



Atrium City Living Limited

**Annual Report and Financial Statements for the year
ended 31 March 2026**

Companies House registration number 4710066

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BOARD AND ADVISORS

Members of the Board

Bronwen Rapley (resigned 31 January 2026)

Alexander Livingstone

Matthew Saye (resigned 15 April 2025)

Danielle James

Jacqueline Carter

Stephen Heverin (appointed 4 March 2026)

Company Secretary

Sara Byrne

Registered office

Renaissance Court,

2 Christie Way,

Didsbury,

Manchester,

M21 7QY

Principal Banker

NatWest Group PLC

1 Hardman Boulevard,
Manchester, M3 3AQ

Principal Solicitors

Devonshires Solicitors LLP

Park House, Park Square West, Leeds, LS1
2PW

Trowers & Hamlins LLP

55 Princess Street, Manchester M2 4EW

External Auditor

RSM UK Audit LLP

Landmark, St Peter's Square, 1 Oxford Street,
Manchester, M1 4PB

Internal Auditor

**Menzies LLP (formally Beever and
Struthers)**

One Express, 1 George Leigh Street,
Ancoats, Manchester, M4 5DL

STRATEGIC REPORT

Introduction

The Board presents its strategic report, containing the operating and financial review for the year ended 31st March 2026.

Overview and Background

At Atrium City Living Limited's inception in 2003 the company's main purpose was to manage non-core market rent and leasehold properties and to provide expertise in low-cost home ownership development, sales and marketing across Onward Group ("the Group").

Following the Group reorganisation in 2018, Atrium City Living Limited ("the company") is now used as a delivery vehicle for development investment. Atrium holds an investment with the Greater Manchester Joint Venture (GMJV).

Legal Structure

Atrium City Living Limited is a company registered at Companies House with registration number 4710066. Atrium is a wholly owned subsidiary of Onward Homes Limited.

Financial Review

The company is reporting a surplus in the year of £27k (2025: £5k). The company ended the year with cash and short-term investments of £170k (2025: £293k).

This year the company has recognised its share of the operating profit in the joint venture of £78k (2025: £45k). It has also recognised an interest cost this year of £152k (2025: £128k) reflecting the cost of the intra-group loan it has received from Onward Homes Limited which is used to fund the investment in the joint venture.

Operating Review

The company's principal activity is investment in opportunities which facilitate the development of new homes.

GMJV has been successful in establishing itself as a development company. Progress to date includes:

- Achieved a net profit of £1.63m for the year with a gross profit margin of 21.3% across 62 units delivered in 2025/26.
- The successful and profitable delivery of four sites: Weavers Fold, Roedeer Gardens, Scholars Park and Woodland Garden, with all sites outperforming expectations.

During the year, the Onward Group Board agreed a variation of deed to enable the business to operate as a going concern in perpetuity, removing the original 10-year timeline.

The company utilises the Group risk management framework to ensure all known risks are identified and assessed before any financial commitments are entered into.

STRATEGIC REPORT (Continued)

Principal Risks and Uncertainties

The Board has identified the following key risks that it considers a potential threat to the achievement of our strategic objectives.

Key Risks	Mitigation
<u>Sales projections are not achieved</u> Sales forecasts are not achieved and as a result there are a significant number of unsold units, raising a risk around impairment of the investment.	To date demand for schemes has been positive and sales targets have been achieved. This risk is managed by assessing the marketability of schemes as part of the consideration of location and house types. In addition, the availability of mortgage finance is monitored and there have been no availability issues to date.
<u>Financial Parameters</u> Build cost inflation has levelled off although prices remain at a higher level, there is a risk that this impacts on profitability and financial performance at an organisation and scheme level. As a result, there is a risk that Atrium does not deliver on the business plan.	Scheme investment is closely monitored and assessed to ensure only those schemes that meet financial hurdle rates are accepted. Performance against the budget and business plan in addition to risk is regularly reviewed to ensure any issues are identified on a timely basis.

Strategic Report

The directors' report, including the financial statements, was approved by the Board on 1st September 2026 and signed on the 14th September 2026 on its behalf by:



Sara Byrne

Company Secretary

Renaissance Court, 2 Christie Way, Didsbury, Manchester M21 7QY

DIRECTOR'S REPORT

The Board presents the Atrium City Living Limited Annual Report (the 'Annual Report') and the audited financial statements for the year ended 31 March 2026.

Principal Activities

The company's principal activity is investment in opportunities which facilitate development of new homes.

Board Members

The Board members of the company are set out on page 2.

The Board members are made up of the executive directors of the Onward Group and have a diverse background bringing together professional, commercial, and other experiences. The Board members are remunerated as executive directors of the Group; additional remuneration is not received for being Board members of Atrium City Living Limited.

Statement of Compliance

The Board report and financial statements have been prepared in accordance with applicable reporting standards and legislation.

Health and Safety

Health and Safety is an integral part of the proper management of all the undertakings over which the company has control. The company promotes safe practices and continuous improvement through our work with our contractors and partners.

Corporate Governance

The company is governed by a Board who delegate day-to-day operational control as appropriate. The Board meets to consider key risks and approve the accounts. As a subsidiary of Onward Group, the company delegates responsibilities to committees as follows:

- Audit & Risk - oversight of audit and risk matters for the Group.
- Treasury & Finance – oversight and scrutiny of Group finance, performance and treasury strategy.
- Property & Development - oversight of portfolio management, landlord compliance and the development programme with some delegations to approve development schemes and land purchases.
- Governance & People – makes recommendations to the Common Board on nomination and remuneration matters.

Corporate Social Responsibility

Our corporate plan defines the commitment we have made as a socially responsible organisation. We act as enablers, supporting people and communities to fulfil their aspirations and potential by giving them choice, control and responsibility.

As an organisation we work in partnership with our stakeholders, doing more together by sharing knowledge, coordinating resources and focusing on what will give our communities the best outcome.

Onward provides directors and officers liability insurance to cover claims made against individuals acting in their capacity as directors or officers. No claims were made in FY25/26.

Disclosure of Information to Auditor

So far as each of the directors of the company is aware, at the time this report is approved:

- There is no relevant information which the company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

DIRECTOR'S REPORT (continued)

Directors' Responsibilities

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

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Internal Control

The Board acknowledges its ultimate responsibility for ensuring that the company has in place a system of internal control and risk management that is appropriate to the various business environments in which they operate and for the review of the effectiveness of that system during the year.

The Audit and Risk Committee is responsible to the Onward Board for monitoring this system and reporting on its effectiveness.

Internal controls are designed to identify and manage rather than eliminate risks which may prevent an organisation from achieving its objectives. The system of internal control is designed to manage risk and give reasonable rather than absolute assurance with respect to:

- The achievement of key business objectives and expected outcomes;
- The preparation and reliability of financial and operational information used within the organisation and for publication;
- The maintenance of proper accounting and management records; and
- The safeguarding of assets against unauthorised use or disposition.

Internal Assurance Activities

The process followed to identify, evaluate and manage significant risks faced by the company is ongoing and has been in place during the past financial year and up to the date of the annual report and financial statements.

Internal Audit assurance

Internal controls are subject to regular independent review by Menzies LLP (formally Beever and Struthers), our internal audit partners, who provide assurance on the operation of the control framework and the management of risk. The internal audit plan was approved by the Audit and Risk Committee, and the plan is regularly reviewed during the year to ensure it continues to reflect our risk environment.

The Audit and Risk Committee oversees the work of the internal auditor and is responsible for monitoring that actions identified because of internal audit findings are implemented in a timely fashion.

External Audit Assurance

The work of the external auditor provides some independent assurance over the adequacy of the internal control environment. The company receives an audit findings report from the external auditor which identifies any internal control weaknesses. The Board itself, and through the activities of the Audit and Risk Committee, has reviewed the outcome of external audit work and the external audit management letter.

DIRECTOR'S REPORT (continued)

Statement of Internal Control (continued)

Fraud

There is a zero-tolerance approach to fraud and there are policies in place to support fraud prevention. In addition, fraud risk registers are maintained and the controls tested to ensure controls established to prevent and detect fraud are operating effectively.

Review of Risk Management and Governance Arrangements

The company has an effective risk management framework. Our risk management framework is an established methodology that supports the identification, assessment, management and reporting of the risks facing our organisation.

Conclusion

The Board acknowledges that its responsibility applies to the full range of risks and controls across all company activities.

The Board has considered the effectiveness of the system of internal control in place in the year ended 31 March 2026. The Board considers that systems of internal control, governance and risk management arrangements are working effectively.

Going Concern

The company's business activities, its current financial position, net assets of £475k (2025: £448k) and factors likely to affect its future investment activity are set out within the directors' report. The company has in place debt facilities of £3.0m (2025: £3.0m), of which £2.9m is drawn (2025: £2.2m) and cash and cash equivalents of £170k (2025: £293k). Once the JV has reached key business plan milestones the funds that are on lent from Onward Homes will be repaid.

The fixed nature of the intra-group loan with Onward Homes provides future assurance around interest costs. This acts to mitigate any volatility in the economic climate.

During the year, the Onward Group Board agreed a variation of deed to enable the business to operate as a going concern in perpetuity, removing the original 10-year timeline.

The interest rate charged on the intra-group loan is set at the lower of 2.5% above Bank of England base rate (reset on 0.5% movements) and 6%.

On this basis, the Board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of 12 months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Independent Auditor

RSM UK Audit LLP were deemed reappointed as auditors in the year.

The directors' report, including the financial statements, was approved by the Board on 1st September 2026 and signed on the 14th September 2026 on its behalf by:



Sara Byrne

Company Secretary

Renaissance Court, 2 Christie Way, Didsbury, Manchester M21 7QY

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATRIUM CITY LIVING LIMITED

Opinion

We have audited the financial statements of Atrium city living limited (the 'company') for the year ended 31 March 2026 which comprise Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- Obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

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

John Guest

John Guest (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Landmark
1 Oxford Street
Manchester, M1 4PB

14/09/26

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the year ended 31 March 2026

		2026	2025
	Notes	£'000	£'000
Operating costs		(8)	(17)
Operating loss		(8)	(17)
Share of operating profit in joint venture	4	78	45
Interest receivable and similar income	5	109	105
Interest payable and similar charges	6	(152)	(128)
Profit on ordinary activities before taxation		27	5
Taxation on profit on ordinary activities	9	-	-
Profit for the year after taxation		27	5
Total comprehensive income for the year		27	5

The accompanying notes form part of these financial statements.

Historical cost surpluses and deficits are the same as those shown in the statement of comprehensive income.

Statement of Changes in Equity

	Non-equity share capital £'000	Revenue reserves £'000	Total reserves £'000
Balance at 31 March 2024	50	393	443
Total comprehensive income for the period			
Profit for the year	-	5	5
Balance at 31 March 2025	50	398	448
Total comprehensive income for the period			
Profit for the year	-	27	27
Balance at 31 March 2026	50	425	475

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS (continued)

Statement of Financial Position as at 31 March 2026

		2026	2025
	Notes	£'000	£'000
Tangible fixed assets			
Investments including properties	11	3,000	2,261
Current assets			
Debtors due within one year	10	160	106
Cash and cash equivalents		170	293
		3,330	2,660
Creditors: amounts falling due within one year	12	(1)	(10)
Net current assets		3,329	2,650
Total assets less current liabilities		3,329	2,650
Creditors: amounts falling due after one year	13	(2,854)	(2,202)
Total net assets		475	448
Capital and reserves			
Non-equity share capital	14	50	50
Revenue reserves		425	398
Total capital and reserves		475	448

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 1st September 2026 and signed on the 14th September 2026 on its behalf by:



Danielle James
Director



Alexander Livingstone
Director



Sara Byrne
Company Secretary

Companies House registration number 4710066

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Atrium City Living Limited is registered under the Companies Act 2006, registration number 4710066. The registered office is Renaissance Court, 2 Christie Way, Didsbury, Manchester, England, M21 7QY.

Atrium City Living Limited is a trading subsidiary of Onward Homes Limited, a charitable Registered Society under the Cooperative and Community Benefit Societies Act 2014. It is registered with the Financial Conduct Authority, registration number of 17186R.

2. Accounting policies

a) Basis of accounting

The financial statements of the company are prepared in accordance with Financial Reporting Standard 102 – the applicable financial reporting standard in the UK and Republic of Ireland (FRS 102).

The financial statements are presented in sterling (£) and have been rounded to the nearest £1,000 unless stated otherwise.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- The requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- The requirements of Section 33 Related Party Disclosures paragraph 33.8;
- The requirements of section 33 Key Management Personnel Compensation 33.6.

The company's ultimate parent undertaking is Onward Group Limited. This information is included in the consolidated financial statements of Onward Group Limited as at 31 March 2026 and these statements may be obtained from Renaissance Court, 2 Christie Way, Didsbury, Manchester, England, M21 7QY.

b) Measurement convention

The financial statements are prepared on the historical cost basis.

c) Going concern

The company's business activities, its current financial position, net assets of £475k (2025: £448k) and factors likely to affect its future investment activity are set out within the directors' report. The company has debt facilities of £3.0m (2025: £3.0m), of which £2.9m is drawn (2025: £2.2m) and cash and cash equivalents of £170k (2025: £293k). Once the JV has reached key business plan milestones the funds on loan from Onward Homes will be repaid.

The fixed nature of the intra-group loan with Onward Homes provides future assurance around interest costs. This acts to mitigate any volatility in the economic climate.

During the year, the Onward Group Board agreed a variation of deed to enable the business to operate as a going concern in perpetuity, removing the original 10-year timeline.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

c) Going concern (continued)

The interest rate charged on the intra-group loan is set at the lower of 2.5% above Bank of England base rate (reset on 0.5% movements) and 6%.

On this basis, the Board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of 12 months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

d) Judgement and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and estimates have had the most significant effect in amounts recognised in the financial statements.

Basic financial instruments; The assessment of certain loans and interest rate fixes as basic financial instruments requires judgement. Such instruments have been reviewed in detail and have been assessed as basic because key clauses indicate that funders will not suffer a loss on breakage.

The Board considers that there are no key sources of estimation or uncertainty that will significantly impact on the carrying value of assets and liabilities within the next financial year.

e) Basic financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model. These include bank loans.

Atrium City Living does not have any financial instruments which fall into the non-basic financial instrument category.

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management. They are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

f) Interest

Interest payable and similar charges include interest payable and finance charges on liabilities recognised in the statement of comprehensive income using the effective interest method and unwinding of the discount on provisions. Other interest receivable and similar income includes interest receivable on funds invested.

g) Taxation

The tax charge for the year is based on the profit for the year end and includes current tax on any taxable profits for the year and deferred taxation.

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

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. When all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

h) Value added tax

Atrium is part of the Onward Group Limited VAT group which is VAT registered. However, a large proportion of the Group's income, rents and service charges are exempt from VAT giving rise to a partial exemption calculation. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

i) Investment in joint venture

In accordance with FRS 102 accounting standards where a separate entity is set up which represents the joint venture and the entity which has the interest is not a parent company, all its interests in the jointly controlled entity shall be accounted for using either the cost model or at fair value, with changes in fair value being recognised in profit and loss.

Atrium has a minority interest in the Greater Manchester JV (Hive Homes). It is one of 10 investors and therefore the accounting is as a minority shareholder.

Joint venture investment; the following investment is held in joint ventures (JVs):

- Atrium City Living Limited has an investment in Greater Manchester JV; Hive Homes of £3.0m split between £0.8m equity and £2.2m debt. It is one of 10 investors and therefore the accounting is as a minority shareholder

Atrium City Living accounts for the JV in accordance with the accounting standards applicable to ensure appropriate disclosures. This year a JV operating profit of £78,000 (2025: £45,000) has been brought into the Statement of Comprehensive Income in relation to the profit share received from GMJV.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Operating loss

Operating loss is stated after charging:

	2026 £'000	2025 £'000
Auditor's remuneration (excluding VAT): In their capacity as auditors	5	5

Audit fees and fees to the auditors for other services were paid by Onward Group Limited in the year and recharged via group charges to all subsidiaries.

4. Share of operating profit in joint venture

	2026 £'000	2025 £'000
Share of operating profit in joint venture	78	45
	78	45

5. Interest receivable

	2026 £'000	2025 £'000
Joint venture loan interest	109	105
	109	105

6. Interest payable

	2026 £'000	2025 £'000
Intercompany loan interest	(152)	(128)
	(152)	(128)

7. Board members

No remuneration was paid to the directors on the Board in their capacity as directors of the Association.

8. Employee information

There were no staffing costs attributable to Atrium City Living Ltd in the FY25/26.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Taxation

	2026 £'000	2025 £'000
UK corporation tax		
Current tax charge for the year	-	-
Adjustment in respect of previous years	-	-
	-	-
Deferred tax		
Origination and reversal of timing differences	23	-
Adjustment in respect of previous years	(23)	-
Effect of tax charge on opening balance	-	-
Total tax charge on profit/(loss) on ordinary activities	-	-

All amounts of taxation are recognised in the statement of comprehensive income.

Factors affecting the tax charge for the period

The current rate of tax for the year is the same as the standard rate of corporation tax in the UK of 25% (2025:25%). The differences are explained below:

	2026 £'000	2025 £'000
(Loss)/profit on ordinary activities before taxation	27	5
Current tax at standard corporation tax rate	7	1
Expenses not deductible for tax purposes	-	32
Adjustments to tax charge in respect of previous periods – deferred tax	(23)	-
Income not taxable for tax purposes	(20)	-
Amounts relating to OCI or otherwise transferred	52	-
Group relief claimed	(16)	(22)
Deferred tax not recognised	-	(11)
Total tax charge on (loss)/profit on ordinary activities	-	-

As of 31 March 2026, the main rate of corporation tax in the UK was 25% (2025: 25%).

	2026 £'000	2025 £'000
Deferred taxation		
The movement in the year is as follows:		
Net tax (asset)/liability at start of the year	-	-
Difference between accumulated depreciation and capital allowances	-	-
Unused tax losses	-	-
Other short term timing difference	-	-
Net tax (asset)/liability at end of the year	-	-

No deferred tax asset is recognised in the accounts. At the rate of 25%, the deferred tax asset, if recognised, would amount to £24,000 (2025: £8,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Debtors: amounts falling due within one year

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Accrued loan interest from joint venture	160	106
Amount owed by related parties	-	-
	160	106

11. Investments

	2026 £'000	Total £'000
At 1 April 2025	2,261	2,261
Additions	739	739
JV profit received	-	-
At 31 March 2026	3,000	3,000

The investment addition in the year was the further instalment of debt investment into the Greater Manchester Joint Venture (GMJV) (Hive Homes).

12. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Amounts owed to related parties	(1)	(10)
	(1)	(10)

Amounts owed to related parties are due on demand and interest free.

13. Creditors: amounts falling due after one year

	2026 £'000	2025 £'000
Loans owed to related parties	(2,854)	(2,202)
	(2,854)	(2,202)

The loans owed by related parties of £2,854k is due for repayment in full in 2039, as per the loan agreement.

14. Non-equity share capital

	2026 £	2025 £
Shares of £1 each fully paid and issued:		
At start of the year	50,001	50,001
At end of the year	50,001	50,001

This note is shown in £s rather than £'000s

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Transactions with related parties

There are no related party transactions during the year, with the exception of transactions with wholly owned members of the group. Atrium City Living Ltd has opted to take the disclosure exemption under the requirements of section 33 Related Party Disclosures paragraph 33.8 of FRS102 and as such do not need to report of these transactions.

16. Capital commitments

There were no capital commitments as at 31 March 2026 (2025: £ nil).

17. Contingent liabilities

There were no contingent liabilities as at 31 March 2026 (2025: £ nil).

18. Ultimate parent Company and parent Company of larger group

The company's immediate parent company is Onward Homes Limited (17186R) a charitable Registered Society under the Cooperative and Community Benefit Societies Act 2014. The company's ultimate parent undertaking and controlling party is Onward Group Limited, a non-charitable Registered Society under the Cooperative and Community Benefit Societies Act 2014. This is the smallest and largest group of undertakings for which consolidated financial statements are prepared. Copies of the consolidated financial statements can be obtained from its registered office: Renaissance Court, 2 Christie Way, Didsbury, Manchester M21 7QY.

19. Post Balance Sheet Events

There were no significant post balance sheet events requiring adjustment to the financial statements.