and agricultural property and asset individually and applies the most appropriate depreciation rate to the asset, based on a fair assessment of its useful economic life.

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In 2020 the Group reviewed its depreciation policy and changed the useful economic lives of kitchens, windows, central heating and boilers. This was part of a complete review of our asset management strategy encompassing best practice and reviewing life cycles of components based on changes in technology and product quality. We also listened to the views of our tenants which led to a decision to replace components on a more frequent basis. This means that depreciation on these components replaced prior to 2020 is calculated on net book value at 31st December 2019 on a straight line basis over the remaining useful economic life.

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the income and expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

OTHER TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life as follows:

Computer Equipment	4 years
Fixtures and Fittings	4 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Properties classed within agricultural estates, commercial buildings, community buildings and offices are split between land, structure and other major components that require replacement over time. The land element of these properties is not depreciated. The group separately identifies the major components of these properties and charges depreciation on these in line with the depreciation of housing properties.

The 2020 review of depreciation policy and change in useful economic lives of kitchens, windows, central heating and boilers also applied to these assets. This means that depreciation on these components replaced prior to 2020 is calculated on net book value at 31st December 2019 on a straight line basis over the remaining useful economic life.

PROPERTIES UNDER CONSTRUCTION

Properties in the course of construction are carried at cost, less any identifiable impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation commences when the properties are ready for their intended use.

BORROWING COSTS

Borrowing costs are expensed as incurred unless they are capitalised if directly attributable to a development scheme. Borrowing costs are capitalised from the start of construction through to the time the development is completed and handed over as available for occupation. Costs directly connected with the raising of finance are deducted from loans and written off evenly over the life of the loan in the income and expenditure account.

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ACCOUNTING POLICIES (continued)

INVESTMENT PROPERTIES

Investment properties consist of commercial properties and market rented properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by qualified 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 income or expenditure.

FIXED ASSET INVESTMENTS

There are two elements to fixed asset investments. Investment of Subsidiary represents the fair value of the proceeds for the acquisition of BWHS as at 4 January 2011 when the organisation became a subsidiary of BVT. This became deemed cost going forward. The THFC Interest Service Reserve equates to an investment required under the terms of our THFC loan and the funds are currently invested in bank deposit accounts. The interest reserve is stated at cost with any accrued interest being credited to the statement of comprehensive income.

STOCKS AND WORK IN PROGRESS

Stocks and work in progress are stated at the lower of cost and net realisable value.

Long-term projects, notably the Lightmoor project undertaken through Bournville Village Developments are assessed on a contract-by-contract basis and reflected in the Income and Expenditure Account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for surplus earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors; to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks.

VALUE ADDED TAX

Bournville Village Trust and Bournville Village Developments Ltd are both registered for VAT purposes. BWHS and BVE are not VAT Registered.

Bournville Village Trust is only able to recover a relatively small percentage of VAT on its expenditure, as the majority of its income is exempt for VAT purposes. Therefore, expenditure is shown inclusive of VAT with the input VAT recovered deducted from relevant expenditure.

Bournville Village Developments Limited is able to recover all VAT on its expenditure. As a result, expenditure is shown net of VAT and VAT recoverable shown as a debtor.

Bournville Works Housing Society is not registered for VAT purposes and is therefore unable to recover any VAT on its expenditure. Therefore, expenditure is shown inclusive of VAT.

Bournville Village Enterprises is not registered for VAT purposes and is therefore unable to recover any VAT on its expenditure. Therefore, expenditure is shown inclusive of VAT.

LEASES

OPERATING LEASES

Annual rentals are charged to income and expenditure on a straight line basis over the lease term.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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ACCOUNTING POLICIES (continued)

RETIREMENT BENEFITS

Defined contribution plans
For defined contribution schemes the amount charged to income and expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Defined benefit plans
The group does not participate in any active defined benefit plans.

BVT is a member of the closed Cadbury Mondelez Pension Fund, there are no active members and no contributions are paid . A liability is recognised for payments arising from an agreement with the multi-employer plan that determines how the group will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end. The rate used to discount the contributions to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those at the end benefit obligations.

FINANCIAL INSTRUMENTS

BVT has elected to apply the provisions of sections 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FINANCIAL ASSETS

Debtors

Rental and trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Rental debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with rental or trade debtors constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the rental or trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

FINANCIAL LIABILITIES

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but the control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised through income and expenditure.

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ACCOUNTING POLICIES (continued)

PROVISIONS

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

RESERVES

The group establishes restricted funds for the specific purposes where their use is subject to restrictions imposed by third parties.

RESTRICTED RESERVES (NOTE 19)

i) FUTURE MAINTENANCE RESERVE
This reserve represents the combined total of all the sinking funds that BVT holds to fund our future maintenance commitments in the areas in which we work.

ii) BAT RESERVE
This reserve represents the net assets of Bournville Almshouse Trust, which under a Uniting Direction from the Charity Commission, is now accounted through this restricted reserve.

iii) ELIZA BEECH FUND
This reserve represents funds to provide residents of BAT with excursions and other entertainment.

iv) COMMUNITY INFRASTRUCTURE RESERVE
This is a fund holding funds that may only be used for the advancement of Lawley Village.

v) EILEEN HEWER RESERVE
This fund is used to pay for activities the resident representatives of Lawley select for community advancement.

vi) LVCA RESERVE
The Lawley Village Community Association may call on this fund to support community activity.

vii) LIBRARY FUND RESERVE
This fund holds a donation received to support the BVT Library and Archive.

ENDOWMENT RESERVES

This reserve represents the permanent endowment of the charity as bequeathed by the Founder.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives as per the accounting policy note. The useful economic lives of property components are in line with the current maintenance programme and are re-assessed annually to take into account technological innovation and product life cycles.

Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

Development expenditure

Development expenditure is capitalised in line with the accounting policy. Initial capitalisation of costs is based on management's judgement that a development scheme is likely to proceed. Costs capitalised in this way are regularly reviewed and any cost identified as abortive are charged in the Statement of Comprehensive Income.

Debtors

Debtors are based on the amounts outstanding in our ledgers at the end of the financial year, less any provision for bad debts. The provision for rent arrears is based on all former tenants arrears plus 75% of all current tenant arrears that remain outstanding for more than 8 weeks.

Balances due from group undertakings are assessed at the end of each year to ensure that the debt is recoverable in full. If there is any doubt that the debt will be fully recovered, a provision would be made, to reduce the debt to the anticipated recoverable amount.

Valuation of Stand Alone Financial Derivatives
BVT holds Stand Alone Financial Derivatives (Swaps) for the purposes of hedging interest rates on our loans. These Swaps are required to be included in these accounts at their "Fair Value". To calculate this "Fair Value" we use our independent Treasury Advisors , who are industry experts in their field. It is this "Fair Value" calculated by by our Advisors that is included in these accounts.

Treatment of Agricultural Estates, Properties let to Commercial Organisations and Market Rented Homes

BVT was gifted, by Cadbury Family members, over many years sections of land and properties that now make up our Agricultural Estates. Whilst there are no detailed records of the expectations of the donors in relation to BVT's use of much of these holdings, we believe that we understand through our continued relationship with members of the Cadbury Family that the purpose behind the donation was that BVT would hold and use the land not for simple commercial gain, but to prevent the inappropriate use of the land and the unsympathetic development of green belt. As simple commercial gain is not our primary purpose for holding this land, we do not treat this land as Investment Holdings.

BVT also owns property we lease to Tenants who use these sites to provide "commercial" services, such as shops, health care centres, offices. The reason BVT owns these properties is to ensure our communities have access to important amenities in their neighbourhood. This means BVT do not simply seek the maximum income from these holdings, but instead prioritises the benefit any prospective Tenants' business can bring to our communities. As this is the case, we do not treat these properties as Investment Properties in these accounts. Following a review of all "commercial" assets in 2022, it was decided that 4 shops owned by BVT were no longer held for direct social benefit reasons, as we no longer owned homes in the community which forms the shops local catchment area. We have, therefore, revalued this shops and moved them to Investment Properties in these accounts.

BVT also owns a small number (58) Market Rented homes, which it operates directly and not through BVE. These homes are let to Tenants at a weekly rent that is above our standard Social Rent, but well below the true market rent for the area. As we are not operating these homes on a fully commercial basis, but instead to give people access to affordable high quality homes and to increase the tenure types in our communities, and given that the number is not material in relation to our overall rented homes numbers, we do not treat these as Investment Properties in our accounts. It relation to those homes BVT does let at a full market rent, these are leased to BVE and accounted for as Investment Properties in these accounts.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

Continuing activities - Group

	2025			2024 *Restated*		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Activities						
Income and expenditure from social housing lettings	25,589	(19,286)	6,303	24,815	(18,403)	6,412
Other Social Housing Activities						
Services to third parties	375	(196)	179	423	(347)	91
Profit share arrangement	532	(25)	507	519	(25)	494
Community activities	193	(782)	(589)	276	(891)	(615)
Non Social Housing Activities						
Market renting	1,111	(349)	762	991	(289)	702
Agricultural lettings	644	(719)	(75)	642	(539)	103
Estate management	2,458	(3,468)	(1,010)	2,166	(3,195)	(1,029)
Commercial lettings	1,630	(1,322)	308	1,338	(964)	374
Selly Manor museum	236	(318)	(82)	207	(271)	(64)
Land transactions	109	(6)	103	125	(22)	103
Write off of development costs	0	(507)	(507)	0	0	0
Services to third parties	380	(324)	56	290	(270)	5
TOTAL	33,257	(27,302)	5,955	31,792	(25,216)	6,576

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

Continuing activities - Trust

	2025			2024 Restated		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Activities						
Income and expenditure from social housing lettings	23,711	(17,945)	5,766	23,040	(17,426)	5,614
Other Social Housing Activities						
Services to third parties	1,822	(1,052)	770	1,587	(936)	651
Profit share arrangement	532	(25)	507	519	(25)	494
Community activities	193	(782)	(589)	276	(891)	(615)
Non-Social Housing Activities						
Market renting	1,018	(256)	762	913	(211)	702
Agricultural lettings	644	(719)	(75)	642	(539)	103
Estate management	2,523	(3,468)	(945)	2,231	(3,195)	(964)
Commercial lettings	1,630	(1,322)	308	1,338	(964)	374
Selly Manor museum	236	(318)	(82)	207	(271)	(64)
Land transactions	103	0	103	103	0	103
Write off of development costs	0	(507)	(507)	0	0	0
Services to third parties	380	(324)	56	290	(270)	20
TOTAL	32,792	(26,718)	6,074	31,146	(24,728)	6,418

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Group

	2025				
	General needs housing £'000	Supported housing accommodation £'000	Housing for older people £'000	Shared ownership accommodation £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	21,718	0	1,387	466	23,571
Service charges receivable	372	0	1,103	5	1,480
Care and support charges	0	237	0	0	237
NET RENTAL INCOME	22,090	237	2,490	471	25,288
Social housing grant amortisation	182	0	110	9	301
TURNOVER FROM SOCIAL HOUSING LETTINGS	22,272	237	2,600	480	25,589
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	4,202	92	518	40	4,852
Service charge costs	740	0	1,202	0	1,942
Care and support costs	0	171	0	0	171
Routine maintenance	5,066	87	320	0	5,473
Planned maintenance	1,772	0	134	0	1,906
Major repairs expenditure	246	0	0	0	246
Bad debts	(12)	1	7	0	(4)
Depreciation of properties	4,178	11	417	88	4,694
Depreciation of fixtures and fittings	0	0	6	0	6
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	16,192	362	2,604	128	19,286
OPERATING SURPLUS / (DEFICIT) ON SOCIAL HOUSING LETTINGS	6,080	(125)	(4)	352	6,303
Rent loss due to voids	114	9	33	0	156

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Group

	General needs housing £'000	Supported housing accommodation £'000	2024 Restated Housing for older people £'000	Shared ownership accommodation £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	21,076	0	1,399	453	22,928
Service charges receivable	346	0	1,003	4	1,353
Care and support charges	0	231	0	0	231
NET RENTAL INCOME	21,422	231	2,402	457	24,512
Social housing grant amortisation	183	0	110	10	303
TURNOVER FROM SOCIAL HOUSING LETTINGS	21,605	231	2,512	467	24,815
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	4,004	88	513	40	4,645
Service charge costs	506	0	1,082	0	1,588
Care and support costs	0	144	0	0	144
Routine maintenance	4,864	24	218	0	5,106
Planned maintenance	1,853	0	187	0	2,040
Major repairs expenditure	139	0	0	0	139
Bad debts	36	(4)	7	0	39
Depreciation of properties	4,056	10	536	90	4,692
Depreciation of fixtures and fittings	4	0	6	0	10
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	15,462	262	2,549	130	18,403
OPERATING SURPLUS / (DEFICIT) ON SOCIAL HOUSING LETTINGS	6,143	(31)	(37)	337	6,412
Rent loss due to voids	116	7	34	0	157

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Trust

	2025				
	General *needs* housing £'000	Supported *housing* accommodation £'000	*Housing for* older people £'000	Shared *ownership* accommodation £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	19,848	0	1,387	466	21,701
Service charges receivable	372	0	1,103	5	1,480
Care and support charges	0	237	0	0	237
NET RENTAL INCOME	20,220	237	2,490	471	23,418
Social housing grant amortisation	174	0	110	9	293
TURNOVER FROM SOCIAL HOUSING LETTINGS	20,394	237	2,600	480	23,711
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	3,999	92	518	40	4,649
Service charge costs	740	0	1,202	0	1,942
Care and support costs	0	171	0	0	171
Routine maintenance	4,659	87	320	0	5,066
Planned maintenance	1,475	0	134	0	1,609
Major repairs expenditure	181	0	0	0	181
Bad debts	(14)	1	7	0	(6)
Depreciation of properties	3,811	11	417	88	4,327
Depreciation of fixtures and fittings	*0*	*0*	*6*	*0*	*6*
Impairment of properties	0	0	0	0	0
Other Costs	0	0	0	0	0
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	14,851	362	2,604	128	17,945
OPERATING SURPLUS / (DEFICIT) ON SOCIAL HOUSING LETTINGS	5,543	(125)	(4)	352	5,766
Rent loss due to voids	110	9	33	0	152

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Trust

	General needs housing £'000	Supported housing accommodation £'000	2024 Restated Housing for older people £'000	Shared ownership accommodation £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	19,309	0	1,399	453	21,161
Service charges receivable	346	0	1,003	4	1,353
Care and support charges	0	231	0	0	231
NET RENTAL INCOME	19,655	231	2,402	457	22,745
Social housing grant amortisation	175	0	110	10	295
TURNOVER FROM SOCIAL HOUSING LETTINGS	19,830	231	2,512	467	23,040
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	3,798	88	513	40	4,439
Service charge costs	506	0	1,082	0	1,588
Care and support costs	0	144	0	0	144
Routine maintenance	4,610	24	218	0	4,852
Planned maintenance	1,770	0	187	0	1,957
Major repairs expenditure	80	0	0	0	80
Bad debts	27	(4)	7	0	30
Depreciation of properties	3,690	10	536	90	4,326
Depreciation of fixtures and fittings	4	0	6	0	10
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	14,485	262	2,549	130	17,426
OPERATING SURPLUS / (DEFICIT) ON SOCIAL HOUSING LETTINGS	5,345	(31)	(37)	337	5,614
Rent loss due to voids	112	7	34	0	153

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

2 ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	Group		Trust	
	2025 Number	2024 Number	2025 Number	2024 Number
UNITS OWNED AT YEAR END:				
General needs housing	3,351	3,365	3,038	3,052
Shared ownership	134	136	134	136
Supported Housing	9	9	9	9
Housing for older people	262	262	262	262
Market rented	104	95	104	95
	3,860	3,867	3,547	3,554
UNITS IN MANAGEMENT AT YEAR END:				
General needs housing	3,440	3,456	3,440	3,456
Shared ownership	134	136	134	136
Supported Housing	9	9	9	9
Housing for older people	262	262	262	262
Market rented	104	95	104	95
	3,949	3,958	3,949	3,958

The above numbers include 44 (2024:44) units owned by BVT but managed by other associations.

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest on bank deposits	41	48	41	48
Interest on intercompany loans	0	0	102	126
	41	48	143	174

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest arising on:				
Bank loans and overdrafts	4,550	4,658	4,765	4,879
	4,550	4,658	4,765	4,879

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

5 OPERATING SURPLUS

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Operating surplus is stated after charging /(crediting)				
Depreciation of other tangible fixed assets owned	155	133	155	133
Depreciation of housing properties	4,467	4,272	4,104	3,912
Net book value of component disposals of housing properties	227	420	240	524
Depreciation of non-housing properties	445	457	445	457
Net book value of component disposals of non-housing properties	124	11	124	11
Write off of development schemes	507	0	507	0
Operating lease rentals	801	204	801	204
Amortisation of capital grant	(301)	(306)	(298)	(295)
Fees payable to Menzies LLP and its associates in respect of both audit and non-audit services are as follows:				
Audit services - statutory audit of the company	67	64	51	47
Other services:				
All other non-audit services	0	0	0	0

5a SURPLUS ON SALE OF FIXED ASSETS

Group & Trust	2025			2024		
	Sale of Housing Properties	Sale of Land	Sale of Other Fixed Assets	Sale of Housing Properties	Sale of Land	Sale of Other Fixed Assets
	£'000	£'000	£'000	£'000	£'000	£'000
Disposal proceeds	3,010	111	3	1,525	467	21
Carrying value of fixed assets	(393)	0	(1)	(344)	0	(17)
Cost of sales	(87)	0	0	(25)	0	0
Surplus/(deficit)	2,530	111	2	1,156	467	4

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

6 EMPLOYEES

The average monthly number of persons (including directors) employed by the Trust and Group expressed in full time equivalents during the year was:

	Group		Trust	
	2025	2024	2025	2024
	No.	No.	No.	No.
Office and management	171	149	171	149
Maintenance	94	83	94	83
	265	232	265	232

The above figures are calculated on the number of staff employed in the Group and Trust, working a standard 37 hour working week for the majority of staff and a standard 39 hour week for maintenance staff . The calculation has been done on a month by month basis and then averaged out over the course of the year.

Staff costs for the above persons:

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Wages and salaries	10,731	9,567	10,731	9,567
Redundancy Payments	6	3	6	3
Social security costs	1,298	976	1,298	976
Defined contribution pension cost	980	876	980	876
	13,015	11,422	13,015	11,422

The full time equivalent number of staff who received remuneration over £60,000 (including directors):

	Group & Trust	
	2025	2024
	No.	No.
£60,000 - £70,000	19	15
£70,001 - £80,000	6	8
£80,001 - £90,000	8	4
£90,001 - £100,000	0	1
£100,001 - £110,000	1	0
£110,001 - £120,000	1	1
£120,001 - £130,000	3	3
£130,001 - £140,000	0	0
£140,001 - £150,000	1	1
£150,001 - £160,000	0	0
£160,001 - £170,00	1	1

The bandings above include redundancy payments as detailed in staff costs above.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

Executive Team Members

In respect of the directors (BVT executive team) who are considered to be the key Management Personnel of Bournville Village Trust:

Executive Team Members

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Remuneration and fees	732	667	732	667
Company contributions to pension schemes	70	66	70	66
Compensation for loss of office	30	0	30	0
Money value of benefits in kind	51	54	51	54
	883	787	883	787

	Group		Trust	
	2025	2024	2025	2024
	No.	No.	No.	No.
The number of Executive Team Members to whom retirement benefits are accruing under:				
Defined contribution schemes	7	6	7	6

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Directors Remuneration per unit owned/managed	251	223	251	223

	Highest paid employee	
	2025	2024
	£'000	£'000
Remuneration	154	150
Company contributions to pension schemes	14	14
	168	164

The highest paid Executive Team Member in 2025 was the Chief Executive.

The Chief Executive is a member of the BVT Pensionsaver scheme and BVT made pension contributions of £14,478 in 2024 (2024: £14,071).

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Remuneration of the highest paid Director per unit owned/managed	39	38	39	38

No other payments are made to Trustees other than expenses (travel and subsistence) as detailed below:

	2025	2024
	£	£
Trustee payments comprise of:		
Trustee expenses	6,479	5,229

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

7A TANGIBLE FIXED ASSETS - HOUSING PROPERTIES
(Predominantly freehold) - GROUP

	Housing properties held for letting £'000	Shared ownership properties £'000	Properties in the course of construction £'000	2025 Total £'000
Cost				
At 1 January	196,251	7,663	236	204,150
Additions	0	0	271	271
Component replacements and improvements	9,757	0	0	9,757
Properties acquired	118	0	0	118
Component disposals	(2,154)	0	0	(2,154)
Property disposals	(73)	(46)	0	(119)
Transfer to income and expenditure account	0	0	(507)	(507)
Transfer to current assets	(147)	0	0	(147)
Transfer to investment properties	(76)	0	0	(76)
At 31 December	203,676	7,617	0	211,293
Depreciation and impairment				
At 1 January	(44,381)	(1,179)	0	(45,560)
Charge for year	(4,379)	(88)	0	(4,467)
Component disposals	1,797	0	0	1,797
Property disposals	26	10	0	36
Transfer to current assets	38	0	0	38
Transfer to investment properties	36	0	0	36
At 31 December	(46,863)	(1,257)	0	(48,120)
NET BOOK VALUE				
At 31 December 2025	156,813	6,360	0	163,173
At 31 December 2024	151,870	6,484	236	158,590

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

7A TANGIBLE FIXED ASSETS - HOUSING PROPERTIES
(Predominantly freehold) - TRUST

	Housing properties held for letting £'000	Shared ownership properties £'000	Properties in the course of construction £'000	2025 Total £'000
Cost				
At 1 January	184,145	7,663	236	192,044
Additions	0	0	271	271
Component replacements and improvements	9,343	0	0	9,343
Properties acquired	118	0	0	118
Component disposals	(2,033)	0	0	(2,033)
Property disposals	(73)	(46)	0	(119)
Transfer to income and expenditure account	0	0	(507)	(507)
Transfer to current assets	(147)	0	0	(147)
Transfer to investment properties	(76)	0	0	(76)
At 31 December	191,277	7,617	0	198,894
Depreciation and Impairment				
At 1 January	(39,924)	(1,179)	0	(41,103)
Charge for year	(4,016)	(88)	0	(4,104)
Component disposals	1,681	0	0	1,681
Property disposals	26	10	0	36
Transfer to current assets	38	0	0	38
Transfer to investment properties	36	0	0	36
At 31 December	(42,159)	(1,257)	0	(43,416)
NET BOOK VALUE				
At 31 December 2025	149,118	6,360	0	155,478
At 31 December 2024	144,221	6,484	236	150,941

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

7A EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Improvement work capitalised	259	14	221	14
Components capitalised	9,498	8,872	9,122	8,861
Amounts charged to income and expenditure	7,625	7,264	6,856	6,889
	17,382	16,150	16,199	15,764

TOTAL GRANTS RECEIVED

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Total cumulative amounts received or receivable at 31 December:				
Capital grant	35,926	34,980	34,972	34,980

FINANCE COSTS

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Aggregate amount of finance costs included in the cost of housing properties and communal areas in note 7b	2,800	2,800	2,800	2,800
	2,800	2,800	2,800	2,800

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

7B TANGIBLE FIXED ASSETS - OTHER

Group & Trust	Agricultural estates £'000	Commercial buildings £'000	Community buildings £'000	Offices £'000	Communal areas £'000	Computer £'000	Fixtures and fittings £'000	2025 Total £'000
Cost								
At 1 January	5,875	13,462	3,124	4,735	2,185	1,084	997	31,462
Component replacements	121	0	0	0	0	0	0	121
Additions	0	37	3	36	0	70	157	303
Disposals	0	0	0	0	0	(19)	(79)	(98)
Component disposal	(130)	(8)	0	(154)	0	0	0	(292)
At 31 December	5,866	13,491	3,127	4,617	2,185	1,135	1,075	31,496
Depreciation and impairment:								
At 1 January	(1,767)	(3,868)	(524)	(1,153)	0	(983)	(883)	(9,178)
Charge for year	(122)	(199)	(38)	(86)	0	(67)	(88)	(600)
Released on disposal	0	0	0	0	0	19	78	97
Component disposal	45	7	0	116	0	0	0	168
At 31 December	(1,844)	(4,060)	(562)	(1,123)	0	(1,031)	(893)	(9,513)
Carrying amount:								
At 31 December 2025	4,022	9,431	2,565	3,494	2,185	104	182	21,983
At 31 December 2024	4,108	9,594	2,600	3,582	2,185	101	114	22,284

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NOTES TO THE FINANCIAL STATEMENTS
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8 INVESTMENT PROPERTIES

Group & Trust

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
At 1 January 2025	440	8,909	9.349
Transfer from housing properties	0	39	39
Component Disposal in year	0	(4)	(4)
Capital Improvements	7	83	90
Revaluations	(7)	1,434	1,427
At 31 December 2025	440	10,461	10,901

The Group's commercial investment properties (Market Rent) are valued annually on 31 December at fair value by Savills, an independent, professionally qualified valuer. The valuations were undertaken in accordance with the current RICS Valuation –Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards – UK National Supplement published by the Royal Institution of Chartered Surveyors (commonly known as the "Red Book"). In valuing investment properties, a discounted cash flow methodology was adopted with the following key assumptions:

Discount rate	7%
Exit yield	10%

The Group's commercial investment properties (Commercial premises) are valued annually on 31 December at fair value by Savills, an independent, professionally qualified valuer. The valuations were undertaken in accordance with the current RICS Valuation –Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards – UK National Supplement published by the Royal Institution of Chartered Surveyors (commonly known as the "Red Book"). In valuing investment properties, a discounted cash flow methodology was adopted with the following key assumptions:

Discount rate	7%
Exit yield	5%
Level of long term annual rent increases	5.5% years 1 & 2 and 4% in subsequent years

If investment property had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

Group & Trust - 2025

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
Historic cost	168	1,665	1,833
Accumulated depreciation	(65)	(291)	(356)
	103	1,374	1,477

Group & Trust - 2024

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
Historic cost	160	1,284	1,444
Accumulated depreciation	(62)	(231)	(293)
	98	1,053	1,151

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

9 FIXED ASSET INVESTMENTS

	2025 £'000	2024 £'000
Group		
Investment in subsidiary	0	0
Trust		
Investment in subsidiary	8,400	8,400

10 RESTRICTED CASH

Group & Trust

	2025 £'000	2024 £'000
At 1 January	1,040	1,040
Interest credited	27	0
At 31 December 2025	1,067	1,040

11 STOCK

	2025 £'000	2024 £'000
Group		
Materials and consumables	1	3
Work in progress	1,040	632
	1,041	635
Trust		
Materials and consumables	1	3
Work in progress	1,518	1,192
Materials and consumables	1,519	1,195

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12 DEBTORS	Group 2025 £'000	Group 2024 £'000	Trust 2025 £'000	Trust 2024 £'000
Amounts falling due within one year:				
Gross Rental Arrears				
Housing	892	920	828	859
Non-housing	352	503	352	503
Market rented	13	14	13	14
Supported housing	30	29	30	29
Shared ownership	27	23	27	23
Less: Provision for bad and doubtful debts	(647)	(655)	(635)	(644)
	667	834	615	784
Balance due from managed associations	0	0	0	0
Balance due from group undertakings	0	0	1,394	1,297
Prepayments and accrued income	1,022	900	1,022	900
Other debtors	1,049	1,199	1,474	1,639
	2,738	2,933	4,505	4,620

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Group 2025 £'000	Group 2024 £'000	Trust 2025 £'000	Trust 2024 £'000
Housing loans (note 18)	3,619	3,612	3,619	3,612
Rent and service charges received in advance	968	835	905	799
Deferred capital grants (note 16)	306	305	298	297
Trade creditors	313	421	313	417
Balances due to managed associations	459	169	459	169
Balance due to group undertakings	0	0	5,115	5,029
Other taxation and social security costs	261	218	261	218
VAT	170	226	170	223
Other creditors	322	299	322	299
Accruals and deferred income	4,172	4,137	3,828	3,711
	10,590	10,222	15,290	14,774

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NOTES TO THE FINANCIAL STATEMENTS
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14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Debt (note 18)	84,516	86,136	84,516	86,136
Loan arrangement fees	(484)	(520)	(484)	(520)
Deferred Income	0	0	0	0
Recycled Capital Grant Fund (note 15)	25	16	25	16
Deferred capital grant (note 16)	28,936	29,248	28,196	28,500
	112,993	114,880	112,253	114,132

Included in creditors are the following debt related items:

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Amounts repayable by instalments falling due in less than five years	17,803	17,753	17,803	17,753
Amounts repayable by instalments falling due after more than five years	33,332	36,994	33,332	36,994
Amounts repayable other than by instalments falling due after more than five years	37,000	35,000	37,000	35,000
Less amounts repayable in less than one year	(3,619)	(3,612)	(3,619)	(3,612)
	84,516	86,135	84,516	86,135

15 RECYCLED CAPITAL GRANT FUND

Funds pertaining to its activities within areas covered by:		Group		Trust	
		HE 2025 £'000	HE 2024 £'000	HE 2025 £'000	HE 2024 £'000
Opening balance					
Inputs to RCGF:	As at 1 January	16	15	16	15
	Grants recycled	8	0	8	0
	Interest accrued	1	1	1	1
	Grants repaid	0	0	0	0
	Grants Withdrawn	0	0	0	0
Closing balance		25	16	25	16
Amounts 3 years old or older where repayment may be required:		0	0	0	0

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16 DEFERRED CAPITAL GRANTS

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
As at 1 January	29,554	29,860	28,797	29,095
Amortisation in year	(306)	(306)	(297)	(298)
Transfer from/(to) recycled capital grant fund	(6)	0	(6)	0
As at 31 December	29,242	29,554	28,494	28,797

17 FINANCIAL INSTRUMENTS
Group and Trust

	2025	2024
	£'000	£'000
Financial liabilities:		
Measured at fair value through profit or loss		
At 1 January	1,606	5,417
Movement during year	256	(3,811)
At 31 December	1,862	1,606

Interest rate swaps

The Group has taken out a number of interest rate hedging arrangements as part of the Treasury Management Strategy which seeks to achieve a mix of fixed and variable rate loans within the overall portfolio. All of the hedging instruments are stand alone interest rate swaps which have been taken out over the last 15 years and which have fixed rates of interest varying between 4.14% and 5.81%. At 31 December 2025, the total nominal value of interest rate hedging instruments was £49.5m (2024 £51.5m).

The fair value of these hedging instruments has been calculated by BVT's Treasury Management advisors.

17a Financial assets

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Debt instruments measured at amortised cost:				
Rent debtors	1,318	1,493	1,251	1,429
Other debtors	272	1,412	274	1,416
Cash	2,341	4,158	2,083	3,719
	3,931	7,063	3,608	6,564
Financial liabilities				
Measured at amortised cost:				
Housing loans	88,135	89,747	88,135	89,747
Trade Creditors	313	421	313	417
Balances Due to Managed Associations	459	169	459	169
Balances Due to Group Companies	0	0	5,115	5,029
Other Creditors	3,864	3,787	3,082	2,949
	92,771	94,124	97,104	98,311

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

18 BORROWINGS

	Group		Trust	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Creditors: amounts falling due within one year:				
Relating to housing loans	3,619	3,612	3,619	3,612
	3,619	3,612	3,619	3,612
Creditors: amounts falling after more than one year:				
Relating to housing loans	84,516	86,136	84,516	86,136
	84,516	86,136	84,516	86,136
Total	88,135	89,748	88,135	89,748

Housing loans are secured by specific charges on the Group's housing properties and are repayable at rates of interest between 5.25% and 12.86%. The net book value of assets secured to lenders is £84,580,000

Of the amounts due in more than five years or more, £37,000,000 (2024: £20,000,000) is wholly repayable by lump sum in more than five years. The remainder is repayable by instalments.

There are undrawn available facilities in place of £13m as at 31st December 2025.

19 RESTRICTED RESERVES GROUP AND TRUST

	Future Maintenance Reserve £'000	BAT Reserve £'000	Eliza Beech Fund £'000	Community Infrastructure Reserve £'000	Eileen Hewer Reserve £'000	LVCA Reserve £'000	Library Fund Reserve £'000	2025 Total £'000	2024 Total £'000
At 1 January	5,084	2,966	6	146	27	5	28	8,262	8,380
Income	1,073	666	0	5	7	0	0	1,751	1,733
Expenditure	(686)	(959)	(4)	(105)	(7)	0	(3)	(1,764)	(1,563)
Transfer to I&E Reserve	0	234	1	0	0	0	0	235	(288)
Net transfer from Income and Expenditure Reserve	387	(59)	(3)	(100)	0	0	(3)	222	(118)
At 31 December	5,471	2,907	3	46	27	5	25	8,484	8,262

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

20 RECONCILIATION OF SURPLUS / (DEFICIT) TO NET CASH GENERATED FROM OPERATIONS

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Surplus for the year	5,260	9,351	5,266	9,098
Adjustments for:				
Write off of development costs	507	0	507	0
Depreciation of tangible fixed assets	5,552	5,460	5,184	5,093
Amortisation of capital grant	(306)	(306)	(297)	(298)
Surplus on sale of tangible fixed assets	(2,643)	(1,627)	(2,643)	(1,627)
Interest receivable	(41)	(48)	(143)	(174)
Interest and financing costs	4,578	4,658	4,765	4,879
Movement in value of financial instruments	256	(3,811)	256	(3,811)
Movement in fair value of investment properties	(1,433)	(1,948)	(1,433)	(1,948)
Operating cash flows before movements in working capital	11,730	11,729	11,462	11,212
Movement in stocks	(406)	819	(324)	66
Movement in debtors	195	(412)	115	(44)
Movement in creditors	117	(1,257)	171	(1,196)
Cash generated from operations	11,636	10,879	11,424	10,038

CASH AND CASH EQUIVALENTS

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Cash and cash equivalents represent:				
Cash at bank	2,341	4,158	2,083	3,719
Demand deposits included within creditors falling due in less than one year (note 13)	(459)	(169)	(5,574)	(5,198)
	1,882	3,989	(3,491)	(1,479)

Demand deposits represent amounts owed to managed associations (Group and Trust) and group companies (Trust).

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

21 ANALYSIS OF CHANGES IN NET DEBT

Group	At 1 Jan 2025 £'000	Cash flows £'000	Other non cash changes £'000	At 31 Dec 2025 £'000
Cash and cash equivalents:				
Cash at bank	4,158	(1,817)	0	2,341
Demand deposits included within creditors falling due in less than one year (note 13)	(169)	(290)	0	(459)
	3,989	(2,107)	0	1,882
Borrowings:				
Debt due within one year	(3,612)	3,612	(3,619)	(3,619)
Debt due after one year	(86,136)	2,578	(958)	(84,516)
	(89,748)	6,190	(4,577)	(88,135)
Total	(85,759)	4,083	(4,577)	(86,253)

Trust	At 1 Jan 2025 £'000	Cash flows £'000	Other non cash changes £'000	At 31 Dec 2025 £'000
Cash and cash equivalents:				
Cash at bank	3,719	(1,636)	0	2,083
Demand deposits included within creditors falling due in less than one year (note 13)	(5,198)	(376)	0	(5,574)
	(1,479)	(2,012)	0	(3,491)
Borrowings:				
Debt due within one year	(3,612)	3,612	(3,619)	(3,619)
Debt due after one year	(86,136)	2,793	(1,173)	(84,516)
	(89,748)	6,405	(4,792)	(88,135)
Total	(91,227)	4,393	(4,792)	(91,626)

22 CAPITAL COMMITMENTS

	Group		Trust	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Capital expenditure contracted for but not provided for in the financial statements	2,304	2,304	2,304	2,304
Expenditure authorised by Trustees but not contracted	11,885	9,670	11,279	9,176

The above commitments will be funded through revenue surpluses and capital receipts.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

23 OTHER FINANCIAL COMMITMENTS - GROUP AND TRUST

The total future minimum lease payments under non-cancellable operating leases for fixed assets are as follows:

Group and Trust	Other 2025 £'000	Other 2024 £'000
Amounts due:		
Within one year	99	99
Between one and five years	112	112
More than five years	0	0
	211	211

24 RETIREMENT BENEFITS

Historically BVT staff were able to join the Cadbury Mondelez Pension Scheme, a multi employer defined benefit scheme. This offer of membership ended on April 2010, new staff are eligible to join the BVT Pensionsaver scheme, which is a defined contribution scheme set up through Legal & General.

In July 2021 all versions of the Cadbury Mondelez pension fund closed. BVT allowed current staff members to transfer to the defined contribution scheme with Legal and General. This means BVT no longer pay any contributions to the Cadbury Mondelez Pension Scheme on behalf of staff. A triennial valuation of the scheme was conducted as at 5th April 2022 and the scheme was found to be in surplus (£143m). The triennial valuation due in March 2026 has been delayed until September 2026.

In 2019 all scheme members agreed to follow the Principal Employer in making additional payments into the scheme to allow the Trustees to further de-risk the scheme for the protection of all Employers and Members. BVT made additional contributions of £121,000 in 2021. £330,000 in 2022 and £330,000 in 2023. BVT has not been asked to make any further contributions.

For the BVT Pensionsaver scheme. the Group paid contributions at the rate of 10% of pensionable pay for the year, with members contributing as much as they liked subject to a minimum contribution of 4% of pensionable pay.

The best estimate of contributions to be paid to the schemes for 2026 is £1.17m

It is not possible to identify the share of underlying assets and liabilities of the Cadbury Mondelez Pension Fund belonging to individual participating employers.

Due to the nature of the schemes, the Income and Expenditure account charge for the year under FRS102 represents the employer contribution payable.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

25 CONTINGENT LIABILITIES

There are no contingent liabilities known at the balance sheet date.

26 RELATED PARTY TRANSACTIONS

BVT owns 100% of the issued share capital amounting to £100, of Bournville Village Developments Limited (BVD), a company incorporated in England and Wales. BVD is engaged in the co-ordination and construction of an urban village at Lightmoor in Telford. BVT helps to fund some of the working capital requirements of BVD and has agreed a loan facility for this purpose. As at 31/12/25, the outstanding balance on the loan stood at £1.4m (2024: £1.3m).

Each BVT Trustee owns 1 share out of the total 269 shares in issue of Bournville Works Housing Society Ltd (BWHS), a charitable Registered Provider of social housing, registered under the Cooperative and Community Benefit Societies Act 2014. BWHS became a subsidiary of BVT in 2011 and in 2016 put in place a coterminous board arrangement whereby the Trustees of BVT took over from the BWHS Management Committee.

BVT owns 100% of the issued share capital amounting to £100, of Bournville Village Enterprises Limited (BVE), a company incorporated in England and Wales. BVE is engaged in the market renting of properties leased from BVT.

Exemption has been taken under FRS102 from the requirement to disclose transactions with subsidiaries.

BVT gives regular annual grants to Avoncroft Museum, a Registered Charity, from surpluses made on rental income from commercial properties granted to BVT by the Croft Trust, which previously owned Avoncroft Museum. This support continued in 2025 at £15,000 per annum. Also in 2020 following a request for urgent financial support and support at the Board level made by Avoncroft Museum to BVT, David Robinson (Finance Director) joined the Trustee Board of Avoncroft in an unpaid position.

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Bournville Village Trust Group

INCOME AND EXPENDITURE ACCOUNT FOR BAT RESERVE
for the year ended 31 December 2025

INCOME	2025 £'000	2024 £'000
Income from lettings		
Rental income	597	568
Service charge income	60	65
	657	633
Market rent	599	591
Interest receivable	0	0
Other income	59	42
Grant Amortisation	8	9
	666	642
EXPENDITURE		
Services	44	44
Management	256	247
Routine maintenance	114	192
Planned maintenance	336	141
Rent (recoveries)/losses from bad debts	3	1
Depreciation of housing properties	206	251
Depreciation of other fixed assets	0	0
	959	876
Surplus for the year	(293)	(234)

This page is for the information of the committee only and does not form part of the statutory accounts.