



Annual Report & Financial Statements

Year End: 31st March 2026



The Pioneer Housing & Community Group Ltd



**Annual report and financial statements
for the year ended 31 March 2026**

Contents	Pages
Members, senior officers and advisors	3-4
Directors’ Strategic Report	5-25
Independent Auditor’s Report	26-29
Statement of Comprehensive Income	30
Statement of Financial Position	31
Statement of Changes in Reserves	32
Statement of Cash Flows	33
Notes to the Financial Statements	34-63



Pioneer Group Board

- Francis Burrows (Chair)
 - Ian Campbell
 - Jason Clarke
 - James Emblow
 - Janine Green
 - Rose Klemperer
 - Andrew Olawale
 - Hiten Patel
 - Nikki Smith (from 28 May 2025)
 - Susan Spicer (from 28 May 2025)
 - Rebecca Young
- Stuart Roberts (until 3 September 2025)

Executive Leadership Team

- | | |
|----------------|---|
| Simon Wilson | Chief Executive |
| Lauren Beech | Technology & Insight Director |
| Jo Fieldhouse | Housing & Community Director |
| Martyn Hencher | Finance Director |
| David Livesey | Asset Management & Development Director |

Company Secretary

- | | |
|---------------|-------------------|
| Kayleigh Hall | Company Secretary |
|---------------|-------------------|



Annual report and financial statements 2026

Advisors

Statutory Auditor

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

Principal Bankers

Barclays Bank
6th Floor
One Snowhill
Birmingham
B4 6GB

Registered Office

11 High Street
Castle Vale
Birmingham
B35 7PR

Legal Status

Co-operative and Community Benefit Societies number: 28414R
Regulator of Social Housing registration number: L4118
HMRC charity reference number: ZD10516
Member of the National Housing Federation



Annual report and financial statements 2026 Directors' strategic report

Introduction

The Board of the Pioneer Group is pleased to present its report and audited financial statements for the year ended 31 March 2026.

The Pioneer Housing and Community Group Limited (**The Pioneer Group**) is a charitable registered society, registered in England and Wales under the Co-operative and Community Benefit Societies Act 2014 (28414R), and is a registered provider of social housing regulated by the Regulator of Social Housing (L4118).

Our purpose

We exist to provide high-quality, safe homes and community services that create a strong foundation for people to thrive. As an anchor organisation, we are committed to sustaining the regeneration of Castle Vale and strengthening our role within the community.

We will build strong partnerships with our customers, other community anchors, and stakeholders, working together to build resilient communities where everyone has the opportunity to grow, succeed, and feel supported.

Our purpose is to make a meaningful difference in people's lives – both today and for future generations.

Our vision

We will be a great community landlord, driven by our values, providing safe, warm homes while treating every customer fairly, with respect and be responsive to their needs. As an anchor organisation in Castle Vale, we are committed to creating opportunities for people to thrive and supporting our community to reach its full potential.

Our 2025-28 Corporate Plan reflects this vision, focusing on excellence in housing, customer service, and community regeneration, while also contributing to the supply of new homes for those in need.

Our values

Our values guide everything we do, helping us to **ACT**: to be **Accountable** to our **Community** by working **Together**. These are not just words; they are the principles that drive our actions and shape our culture.

- **Accountability** – we hold ourselves to high standards and do what we say we will do
- **Community** – we create a safe and supportive environment where everyone can thrive
- **Together** – we succeed by working together

Principal activities

The principal activity of the Pioneer Group is providing social housing in north and east Birmingham, with the vast majority of the stock in Castle Vale, Birmingham. Social housing represents 87% of our turnover (2025: 88%).



Annual report and financial statements 2026 Directors' strategic report

To achieve our purpose to make a meaningful difference in people's lives, we also provide a range of other people, community and housing-focussed services including:

- Community regeneration services to support people including health, employment, family support, and services for young people
- Market rented homes
- CCTV
- A small number of commercial properties on Castle Vale High Street
- The Sanctuary community centre in Castle Vale
- Sports and leisure facilities at Castle Vale Stadium

We own and manage 2,557 social and market rent homes, of which 2,393 (94%) are in Castle Vale. Other homes are in neighbouring areas of north and east Birmingham, primarily Stechford (66 homes), Stockland Green (50 homes) and Sutton Coldfield (42 homes).

Pioneer Group structure

The Pioneer Group is the group parent. It is a charitable Registered Provider, holding all the Group's housing assets and all its borrowing. It is the only active legal entity in the Group.

The Pioneer Group has one dormant subsidiary: **The Merlin Venture Limited**, a company limited by guarantee, which ceased trading on 30 July 2021.

The Pioneer Group's former subsidiary **Compass Support Services Limited**, a charity registered with the Charity Commission, ceased trading on 30 November 2024 and was dissolved on 10 June 2025.

This structure allows for other brands or organisations to join the Group in the future. There are no financial cross guarantees between group members, which protects the social housing assets.

The Pioneer Group heritage

The government-sponsored Castle Vale Housing Action Trust programme ran in Castle Vale, Birmingham, from 1993 to 2004, refurbishing existing homes, building new homes, and investing in the wider environment of the estate.

Castle Vale was transformed into a modern, low-rise estate, with only two high rise buildings remaining from the original 34. The two commercial centres on the estate were demolished and rebuilt with a range of modern retail and community facilities, and a new central park was created.

The Housing Action Trust was designed to be temporary, and a priority was to plan for succession, once the Trust's work ended in 2005.

The Pioneer Group was founded in 1996 to be the long-term anchor organisation of Castle Vale, and by 2005 had taken ownership of 2,400 homes built or refurbished as part of the regeneration programme.

This heritage makes the Pioneer Group different to other stock transfer housing associations. We have inherited a concentrated stock of high-quality homes and retain a firm commitment to sustaining the successful regeneration of Castle Vale through wider people and community-focussed activities.

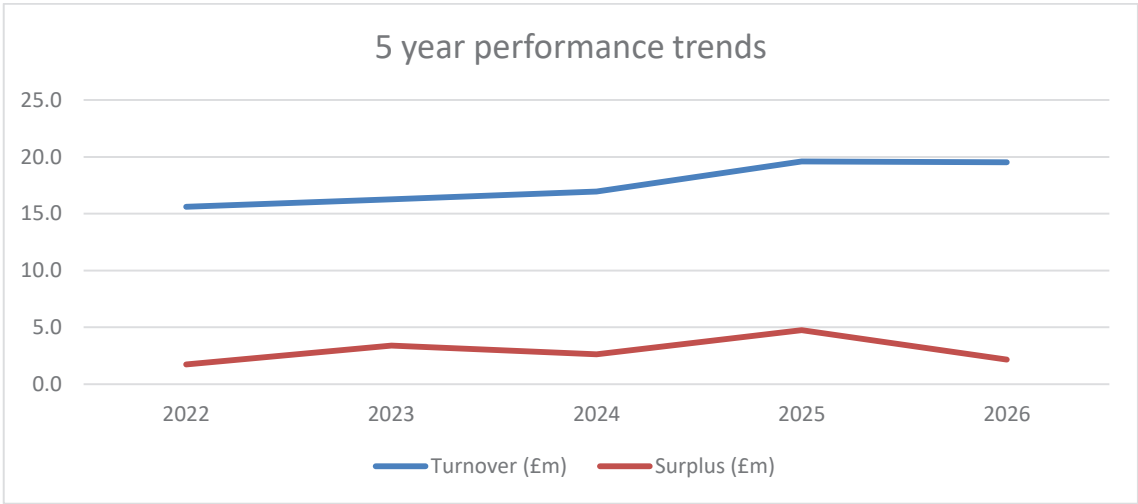


We invest significant resources in non-social housing activities to ensure that this successful regeneration is maintained.

Two decades later, Castle Vale continues to be a good place to live. The quality of the housing stock is high, the environment is clean and pleasant, and there is a substantial waiting list for people wanting to live in the area.

Five-year performance trends

Social housing letting remains by far our most significant individual income source at 82% of total turnover (2024: 80%). The next most significant contributors to turnover are market rent (6% of total), shared ownership sales (5% of total) and community regeneration (3% of total). Other sources of income are not significant, making up 4% of total turnover (2024: 3%).



Our development programme means we now have 70 more homes than in 2022, a growth of 3% in four years. Our financial business plan aims for growth of 293 homes over the next six years, mainly through development of new homes.

	2022	2023	2024	2025	2026
Turnover	£15.6m	£16.3m	£16.9m	£19.6m	£19.5m
Operating surplus	£3.2m	£4.7m	£3.1m	£3.7m	£3.8m
Surplus	£1.7m	£3.4m	£2.6m	£4.8m	£2.2m
Homes provided – social and market rent	2,487	2,517	2,541	2,563	2,557



Annual report and financial statements 2026 Directors' strategic report

Corporate Plan 2025-28

Our new Corporate Plan organises our activity around four strategic themes, with clear measures of success to be achieved by 2028.

People

In the next 3 years we will...

- Put customers at the heart of everything we do.
- Build trust by doing what we say we will do and learning from our mistakes.
- Work with compassion and empathy, treating everyone with dignity and respect.
- Listen to customers, gather evidence and use the insight to design services that meet customer needs.
- Develop services that are easy to access and simple to use.

By 2028:

- 90% of customers will say they are happy with our services
- 90% of our customers will say we treat them fairly and with respect
- 80% of our customers will say that we listen and act on their views
- 60% of our customers will say they are happy with our approach to complaint handling

Housing

In the next 3 years we will...

- Gather and maintain robust survey data on all our homes.
- Prioritise investment to ensure homes are well-maintained and meet our customers' needs – providing quality homes they can be proud of.
- Ensure all homes are safe by meeting the latest legislative and regulatory requirements.
- Improve energy efficiency, making homes warmer and more sustainable for the future.
- Build new social homes to meet community needs.

By 2028:

- 82% of customers will say they are happy with the overall repairs service.
- We will have an accurate and up-to-date understanding of the condition of our properties.
- 92% of our homes will be rated EPC band C or better for energy efficiency.
- We will be 100% compliant in all property health and safety areas, covering, gas, electrical, fire, damp, mould and condensation, asbestos, lifts and water.
- The quality of our homes will exceed sector requirements including the Decent Homes Standard, Building Safety & Awaab's Law.



Annual report and financial statements 2026 Directors' strategic report

Community

In the next 3 years we will...

- Work with the community to identify long term solutions to specific and identified need, adapting our community regeneration offer to deliver sustainable solutions for the future.
- Continue investing in community regeneration, securing funding sources that complement identified needs and strengthen our financial capacity.
- Continue to deliver support services that enable customers to sustain their home and live active, healthy and meaningful lives.
- Re-invent the Castle Vale Partnership, increasing collaboration and enabling every organisation to focus on their individual strengths and unique selling points (USPs), delivering the best outcomes for our community.
- Continue to invest £1.5million into the community through our Pioneer Pledge, delivering priority services such as The Sanctuary community centre, Castle Vale Stadium, CCTV, estate services, and community regeneration services.

By 2028:

- 85% of our customers using our support services will tell us it has had a positive impact on their lives.
- 85% of our customers will say we make a positive contribution to their neighbourhood.
- Customer satisfaction with the maintenance of communal areas will reach 80%.
- We will improve the way we handle anti-social behaviour, increasing customer satisfaction to 75%.

Foundations

In the next 3 years we will...

- Ensure effective oversight and control through good governance, influenced by the voice of our customers.
- Maintain financial strength to keep our promises and remain independent.
- Ensure our colleagues and board members are professional, live our values and reflect the diversity of Birmingham.
- Deliver a new digital offer to provide a better customer experience.
- Make sure we have accurate information to make fair and balanced decisions.
- Improve communication with both colleagues and customers.

By 2028:

- As set out by the Regulator of Social Housing we will maintain our strong Governance rating (G1), achieve the highest rating for Consumer Regulation (C1) and maintain our Financial Viability rating (V2).
- 90% of our colleagues will recommend us as a good place to work.
- 80% of customers will say we keep them informed about things that matter.



Performance against our Corporate Plan and highlights of our work in 2025/26

We have several value for money targets to show progress against our corporate commitments for each year of the Corporate Plan 2025-28. These include tenant satisfaction measures (TSMs).

The trend and performance columns are colour coded in the same format as the regulatory metrics. The peer comparison shows the median result for a group of peers selected based on location and size. Our peer group members have less than 6,000 social homes and operate in the Midlands. The national comparison shows the median result for all national registered providers, excluding London, available from Housemark, both comparisons with 2025 data, which is the most recent data available.

Overall delivery in the first year has been strong. We are already achieving the Corporate Plan 2028 targets for 6 strategic Commitments, and we are on track to achieve the remaining 14 Commitments by 2028.

Corporate goal 1 (People): key highlights

We have completed the **window and doors programme**, with 98% of customers satisfied, spending £11 million to improve fuel efficiency for nearly 2,000 homes, which has helped increase the SAP rating across our stock. Correspondingly we have improved overall satisfaction by 5% over the year, placing us at upper quartile performance nationally and against peers.

The **Allocations Policy**, enabling us to deliver a fairer, clearer approach to prioritising housing applications, was approved by Pioneer Group Board. The Rubixx housing management system is being configured to align with our policy, with the project due to conclude in September 2026.

The Tenant Scrutiny Panel undertook a review of the anti-social behaviour service. We redefined our service standards and response times, introducing 100% case auditing, enhanced oversight and quality assurance through the Community Safety Manager. Resultingly, we have seen a significant increase in customer satisfaction for both the way in which the cases are now handled and the outcomes achieved.

Corporate goal 1 (People): performance against our commitments

Our metric		Trends				Performance		
		2025 Actual	2026 Actual	2027 Target	2028 Target	2026 target	Sector median	Peers median
Pillar: People	90% of customers will say they are happy with our services	84%	89%	89%	90%	85%	77%	78%
	90% of our customers will say we treat fairly and with respect	87%	90%	90%	90%	86%	82%	83%
	80% of our customers will say that we listen and act on their views	74%	79%	79%	80%	73%	69%	71%
	60% will say they are happy with our approach to complaint handling	38%	49%	58%	60%	50%	41%	41%



Annual report and financial statements 2026 Directors' strategic report

We have seen an 11% improvement in customer satisfaction with complaint handling driven by an updated policy and procedure, changes to roles and a focus on ensuring complaints are closed within timescale, embedding a culture where the lessons learnt are documented and actions taken from them result in an improved service. This together with the roll out of the **Customer Portal** and the start of **omni-channel** will further improve the customer experience and services delivered.

Corporate goal 2 (Housing): key highlights

We have achieved **100% coverage of Energy Performance Certificates (EPCs)** and **97% coverage of stock condition** surveys, which means we are in an informed position to understand our stock needs now and going forward. As a result, we have developed a robust 30-year investment plan that we know will keep our homes in great condition. Work to deliver warmer homes has also seen significant movement with our route to SAP C maturing, supported by fully costed business plans.

We have started on-site at **Burcote Road** (our first EPC A rated scheme) and **Lindridge Drive** and committed our SP2 Homes England funding. We were successful in securing funding of £1.44m from West Midlands Combined Authority to switch tenure from Affordable to Social Rent at these schemes. In addition, we secured additional Modern Methods of Construction funding of £270,000 from Homes England in respect of utilising timber frame construction on both schemes.

We have worked hard to identify solid development opportunities and have participated in a submission to Homes England for £27m grant (as part of larger £330m consortium bid). To fund these developments, the **Nationwide loan restatement** has been completed. Additionally, the **Santander loan restatement** completed in June 2026, with **securitisation** due to complete for both loans by September 2026. These restated facilities provide us with £55 million revolving credit facilities, giving us flexible funding to support development of new homes.

Corporate goal 2 (Housing): performance against our commitments

	Our metric	Trends				Performance		
		2025 Actual	2026 Actual	2027 Target	2028 Target	2026 target	Sector median	Peers median
Pillar: Housing	82% of customers will say they are happy with the overall repairs service	77%	82%	80%	82%	77%	79%	79%
	We will have an accurate and understanding of the condition of our properties	66%	97%	100%	100%	100%	-	-
	92% of our homes will be rated EPC band C or better for energy efficiency	69%	93%	93%	93%	84%	77%	65%
	We will be 100% compliant in all property health and safety areas	99.2%	99.7%	100%	100%	100%	-	-
	The quality of our homes will exceed the Decent Homes Standard	99.8%	99.8%	100%	100%	100%	-	-



Corporate goal 3 (Community): key highlights

Our community regeneration activities have achieved positive outcomes across all areas of delivery against the backdrop of an increasingly challenging funding environment, with a slight increase in user engagement of 5% compared to last year, with 99% of service users satisfied with community regeneration services.

The aggregate positive outcome for community regeneration service users has held steady at 86% due to strong performance on the number of adults supported into employment, which exceeded the target for the first time since 2020. The opening of a dedicated Skills Hub, providing a facility for skills and employment support, has contributed to the achievement of this target, together with our offer on digital inclusion and functional skills training delivered in partnership with BMET FE college and Birmingham Adult Education Service.

Corporate goal 3 (Community): performance against our commitments

	Our metric	Trends				Performance		
		2025 Actual	2026 Actual	2027 Target	2028 Target	2026 target	Sector median	Peers median
Pillar: community	85% of customers using our support services will tell us it has had a positive impact on their lives	86%	86%	85%	85%	85%	-	-
	85% of our customers will say we make a positive contribution to their neighbourhood	83%	84%	84%	85%	83%	70%	71%
	Customer satisfaction with the cleanliness and maintenance of communal areas of 80%.	74%	77%	78%	80%	77%	71%	73%
	There will be a rise in customer satisfaction with how we handle anti-social behaviour to 75%	66%	71%	72%	75%	69%	65%	67%

Corporate goal 4 (Foundations): key highlights

We have aligned all services under two **brands**, with our Pioneer Group brand remaining our key focus with all services operating under this brand. The **new website** brings together all the work that we have been doing on brand and solidifies this with a clear tone of voice, look and feel that is now recognisable to our customers and stakeholders. Parallel to this was our focus on improving our **intranet**, with more informative information within pages and increased stories to bring our brand to life.

We have completed our **Data Quality** project focused on improving property data, continued to increase the amount of data that we hold about our customers and the roll out of reporting **dashboards** focused on service delivery is progressing as planned.

We have made significant progress in configuring the new **housing management system** modules to meet our requirements, ensuring our new digital offer provides a better customer experience. Roll out of



Rubixx (including the Customer Portal) and the start of the omni-channel project, providing a single source of truth for customer information, will improve colleague efficiency as well as providing more robust and more accessible data to improve customer experience and services delivered.

Corporate goal 4 (Foundations): performance against our commitments

	Our metric	Trends				Performance		
		2025 Actual	2026 Actual	2027 Target	2028 Target	2026 target	Sector median	Peers median
Pillar: Foundations	Maintain Governance and Financial Viability ratings (G1 & V2) and achieve Consumer Regulation (C1)	G1, V2	G1, V2	G1, C1 & V2	G1, C1 & V2	G1, C1 & V2	-	-
	90% of our colleagues will recommend us as a good place to work	94%	96%	90%	90%	90%	-	-
	80% of customers will say we keep them informed about things that matter	78%	81%	81%	81%	78%	76%	76%

Our commitments for next year

Our annual planning process has identified nine major projects for delivery this year, five of which are continuation projects.

Corporate goal 1: People

We will complete the configuration of the housing management system (Rubixx) to align with the **Allocations Policy** and deliver an **omni-channel** approach to ensure consistency across all communication channels, increasing the ways that customers can interact with us, thereby creating one version of the truth for customer engagement.

Corporate goal 2: Housing

The focus next year will shift to delivering bathrooms, heating systems and roofs as part of the planned work programme, which was identified as priority areas through the major works modelling in the 30-year business plan, increasing stock condition coverage and improving resident and building safety in our high risk buildings by implementing recommendations following the creation of the building safety cases.

This will include **refurbishment of tower blocks** to improve protection for residents and ensure compliance with the Building Safety Act.

Corporate goal 4: Foundations

We will continue to implement **Rubixx**, a modern cloud-based housing management, asset management, CRM and finance system. This major improvement in our IT systems will provide a better customer experience, more efficient ways of working, more robust data management and better value for money. Aligned to this, we will implement a **document management system** to improve security and deliver



Annual report and financial statements 2026 Directors' strategic report

cost savings by centralising documents for easier retrieval and version control, helping us with regulatory compliance, business continuity and reduced paper files.

We will continue to improve our **website**, creating an accessible, fully integrated website that enhances customer self-service, supports omni-channel and delivers a faster, more intuitive user experience.

We will develop a suite of automated **performance dashboards** so that our managers have real time performance management information and one version of the truth.

We will meet the requirements set out in the **Social Tenant Access to Information Requirements (STAIRs)** policy statement, ensuring tenants can access information about how their homes and services are managed

We will complete securitisation of our new £55 million revolving credit facilities.

Principal risks and uncertainties

We have a comprehensive and well-established risk management process. Strategic risks are assessed and reported quarterly through the Corporate Risk Register. The risk framework is accompanied by clear risk appetites and golden rules set by the Board.

The Board focuses on those risks with the highest residual scores. The Audit & Assurance Committee carries out detailed scrutiny of the whole risk register and seeks assurance regarding the effectiveness of key controls against any risk in the risk register.

The principal strategic risks we face, which have the highest residual scoring in the Corporate Risk Register, are:

Risk	Description	Assurance/mitigation/action
Development pipeline	We do not deliver new homes required to meet the Corporate Plan, Business Plan & deliver on grant contract with Homes England.	An experienced Development team is in place which has a dedicated resource focusing on development activities and identifying new development opportunities to progress the forward pipeline. Development Strategy outlines the Group's development ambitions, in line with our Corporate Plan Objectives.
Net zero carbon	Risk of non-compliance and cost of achieving Net Zero Carbon by 2050 is prohibitive	Environmental Strategy outlines our journey to net zero in manageable steps. Dedicated resource in the form of an Environmental Officer has been introduced into the team to deliver specifically on Net Zero target. Property Intelligence to understand our needs for achieving Net Zero Targets



Annual report and financial statements 2026 Directors' strategic report

Financial performance

The overall financial performance of the Pioneer Group is a surplus after tax of £2.2 million (2025: £4.8 million).

Our core activity is social housing. Social housing accounts for 87% of our turnover (2025: 88%).

Turnover remained steady, reducing by 0.4% to £19.5 million (2025: £19.6 million). Turnover in our largest income stream, social housing lettings, rose by 2% to £15.9 million.

There was an 8% increase in turnover from activities other than social housing. Income from community regeneration fell by 13% to £0.5 million, reflecting continued competition for funding in that sector. Income from market rented housing rose by 11% to £1.2 million, due to market conditions and acquisition of additional properties.

Our operating costs rose 4% to £15.7 million (2025: £15.1 million).

We have benefited from £0.7 million of interest receivable (2025: £1.3 million), as we placed our high cash balances on short term deposit to benefit from high market interest rates. This continues to drop as we invest our cash in improving our assets. Available interest rates for deposits also reduced over the course of the year.

Our operating model is to generate surpluses from the social housing assets and use these to support wider community and people focussed services, in accordance with our charitable mission.

This year we invested a net £1.2 million (2025: £1.0 million) in activities other than social housing, primarily in community regeneration. Community regeneration includes a range of services to support people and communities, including families, young people, employment, health and wellbeing. The increase in net spend for activities other than social housing is due to the reduction in income for community regeneration.

We regard these as essential parts of our wider charitable mission, but they also benefit core landlord services by helping to sustain tenancies and ensuring that Castle Vale remains a desirable place to live with strong demand for homes. This contributes to our unusually low void loss for our demographic area.

Some elements of non-social housing activity are carried out as investments with the intention of generating funds to subsidise our charitable aims. The most significant of these is the market rent portfolio, which represents 6% of our turnover and 4% of our properties (2025: 6% of turnover, 4% of properties). The market rent portfolio generated a net surplus of £0.6 million (2025: £0.5 million).

Total comprehensive income for the year was £2.2 million (2025: £4.8 million). There was a £0.5 million change in the accounting value of investment properties, which partially reversed a £1.7 million notional gain reported last year. This year's valuation is supported by an independent valuation.

Our balance sheet shows a 6% increase in fixed assets to £126 million (2025: £119 million), primarily due to investment in new and existing homes. Retained revenue reserves have risen by 5% to £47 million (2025: £45 million).

Our cash balance at year end was £16 million (2025: £22 million), alongside a £35 million undrawn revolving credit facility. The £6 million reduction in cash is due to planned investment in new and existing



**Annual report and
financial statements 2026
Directors’ strategic report**

homes, particularly our windows and doors programme. These cash balances will be spent over the next 2 years to fund the development in new and existing homes within our 2025-28 Corporate Plan.

Drawn loan balances have fallen from £60 million to £58 million following scheduled loan repayments. We remain in a strong treasury position; 100% of current loans are fixed until they are due for final repayment. The average cost of drawn debt at the reporting date is 2.8% (2025: 3.0%).

All loan covenants have been met during the year.

The Pioneer Group Board intends to retain sufficient levels of reserves to protect the long-term interest of tenants and service users, including allowing for the ongoing provision of homes at below market rents, continued investment in the safety and quality of those homes, building new homes to help with the housing crisis, honouring contractual commitments and continuing to fund a range of important community services.

Value for Money Standard – performance against regulatory metrics

The table below shows performance against the nine metrics set by the Regulator of Social Housing.

The 2026 target column is colour coded to show whether the target was achieved (green) or not achieved (red). Peer and sector comparisons are colour coded in a four-quartile system to show our 2026 results relative to peer and sector benchmarks.

The peer comparison shows the median result for a group of 12 peers, which we have selected based on factors identified by the Regulator’s VFM regression analysis as being relevant to a useful VFM comparison. Our peer group members have 1,000-4,000 social homes; operate in England, excluding London; fewer than 10% of their homes are supported housing or housing for older people; fewer than 40% of their homes are flats and at least 80% of their income is from social housing.

The national comparison shows the median result for all registered providers, from the Regulator’s analysis of the global accounts for the sector. Both comparisons are with 2025 data, which is the most recent data available.

The Board considers that it is important to demonstrate good value for money against both immediate peers, who offer the closest like for like comparison, and the whole sector, to demonstrate that remaining a smaller independent provider delivers positive value for money outcomes compared to the larger providers.



Annual report and financial statements 2026 Directors' strategic report

Regulatory metric	Trends					Performance		
	2023 Actual	2024 Actual	2025 Actual	2026 Actual	2027 Target	2026 Target	Sector median	Peers median
Reinvestment	7.3%	7.1%	10.1%	8.1%	7.7%	9.1%	7.6%	6.6%
New supply delivered (social housing units)	1.6%	1.1%	1.0%	0.0%	0.0%	0.0%	1.3%	0.8%
New supply delivered (non-social housing units)	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%
Gearing	32.9%	36.1%	38.0%	40.2%	46%	41.7%	45.5%	26.7%
EBITDA MRI interest cover	265%	179%	(51%)	(66%)	270.3%	(165%)	113%	141%
Headline social housing cost per unit	£3,520	£4,400	£7,266	£7,072	£4,223	£8,325	£5,576	£5,125
Operating margin (social housing lettings)	32.6%	25.7%	27.4%	27.7%	35.3%	27.3%	20.5%	23.0%
Operating Margin (overall)	22.6%	17.4%	17.6%	15.9%	18.8%	18.8%	17.6%	21%
Return on capital employed	3.1%	2.3%	2.7%	2.8%	2.5%	3.4%	3.1%	2.9%

* Sector and peer medians: 2024/25 Global Accounts benchmarking data

	= Upper Quartile
	= Better than median
	= Lower than median
	= Lower Quartile

The 2026 results of the regulatory metrics show the following headlines:

- Outperforming the sector in four of the nine indicators (2025: four).
- Outperforming peers in four of the nine indicators (2025: four).
- Achieving targets in six out of nine indicators (2025: five).
- Improving or consistent performance in four of the nine indicators (2025: five).
- Upper quartile performance compared to the sector in one indicator (2025: one).

The VFM results this year reflect our substantial investment in the quality of our homes through our windows and doors replacement programme. This is a deliberate strategic decision by the Board to invest in existing homes and is made possible by the substantial covenant headroom we have secured. We are proud that our strong financial management has enabled us to bring forward this expenditure as a response to the cost-of-living crisis.



Annual report and financial statements 2026 Directors' strategic report

This high level of expenditure means that, as expected, we are temporarily an outlier in the sector and in our peer group for EBITDA MRI interest cover and headline social housing cost per unit. These trends will reverse next year, now that the programme has completed, and our metrics will outperform current sector medians.

Building new homes remains important to us. As expected, we did not complete any homes during the year and this means our new supply figures are relatively low. This has also caused our reinvestment figure to fall from last year, despite the large investment in windows and doors. These figures will improve in future years as we begin a programme to deliver 250 new homes over the next five years.

This will cause our gearing, which has risen due to our investment in existing homes, to continue to rise to be more in line with sector average.

Our social housing operating margins and return on capital employed rose this year and are forecast to continue to rise next year. Our operating margin was also relatively weak this year, but we expect to outperform our peers and the sector next year.

Transparency, Influence & Accountability Standard metrics

The Transparency, Influence & Accountability Standard requires us to provide tenants with accessible information about our directors' remuneration and management costs.

The table below shows performance against the three metrics set by the Regulator of Social Housing. We will seek comparable information from our peer group when it becomes available.

Regulatory metric	Cost per social home				
	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Actual
The remuneration payable to the highest paid director, relative to the size of the landlord	£49	£52	£46	£48	£52
The aggregate amount of remuneration paid to directors, relative to the size of the landlord	£209	£228	£229	£264	£254
Management costs relative to the size of the landlord	£794	£855	£968	£1,136	£1,213



**Annual report and
financial statements 2026
Directors' strategic report**

Statement of the responsibilities of the Pioneer Group Board for the financial statements

Housing association legislation requires the Pioneer Group Board to prepare financial statements for each financial year which give a true and fair view of the state of our affairs at the end of the financial year and of our surplus for the year ended on that date.

In preparing those financial statements the Pioneer Group Board is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed and give details of any departures.
- Prepare the financial statements on a going concern basis unless it is inappropriate.
- Ensure there is no relevant audit information of which the auditors are unaware.

The Pioneer Group Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time our financial position and to enable them to ensure that the accounts comply with the Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008.

It is also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over our accounting records, cash holdings and receipts and remittances.

The Board members are responsible for the maintenance and integrity of our website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

The Board members have taken reasonable care to make themselves aware of any relevant audit information and ensure that the auditors are aware of all relevant audit information.



Annual report and financial statements 2026 Directors' strategic report

Going concern

Our activities, together with the factors likely to affect our future success, our financial position and our exposure to risk, are described above.

We have considerable financial resources and, consequently, the Pioneer Group Board believes that we are well placed to manage our business risks successfully despite current uncertainties in the social housing sector and wider UK economy.

Our loan funding contains a modern covenant suite based on EBITDA interest cover rather than EBITDA MRI interest cover. This provides us with much more flexibility than many of our peers has substantially, with headroom of over 100% throughout our 30-year financial business plan. As a result, the long-term financial plan is highly resilient to covenant risk in a range of scenarios.

The Board conducted stress testing of our financial business plan in May 2025 and concluded that the financial plan is resilient to a wide range of potential risks.

We have significant access to liquidity, with £16 million of cash at the reporting date. We signed restated loan agreements with our funders in March 2026 and June 2026 which provide £55 million of revolving credit facilities over the next 5-8 years. This liquidity is substantially greater than our cost base and capital commitments for next year.

The Pioneer Group Board therefore has a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future and, accordingly, continues to adopt the going concern basis in preparing the financial statements.

Governance code

The Pioneer Group Board has adopted the National Housing Federation Code of Governance 2020. The Board confirms its compliance with the code.

Governance structure

The Pioneer Group Board is ultimately responsible for our strategy and policy framework.

- The Board currently comprises 11 members, including two co-optees. The Rules of the Pioneer Group allow for up to 12 members including co-optees.
- The majority of members are recruited directly.
- Three of the Pioneer Group Board members should have a community connection from one of the Pioneer Group communities.
- Each member is appointed for a term of three years and may be re-appointed at the end of that period, to a term of six years. This may be extended to nine years at the Pioneer Group Board's discretion.
- The Board meets formally not less than six times per year for regular business.
- A rolling programme of training for Pioneer Group Board members is in place.



Annual report and financial statements 2026 Directors' strategic report

Board Members are selected to bring a diverse range of skills and expertise in our activities. The Board is committed to continued Board development. Individual board members are subject to annual appraisals, and the Board reviews its collective effectiveness on an annual basis. Board effectiveness is independently reviewed every three years.

To support it in achieving our aims, the Pioneer Group Board has delegated some responsibility to specialist committees.

Executive Leadership Team

The Board delegates the day-to-day management and implementation of the control framework to the Chief Executive and other senior leaders named on page three. The Executive Leadership Team meets regularly, and officers attend Pioneer Group Board meetings.

Sub-committees

- **Audit & Assurance Committee**

The committee supports the Pioneer Group Board by ensuring that an effective control and assurance framework is in place. This includes overseeing the relationship with our internal and external auditors. At least half of the members must be members of the Pioneer Group Board. The committee meets formally at least four times per year.

- **Customer Influence Committee**

The committee supports the Pioneer Group Board by monitoring and influencing customer-facing operational services. The committee is made up of one independent member, one Pioneer Group Board Member and four tenants/residents. The committee meets formally at least four times per year.

- **People & Governance Committee**

The committee supports the Pioneer Group Board by overseeing its approach to people, governance, Chief Executive appraisal and remuneration. The committee meets formally at least three times per year.



Annual report and financial statements 2026 Directors' strategic report

Subsidiary boards

Subsidiaries have their own boards, with clear reporting and assurance back to the Pioneer Group Board.

- **The Merlin Venture Board**

The board is responsible for the dormant legal entity, following the decision to cease trading in July 2021. The board currently meets on an ad hoc basis.

Regulatory framework for social housing

The Board considers it a priority to demonstrate high standards of governance and transparency, to comply with the regulatory framework for social housing, and to achieve strong regulatory ratings under the Governance and Financial Viability Standard.

We are assessed by the Regulator of Social Housing on an annual basis. We are rated as G1 for governance and V2 for financial viability, with the most recent judgement being published in December 2024. The compliant V2 rating reflects our significant recent investment in existing homes to improve affordable warmth, which has weakened our financial performance for the last two years.

The Board has undertaken a detailed self-assessment exercise against the regulatory framework and continues to proactively engage with the regulator and wider regulatory framework on an ongoing basis.

The Board confirms its compliance with the regulatory framework, during the year and up to the signing of these accounts.



Internal control assurance

The Pioneer Group Board is responsible for our overall system of internal control and for reviewing its effectiveness.

In discharging its internal control responsibility, the Pioneer Group Board has evolved processes adopted by management to gain assurance that:

- Assets are protected and we are safeguarded from losses.
- Financial information is accurate and reliable.
- We work within applicable laws and regulations.
- Effectiveness and efficiency of operations is ensured.

The Pioneer Group Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of our assets and interests.

In meeting its responsibilities, the Pioneer Group Board has adopted a risk-based approach to internal controls which is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which we are exposed.

The process adopted by the Pioneer Group Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- **Appropriately qualified staff**

Experienced and suitably qualified staff are allocated responsibility for important business functions. Job descriptions are appropriate and specific and annual appraisal procedures are well established ensuring standards of performance are maintained.

- **Identification and evaluation of key risks**

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of our activities. The management team regularly considers and receives reports on significant risks facing us and the Chief Executive is responsible for reporting to the Pioneer Group Board any significant changes affecting key risks. Reports to Boards and Committees include an assessment of relevant risk and, where necessary, detail on how risk is being mitigated.

- **Control environment and control procedures**

The Pioneer Group Board retains responsibility for a defined range of strategies, policies and procedures covering operational and financial compliance issues including treasury strategy and new investment projects. Policies and procedures cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention, detection and reporting.



Annual report and financial statements 2026 Directors' strategic report

A fraud prevention policy, including a fraud response plan, is in place and subject to periodic review by the Pioneer Group Board. A fraud register exists and is reviewed annually by the Audit & Assurance Committee.

- **Information and financial reporting system**

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Pioneer Group Board. The Pioneer Group Board also reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

- **Monitoring and corrective action**

A process of regular management reporting on control issues provides assurance by senior management to the Pioneer Group Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services.

- **Internal audit**

The Pioneer Group contracts specialist internal auditors TIAA to provide independent assurance on key elements of the internal control framework.

Internal audit reviews are designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve our objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks is provided.

Areas reviewed during the year were rent setting; cyber security; treasury management; development new business and market sales; complaints; service charges; and stock condition and data quality.

The overall internal audit opinion for the year is that, for the areas reviewed during the year, the Pioneer Group has reasonable and effective risk management, control and governance processes in place.

- **Financial planning and stress testing**

The Pioneer Group Board has continued to operate a range of stress testing, recognising its responsibility for the identification of potential risk scenarios and appropriate mitigations. Significant resource is devoted to financial planning, which is carried out using industry standard financial planning software (Brixx). An asset and liability register is also in place and is subject to regular review and further development.

There were no identified weaknesses in internal financial control that required disclosure in the financial statements or in the auditor's report on the financial statements.



Annual report and financial statements 2026 Directors' strategic report

Legal Status

The Pioneer Housing and Community Group Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014 (28414R) and is also registered with the Regulator of Social Housing (L4118) as a Registered Provider.

Pioneer Group Board Members' & Chief Executive's Liability Insurance

We maintain insurance against the liabilities of all members of the Pioneer Group Board and the Chief Executive in relation to their duties.

Post Balance Sheet Events

There were no post balance sheet events.

Auditor

A resolution to re-appoint Menzies LLP as external auditor will be proposed at the forthcoming Annual General Meeting. Menzies LLP have expressed their willingness to continue in office.

By Order of the Pioneer Group Board

Signed by:

Francis Burrows

C7FA43AA3F814F8...

Francis Burrows
Chair

Signed by:

Kayleigh Hall

DD2A7AA078A94E7...

Kayleigh Hall
Company Secretary

2 September 2026



Annual report and financial statements 2026 Independent auditor's report to members

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2026 and its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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



**Annual report and
financial statements 2026**
Independent auditor's report to members

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 19, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Annual report and financial statements 2026 Independent auditor's report to members

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. 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.

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 association, 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 Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2022, 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.
- 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 association's activities and the regulated nature of the association'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.



**Annual report and
financial statements 2026**
Independent auditor's report to members

- 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 the audit report

This report is made solely to the association's members as a body in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body for our audit work, for this report, or for the opinions we have formed.

Statutory Auditor: Menzies LLP

Signed by:

Menzies LLP

Date 24-Sep-2026

DBC7679AF0DF489...

Address:

The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT



Annual report and financial statements 2026

Statement of Comprehensive Income for the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Turnover	3	19,512	19,593
Cost of sale	3	(705)	(1,088)
Operating expenditure	3	(15,714)	(15,063)
Surplus on disposal of property, plant and equipment	7	755	313
Operating surplus		3,848	3,755
Interest receivable	8	722	1,277
Interest and financing costs	9	(1,857)	(1,971)
Surplus on revaluation of investment properties	15	(546)	1,694
Surplus before tax		2,167	4,755
Taxation	6	-	-
Surplus for the year	5	2,167	4,755
Actuarial gains/(losses) in respect of defined benefit pension schemes	12	29	69
Total comprehensive income for the year		2,196	4,824

All results relate to continuing activities.



Annual report and financial statements 2026

Statement of Financial Position as at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Intangible assets	13	650	160
Housing properties	14	104,542	98,302
Investment properties	15	17,917	17,321
Homebuy loans receivable	16	106	106
Other property, plant and equipment	17	3,298	3,206
		<u>126,513</u>	<u>119,095</u>
Current assets			
Inventory	18	2	627
Trade and other debtors	19	1,414	2,365
Cash and cash equivalents	20	16,135	22,443
		<u>17,551</u>	<u>25,435</u>
Creditors: amounts falling due within one year	21	<u>(5,240)</u>	<u>(5,616)</u>
Net current assets		<u>12,311</u>	<u>19,819</u>
Total assets less current liabilities		<u>138,824</u>	<u>138,914</u>
Creditors: amounts falling due after more than one year			
Other creditors	22	91,170	93,238
Pension liability	12	325	543
		<u>91,495</u>	<u>93,781</u>
Capital and reserves			
Share capital	24	-	-
Revenue reserves		47,329	45,133
Total capital, reserves and long term creditors		<u>138,824</u>	<u>138,914</u>

The financial statements on pages 30 to 63 were approved by the Pioneer Group Board on 2 September 2026 and were signed on its behalf by:

Signed by:
Francis Burrows
C7FA43AA3F814F8...
Francis Burrows
Chair

Signed by:
Ian Campbell
84D1E673377F445...
Ian Campbell
Board Member

Signed by:
Kayleigh Hall
DD2A7AA078A94E7...
Kayleigh Hall
Company Secretary



Statement of Changes in Reserves
as at 31 March 2026

	2026	2025
	Income & Expenditure reserve £'000	Income & Expenditure reserve £'000
At 1 April	45,133	40,308
Surplus for the year	2,167	4,755
Actuarial gain/(loss) in respect of pension schemes	29	69
At 31 March	47,329	45,132



Annual report and financial statements 2026

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

	Note	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Net cash generated from operating activities	25		5,839		4,963
Cash flows from investing activities					
Purchase of property, plant and equipment		(10,335)		(7,512)	
Purchase and refurbishment of housing and investment properties		(1,114)		(3,599)	
Proceeds from sale of property, plant and equipment		956		2,110	
Interest received		1,044		1,524	
Net cash flows from investing activities			(9,449)		(7,477)
Cash flows from financing activities					
Interest paid		(1,785)		(1,887)	
Repayments of borrowings		(1,667)		(1,575)	
Fees Paid		(151)		-	
Grants		905		161	
Net cash flows from financing activities			(2,698)		(3,301)
Net (decrease)/increase in cash and cash equivalents			(6,308)		(5,815)
Cash and cash equivalents at the beginning of year			22,443		28,258
Cash and cash equivalents at 31 March	25		16,135		22,443



Annual report and financial statements 2026 Notes to the financial statements

1 Legal status and relationship between parents and subsidiaries

The Pioneer Housing and Community Group Limited (The Pioneer Group) is the group parent.

It is a registered society under the Co-operative and Community Benefit Societies Act 2014 (28414R) and is a registered provider of social housing (L4118). Its registered office is 11 High Street, Castle Vale, Birmingham, B35 7PR. It is controlled by its Board, as disclosed on page three.

The Pioneer Group has one dormant subsidiary:

- The Merlin Venture Limited is a company limited by guarantee (03615422).
- Its registered office is 11 High Street, Castle Vale, Birmingham, B35 7PR.
- The ultimate controlling party of The Merlin Venture Limited is the Pioneer Housing and Community Group Limited.
- The Merlin Venture Limited is not registered with the Regulator of Social Housing.
- This subsidiary is dormant.

The Pioneer Group formerly had one further subsidiary, which has now been dissolved:

- Compass Support Services Limited was a company limited by guarantee (3506460) and a registered charity (1068324), regulated by the Charity Commission.
- Its registered office was 11 High Street, Castle Vale, Birmingham, B35 7PR.
- The ultimate controlling party of Compass Support Services Limited was the Pioneer Housing and Community Group Limited.
- This subsidiary ceased trading in November 2024 and was dissolved on 10 June 2025.

2 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with September 2024 Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for registered social housing providers 2018 (the SORP), the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2022.

The Pioneer Housing and Community Group Limited is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed "PBE" in FRS 102.

Acquisitions

Business combinations which are considered to be acquisitions are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with ours. All intra-group transactions, balances, income and expenses are eliminated on consolidation.



Annual report and financial statements 2026 Notes to the financial statements

Turnover

Turnover represents rent and service charges receivable (net of rent and service charge losses from voids), management fees, revenue grants and other income. Service charge income is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and the revenue recognition criteria met.

Service charge sinking funds and service costs

Unutilised contributions to service charge sinking funds and over-recovery of service costs which are repayable to tenants or leaseholders or are intended to be reflected in reductions to future service charge contributions are recognised as a liability in the Statement of Financial Position. The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund. Where there has been an under-recovery of leaseholders' or tenants' variable service charges and recovery of the outstanding balance is virtually certain, the balance is recognised in the Statement of Financial Position as a trade receivable. Debit and credit balances on individual schemes are not aggregated as there is no right of set-off.

Value Added Tax

A large proportion of our income is exempt from Value Added Tax (VAT), giving rise to a partial exemption calculation. This significantly restricts recovery of VAT incurred on expenditure, which is, therefore, shown VAT inclusive.

Intra-group transactions

As there are no active subsidiaries, there are no intra-group transactions.

Property, plant and equipment – housing properties

Housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the cost of acquiring land and buildings plus directly attributable development costs. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Depreciation is charged to write down the net book value of housing properties to their estimated residual value, on a straight-line basis, over their useful economic lives. Depreciation is not charged in the year of acquisition and is charged in the year of disposal. Freehold land is not depreciated.



Annual report and financial statements 2026 Notes to the financial statements

Major components

Major components of housing properties, which have significantly different patterns of consumption of economic benefits, are treated as separate assets and depreciated over their expected useful economic lives or the lives of the properties to which they relate, if shorter, at the following annual rates:

Remaining structure – houses	150 years
Remaining structure – flats	150 years
Roofs	60 years
Windows	30 years
Doors	30 years
Electrics	30 years
Bathrooms	30 years
Loft insulation	30 years
External wall insulation	30 years
Internal wall insulation	30 years
Lifts	30 years
Bathroom replacements	20 years
Kitchens	15 years
Boilers	15 years
Ventilation	15 years
Remaining central heating system	30 years
Garages	30 years

Improvements

Where there are improvements to housing properties that are expected to provide incremental future benefits, these are capitalised and added to the carrying amount of the property. Any works to housing properties which do not replace a component or result in an incremental future benefit are charged as expenditure in the Statement of Comprehensive Income.

Leaseholders

Where the rights and obligations for improving a housing property reside with the leaseholder or tenant, any works to improve such properties incurred by us are recharged to the leaseholder and recognised in surplus or deficit in the Statement of Comprehensive Income along with the corresponding income from the leaseholder or tenant.

Impairment of social housing properties

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

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Comprehensive Income.

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



**Annual report and
financial statements 2026
Notes to the financial statements**

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in the Statement of Comprehensive Income.

Impairment of inventory

Assets held as inventory are assessed for impairment at each reporting date. The carrying value of the asset is compared to the expected selling price, less costs to complete the asset and cost to sell.

If an item of inventory or group of similar items is impaired, the value of the asset is immediately reduced, and an impairment loss is recognised in the Statement of Comprehensive Income.

Investment properties

The classification of properties as investment property or property plant and equipment is based upon the intended use of the property. Properties held to earn commercial rentals or for capital appreciation or both are classified as investment properties. Properties that are used for administrative purposes or that are held for the provision of social housing are treated as property plant and equipment. Mixed use property is separated between investment property and property, plant and equipment.

Land is accounted for based on its intended use. Where land is acquired speculatively with the intention of generating a capital gain and/or a commercial rental return it is accounted for as investment property. Where land is acquired for use in the provision of social housing or for a social benefit it is accounted for as property, plant and equipment.

Investment properties are measured at fair value annually with any change recognised in surplus or deficit in the Statement of Comprehensive Income.

Homebuy loans

Homebuy loans were equity loans of 25% of the property value, secured by a charge against the property. These meet the definition of public benefit entity concessionary loans under FRS 102. No interest is charged and there is no fixed repayment date.

On sale of the property, 25% of the value of the property is due to us. Homebuy loans are recorded as non-current assets on the Statement of Financial Position at the value of the original loan. When the loans are redeemed, any surplus is credited to the Statement of Comprehensive Income as other income from social housing.



Annual report and financial statements 2026 Notes to the financial statements

Non-housing property, plant and equipment

Non-housing property, plant and equipment is stated at historic cost less accumulated depreciation and any provision for impairment. Depreciation is provided on all non-housing property, plant and equipment, other than investment properties and freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Office minor furniture, fixtures and fittings	4 years
Office refurbishment – fixture and fittings	30 years
Scheme fixtures and fittings	10 years
Office plant & machinery	4 years
Motor vehicle	4 years
Computer equipment	4 years
Freehold offices	50 years
CCTV infrastructure	4 years
Stadium	until end of lease – January 2039

Intangible assets

Intangible assets are stated at historic cost or valuation, less accumulated amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life, as follows:

Computer software	4 years
Computer software – core systems	8 years
Computer software – Rubixx	15 years

Social housing grant and other government grants

Where grants are received from government agencies, such as Homes England, local authorities, devolved government agencies, health authorities and the European Commission, which meet the definition of government grants, they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Where the relevant asset is disposed of before the end of its useful life, social housing grant is recycled through a Recycled Capital Grant Fund where this is required by the Recovery of Capital Grants and Recycled Capital Grant Fund General Determination 2017.

Most of our government grant was provided by Castle Vale Housing Action Trust under Section 71 of the Housing Act 1988. The Recovery of Capital Grants and Recycled Capital Grant Fund General Determination 2017 does not apply to this grant and, where the relevant property is disposed of before the end of its



Annual report and financial statements 2026 Notes to the financial statements

useful life, the grant is released to the Statement of Comprehensive Income as part of the surplus on disposal.

Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

Non-government grants

Grants received from non-government sources are recognised as revenue using the performance model. Grants that do not impose specific future performance related conditions are recognised as revenue when received or receivable. Grants that impose specific future performance related conditions are recognised as revenue only when the performance related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Restricted reserves

Where reserves are subject to an external restriction they are separately recognised within reserves as a restricted reserve. Revenue and expenditure are included in surplus or deficit in the Statement of Comprehensive Income and a transfer is made from the general reserve to the restricted reserve.

Leased assets

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

Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Payments under operating leases are charged to surplus or deficit in the Statement of Comprehensive Income on a straight-line basis over the period of the lease.



Annual report and financial statements 2026 Notes to the financial statements

Interest payable

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are calculated using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined on the basis of the carrying amount of the financial liability at initial recognition. Under the effective interest method, the amortised cost of a financial liability is the present value of future cash payments discounted at the effective interest rate and the interest expense in a period equals the carrying amount of the financial liability at the beginning of a period multiplied by the effective interest rate for the period.

Multi-employer defined benefit pension schemes

We participate in the Social Housing Pension Scheme, a multi-employer scheme where it is possible for individual employers as admitted bodies to identify their share of the scheme's assets and liabilities.

For this scheme, amounts charged to operating surplus are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to revenue and included within interest and financing costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from our own, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each Statement of Financial Position date.

Defined contribution pension schemes

We participate in a defined contribution scheme where the amount charged to surplus or deficit in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits 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 in the Statement of Financial Position.

Financial instruments

Financial assets and financial liabilities are recognised when we become a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows



**Annual report and
financial statements 2026
Notes to the financial statements**

discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest-bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102 are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in interest costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. It includes cash that has been paid by customers through Allpay and is temporarily held on trust by Allpay and any cash investments maturing in less than 12 months.



**Annual report and
financial statements 2026
Notes to the financial statements**

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Significant management judgements

The following are management judgements in applying our accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Impairment of social housing properties: we have to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP.

Impairment of inventory: we have to make an assessment as to the likely selling price of the asset, less further costs to complete and sell. In making the judgement, management considered the evidence of sales which had taken place immediately before and after the year end date.

Government grant: the accounting policy for government grant relies on management's interpretation of legal and contractual provisions relating to those grants.

Capitalisation of property development costs: we capitalise development expenditure in accordance with the accounting policies on housing properties and investment properties. Capitalisation requires a range of judgements, such as establishing which associated development costs should be capitalised and which costs should be written off and the likelihood that projects will continue.

Bad debts: management seeks to provide an appropriate bad debt provision for any arrears outstanding at the reporting date. This provision is derived from a combination of specific knowledge on individual cases and a formula which reflects the age and difficulty of collection for types of debt.



**Annual report and
financial statements 2026
Notes to the financial statements**

Estimation uncertainty

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

Investment property – fair value measurement: we use valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the property. These estimates are periodically supported by independent valuations by RICS-regulated surveyors; the most recent of these was carried out as at 31 March 2026. Management base the assumptions on current open market prices as far as possible. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

Defined benefit pension scheme: we have obligations to pay pension benefits to certain current and former employees. The cost of these benefits and the present value of the obligation depend on several factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. We estimate these factors, using information provided by scheme actuaries.

Components of housing properties and useful lives: major components of housing properties have significantly different patterns of consumption of economic benefits and estimates are made to allocate the initial cost of the property to its major components and to depreciate each component separately over its useful economic life. We consider whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.



Annual report and
financial statements 2026
Notes to the financial statements

3a) Turnover, operating costs and operating surplus

	2026 Turnover £'000	2026 Cost of sale £'000	2026 Operating costs £'000	2026 Operating surplus £'000	2025 Turnover £'000	2025 Cost of sale £'000	2025 Operating costs £'000	2025 Operating surplus £'000
Income and expenditure from social housing lettings	15,973	-	(11,554)	4,419	15,708	-	(11,401)	4,307
Other social housing activities								
Shared ownership first tranche sales	1,036	(705)	-	331	1,575	(1,088)	-	487
Development of new homes	-	-	(427)	(427)	-	-	(390)	(390)
Total social housing	17,009	(705)	(11,981)	4,323	17,283	(1,088)	(11,791)	4,404
Activities other than social housing								
Community regeneration	543	-	(2,087)	(1,544)	625	-	(1,755)	(1,130)
The Sanctuary	86	-	(162)	(76)	85	-	(151)	(66)
Castle Vale Stadium	406	-	(395)	11	407	-	(391)	16
CCTV	-	-	(149)	(149)	-	-	(118)	(118)
Market rent	1,209	-	(604)	605	1,085	-	(562)	523
Leaseholders	53	-	(133)	(80)	28	-	(198)	(170)
Commercial leases	206	-	(203)	3	80	-	(67)	13
Home ownership	-	-	-	-	-	-	(30)	(30)
Total activities other than social housing	2,503	-	(3,733)	(1,230)	2,310	-	(3,272)	(962)
Surplus on disposal of property plant and equipment				755	-	-	-	313
Total operating surplus	19,512	(705)	(15,714)	3,848	19,593	(1,088)	(15,063)	3,755



3b) Income and expenditure from social housing lettings

	2026 General needs (social rent) £'000	2026 General needs (affordable rent) £'000	2026 Housing for older people (social rent) £'000	2026 Intermediate rent (mortgage rescue) £'000	2026 Intermediate rent (rent to buy) £'000	2026 Shared ownership	2026 Total	2025 Total
Income from lettings								
Rent receivable	13,442	247	664	16	317	168	14,854	14,350
Service charge income	566	-	269	-	-	18	853	1,004
Amortised government grant	249	2	-	1	8	6	266	262
Government grants taken to income	-	-	-	-	-	-	-	92
Turnover social housing lettings	14,257	249	933	17	325	192	15,973	15,708

Operating expenditure

Management	(2,651)	(31)	(144)	(2)	(65)	(75)	(2,968)	(2,791)
Services	(837)	(5)	(251)	0	(5)	(7)	(1,105)	(1,309)
Routine maintenance	(2,976)	(31)	(201)	(11)	(45)	0	(3,264)	(2,741)
Planned maintenance	(1,479)	(6)	(113)	(1)	(13)	0	(1,612)	(1,904)
Major repairs expenditure	(407)	0	(68)	0	0	0	(475)	(657)
Bad debts	(67)	(1)	(3)	0	1	0	(70)	(126)
Depreciation of housing properties	(2,057)	(57)	(48)	(3)	(61)	(34)	(2,260)	(2,129)
Impairment of housing properties	200	0	0	0	0	0	200	256
Total operating expenditure	(10,274)	(131)	(828)	(17)	(188)	(116)	(11,554)	(11,401)

Operating surplus on social housing lettings

Void losses	65	2	7	-	-	25	99	111
-------------	----	---	---	---	---	----	----	-----



**Annual report and
financial statements 2026
Notes to the financial statements**

4. Residential accommodation owned and/or managed

	2026 units	Additions units	Transfers units	Disposals units	2025 units
Owned and managed					
General needs (social rent)	2201	-	(2)	(7)	2,210
General needs (affordable rent)	31	-	-	-	31
Housing for older people (social rent)	128	-	-	-	128
Intermediate rent (mortgage rescue)	2	-	-	-	2
Intermediate rent (rent to buy)	39	-	-	-	39
Shared ownership	45	-	-	(1)	46
Total social housing	2,446	-	(2)	(8)	2,456
Market rent	111	2	2	-	107
Total homes for rent	2,557	2	-	(8)	2,563
Retained freehold houses and flats	219	-	-	(2)	221
Total	2,776	2	-	(10)	2,784

Additions to social housing are new homes we have developed. Market rent additions are purchases on the open market and buy-backs of former right to buy properties.

Note 7 provides detail on disposals. Where we sell a flat on a leasehold basis, this will be shown as a transfer from social housing to retained freehold. Our management of these properties is reported under leaseholders in Note 3a.

5. Surplus for the year

Surplus for the year is stated after charging/(crediting):

	2026 £'000	2025 £'000
Bad debts	56	115
Depreciation of property, plant and equipment	2673	2,498
Impairment	(200)	(256)
Government grants		
- Amortised government grants	(266)	(235)
Auditor's remuneration excluding VAT		
- in their capacity as auditors	39	35
- in respect of other services	-	-





**Annual report and
financial statements 2026
Notes to the financial statements**

7. Surplus on disposal of property, plant and equipment

	2026	2026	2026	2025	2025
	Proceeds	Cost of	Surplus	Proceeds	Surplus
	£'000	Sale	£'000	£'000	£'000
Right to buy	624	(130)	494	346	292
Right to acquire	203	(35)	168	-	-
Shared owner staircasing	51	(31)	20	53	13
Market rent disposals	-	-	-	130	18
Minor transactions	78	(5)	73	6	(10)
Total disposals	956	(201)	755	535	313

8. Interest receivable

	2026	2025
	£'000	£'000
Interest receivable on bank deposits	762	1,321
Interest attributable to leaseholder sinking funds	(40)	(44)
	722	1,277

9. Interest and financing costs

	2026	2025
	£'000	£'000
On building society, bank and institutional loans	(1,829)	(1,932)
On finance leases	(2)	(2)
Net interest on defined benefit liability (note 12)	(26)	(37)
	(1,857)	(1,971)

10. Staff costs

	2026	2025
	£'000	£'000
FTE	126	119
Wages and salaries	5,058	4,679
Social security costs	629	454
Pensions (service cost – note 12)	366	327
Redundancy	43	19
Total staff costs	6,096	5,479



Annual report and financial statements 2026 Notes to the financial statements

11. Directors' remuneration

The directors are defined as the members of the Pioneer Group Board, the Chief Executive and the Executive Leadership Team named on page three of this report.

None of the members of the Board received any remuneration (2025: none).

The aggregate amounts paid to the Executive Leadership Team were:

	2026 £'000	2025 £'000
Aggregate emoluments payable to directors (including benefits in kind)	534	514
Pension contributions	87	135
Total directors' emoluments	621	649
Total expenses reimbursed to the directors not chargeable to United Kingdom income tax	2	2
Emoluments payable to the highest paid director (excluding pension contributions but including benefits in kind)	128	119

The aggregate amount of compensation payable to directors or past directors for loss of office was zero (2024: zero)

The Chief Executive is an ordinary member of the Social Housing Pension Scheme (SHPS) defined benefit pension scheme, on terms identical to those of other members. There are no enhanced or special terms.

The full-time equivalent number of staff whose remuneration, including pensions and termination benefits, payable in relation to the period of account fell within each band of £10,000 from £60,000 upwards was:

	2026	2025
£60,000 - £70,000	7	5
£70,001 - £80,000	2	3
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1
£110,001 - £120,000	2	-
£120,001 - £130,000	1	1
£130,001 - £140,000	-	-
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
£160,001 - £170,000	-	-
£170,001 - £180,000	-	1



Annual report and financial statements 2026 Notes to the financial statements

12. Retirement benefit schemes

The Pioneer Group participates in two pension schemes through the Social Housing Pension Scheme (SHPS). We offer:

- one open defined contribution (DC) scheme
- one open defined benefit (DB) scheme – the SHPS 1/60 CARE scheme

The combined impact of all pension schemes on the Statement of Comprehensive Income is:

	2026 DC £'000	2026 DB £'000	2026 TOTAL £'000	2025 TOTAL £'000
Service cost	250	116	366	327
Scheme administrative expenses	-	8	8	6
Net interest expense	-	26	26	37
Recognised (gain)/loss in other comprehensive income	-	(29)	(29)	(69)
Total cost	250	121	371	301

Defined contribution schemes

We operate a defined contribution retirement benefit scheme for qualifying employees. The total expense charged to the Statement of Comprehensive Income in the period ended 31 March 2026 was £250,000 (2025: £223,000).

Defined benefit schemes

We participate in the Social Housing Pension Scheme (SHPS), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK.

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

The last completed triennial valuation of the scheme for funding purposes was carried out as of 30 September 2023. This valuation revealed a deficit for the whole scheme of £0.7 billion. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028. As a result, we will pay £0.6 million deficit contributions from 1 April 2025 until 31 March 2028. Pension deficit payments for the year were £197,000 (2025: £216,000).

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward to 31 March. The latest accounting valuation was carried out with an effective date of 30 September 2025. The liability figures from this valuation were rolled forward to 31 March 2026.



Annual report and financial statements 2026 Notes to the financial statements

The liabilities are compared, at the relevant accounting date, with our fair share of the scheme's total assets to calculate our net deficit or surplus.

Amounts recognised in the Statement of Comprehensive Income in respect of this scheme:

	2026 £'000	2025 £'000
Service cost	116	104
Scheme administrative expenses	8	6
Net interest expense	26	37
Recognised (gain)/loss in other comprehensive income	(29)	(69)
Total cost/(gain)	121	78

Amounts included in the Statement of Financial Position arising from our obligations in respect of this defined benefit scheme:

	2026 £'000	2025 £'000
Present value of defined benefit obligations	(4,460)	(4,354)
Fair value of scheme assets	4,135	3,811
Deficit	(325)	(543)

Movements in the present value of defined benefit obligations:

	2026 £'000	2025 £'000
At 1 April	4,354	4,759
Service cost	116	104
Interest cost	258	235
Administrative expenses	8	6
Actuarial (gains)/losses – change in financial assumptions	(119)	(801)
Actuarial (gains)/losses – change in demographic assumptions	33	-
Actuarial (gains)/losses – due to scheme experience	(63)	145
Benefits paid and expenses	(128)	(109)
Member contributions	1	15
At 31 March	4,460	4,354

Movements in the fair value of scheme assets:

	2026 £'000	2025 £'000
At 1 April	3,811	3,833
Interest on assets	232	198
Return on assets	(120)	(587)
Employer contributions	339	461
Member contributions	1	15
Benefits paid and expenses	(128)	(109)
At 31 March	4,135	3,811



**Annual report and
financial statements 2026
Notes to the financial statements**

Breakdown of the scheme assets:

	2026 £'000	2025 £'000
Global equity	458	427
Liquid Alternatives	737	707
Insurance-linked securities	6	12
Property	202	191
Infrastructure	-	1
Private equity	9	3
Real Assets	389	456
Private Credit	499	466
Credit	165	146
Investment Grade Credit	243	117
Cash	1	52
Long lease property	-	1
Secured income	125	64
Liability driven investment	1,261	1,154
Currency hedging	-	6
Net current assets	40	8
Total scheme assets at 31 March	4,135	3,811

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

Key assumptions used:

	2026	2025
Salary increases	4.04%	3.80%
Inflation (RPI)	3.26%	3.04%
Inflation (CPI)	3.04%	2.80%
Discount rate	6.25%	5.94%



Annual report and financial statements 2026 Notes to the financial statements

Assumed life expectancies on retirement at age 65:

	2026 years	2025 years
Retiring today		
Males	20.9	20.5
Females	23.2	23.0
Retiring in 20 years		
Males	22.2	21.7
Females	24.6	24.5

Sensitivity analysis

The assumptions used are based on data from the scheme actuaries.

The sensitivity analysis below shows the approximate increase in our liabilities as at 31 March 2026 under the following circumstances:

Sensitivity	Liability £'000	Change in liability £'000	Change in liability %
Base assumptions	325	-	-
0.1% decrease in real discount rate	393	68	21%
0.1% increase in the salary increase rate	325	-	-
0.1% increase in CPI and RPI	372	47	14%
0.1 year increase in life expectancy	333	8	2%

13. Intangible assets

	Computer Software £'000
Cost	
At 1 April 2025	772
Additions	518
Disposals	-
At 31 March 2026	1,290
Amortisation	
At 1 April 2025	(612)
Charge for the year	(28)
Disposals	-
At 31 March 2026	(640)
Net book value at 31 March 2026	650
Net book value at 31 March 2025	160



**Annual report and
financial statements 2026
Notes to the financial statements**

14. Tangible fixed assets – housing properties

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Shared ownership properties held for letting £'000	Shared ownership under construction £'000	Total social housing properties £'000
Cost					
At 1 April 2025	117,363	33	4,496	-	121,892
Component replacement	7,446	-	-	-	7,446
Reclassification	-	-	-	-	-
Additions	4	1,063	4	-	1,071
Disposals	(1,544)	-	(74)	-	(1,618)
Completed properties	-	-	-	-	-
At 31 March 2026	123,269	1,096	4,426	-	128,791
Depreciation					
At 1 April 2025	(23,569)	-	(21)	-	(23,590)
Charge for year	(2,020)	-	-	-	(2,020)
Disposals	1,159	-	2	-	1,161
Impairment	200	-	-	-	200
At 31 March 2026	(24,230)	-	(19)	-	(24,249)
Net book value at 31 March 2026	99,039	1,096	4,407	-	104,542
Net book value at 31 March 2025	93,794	33	4,475	-	98,302

Housing properties are assessed at the end of each reporting date to determine whether an indicator of impairment exists.

Our window and door replacement programme has led to an impairment review of the existing window and door assets, which were due to be replaced. The 2024 impairment related to 889 units with a net book value of £455,000.

In 2026 an impairment reversal of £200,000 has been credited to the accounts. This relates to 308 units, where window and door replacements were completed during the year. Following detailed surveys of these properties some of the newer existing components were found not to need replacement.

Housing properties comprise:

	2026 £'000	2025 £'000
Freehold	104,540	98,302



**Annual report and
financial statements 2026
Notes to the financial statements**

15. Investment properties

	Market Rent	Commercial	Total
Cost	£'000	£'000	£'000
At 1 April 2025	13,892	348	14,240
Additions	1,142	-	1,142
Disposal	-	-	-
As at 31 March 2026	15,034	348	15,382
Revaluation			
As at 1 April 2025	3,114	(33)	3,081
Revaluation surplus for year	(544)	(2)	(546)
As at 31 March 2026	2,570	(35)	2,535
Net book value at 31 March 2026	17,604	313	17,917
Net book value at 31 March 2025	17,006	315	17,321

Investment property valuations are based on open market value as far as possible. The valuation for 2026 was supported by an independent valuation by a RICS-regulated surveyor as at 31 March 2026.

16. Homebuy loans

	2026 £'000	2025 £'000
Homebuy loans	106	106



**Annual report and
financial statements 2026
Notes to the financial statements**

17. Other property, plant and equipment

	Fixtures and fittings £'000	Plant and machinery £'000	Motor vehicles £'000	Computers £'000	Freehold premises £'000	Stadium £'000	Total £'000
Cost							
At 1 April 2025	1,574	730	89	568	2,175	627	5,763
Additions	237	119	-	78	5	40	479
Disposals	(10)	(28)	-	-	-	-	(38)
At 31 March 2026	1,801	821	89	646	2,180	667	6,204
Depreciation							
At 1 April 2025	(1,027)	(377)	(85)	(354)	(635)	(79)	(2,557)
Charge for the year	(97)	(116)	(4)	(96)	(34)	(39)	(386)
Disposals	9	28	-	-	-	-	37
At 31 March 2026	(1,115)	(465)	(89)	(450)	(669)	(118)	(2,906)
Net book value at 31 March 2026	686	356	-	196	1,511	549	3,298
Net book value at 31 March 2025	547	353	4	214	1,540	548	3,206

18. Inventory

	2026 £'000	2025 £'000
Inventory – properties held for shared ownership sale	-	625
Inventory – Stadium bar	2	2
Total inventory	2	627

Inventory – properties held for shared ownership sale

	2026 £'000	2025 £'000
At 1 April	625	870
Additions	42	779
Sales	(667)	(1,024)
At 31 March	-	625



Annual report and financial statements 2026 Notes to the financial statements

19. Debtors – amounts falling due within one year

	2026 £'000	2025 £'000
Gross rental debtors – current tenants	536	525
Gross rental debtors – former tenants	136	177
Provision for doubtful debts	(522)	(554)
Net rental debtors	150	148
Gross other debtors	254	317
Provision for doubtful debts	(31)	(70)
Net other debtors	223	247
Prepayments and accrued income	1,041	1,970
Total debtors due within one year	1,414	2,365

The present value adjustment of rental debtors where a repayment schedule is in place is not shown as it is not material.

20. Cash and cash equivalents

	2026 £'000	2025 £'000
Cash in bank or cash deposit investment maturing within 3 months	12,085	17,943
Cash deposits maturing within 3-12 months	4,050	4,500
Total cash and cash equivalents	16,135	22,443

21. Creditors - amounts falling due within one year

	2026 £'000	2025 £'000
Trade creditors	514	426
Rent & service in advance	513	501
Accruals and deferred income	1,796	2,412
Obligations under finance leases (note 22)	15	10
Other creditors	373	337
Corporation Tax	-	-
Loans	1,766	1,667
Government grants	263	263
Total creditors due within one year	5,240	5,616



Annual report and financial statements 2026 Notes to the financial statements

22. Creditors - amounts due after more than one year

	2026 £'000	2025 £'000
Housing loans	56,328	58,094
Deferred loan arrangement fees	(703)	(474)
Leaseholder sinking funds	1,045	936
Stadium sinking fund	200	175
Obligations under finance leases	21	4
Government grants	34,247	34,402
Recycled Capital Grant Fund	33	101
Total creditors due after more than one year	91,171	93,238

22a) Housing loans

	2026 £'000	2025 £'000
Repayment schedule		
Between one and two years	1,873	1,766
Between two and five years	7,840	6,929
Between five and ten years	11,615	14,399
In ten years or more	35,000	35,000
Housing loans falling due after more than one year	56,328	58,094
Within one year	1,766	1,667
Total housing loans	58,094	59,761

100% of drawn loan funding is fixed until final repayment. Rates are between 0.7% and 5.4%. The weighted average interest cost at 31 March 2026 was 2.78% (2025: 3.0%).

The loans are secured against our housing and investment properties.

22b) Finance leases

	2026 £'000	2025 £'000
Repayment schedule		
Between one and two years	21	4
Between two and five years	-	-
In five years or more	-	-
Finance leases falling due after more than one year	21	4
Within one year	15	10
Total finance leases	36	14



Annual report and financial statements 2026 Notes to the financial statements

22c) Government grants

The total accumulated amount of capital grant received or receivable at the balance sheet date is £40,757,000 (2025: £40,647,000)

Deferred income – government grants

Social housing grant

At 1 April

Grants receivable

Disposals

At 31 March

Amortisation

At 1 April

Amortisation to Statement of Comprehensive Income

Disposals

At 31 March

Net deferred income – government grants

Due within one year

Due after one year

At 31 March

of which:

Housing Action Trust grant

Other social housing grant

Total government grant

**2026
£'000**

**2025
£'000**

40,647

138

(28)

40,757

5,982

265

-

6,247

263

34,247

34,510

39,882

799

(34)

40,647

5,719

263

-

5,982

263

34,402

34,665

29,477

5,033

34,510

29,477

5,188

34,665

22d) Recycled Capital Grant Fund

**2026
£'000**

**2025
£'000**

At 1 April

Grants to be recycled from shared owner staircasing

Interest accrued

Recycling of grant

At 31 March

101

28

4

(100)

33

63

34

4

-

101



Annual report and financial statements 2026 Notes to the financial statements

23. Financial instruments

The carrying values of financial assets and liabilities are summarised by category below:

	2026 £'000	2025 £'000
Financial assets		
Measured at undiscounted amount receivable		
• Rent arrears and other debtors	373	395
• Cash and cash equivalents (note 20)	16,135	22,443
Total	16,499	22,838
Financial liabilities		
Measured at amortised cost		
• Loans payable (see note 21, 22)	57,392	59,287
Measured at undiscounted amount payable		
• Trade and other creditors	2,691	3,270
Total	60,083	62,557

The income, expense, gains and losses in respect of financial instruments are summarised below:

	2026 £'000	2025 £'000
Interest income and expense		
Total interest income for financial assets at amortised cost	-	-
Total interest expense for financial liabilities at amortised cost	1,857	1,971
Total	1,857	1,971

24. Share capital

	2026 Number	2025 Number
Ordinary shares of £1 each:		
Allotted, issued and fully paid at 1 April	8	9
Shares issued during year for cash at par	2	2
Cancelled during the year	(1)	(3)
At 31 March	9	8

The Pioneer Group now has a closed shareholding membership where only Members of the Pioneer Group Board can become shareholders.

The share capital is raised by the issue of shares with a nominal value of £1 each. Our Co-operative and Community Benefit Societies Act status means that the maximum shareholding permitted per member is one share. The shares carry no right to interest, dividend or bonus. Shares are not capable of being withdrawn and cannot be held jointly. Shareholders have the right to attend or to vote at any general, special general or extraordinary meeting.



**Annual report and
financial statements 2026
Notes to the financial statements**

25. Statement of cash flows - group

	2026 £'000	2025 £'000
Cash flow from operating activities		
Total comprehensive income	2,196	4,827
Adjustment for non-cash items:		
Depreciation/impairment of property, plant and equipment	1,036	1,994
(Increase)/decrease in inventory	625	245
(Increase)/decrease in debtors	951	(468)
Increase/(decrease) in creditors	155	368
Pension costs less contributions payable	244	(426)
(Increase)/decrease in fair value of investment property	548	(1,694)
Finance lease obligations	(15)	-
Adjustments for investing or financing activities:		
Surplus on sale of property, plant & equipment	(770)	(314)
Government grants utilised in the year	(266)	(263)
Interest payable	1,857	1,971
Interest receivable	(722)	(1,277)
Net cash generated from operating activities	5,839	4,963
Cash and cash equivalents		
Cash at bank and in hand	16,135	22,443
Total	16,135	22,443

Analysis of net debt

	2026 £'000	Cashflows £'000	2025 £'000
Cash and cash equivalents			
Cash at bank and in hand (note 20)	16,135	(6,308)	22,443
	16,135	(6,308)	22,443
Borrowings			
Debt due within one year (note 21)	(1,766)	(99)	(1,667)
Debt due after one year (note 22)	(56,328)	1,766	(58,094)
	(58,094)	1,667	(59,761)
Net debt	(41,959)	(4,641)	(37,318)



**Annual report and
financial statements 2026
Notes to the financial statements**

26. Financial commitments.

	2026 £'000	2025 £'000
Capital commitments are:		
Capital expenditure that has been contracted for but has not been provided for in the financial statements	6,307	6,302
Capital expenditure authorised by the Board but not yet contracted for	-	-
Capital commitments will be funded by existing cash balances and secured borrowing.		
Total future minimum lease payments under non-cancellable operating leases are:		
	2026 £'000	2025 £'000
Payments due:		
Within one year	6	6
Between one and five years	21	22
After five years	427	432
Total	454	460



**Annual report and
financial statements 2026
Notes to the financial statements**

27. Contingent assets and liabilities

We were notified in 2021 by the Trustee of the Social Housing Pension Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that, in some cases, it is unclear whether changes were made to scheme benefits in accordance with the Trust's governing documentation.

The Trustee has decided to seek clarification from the Court on these items. The Court hearing took place in 2025 and the Court's determination is expected in 2026. After this, the trustee and its advisors will consider the outcome and communicate next steps to employers.

The Trustee has estimated that this could potentially increase the value of the full Scheme liabilities by £155m, calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. The impact for the Pioneer Group on the same basis would be £144,000. The Trustee does not have any estimates as of 31 March 2026 or on an FRS 102 accounting basis.

Until the Court direction is received, it is unknown whether any increase in liabilities will apply or what the accounting impact would be on individual employers. Therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

There are no other contingent assets or liabilities at 31 March 2026.

28. Related parties

During the year one Pioneer Group Board member was a tenant of the Pioneer Group (2025: one Board member). They received services on the same basis as our other tenants.

Rent and service charges charged for the year were £5,882 (2025: £5,709) and arrears at 31 March 2026 were nil (2025: nil).

