

Financial Conduct Authority Registration No. 9450

RSH Registration No. L4718

BESPOKE SUPPORTIVE TENANCIES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

BESPOKE SUPPORTIVE TENANCIES

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Andrew Bailey Paul Carhart Stephen Close Philip Elvy Matt Jarratt Thomas Miskell (Chair)
Executive team	Irene Bailey (Finance Director) Steve Fensom (CEO – Consultancy Basis) Shelley Hobbs (Managing Director)
Financial Conduct Authority	9450
RSH number	L4718
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Chair's Statement

The 2023/25 financial period has seen Bespoke Supportive Tenancies (BeST) make strong progress in its recovery plan, continue its work towards full compliance with the Regulator of Social Housing's Regulatory Standards, enter a voluntary partnership with fellow lease based Registered Provider, Westmoreland Supported Housing (Westmoreland), and commence detailed dialogue with their Board in respect of a potential full merger.

The Partnership with Westmoreland saw the secondment of the Westmoreland Chief Executive part-time to support an intense period of recovery activity, including consolidating operations, improved focus upon core operations and extensive negotiations with BeST's superior landlords and key supplier partners. The Board would like to thank the positive engagement and support from BeST's superior landlords throughout the recovery programme. I am confident that these relationships are now on a stronger footing following this period than has been the case for some years, with the majority of partners confident in BeST's ability to move forwards successfully. This effort has resulted in the first positive surplus posted by BeST in five years, as shared in this report, a significant improvement in reserves and it continues to deliver improving operational performance.

On 10th December 2024 the constitution was officially changed and registered as a Community Benefit Society.

This financial period covers 18 months from 01.10.23 – 31.03.25. The transition to a March period end is to better align rental income and costs, and to improve management visibility of value for money.

Throughout the period, the Board and Executive team have continued to push towards regulatory compliance. Having assessed all rent levels against market rent tests, the Board agreed that BeST had inadvertently overcharged tenants for rent at some of its properties and had thus become non-compliant with S69 of the Housing & Regeneration Act 2008. BeST has engaged all of the affected customers and Housing Benefit Offices and has completed the majority of rent repayments due by the end of this period, with the remainder in flight with the affected parties. All rent issues have now been fully addressed moving forward.

The improvement in BeST's operating performance led to both BeST and Westmoreland Boards supporting the development of a strategic detailed business case for merger. In March 2025, the case was presented to each Board and separately approved before a joint meeting of the Boards to confirm the intent. More detail is provided on this through this report.

Notwithstanding the Board's increasing confidence that BeST's recovery progress could result in a long-term sustainable future for the organisation, the Board's decision to support the merger was driven by an exceptionally strong case which accelerates better outcomes for beneficiaries, investment in people and technology and building greater financial resilience than could be achieved by BeST alone in the medium-term.

As we moved into the 2025-26 year, BeST has achieved significant levels of sustainable change and made great strides in its ability to comply with the Regulator of Social Housing's standards. Whilst the benefits of the change made in this period continue to mature, both BeST and Westmoreland are in active preparation for a potential merger by the calendar year-end, having established a joint programme team comprised of business leadership and external specialists, led by a 'Shadow Board' comprised on both BeST and Westmoreland Board members.

I would like to thank my fellow Board Members who have worked extremely hard this last period supporting the activities of the organisation. I would also like to thank the Executive Team and the staff who have again completed many key tasks this period, as well as continuing to deliver services to our vulnerable tenants against a backdrop of multiple economic constraints and extensive change.

Chairman



Dated: 24th September 2025

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The Board presents its Strategic Report together with the audited financial statements for the 18-month period ended 31st March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's Rules, the Cooperative Community Benefit Society Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Bespoke Supportive Tenancies converted from a Charity to a Community Benefit Society on 10 December 2024.

Objectives and activities

Aim

The principal object of Bespoke Supportive Tenancies (BeST), as set out in its Rules, is to provide accommodation for vulnerable adults in partnership with support providers. BeST works closely with service providers such as Local Commissioning Groups, Local Authorities, Housing Benefit Departments, Care and Support providers to identify tenant requirements to enable it to acquire suitable homes that can be adapted for the specialised requirements to meet the needs of our tenants.

Principal activity

In the period covered by the financial statements the principal activity was acting as landlord for supported housing providers and tenants.

Strategic Review

Partnership with Westmoreland Supported Housing

Following consideration of a detailed business case, the Boards of both BeST and Westmoreland agreed to form a voluntary partnership, initially with the aim of sharing good practice and supporting each other in both recovery and achievement of regulatory compliance. BeST and Westmoreland strongly overlap in purpose, scope, portfolio geography and operating model. At the time of the decision to partner, The Board of BeST recognised that Westmoreland had completed the significant majority of its recovery objectives, delivers consistently strong operational and financial performance and is enjoying controlled growth. The initial phase of the partnership, from February to July 2024, included the secondment of the Westmoreland CEO to act as interim CEO for BeST, with a focus upon BeST's business recovery. Between February and July 2024, the organisation went through a period of intense recovery, including consolidation of operating staff, refocusing the organisation on core performance and engaging with all superior landlords to seek to resolve long-standing underperforming assets. This was successful, as evidenced by the significant improvement in BeST's financial results provided in this report.

In July 2024, the Boards of BeST and Westmoreland agreed that the recovery of BeST was sufficient to consider it a viable standalone entity and therefore had achieved sufficient recovery milestones to move to the second stage of the partnership. The Executive then spent the following 6 months, supported by external independent consultants, undertaking detailed due diligence and developing a detailed business case for merger of the two organisations.

The business case was presented to a joint Board meeting on 24th March 2025 and was approved by both Boards. At the end of the financial period, BeST and Westmoreland have entered a standstill and data sharing agreement and have stood up a joint programme team, led by the CEO, to prepare the businesses for a merger.

Whilst there are near-term financial benefits identified, the agreement of both Boards to pursue a merger was made with the view that such a merger is a long-term strategic opportunity that should benefit customers, employees, stakeholders and the sector.

The decision to merge, therefore, is not a defensive strategy to protect against failure, or to strengthen near-term finances, but a positive decision to drive stronger positioning, financial strength, resilience in capability and infrastructure, and a stronger customer proposition.

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Specifically, the merger targets the following outcomes:

- Stronger market positioning and stakeholder value through increased relevant scale and the combination of two strongly over-lapping portfolios
- Stronger financial positioning through improved margin, accelerated cash generation and reduced like-for-like per-unit operating costs post completion of the integration plan. Note that only some of the available financial benefits are being assumed, with the remainder used to invest in deeper capabilities
- Improved customer proposition both through a net increase in customer facing and associated support staff, enhanced systems and data analytics and creation of new services to support customers alongside a plan to deliver full customer and appointee self-service options.
- Improved risk profile through acceleration of own developed and acquired assets
- Improved employee proposition through improved terms and conditions, doubling of training and development budgets each year and through being part of a larger, increasingly professionalised workforce.
- Improved business infrastructure through investment in new systems architecture, data architecture and analytics

The merger is undertaken as a positive long-term strategic plan for both organisations – a merger of equals, with each bringing individual strengths. As both organisations are registered Community Benefit Societies, it is the intent that the current Westmoreland legal entity (the smaller entity) will undertake a Transfer of Engagements into the larger, BeST legal entity.

Whilst the proposed merger represents the Board's primary strategy, should it not proceed, the Board considers that BeST would be capable of trading on an ongoing basis as its current forecasts show that BeST is a now an increasingly robust business. The Board has prepared and agreed a detailed 5-year stand-alone corporate plan (FY26-30) focused upon ongoing improvements in service, investment in people and underlying infrastructure and preparation for achieving compliance with the Regulator of Social Housing Standard

In preparation for the merger – and as part of BeST's wider recovery plan, the Board made the following two changes:

- With effect from 10th December 2024 BeST has registered with the Financial Conduct Authority as a Community Benefit Society.
- BeST has changed its financial year from October-September to April-March. This better aligns with the standard social housing 'rent' year, so better aligns income profile with costs incurred by the organisation.

To the date of issue of this report, highlights of activity after the end of the 2023-2025 financial period focus upon the furtherance of a merger between Westmorland and BeST:

- Westmoreland has entered a 'standstill' agreement for the duration of the due diligence and merger preparation period, whereby no significant changes will be undertaken to either business without notification to the other.
- A 'Shadow Board' has been established, comprising of equal membership from both parties, with the aim of leading merger preparation and assuring each Board.
- Initial consultation has commenced with customers of both organisations.
- A jointly funded programme team has been established to deliver pre-merger preparation, a merger transaction and post-merger organisational integration

Regulatory position

Throughout the period, BeST has maintained an open and transparent dialogue with Regulator of Social Housing ("Regulator" or "RSH") in respect of the identified weaknesses and to achieve compliance with the Regulatory Standards. Despite the challenges imposed by regulatory engagement, BeST has continued to focus on its charitable objectives. It continues to provide high quality accommodation for vulnerable adults. The significant improvements in financial performance, operating performance and risk mitigation through the period has been well received by the Regulator and sets BeST up well for the further investment required to close the gap on compliance.

The Regulator has been kept informed of decision-making and progress throughout the partnership with Westmoreland to date and is aware of the joint decision and rationale to pursue the merger opportunity. BeST and

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Westmoreland continue to engage with RSH both separately and together in respect of regulatory compliance; the latter specifically in respect of achieving regulatory compliance as a 'new' entity.

Specialised Supported Housing Network

Bespoke Supportive Tenancies is an active member of the Specialised Supported Housing Network.

The Specialised Supported Housing Network (SSHN) is an informal group of likeminded independent registered providers responsible for providing accommodation to some of the most vulnerable adults in the UK.

The current members are: -

Westmoreland Supported Housing Limited	Encircle Housing
Falcon Housing Limited	First Priority Housing Association Limited
Hilldale Housing Limited	New Walk Property Management C.I.C.
Trinity Housing	

With positive outcomes for our tenants, including improved sustainability of homes, as the central driver of the group we recognise that there are benefits of cooperation amongst peers, without the need to merge or otherwise consolidate.

In 2024/25 We Said:	We Did:
We will share the experience and learning of those members who took in the pilot of Tenant Satisfaction Measures for small providers with group.	Those providers within the group shared their experiences with others who will go through the formal process in 2025 Several of us were involved with the pilot with the Regulator and fed back that a significant number of our tenants are effectively excluded due to the manner of the survey. We hope the regulator will revisit its methodology so our tenants can be included.
We will continue to identify common areas where collaboration can achieve cost savings not achievable as individual entities (e.g. training and legal procurement)	We collectively purchased legal advice on changes to leases, and upcoming changes to tenancy law. We organised group demonstrations for new Housing Systems as several of our members are considering changing systems
We will develop new models of housing investment to increase the supply of specialist supported housing with a reduced risk profile for RPs.	We explored a detailed proposal with a finance house; however, it ultimately didn't proceed. We continue to engage with potential investors to develop a more equitable funding structure for this niche.
We will continue to share BeST practice and internally benchmark our service delivery.	Our operational subgroups met regularly throughout the period, and repairs, housing management performance, and financial expertise was shared and benchmarking performance reported to our respective boards. We have also jointly assessed the impact and reporting requirements of the pending FRS102 new accounting rules on our businesses.

In 25/26 we will: -

- Establish externally validated benchmarking club
- Explore jointly commissioned activities to provide more cost-effective services to all of our tenants
- Continue to explore alternative models for delivery of Specialised Supported Housing
- Continue to share good practice between members

Operations and Business Performance

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During the period BeST has worked with a total of 54 Care and Support partner organisations delivering services to up to 1,243 customers living in 259 supported housing schemes located across 106 Local Authorities in England and Wales.

BeST's teams have focused on business recovery throughout the period, including improving quality of repairs and maintenance service, consistency in service delivery across all customers, reduction in voids, effectiveness and efficiency in operations, and significant commercial negotiations with all landlords to resolve long standing underperforming assets, capital investment and re-baselining rents.

Key Operating Metrics

BeST's key operating metrics for the period are given below.

	Metric (as at period end)	March 2025	Sept 2023
Housing Management	Number of Units	1,417	1,722
	Registered	8	253
	Managed Units	1,409	1,469
	Occupancy - Gross (%)	88.1%	85.6%
	Occupancy - of Lettable (%)	89.6%	Not available
	Number of Voids	168	212
	Number of unlettable Voids	21	Not available
	Overall Income Collected (%)	105%	114%
	Current and Former Tenant Arrears (£)	£1.22m	£1.03m
Asset Management	Repair Volume Per Annum	9,904	11,794
	Compliance - Gas	100%	98%
	Compliance - FRA	100%	95%
	Compliance - Electrical	100%	59%
	Compliance - Asbestos	100%	28%
	Compliance - Lifts	100%	63%
	Compliance - Legionella	100%	95%
	Planned investment	£0.4m	£0.3m
	Planned investment	£1.56m	£nil
Employee	Employee Numbers (FTE)	36	46
	Staff Turnover	56.8%	27.9%
	Sickness Days per Employee	2.4%	3.3%

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Overall, the organisation has recovered well and exits the financial period performing strongly.

As can be seen, properties comprising 305 units were disposed of during the period, leaving BeST with 1,417 units under management, of which 8 are registered. This was a positive outcome from landlord discussions, removing non-core and underperforming properties.

As a result of this work and increased focus from our housing staff, occupancy has increased to 88.1%. BeST is targeting ongoing occupancy in excess of 90% moving forward. BeST has retained strong collection results throughout the period of recovery, this year included.

Of the Current and Former Tenant arrears, £1.21m is current tenants' debt, equating to 2.5 arrears weeks, within BeST's operational target of 3 weeks. This collection target and achievement have remained consistent year on year.

Repairs, maintenance and investment performance underwent significant change through the period. Following a change in support provider in February 2025, policies, standards and repair profiles were redefined and a stronger management regime implemented. This resulting in performance improvement and cost control, with all areas of repairs and maintenance achieving or significant beating budget expectations for the period. This performance improvement is one of the key drivers of the overall performance improvement across the organisation.

In respect of Health and Safety Compliance, BeST is restating and downgrading its performance from 2023 following a detailed audit of the previous supplier's performance after termination of the relationship. The performance in 2025 is tracked with 100% audit of all certifications.

During financial period, BeST agreed with Westmoreland to manage the following cyclical services on their behalf: gardening, cleaning, window cleaning and gutter clearance. This was a success, with increase in frequency of service delivered, improved adherence to the published schedules and strongly positive customer feedback. At the end of the current financial period, BeST Board agreed to extend this approach by bringing all health and safety compliance management activities (inspection and remediation) in-house to further improve control and value for money. This was completed in July 2025.

Responsive repair services have been brought under effective control through the period. In the previous financial year, BeST undertook an average of 8.03 repairs per unit per year. Through better management of performance, this has reduced to 4.71, which is more aligned to market norms. Two other improvements have been made to support effective delivery and VFM (Value For Money), being:

- Stronger control over response times – in the 2023 year, 86% of repairs were allocated to be completed within 7 days. More effective triage has reduced that to 65%, bringing BeST more in line with other SSH providers.

Responsive Repair Profile	March 2025	%	Sept 2023	%
Same Day	698	7	1178	10
24 Hours	1049	11	1396	12
7 Days	4641	47	7547	64
28 Days	3517	36	1673	14

- Introduction of a partner direct labour organisation for smaller jobs has allowed increases in productivity and reduction in overall unit costs.

Unit Repair Costs	Full Year FY25	Full Year FY23
Average Responsive Repair Cost	£312.51	£392.23
DLO Delivered %	34%	0%
Subcontracted %	66%	100%
DLO Average Cost	£162.24	NA
Subcontractor Average Cost	£389.46	£271.60

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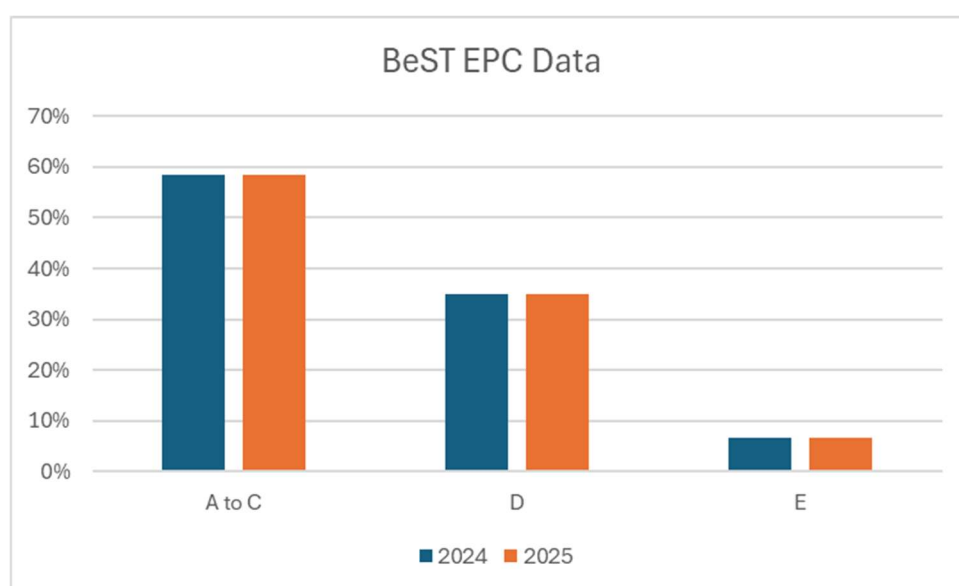
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The increase in subcontractor average unit costs is driven by redirection of simpler lower cost jobs to the DLO (Direct Labour Operative) workforce.

As BeST moves into 2025/26 and onwards, they will target increased use of multi-trade DLO services where value can be demonstrated.

As a result of the challenges BeST has faced, and the focus upon organisational recovery, the planned works programme through the period was constrained, with focus being upon ensuring health and safety of customers before any investment works delivered. However, through the period, BeST committed £414k on capital works (£315k for the 2022/23 financial year).

The current energy performance of the BeST portfolio is reported below.



Whilst most of the portfolio meets the EPC 'C', the Board is cognisant of the work required to ensure all properties meet the EPC 'C' threshold by 2030 and are including the required planning and investment assumptions into the forward business plan from 2027.

Finally, significant staff turnover is reported for this year. BeST undertook a staff consolidation exercise early in the financial period, as part of its overall recovery plan and has focused upon individual and collective performance for the remainder of the period. Staff turnover is expected to be significantly lower moving forward.

Financial Review

BeST reported a surplus for the period of £0.57m (2023: Deficit £1.95m).

Although the number of units at the period end is 18% lower than at September 2023, the organisation has seen a £17m (63%) increase in turnover this period. If the prior year turnover was adjusted to reflect an 18-month trading period, the turnover has still increased by £3.6m (9%). The average void % has slightly reduced to 12%.

This income growth has been partially offset by increased operating costs mainly driven by both inflationary pressures and increased demand. The increased demand is driven by a focus on property conditions, including damp, mould, and condensation issues against a backdrop of much sharper regulatory focus and heightened Ombudsman's attention.

As a lease-based provider, BeST rents its properties on long-term operating leases or through finance leases. Within the balance sheet, the finance lease properties are shown as an asset whilst the liability to repay the lease is shown

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as a creditor. Different accounting treatments for depreciating the asset and charging interest result in the value of the finance lease creditor being much higher than the value of the asset in the early years of the lease, with the difference reducing over the term of the lease. At period-end the value of the finance lease creditor was £9.3m higher than the NBV value of the properties.

The operating surplus has increased by £4m against the previous year (£2.1m on a 12-month basis) and the overall surplus is £2.5m higher than the previous year. (£2.3m on a 12-month basis)

BeST has net current liabilities of £66k and net liabilities of £6.6m. However, this would be a net asset position if the accounting treatment of the finance lease creditor and asset itself were more closely aligned. That, together with the healthy cash balance that BeST had at period-end, provides reassurance over the going concern of the organisation.

Reserves policy

The Board approved a change to BeST's Reserves Policy in 2020 to more accurately reflect the fact that the lease-based model negates using a purely asset-focused approach to setting reserves targets. The policy acknowledged that an asset-based approach was not suitable due to the significant finance lease liabilities held on the balance sheet, whilst the accounting treatment of finance leases, with higher interest charges in the early years of the lease, impacted upon BeST's ability to generate a reasonable level of profit and loss reserves.

The policy is based on the level of unrestricted cash reserves. To ensure that the society's ongoing and future activities are reasonably protected from unexpected variations in its income and expenditure, Management will review the policy during 2026 to determine whether the current policy limit of £750k is still appropriate. This figure excludes lease payments, which in 2023/25 were £26.4m. BeST would need the financial support of its funders were there to be any material variations in its income. The ongoing renegotiation activity with funders includes consideration of available landlord support. The Board have implemented a rigorous risk management framework and undertake stress testing of BeST's business plan to provide a suitable early warning system if the financial viability of BeST were to become at risk. The Reserves Policy acts as a financial trigger, alongside these other controls and tools, and would provide sufficient time for the Board to take appropriate action to either rectify the situation or take necessary action with the support of the Regulator.

The Board are confident that the current level of liquid resources is more than adequate to ensure the organisation can continue to fund its activities and enable it to meet any foreseeable contingency. Holding unrestricted cash reserves of £750k is currently the minimum that the Board would feel comfortable holding to ensure that BeST could meet its financial requirements. As at the end of March 2025, BeST had total cash reserves of £5.7m (£2.7m September 2023), of which £4.1m was unrestricted, £1m was restricted, and £580k was related to funder support.

BeST held negative reserves of (£6.6m) (2023: (£7.2m)) on 31 March 2025 and £nil (2023: £nil) in restricted reserves. Free reserves, i.e. unrestricted funds excluding tangible fixed assets, were (£67m) (2023: (£71m)) on 31 March 2025. £60m (2023: £64m) is represented by fixed assets which are currently being held under finance leases. The associated finance lease creditor included within free reserves is £68m (2023: £70m).

Value for Money

Introduction

BeST undertakes an annual self-assessment against the Value for Money (VFM) Standard to evidence its compliance. BeST has now clearly articulated its strategic objectives within its business plan, including how it delivers specialised supported housing for its tenants through lease arrangements with a range of funders. The Board continues to challenge the existing delivery models and management have built and delivered efficiency targets into the annual budgeting process.

How do we approach VFM?

The overall strategic objective for BeST remains to provide and manage high quality accommodation for vulnerable adults that meets their specialist requirements in partnership with support providers.

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The organisation at present remains focused on three key objectives:

- To meet and maintain compliance with the Regulatory Standards.
- To improve operational efficiency whilst delivering a quality service to tenants.
- To establish and maintain a financially viable position.

These objectives provide the cornerstone of BeST's current business plan and integrate Value for Money into these objectives. BeST has undertaken detailed reviews over the past two years.

BeST operates a lease-based model. This results in particular financial outcomes due to the specific accounting requirements for finance leases. The RSH VFM metrics do not allow easy comparisons with traditional general needs housing associations for the lease-based provider sub-sector. The general themes of the VFM metrics, when applied to lease-based providers, is that of low reinvestment, high gearing, high headline social housing cost per unit and low operating margins.

BeST is aware of these issues, and previous work, along with the current activity as part of the partnership project, is designed to increase the organisation's operating margin. BeST acknowledges that it is unable to improve some of its VFM metrics because of the operating model it uses.

The early phase of the partnership arrangement with Westmoreland was centred upon improving the efficiency of BeST's processes, including repairs and maintenance, and improving the quality and balance of BeST's lease arrangements. This work has delivered significant improvements in VFM throughout the year, through cost efficiencies, operating improvements across the business and through the identification and removal of several loss-making schemes from the BeST portfolio.

As discussed above, the Board's agreement to pursue a merger with Westmoreland is predicated upon long term benefits to the scope and quality of service, improvements in VFM – including achieving and maintaining regulatory compliance – and enhancing the employee experience in the near to medium term. In the longer term, the merger is intended to facilitate a rebalancing of risk across the portfolio.

Value for Money metrics

The following tables show how BeST has performed against the VFM metrics over the last two years. The forward view also compares BeST's VFM metrics against the 2026 budget.

RSH VFM Metrics	Actual Mar 25	Actual Sept 23	Budget 2025	Budget 2026	RSH Metrics 2024
Reinvestment %	0.8%	1.1%	0.3%	1.9%	7.7%
Gearing %	103.4%	105%	105%	113%	46%
EBITDA MRI interest cover %	175.4%	95%	178%	119%	122%
Headline social housing cost per unit including finance lease costs	£24,670	£13,694	£13,530	£16,244	No Data
Headline social housing cost per unit excluding finance lease & Interest costs	£11,082	£6,080	£5,405	£10,567	£5,136
Headline social housing cost per unit including finance lease and interest costs	£28,381	£15,798	£15,601	£18,816	No Data
Operating Margin (social housing lettings) %	13%	6%	16%	9%	20%
Operating Margin (overall) %	13%	6%	16%	9%	20%
Return on capital employed (ROCE)	9%	3%	8%	4%	3%

Backward looking

The 2025 Reinvestment and New Supply (Social Housing) metrics remain low because they reflect BeST's no growth strategy. The reinvestment recognises capitalised maintenance on existing properties.

Gearing remains high and there has been minimal movement in the metric across the periods because of how the Society is financed through the lease-based model. The movement in gearing since 2023 is due to the increased cash balance held at the end of the period.

EBITDA MRI interest cover metric increased by 80% in 2025. The increased rental income and tighter controls on expenditure have contributed to this improved position.

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The headline social housing cost per unit metrics have all increased due to the current reporting period covering 18 months rather than the standard 12 months.

BeST's operating margin has increased to 13% in the period. As already noted, the negotiated reduction in lease payments and tighter controls on expenditure have caused this improvement.

BeST's ROCE has improved over the period following the higher than anticipated surplus position at the end of the period.

Forward looking

Reinvestment and New Supply (Social Housing) metrics are minimal going forward as they reflect BeST's no growth strategy.

Gearing is high and there is minimal movement in the metrics in the future because of how BeST is financed through the lease-based model.

EBITDA MRI interest cover metric is expected to reduce due to the increased expenditure on capitalised planned works.

The headline social housing cost per unit is forecast to increase in the future as operational efficiencies are cancelled out by inflation and fewer units.

The forward-looking operating margin and ROCE metrics reflect the changes already mentioned, as they show the impact of increased planned capital expenditure and the planned reduction of finance lease interest.

Governance

Governing document

The organisation was originally a charitable company limited by guarantee, incorporated on 14 September 2010, and registered as a charity on 22 July 2011. On 10th December 2024, the constitution changed to become a charitable Community Benefit Society registered under the Co-operative and Community Benefit Societies Act with the Financial Conduct Authority, registration number 9450. It is a Registered Provider of Social Housing, registered with the Regulator of Social Housing, registration number 4718.

Board Members

The Board of Management has operated a simple governance structure to deliver its key objective of achieving regulatory compliance, with a Board of six members and no additional Committees. Four board members with specific social housing sector skills and extensive regulatory experience were brought on to the Board in August 2019 to help guide the organisation through its regulatory engagement. The board members delegate the day-to-day management to the Executive Team of two officers and a seconded CEO through a formal delegation structure involving standing orders, financial regulations, and delegated authority schedule. BeST operated without a Chief Executive for the period of October 2023 – January 2024 during the financial period with the Executive Team having taken on board any specific responsibilities that related to that post.

The Board Members who served during the period were:

Board Member	Appointment Date
Tom Miskell (Chair)	15 August 2019
Andrew Bailey	20 March 2019
Paul Carhart	20 March 2019
Steve Close	15 August 2019
Phil Elvy	15 August 2019
Matt Jarrett	6 November 2024

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The current board members have committed to remain in post whilst BeST works towards its merger with WSHL. Having continuity at Board level at this time, along with the regulatory engagement, has resulted in the Board extending members' tenure. The Rules allow for the Board to extend tenures beyond six years in exceptional circumstances such as these. If the merger is approved, several board members will be standing down at the merger date.

A recruitment exercise has been undertaken for the board membership post the merger, which will increase diversity but also bring on to the Board individuals with lived experience of supported housing through family members. The proposed new Board will also have the necessary skills and experience to lead a lease-based supported housing provider. A full suite of governance documentation has been developed for the new Board, utilising best practice within the sector. A governance structure will also be established, which will include an Audit & Risk Committee and a Customer Committee, to provide greater oversight of these matters. The remuneration policy for the proposed new Board was external prepared and benchmarked within the sector.

An induction and board member development process will be initiated for the new Board, once recruited. This will be based on any gaps identified following a robust skills assessment and include nugget board training for regulatory updates and other formal training and attendance at conferences.

Regular contact has been maintained with the Regulator throughout the period. As noted elsewhere in the Strategic Report, the Board is of the opinion that it meets the Regulatory Standards. BeST is still actively engaged with the Regulator and progress continues to meet the Regulator's requirements."

Corporate Governance

BeST has been in regulatory engagement since 2019. The Board has been focused on meeting the requirements of the Regulator since then and in August 2021, the Board adopted the 2020 NHF Code of Governance. The Board has concentrated on ensuring the viability of BeST and meeting the requirements of the Regulatory Standards throughout this period, but it has also overseen significant improvements in the governance of the organisation.

The last self-assessment continued to identify some minor areas of improvement, but the Board is of the opinion that the improvements made over the past few years are sufficient to ensure that BeST operates an efficient and effective governance process. The minor improvements are being implemented with the Shadow Board for the proposed merged organisation.

Although there are elements of the Code where improvements could be made to the existing documentation or processes, to provide more rigorous or transparent evidence, the Board is of the view that it meets the requirements of the Code, specifically putting the principles into practice. New documentation and processes are being drafted for the merged organisation to ensure that it meets all the necessary requirements.

The areas of improvement are all included within the governance improvement plan and the intention of the organisation is to implement all of them as part of establishing the new, merged organisation, with an updated governance structure and new systems.

Although there are elements of the Code where improvements could be made to the existing documentation or processes, to provide more rigorous or transparent evidence, the Board is of the view that it meets the requirements of the Code, specifically putting the principles into practice.

The areas of improvement are all included within the governance improvement plan and the intention of the organisation, depending on decisions taken by the Board in respect of the proposed merger, is to achieve full compliance on merger. The Board has acknowledged that the improvement work, for instance the appointment of senior independent director, will be implemented as part of the new Board. The refreshed Board would then lead BeST on its new strategic path once its future has been secured and the regulatory concerns addressed.

BESPOKE SUPPORTIVE TENANCIES

STRATEGIC REPORT

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

Regulatory Standards

During the period, BeST has also been working through the Improvement Plan that was produced following the last self-assessments undertaken against the Regulatory Standards. Progress has been made, and the bulk of the outstanding tasks have been incorporated into the merger project plan. The outstanding items will be substantially completed by the time of the merger. On completion of the merger, the new organisation will begin preparations for a regulatory inspection, which will be undertaken to identify if it meets the requirements expected of it.

Risk Management

The Board has adopted a risk-based approach to establishing and maintaining internal controls, appropriate for the size and complexity of the organisation. The Board reviews the strategic risk register twice a year and considers its appetite for taking on risk. The Board has established a risk appetite against the different areas of business activity. This provides target risk scores against which the Board can monitor progress of the risk mitigation work.

The Board has continued to focus activity on reaching regulatory compliance. This has resulted in the Board reviewing mitigation activity around its key risks of financial viability, loan exposure and rent compliance on a regular basis. As well as maintaining a 'business as usual' Strategic Risk Register, a project risk register has been established for the merger project, which is regularly reviewed by the Shadow Board.

Risk Register

BeST maintains a detailed risk register, which includes mitigations, proposed actions, assurance sources and board risk appetites for each risk. The table below summarises information in the register to evidence the main risks faced by BeST and how it is mitigating them. The table includes the risk category

Risk category	Risk description	Mitigations
Medium	Breach of RSH Standards Compliance (legal & regulatory)	a) Active regulatory engagement with the RSH b) Self-assessments carried out against each Standard, including external independent assessment c) Internal improvement plans developed and being completed d) SSHN group working together to influence how SHROA will be implemented
Medium	Debt collection (financial viability)	a) Debt collection is the responsibility of the Head of Income. b) Credit control process in place and team issue invoices now as well as chase debt c) Established process to evidence requirement for recharges d) BeST prepared to issue winding up orders to collect debts e) Ability to use solicitors to chase debts f) Income Collection Policy in place and monitored
Medium -Low	Lease exposure (financial viability)	a) 30-year business plan produced with stock condition and lease review data, demonstrating that the business is long term cash generative, to support build-up of free reserves b) business understands its costs and scheme profitability c) Business focuses upon efficiency re;occupancy & collections
Medium - Low	Risk of support provider failure (legal & regulatory)	a) Insurance in place b) Closer working with support providers (SP) to understand issues including SP seeking help re limits on foreign workers
Medium - Low	Health & Safety compliance (Asset management)	a) Health & safety policy in place; detailed policies for each element of landlord compliance, including damp & mould b) In-house management of the compliance function to exercise greater control c) Compliance function audited by external consultants Manifest d) Board visibility of compliance via the Performance Scorecard
Medium - Low	Unit reductions	a) All properties and commissioner relationships have been reviewed to assess risk of withdrawal of support

BESPOKE SUPPORTIVE TENANCIES

STRATEGIC REPORT

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

Risk category	Risk description	Mitigations
	(financial viability)	b) Where regions / properties have been identified as high risk, all have been included within scope of negotiations for either a surrender of lease or a rent pass through arrangement. c) where a unit within a property has been identified as a risk, a unit reduction process is in place to spread management costs across the remaining units d) There is active long term void management in force
Medium - Low	Health & Safety compliance (Asset management)	a) Health & safety policy in place; detailed policies for each element of landlord compliance, including damp & mould b) In-house management of the compliance function to exercise greater control c) Compliance function audited by external consultants Manifest d) Board visibility of compliance via the Performance Scorecard
Medium - Low	Superior landlords (Financial viability)	a) New leases negotiated with all institutional landlords b) Recent landlord negotiations provided opportunity for landlords to identify if they wished to exit the sector c) For private landlords wishing to exit, BeST has a detailed process in place to ensure that tenants are supported
Medium - Low	Cyber security (Information technology)	a) Access to systems through a VPN b) Fraud Action Plan developed c) Cyber Security Policy approved & cyber insurance in place d) Two stage authentication implemented. e) Mandatory password changes implemented
Medium - Low	FRS102 changes (Legal & regulatory)	a) Finance is making plans for FRS102 implementation b) Increased publicity of the changes in the accounting press

Internal control

The Board acknowledges its overall responsibility for establishing and maintaining BeST's system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The past 18 months has been one of consolidating the control improvements initiated in the past. Key elements of the existing control framework include:

- Standing orders and financial regulations in place that provide a clear delegation framework approved by the Board.
- Six monthly reviews of the strategic risk register by the Board.
- Operational risk registers developed and reviewed by Heads of Department.
- Corporate planning and budgeting process which sets clear objectives, agrees plans and allocates resources.
- Robust performance monitoring by the Board against an agreed set of key performance indicators within the Operational Plan
- Regular compliance monitoring undertaken to provide the Board with assurance over the stock condition surveys carried out and the landlord health & safety compliance work carried out.
- Clearly established authorisation and appraisal procedure for renewal of short-term leases.

BESPOKE SUPPORTIVE TENANCIES

STRATEGIC REPORT

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

- A comprehensive schedule of policies and procedures, with regular reviews and updates to ensure that they remain fit for purpose. Any outstanding items have been identified and will be picked up as part of the merger programme.

Control over poorly performing schemes was improved with the Finance team able to produce individual income and expenditure accounts for each scheme. BeST now has a clear list of loss-making and poorly performing schemes and has used this data to negotiate with its landlords.

As a small national specialist registered provider, we are proud to have established several tailored routes for tenant involvement that reflect the needs of the people we support.

A monthly Tenant Forum has been established, which serves as a safe and informal space for our tenants, families, and support staff to share their experiences, particularly regarding service quality, communication, and repairs; offer them a voice that is heard.

A tenants Committee was set up in In March 2025. Three tenants now meet regularly to discuss and help shape our services whilst contributing to wider governance discussions. Learnings from these meetings have been instrumental in shaping our services and enhancing the tenant experience.

In support of the merger consultation, we wrote to all customers and appointees. The feedback was collated and presented to Board as part of the Business Case. We have also delivered two all-tenant consultation exercises and a targeted engagement session with the Tenants Committee on naming the new organisation. We have also co-produced our Annual Tenant Report, Complaints Report, Newsletter and Tenant Surveys.

Tenant engagement has been further strengthened through the distribution of our snippets tenant newsletter, which features a 'You Said, We Did' section, and by updating our website to include easy read materials in response to tenant feedback.

While formal scrutiny remains challenging given our client group, our commitment to transparency and learning is clear, and we continue to invest in building capacity among tenants who want to get involved and help shape our services.

Whilst the organisation does not have an internal audit function, its External Auditors provide feedback to the Board through their management letter on the operation of the internal financial controls reviewed as part of the annual audit of the financial statements. An internal audit function, under the control of an Audit & Risk Committee will be set up as part of the merger process.

BeST maintains a fraud register and reports to Board and the Regulator any occurrences. During the 18-month financial period, there have been no identified issues of fraud. The tightening of fraud procedures and staff training the previous period has helped processes to be more robust.

BESPOKE SUPPORTIVE TENANCIES

BOARD REPORT

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

The Board Members, who are also directors of Bespoke Supportive Tenancies for the purpose of company law, present their Board Report for the period ended 31 March 2025.

Board Members

The Board Members who served during the period are shown on pages 11-12.

Statement of Compliance

The organisation has chosen in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the Society's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This includes information that would have been included in the business review and the principal risks and uncertainties.

Statement of Board Member's responsibilities

The Board Members are responsible for preparing the Strategic Report, Board Report, and the financial statements in accordance with applicable law and regulations.

Co-operative and community benefit society Law requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the society and of the incoming resources and application of resources, including the income and expenditure for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018 have been followed subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain BeST's transactions and disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Cooperative and Community Benefit Society Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Registered Providers of Social Housing 2022. 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.

The Board Members are responsible for the maintenance and integrity of BeST's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution to reappoint Beever and Struthers as external auditors in accordance with section 487(2) of the Companies Act 2006 will be proposed at the forthcoming Annual General Meeting.

BESPOKE SUPPORTIVE TENANCIES

BOARD REPORT (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

Disclosure of information to auditor

Each of the board members has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Board report was approved and authorised for issue by the Board of Directors on 24 September 2025 and signed on its behalf by:



Thomas Miskell

Board Member & Chair

Dated: 24 September 2025

BESPOKE SUPPORTIVE TENANCIES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BESPOKE SUPPORTIVE TENANCIES

Independent Auditor's Report to the members of Bespoke Supportive Tenancies

Opinion

We have audited the financial statements of Bespoke Supportive Tenancies (the 'Society') for the period ended 31 March 2025 which comprise the Society Statement of Comprehensive Income, the Society Statement of Financial Position, the Society Statement of Cash Flows, the Society Statement of Changes in Reserves and the notes to the financial statements, including a summary of significant accounting policies in note 1. 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 Society's affairs as at 31 March 2025 and of its income and expenditure for the period 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 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 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 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 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 Board 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 Board is responsible for the other information. 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.

BESPOKE SUPPORTIVE TENANCIES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BESPOKE SUPPORTIVE TENANCIES

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:

- the Society has not maintained a satisfactory system of control over transactions; or
- the Society has not kept proper accounting records; or
- the Society'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 the Board Member's responsibilities in respect of the Board's Annual Report and the Financial Statements set out on page 16, 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 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 Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of laws, regulations and guidance that affect the Society, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed the controls the Board has in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board has 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 was discussed within the audit team and tests were planned and performed to address these risks.

BESPOKE SUPPORTIVE TENANCIES

INDEPENDENT AUDITOR'S REPORT

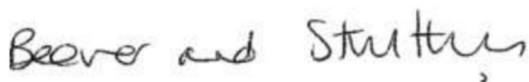
TO THE MEMBERS OF BESPOKE SUPPORTIVE TENANCIES

- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the Society's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. 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.



Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 26 September 2025

BESPOKE SUPPORTIVE TENANCIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

	Notes	2025 £	30 Sept 2023 £
Turnover	3	44,377,346	27,199,689
Operating expenditure	3	(38,630,334)	(25,622,207)
(Loss) / Gain on disposal of fixed assets		(54,314)	71,999
Operating surplus		5,692,698	1,649,481
Interest receivable and other income	8	138,104	25,052
Interest payable and similar charges	8	(5,258,559)	(3,622,181)
Total comprehensive income for the period		572,243	(1,947,648)

The statement of comprehensive income includes all gains and losses recognised in the period.

All income and expenditure is derived from continuing activities.

The financial statements on pages 21 to 38 were approved and authorised for issue by the Board on 24th September 2025 and were signed on its behalf by:



Philip Elvy
Board Member



Thomas Miskell
Board Member

The notes on pages 25 to 38 form part of these financial statements.

BESPOKE SUPPORTIVE TENANCIES

STATEMENT OF CHANGES IN RESERVES

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

	Notes	Unrestricted reserves £	Restricted reserve £	Total £
Balance at 1 October 2022		(5,230,629)	-	(5,230,629)
Deficit from statement of comprehensive income		(1,947,648)	-	(1,947,648)
Balance at 30 September 2023	16	(7,178,277)	-	(7,178,277)
Balance at 1 October 2023	16	(7,178,277)	-	(7,178,277)
Surplus from statement of comprehensive income		572,243	-	572,243
Balance at 31 March 2025	16	(6,606,034)	-	(6,606,034)

The notes on pages 25 to 38 form part of these financial statements.

BESPOKE SUPPORTIVE TENANCIES

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	£	30 Sept 2023 £	£
Fixed assets					
Tangible assets	12		60,087,567		63,845,609
Current assets					
Debtors	13	1,538,092		1,781,029	
Cash at bank and in hand		5,694,011		2,672,067	
			7,232,103		4,453,096
Creditors: amounts falling due within one year	14	(7,298,572)		(5,984,675)	
Net current liabilities			(66,469)		(1,531,579)
Total assets less current liabilities			60,021,098		62,314,030
Creditors: amounts falling due after more than one year	15		(66,627,132)		(69,492,307)
Net liabilities			(6,606,034)		(7,178,277)
Reserves					
Unrestricted funds			(6,606,034)		(7,178,277)
			(6,606,034)		(7,178,277)

The financial statements on pages 21 to 38 were approved and authorised for issue by the Board on 24th September 2025 and were signed on their behalf by:



Philip Elvy
Board Member



Thomas Miskell
Board Member

The notes on pages 25 to 38 form part of these financial statements.

BESPOKE SUPPORTIVE TENANCIES

STATEMENT OF CASH FLOWS

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

	Notes	2025 £	£	30 Sept 2023 £	£
Cash flows from operating activities					
Cash generated from operations	25	10,545,659		4,908,247	
Investing activities					
Purchase of tangible fixed assets		(478,126)		(733,305)	
Interest received		138,104		25,052	
Net cash used in investing activities		(340,022)		(708,253)	
Financing activities					
Payment of obligations under finance leases		(7,183,693)		(4,839,145)	
Net cash used in financing activities		(7,183,693)		(4,839,145)	
Net Increase/(decrease) in cash and cash equivalents		3,021,944		(639,151)	
Cash and cash equivalents at beginning of period		2,672,067		3,311,218	
Cash and cash equivalents at end of period		5,694,011		2,672,067	

£987,507 relates to funds received from Landlords that is not for general use by BeST, £579,192 relates to funder donations that are to be used specifically for the legacy works programme.

The notes on pages 25 to 38 form part of these financial statements.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

Legal status

Bespoke Supportive Tenancies is a charitable community benefit society registered under the Co-operative and Community Benefit Societies Act under the Financial Conduct authority, registration number 9450. The company is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing (L4718).

1.1 Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

The financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The organisation is a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling (£).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Board members have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Although at the balance sheet date BeST had £66k of net current liabilities and net liabilities of £6.6m, cash reserves are £5.7m.

The current 30-year business plan indicates that the Society has sufficient cash to operate for at least the next five years. The plan also stress tested several scenarios, including the impact of decreased occupancy and collections, and increased maintenance costs. In all scenarios, except for a combined 5% decrease in occupancy and collections of Housing Benefit, cash remains positive over the next five years. Moving beyond the next five years, the cash will also eventually become negative if the collections of Housing Benefit decrease by 5% or the maintenance costs increase by 20%.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Board in furtherance of the charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income comprises rental income, property acceptance fees, service charges all of which are net of rent and service charge loss from voids.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids.

Interest receivable is recognised when the right to receive payment is established.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the organisation to that expenditure, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on the basis consistent with the use of resources.

1.6 Leasehold properties

Leasehold properties are properties held for the provision of social housing or to otherwise provide social benefit. Leasehold properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses.

Works to existing properties which enhance the economic benefit of the property and result in an increase in net rentals, are capitalised as leasehold improvements.

Properties held on leases are depreciated on a straight-line basis over the primary period of the lease.

The organisation separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

BeST depreciates the major components of its housing properties over the following timescales:

Flooring	5 years
Kitchens and bathrooms	7 years
Internal doors and alarms	10 years
Windows, doors and electrical	15 years
Roof, drainage and driveways	20 years

1.7 Other tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	Straight-line basis over 5 years
Computers	Straight-line basis over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income / (expenditure) for the period.

1.8 Borrowing costs related to fixed assets

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in net income / (expenditure) in the period in which they are incurred.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The organisation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the organisation's balance sheet when BeST becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the organisation's contractual obligations expire or are discharged or cancelled.

1.11 Leases

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the organisation recognises annual rent expense equal to amounts owed to the lessor.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

In the application of BeST's accounting policies, the board members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards may require more frequent replacement of key components. Accumulated depreciation at 31st March 2025 was £18,723,741 (2023: £14,966,825).

Leasehold Property Improvements

Management reviews its estimate of the useful lives of depreciable assets in properties for which there is a long full repairing lease at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to estimating the life of the asset and the wear and tear and changes in fire, health and safety requirements in communal areas.

Impairment of debtors

Management makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors, the status of any tribunals and historical experience.

Classification of leases

Management classifies a lease as a finance lease if it transfers substantially all the risk and rewards of ownership to the Society. All other leases are classified as operating leases. BeST has reviewed its lease agreements and concluded that there are a number of leases where substantially all the risks and rewards of ownership are transferred to the organisation either because there is an option or legal requirement to purchase the property at the end of the lease, the leases are for the major part of the economic life of the property or because the property cannot be easily repurposed for use by other organisations or tenants. The remaining leases are classified as operating leases as the conditions listed above for the classification of finance lease do not apply to those leases.

Dilapidations

Management has historically considered dilapidations and has concluded there is no requirement to provide for these as it was not always probable that the Society would have to incur these costs. In the 18-month period to March 2025 full stock condition surveys for all schemes have been carried out. Negotiations are ongoing with several private landlords with a view to potentially hand-back these properties. As a result of this there is now a value attributed to the dilapidations which has been provided for the financial period ended March 2025.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

3 Turnover, operating expenditure and operating surplus

		Turnover	Operating expenditure	Operating surplus	Turnover	Operating expenditure	Operating surplus
		2025	2025	2025	30 Sept 2023	30 Sept 2023	30 Sept 2023
	Note	£	£	£	£	£	£
Social housing lettings	4	44,377,346	(38,630,334)	5,747,012	27,199,689	(25,622,207)	1,577,482
		<u>44,777,346</u>	<u>(38,630,334)</u>	<u>5,747,012</u>	<u>27,199,689</u>	<u>(25,622,207)</u>	<u>1,577,482</u>

4 Particulars of income and expenditure

	2025 Total	30 Sept 2023 Total
Turnover		
Rent receivable net of identifiable service charges	43,082,391	23,901,562
Service charge income	1,294,955	3,298,127
Turnover	<u>44,377,346</u>	<u>27,199,689</u>
Expenditure		
Management	(11,537,495)	(3,438,428)
Service charge costs	(1,045,304)	(4,798,471)
Routine maintenance	(1,329,538)	(788,886)
Planned maintenance	(1,335,560)	(757,729)
Bad debts	(336,112)	(203,539)
Depreciation on housing properties	(3,793,154)	(2,523,216)
Lease costs	(19,253,171)	(13,111,938)
Expenditure	<u>(38,630,334)</u>	<u>(25,622,207)</u>
Operating surplus	<u>5,747,012</u>	<u>1,577,482</u>

Void Losses (Rental income lost as a result of property not being let) 2025 £4,215,825. 30 September 2023 £2,272,480

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

4B Non-Social Housing (included within total turnover)

	2025
Rent receivable	1,126,050
Expenditure	
Lease Costs	(582,143)
Maintenance Costs	(151,880)
Other Direct Costs	(44,893)
Management Fees	(99,287)
Depreciation	<u>(104,741)</u>
Total Expenditure	<u>(982,944)</u>
 Operating Surplus on Non-Social Housing	 <u>143,106</u>

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

5 Accommodation owned and managed

	Number of properties			Number of properties		
	2025	2025	2025	30 Sept 2023	30 Sept 2023	30 Sept 2023
	Owned	Managed	Total	Owned	Managed	Total
Social Housing						
Under management at end of period:						
Supported housing	256	3	259	275	12	287

	Number of units			Number of units		
	2025	2025	2025	30 Sept 2023	30 Sept 2023	30 Sept 2023
	Owned	Managed	Total	Owned	Managed	Total
Social Housing						
Under management at end of period:						
Supported housing	1,409	8	1,417	1,469	253	1,722

Owned properties include those leased under operating and finance leases. Managed properties include those registered schemes where BeST does not have a direct relationship with the tenant. There has been a reduction of 305 units (28 schemes) during the period following re-negotiation of all leases. There are no units in development at the period end.

6 Operating surplus

2025 30 Sept 2023
£ £

The operating surplus is stating after charging:

Fees payable to the company's auditor for the audit of the Society's financial statements (excluding VAT)	26,500	24,000
Depreciation of other owned tangible fixed assets	50,885	38,703
Depreciation of housing properties held under finance leases	3,429,061	2,292,917
Depreciation of housing properties owned	313,208	191,596
Operating lease charges	19,253,166	13,111,938

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable:	2025	30 Sept 2023
	£	£
Audit of the annual accounts	26,500	24,000
All other non-audit services	1,140	1,140
Total fees	27,640	25,140

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

8 Interest, other income and expenditure

	2025 £	30 Sept 2023 £
Interest receivable and other income		
Interest	138,104	25,052
	<u>138,104</u>	<u>25,052</u>
Interest payable and financing costs		
Unwinding of finance lease commitment	(5,258,559)	(3,622,181)
	<u>(5,258,559)</u>	<u>(3,622,181)</u>

9 Employees

Number of employees

The average monthly number of employees during the period was:

	2025 Number	30 Sept 2023 Number
Management	5	7
Support	30	34
Executive team	3	3
	<u>38</u>	<u>44</u>

The average weekly number of persons employed during the period, expressed in full time equivalents (35 hours per week) was 38 (2023: 44)

Employment costs	2025 £	30 Sept 2023 £
Wages and salaries	2,320,476	1,650,770
Social security costs	237,305	173,894
Other pension costs	37,738	32,187
	<u>2,595,519</u>	<u>1,856,851</u>

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

9 Employees

The number of employees whose remuneration in the period was £60,000 or more were:

	2025 Number	30 Sept 2023 Number
£60,001 to £70,000	1	4
£70,001 to £80,000	2	4
£90,001 to £100,000	2	3
£100,001 to £110,000	2	0
£140,001 to £150,000	1	0
£150,001 to £160,000	1	0

10 Board Members

No board members received any remuneration in their roles as directors of the organisation in the period ended 31 March 2025 (2023: None). From 1st April 2025 the board members will receive remuneration of £5,500 per annum, except for the Chair whose remuneration will be £11,500 per annum. A total of £223.39 was paid to reimburse board members for travel costs in the period (2023: nil).

11 Key management personnel

The key management personnel of BeST comprise the board members, Chief Operating Officer (seconded), Managing Director and Finance Director.

	2025 £	30 Sept 2023 £
Aggregate emoluments paid to key management personnel	386,072	282,834
Employers NI	49,199	35,516
Pension contributions	4,292	3,963
	439,563	322,313
Emoluments paid to the highest paid executive officer (excluding pension contributions)	159,126	94,464
	No.	No.
The number of key management personnel to whom retirement benefits are accruing under defined contribution schemes	2	3

Contributions to the defined contribution pension scheme on behalf of the executive team total £4,293 (2023: £3,963).

The executive team are ordinary members of the pension scheme, and no enhanced or special terms apply. BeST does not make any further contribution to an individual pension arrangement for the executive team.

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

12 Tangible Fixed Assets

	Leasehold Property	Leasehold Property Improvements	Plant and machinery	Computers	Total
	£	£	£	£	£
Cost					
At 1 October 2023	76,222,797	2,418,431	24,472	146,734	78,812,434
Additions	-	455,746	-	22,380	478,126
Disposals	-	(473,216)	-	(6,036)	(479,252)
At 31 March 2025	<u>76,222,797</u>	<u>2,400,961</u>	<u>24,472</u>	<u>163,078</u>	<u>78,811,308</u>
Depreciation					
At 1 October 2023	14,342,935	515,226	14,266	94,398	14,966,825
Depreciation charged in the period	3,429,061	313,208	6,242	44,643	3,793,154
Elimination in respect of Disposals	-	(30,315)	-	(5,923)	(36,238)
At 31 March 2025	<u>17,771,996</u>	<u>798,119</u>	<u>20,508</u>	<u>133,118</u>	<u>18,723,741</u>
Carrying amount					
At 31 March 2025	<u>58,450,801</u>	<u>1,602,842</u>	<u>3,964</u>	<u>29,960</u>	<u>60,087,567</u>
At 30 September 2023	<u>61,879,862</u>	<u>1,903,205</u>	<u>10,206</u>	<u>52,336</u>	<u>63,845,609</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charged in respect of such assets amounted to £3,429,061 (2023: £2,292,917) for the period.

	2025 £	30 Sept 2023 £
Leasehold Property	<u>58,450,801</u>	<u>61,879,862</u>

13 Debtors

	2025 £	30 Sept 2023 £
Amounts falling due within one year:		
Rent and service charge arrears	1,569,453	1,919,306
Less: provision for bad and doubtful debts	<u>(450,000)</u>	<u>(400,000)</u>
Net rent and service charge arrears	1,119,453	1,519,306
Other debtors	134,246	4,941
Prepayments and accrued income	<u>284,393</u>	<u>256,782</u>
	<u>1,538,092</u>	<u>1,781,029</u>

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

14 Creditors: amounts falling due within one year

	Notes	2025 £	30 Sept 2023 £
Obligations under finance leases	17	1,365,038	1,266,008
Other taxation and social security		40,452	49,535
Trade creditors		1,622,074	2,113,124
Rent and services charges received in advance		-	79,294
Other creditors		1,428,389	64,814
Accruals and deferred income		2,842,619	2,411,900
		7,298,572	5,984,675

15 Creditors: amounts falling due after more than one year

	Notes	2025 £	30 Sept 2023 £
Obligations under finance leases	17	66,407,127	68,431,287
Other creditors		220,005	1,061,020
		66,627,132	69,492,307

16 Analysis of net assets between funds

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Unrestricted 30 Sept 2023 £	Restricted 30 Sept 2023 £	Total 30 Sept 2023 £
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Fund balances at 31 March 2025 are represented by:

Tangible assets	60,087,567	-	60,087,567	63,845,609	-	63,845,609
Current liabilities	(66,469)	-	(66,469)	(1,531,579)	-	(1,531,579)
Long term liabilities	(66,627,132)	-	(66,627,132)	(69,492,307)	-	(69,492,307)
	(6,606,034)	-	(6,606,034)	(7,178,277)	-	(7,178,277)

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

17 Finance lease obligation

Future minimum lease payments due under finance leases:

	2025 £	30 Sept 2023 £
Within one year	1,365,038	1,266,008
Within two and five years	6,133,319	5,709,306
In over five years	60,273,808	62,721,981
	67,772,165	69,697,295

The finance lease obligation relates to leasehold property capitalised in tangible fixed assets.

18 Operating lease commitments

BeST utilises properties and office equipment under non-cancellable operating leases. At the end of the period the organisation had a total commitment of future minimum payments as follows:

Land and buildings:

	2025 £	30 Sept 2023 £
Within one year	7,024,150	12,298,265
Between two and five years	28,242,769	53,380,837
In over five years	55,540,914	165,265,787
	90,807,833	230,944,889

19 Operating lease commitments

Office equipment:

	2025 £	30 Sept 2023 £
Within one year	4,699	4,507
Between two and five years	783	7,887
	5,482	12,394

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

20 Capital commitments

At 31 March 2025 BeST had capital commitments as follows:

	2025 £	30 Sept 2023 £
Contracted for but not provided in the financial statements:	5,057,442	86,939
	<u>5,057,442</u>	<u>86,939</u>

These costs relate to a contractually agreed maintenance programme split between specific portfolios.

22 Related party transactions

Stephen Fensom joined the organisation as Chief Executive on 1 February 2024. He retains his position as Chief Executive of Westmoreland Supported Housing. Westmoreland charged a proportion of Stephen Fensom's salary costs and other services to BeST to a value of £74,664. At the end of the period BeST owed Westmoreland £9,769.

There were no other related party transactions in the current or prior year.

23 Ultimate controlling party

BeST is limited by guarantee and as such has no shares. The ultimate controlling parties are the board members. The board member's liability is limited to the amount of £1

24 Analysis of changes in net (debt)/funds

	At 1 October 2023 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	2,672,067	3,021,944	5,694,011
Obligations under finance leases	(69,697,295)	1,925,130	(67,772,165)
	<u>(67,025,228)</u>	<u>4,947,074</u>	<u>(62,078,154)</u>

BESPOKE SUPPORTIVE TENANCIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2025

25	Cash generated from operations	2025	30 Sept 2023
		£	£
	Surplus/(Deficit) for the period	572,243	(1,947,648)
	Adjustments for:		
	Investment income recognised in statement of comprehensive income	(138,104)	(25,052)
	Interest on finance leases	5,258,559	3,622,181
	(Gain) / Loss on disposal of tangible fixed assets	54,314	(71,999)
	Depreciation and impairment of tangible fixed assets	4,181,854	2,523,216
	Movements in working capital:		
	Decrease in debtors	242,937	172,283
	Increase in creditors	373,856	635,266
	Cash generated from operations	10,545,659	4,908,247