



Contour Property Services Limited

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

FCA Registration number 23975R

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BOARD AND ADVISORS

Members of the Board

Alexander Livingstone (appointed 9 June 2025,
resigned 3 June 2026)

Matthew Saye (resigned 15 April 2025)

Simon Brown

Simmy Soin

Joanne Danaher (resigned 29 April 2026)

Sally Watts (appointed 29 April 2026)

Stephen Heverin (appointed 3 June 2026)

Company Secretary

Sara Byrne

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 (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 31 March 2026.

Overview and Background

Contour Property Services Limited (the “society”) was established in 2005 as a result of the merger between Moorside Homes and Central Housing Association. Contour Property Services operates across the North West mainly focused within the Greater Manchester area but also delivers services in Merseyside, Cheshire and Lancashire.

The role of the society is to provide management services to leaseholders and freeholders and the provision of private rent services to other members of Onward Group Limited (“the Group”).

Legal Structure

Contour Property Services Limited is a non-charitable Community Benefit Society under the Cooperative and Community Benefit Societies Act 2014. The Society is a wholly owned subsidiary of Onward Group Limited.

Financial Review

The Society reports a loss for the year of £229k (2025: £457k loss). The society ended the year with cash and cash equivalents of £7.7m (2025: £5.0m).

The 2025/26 loss incurred by the entity primarily related to one-off statutory fire safety compliance related costs incurred on a specific scheme and is not indicative of ongoing performance issues.

Operating Review

In 2025/26, one off costs of £550k in relation to statutory fire compliance were incurred on a specific scheme due to the liquidation of the existing freeholder. These were a one-off cost and are not reflective of ongoing performance.

The Board considers the underlying business to be sound and future financial forecasts are positive.

The Society’s aim is to continuously improve services in areas of work such as; income management, health and safety, customer relations and major investment programmes which are programmed following independent professional surveys and site assessment to confirm the works required and then aligned to the financial resources held in trust available from scheme sinking funds.

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:

Risk	Mitigation
<u>Finance</u> CPS is unable to operate within financial parameters and as a going concern due to increased costs and lack of and delayed recovery of income from service charges.	Improvements in governance and oversight arrangements have improved the visibility of financial performance. Whilst cost control and income collection remain areas of challenge and focus, the Board are committed to delivering real change and have made operational improvements to deliver wider performance improvements.

STRATEGIC REPORT (continued)

Principal Risks and Uncertainties (continued)

Risk	Mitigation
<u>Trencherfield Mill</u> Liquidation of the leaseholder results in reputational damage and additional costs.	Given the complex legal situation with respect to this property, this is an area of focus for Board who are seeking to support leaseholders and deliver statutory responsibilities.
<u>Complex Buildings</u> Complex buildings and schemes create additional risks in terms of management and compliance with legislation driving increased costs and impacting the relationship with leaseholders. Not managing this risk effectively may impact the reputation of the business.	The challenge inherent in the portfolio is recognised by the Board who have increased oversight in this area, drawing on specialist expertise to ensure compliance with property safety responsibilities whilst recognising the cost impact on leaseholders. Management regularly meet with leaseholders at our more challenging schemes to ensure they understand the rationale underpinning our decisions and to ensure that the views of leaseholders are considered as part of decision making.
<u>Performance</u> Performance does not meet the required standard leading customer dis-satisfaction and complaints which impact the reputation of CPS and relationship with leaseholders.	CPS remain focussed on working with leaseholders to deliver the service they expect at a cost that reflects value for money. It is recognised that this is a challenge as legacy repairs and compliance requirements are addressed which drive costs to leaseholders. However, the Board are focussed on working with leaseholders to address legacy issues and establish a relationship that reflects the needs and aspirations of all parties.

Corporate Governance

The society 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 the Group, the society delegates responsibilities to the following committees:

- 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.
- Customer – oversight of customer engagement and customer voice.

Value for Money

The society's approach to, and performance on, value for money is set out in the consolidated Group accounts for Onward Group Limited.

Strategic Report

The strategic report including the operating and financial review was approved by the Board on 2nd September 2026 and signed on the 14th September on its behalf by:



Sara Byrne

Company Secretary

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

DIRECTOR'S REPORT

The Board presents the Contour Property Services Limited Annual Report (the 'Annual Report') and the audited financial statements for the year ended 31 March 2026.

Principal Activities

The society's principal activity is the provision of leaseholder services to private owners and the provision of private rent services to other members of the Group.

Board Members and Executive Directors

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

The Board members are made up of the executive directors of the Group and have a diverse background bringing together professional, commercial and other experiences. No remuneration was paid to the directors on the Board in their capacity as directors of the society.

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 society has control. The society promotes safe practices and continuous improvement through a range of measures and is committed to ensuring:

- The health, safety and welfare of all our customers, leaseholders, colleagues, contractors and third parties involved in the operations of the society.
- The safety of the general public who use or have access to premises or sites under its control.

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 2025/26.

Disclosure of Information to Auditor

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

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

Board Members' Responsibilities

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

Co-operative and Community Benefit Society law and social housing legislation require the board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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

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

DIRECTOR'S REPORT (CONTINUED)

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

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

Statement of Internal Control

The Board acknowledges its ultimate responsibility for ensuring that the society 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 society 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 (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 oversee the work of the internal auditor and is responsible for monitoring that actions identified as a result of internal audit findings are implemented in a timely fashion

External Audit Assurance

The work of the external auditors provides some independent assurance over the adequacy of the internal control environment. The Society 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.

Fraud

There is a zero tolerance approach to fraud, and a number of policies are 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.

DIRECTOR'S REPORT (CONTINUED)

Review of Risk Management and Governance Arrangements

The society 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 society activities and is to ensure that planned remedial and improvement actions agreed were implemented in a timely and comprehensive manner.

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 society's business activities, its current financial position net liabilities of £654k (2025: £425k liability) and factors likely to affect its future activity are set out within the directors' report. The society made a loss in the current year of £229k (2025: £457k).

The society is supported by an intra-group loan agreement of £1.9m (2025: £1.9m) which provides adequate resources to planned operational activities. The intra-group facility was extended in 2022/23, such that it does not mature until 2030/31. The society has a long-term business plan which shows that it can service its intra-group loan.

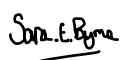
In 2025/26, the loss incurred by the entity related to one-off costs incurred on a specific scheme following the liquidation of the freeholder and is not indicative of ongoing performance issues.

On this basis, the Board has a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve 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.

The directors' report, including the financial statements, was approved by the Board on 2nd September 2026 and signed on the 14th September 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 CONTOUR PROPERTY SERVICES LIMITED

Opinion

We have audited the financial statements of Contour Property Services (the 'society') 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the society's affairs as at 31 March 2026 and of its income and expenditure for the year then ended; and
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.

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 society 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 Committee of Management'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 society'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 Committee of Management 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 Committee of Management is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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)

Matters on which we are required to report by exception

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

- proper books of account have not been kept by the society in accordance with section 75; or
- a satisfactory system of control over transactions has not been maintained by the society in accordance with section 75; or
- the revenue account and the balance sheet are not in agreement with the books of account of the society; or
- we have not obtained all the information and explanations which, to the best of our knowledge and belief, we consider necessary for the purposes of our audit.

Responsibilities of the Committee of Management

As explained more fully in the Committee of Management's responsibilities statement set out on pages 5 to 6, the Committee of Management 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 Committee of Management 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 Committee of Management is responsible for assessing the society'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 Committee of Management either intends to liquidate the society 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 society operates in and how the society 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 Co-operative and Community Benefit Societies Act 2014. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are General Data Protection Regulations (GDPR). We performed audit procedures to inquire of management whether the society is in compliance with these laws and regulations and inspected correspondence with the Information Commissioners Office.

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 provided on the Financial Reporting Council's website at: <https://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 society's members as a body, in accordance with the provisions of section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Landmark
St Peter's Square
1 Oxford Street
Manchester
M1 4PB
14/09/26

Contour Property Services Limited

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the year ended 31 March 2026

		2026	2025
	Notes	£'000	£'000
Turnover	3	1,420	1,250
Operating costs	3	(1,591)	(1,645)
Operating (deficit)		(171)	(395)
Interest payable and similar charges	8	(58)	(62)
(Deficit) on ordinary activities before taxation		(229)	(457)
(Deficit) for the year after taxation		(229)	(457)
Total comprehensive (Loss) for the year		(229)	(457)

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

	Notes	Non-equity share capital £'000	Revenue reserves £'000	Total reserves £'000
Balance as at 31 March 2024		-	32	32
Total comprehensive surplus for the period				
Deficit for the year		-	(457)	(457)
Balance at 31 March 2025		-	(425)	(425)
Total comprehensive loss for the period				
Deficit for the year		-	(229)	(229)
Balance at 31 March 2026		-	(654)	(654)

FINANCIAL STATEMENTS (CONTINUED)

Statement of Financial Position as at 31 March 2026

		2026	2025
	Notes	£'000	£'000
Tangible fixed assets			
Investments	10	390	390
Other tangible fixed assets	11	711	714
		1,101	1,104
Current assets			
Debtors due within one year	12	2,534	1,293
Cash and cash equivalents		7,691	4,996
		10,225	6,289
Creditors: amounts falling due within one year	13	(5,824)	(2,462)
Net current assets		4,401	3,827
Total assets less current liabilities		5,502	4,931
Creditors: amounts falling due after one year	14	(6,156)	(5,356)
Total net (liabilities)		(654)	(425)
Capital and reserves			
Non-equity share capital	15	-	-
Revenue reserves		(654)	(425)
Total capital and reserves		(654)	(425)

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 2nd August 2026 and signed on the 14th September 2026 on its behalf by:



Stephen Heverin
Director



Simmy Soin
Director



Sara Byrne
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Contour Property Services Limited is a non-charitable registered society under the Cooperative and Community Benefit Societies Act 2014. It is registered with the Financial Conduct Authority, registration number of 23975R. The registered office is Renaissance Court, 2 Christie Way, Didsbury, Manchester M21 7QY.

Contour Property Services Limited is a trading subsidiary of Onward Group Limited, a non-charitable Registered Society under the Cooperative and Community Benefit Societies Act 2014. It is registered with the Financial Conduct Authority, registration number of 31216R. The society is a public benefit entity.

2. Accounting policies

a) Basis of accounting

The financial statements of the society 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 society 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.

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, M21 7QY.

b) Measurement convention

The financial statements are prepared on the historical cost basis.

c) Going concern

The society's business activities, its current financial position net liabilities of £654k (2025: £425k liability) and factors likely to affect its future activity are set out within the directors' report. The society made a loss in the current year of £229k (2025: £457k).

The society is supported by an intra-group loan agreement of £1.9m (2025: £1.9m) which provides adequate resources to planned operational activities. The intra-group facility was extended in FY22/23, such that it does not mature until FY30/31. The society has a long-term business plan which shows that it can service its intra-group loan.

In FY25/26, the loss incurred by the entity related to one off costs incurred on a specific scheme following the liquidation of the freeholder and is not indicative of ongoing performance issues.

On this basis, the Board has a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

c) Going concern (continued)

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, estimates and assumptions have had the most significant effect on the 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.

Bad Debts: A bad debt provision is held in the accounts to counter the risk of failure to recover current and former tenant arrears. A judgement is made based on the age of the debt (note 12).

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. Contour Property Services does not have any financial instruments which fall into the non-basic financial instrument category.

Customer arrears, trade and other debtors

Customer arrears, 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.

Bad debt

A bad debt provision is held in the accounts to counter the risk of failure to recover rent, service charges, management income other outstanding debts. A judgement is made, on individual basis of all outstanding debts, whereby management consider the risk of each outstanding debt and likelihood of recovery. The policy also takes into account current year considerations, credit risk rates and any other condition that is present in the current period that was not present in the historic period. Debt that is commercial in nature will be pursued using all debt collection methods available within legal parameters.

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.

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 society's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

e) Basic financial instruments (continued)

Leasehold Sinking Funds

Sinking funds are monies held on behalf of leaseholders for future major repairs; in line with the requirements of the SORP they are recorded within creditors in the balance sheet and the monies are held in separate bank accounts. The balances are presented as liabilities due after more than one year unless the repair work has been contracted for as the society controls the timing of the expenditure.

f) Turnover

Turnover comprises of management income receivable in the year and other services included at the invoices value (excluding VAT) of goods and services supplied in the year. Other income is recognised as receivable on the delivery of services provided.

g) 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 include interest receivable on funds invested.

h) 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. If and 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.

i) Value added tax

Contour Property Services 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.

j) Investments

Investments in shared equity arrangements are stated at cost as concessionary loans. They are subsequently updated to reflect any impairment loss which would be recognised in the statement of comprehensive income and any accrued interest payable or receivable. At the present time there is no interest charge and the loans are repayable at the time the property is disposed of by the owner. Security is in the form of a second legal charge over the property.

k) Other tangible fixed assets

Depreciation is provided on a straight-line basis on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are as follows:

Buildings	50 years
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NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Turnover, cost of sales, operating costs and operating deficit

	2026			
	Turnover	Cost of sales	Operating costs	Operating deficit
	£'000	£'000	£'000	£'000
Non-social housing activities				
Management services	1,420	-	(1,591)	(171)
Total	1,420	-	(1,591)	(171)

In FY25/26 a £320k bad debt provision is in place which was recognised against commercial service charge arrears on the same basis as FY24/25.

	2025			
	Turnover	Cost of sales	Operating costs	Operating deficit
	£'000	£'000	£'000	£'000
Non-social housing activities				
Management services	1,250	-	(1,645)	(395)
Total	1,250	-	(1,645)	(395)

All turnover relates solely to the principal activities and is all generated from activities in the United Kingdom.

4. Accommodation Managed

	2026 Number	2025 Number
The number of properties in management at the year-end were:		
Accommodation managed for other bodies / owner occupiers	3,603	3,810
Total homes managed	3,603	3,810

5. Operating loss

	2026 £'000	2025 £'000
Operating loss is stated after charging:		
Depreciation of other fixed assets (note 11)	3	3
Auditor's remuneration (excluding VAT):	5	5
In their capacity as auditors		

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.

6. Board members

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

7. Employee information

All colleagues working for the society are employed by and all salary costs relating to these colleagues are paid by Onward Homes Limited. The society repays Onward Homes Limited through a management charge which also covers time spent carrying out Contour Property Services work by other staff on joint contracts. Total employee costs recharged to Contour Property Services from Onward Homes Limited amounts to £654,283 (2025: £453,905).

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Interest payable and similar charges

	2026 £'000	2025 £'000
Intra-group loan interest	58	62
	58	62

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	16	-
Adjustment in respect of previous years	(16)	-
Effect of tax change on opening balance	-	-
	-	-
Total tax charge/(credit) 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
(Deficit) on ordinary activities before taxation	(229)	(457)
Current tax at standard corporation tax rate	(57)	(114)
Fixed asset differences	1	1
Expenses not deductible for tax purposes	-	-
Income not taxable for tax purposes	-	-
Deferred tax not recognised	72	113
Adjustments in respect of prior periods	-	-
Adjustments in respect of prior periods – deferred tax	(16)	-
Tax rate differences on deferred tax	-	-
Total tax charge on surplus on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Taxation (continued)

Deferred taxation

The movement in the year is as follows:

	2026 £'000	2025 £'000
Net tax (asset) at start of the year	(190)	(190)
Difference between accumulated depreciation and capital allowances	-	-
Fixed asset timing differences	-	1
Losses and other deductions	-	(11)
Other short term timing differences	-	10
Net tax (asset) at end of the year	(190)	(190)

10. Investments

	Shared equity investment £'000	Total £'000
Shared equity investment	390	390
	390	390

This balance relates to mortgage equity loans granted to house purchasers, to be repaid when the properties are sold.

11. Other tangible fixed assets

	Freehold land and buildings £'000	Total £'000
Cost		
At 1 April 2025	760	760
At 31 March 2026	760	760
Depreciation		
At 1 April 2025	(46)	(46)
Charge for the year	(3)	(3)
At 31 March 2026	(49)	(49)
Net book value		
At 1 April 2025	714	714
At 31 March 2026	711	711

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Debtors

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Rent and service charge arrears	1,519	1,354
Bad debt provision	(320)	(528)
	1,199	826
Amounts owed by related parties	73	55
Amounts owed by leaseholders	710	-
Prepayments and sundry debtors	363	223
Deferred tax	189	189
	2,534	1,293

A provision for arrears amounts to £320k to cover the liability of former and current tenant arrears.

13. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Loans from related parties	252	194
Accruals and deferred income	1,828	641
Trade Creditors	126	117
Other Taxation and social security	141	55
Amounts owed to related parties	3,477	1,145
Amounts owed to leaseholders	-	310
	5,824	2,462

Amounts owed to related parties are repayable on demand. No interest is charged on these balances.

14. Creditors: amounts falling due after one year

	2026 £'000	2025 £'000
Loans from related parties	1,900	900
Amounts owed to leaseholders*	4,256	4,456
	6,156	5,356

*This balance represents cash from leaseholders used to fund works to leasehold properties.

Intercompany loans are repayable in July 2030 with interest charges of 5.82% per annum.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Non-equity share capital

	2026 £	2025 £
Shares of £1 each fully paid and issued:		
At start of the year	5	5
At end of the year	5	5

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

The society's shares are not transferable or redeemable. Payments of dividends or other benefits are forbidden by the society's rules and by the Housing Association Acts.

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 society's immediate and ultimate parent company is Onward Group Limited (31216R) 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.