



Teign Housing

Report and financial statements

Reporting date 31 March 2025

Registered company number 04619035

Registered charity number 1112196

Regulator of Social Housing
registration number LH4403

Contents

Teign Housing – Company information	1
Strategic Report	3
Tenant Satisfaction Measures	11
Value for Money Statement	12
Directors Report	28
Independent Auditor's Report	30
Statement of Comprehensive Income	35
Statement of Financial Position	36
Statement of Changes in Reserves	37
Consolidated Statement of Cash Flows	38
Notes to the Financial Statements	39

Teign Housing – Company information

Board of Management

Non-Executive Directors

Maureen Robinson	Chair of Board, retired 24 July 2024
Richard Gammage	Chair of Board, appointed on 25 July 2024
Rebecca Harwood-Lincoln	Chair of Customer Experience Committee & Resident Voice Champion
Sean Palka	Board Member, appointed Vice-Chair of the Board 24 October 2024
Stephen Cook	Chair of Audit Committee until 4 September 2024, retired 27 March 2025
Stephen Higginson	Chair of Remuneration Committee until 24 July 2024 Chair of Audit & Assurance Committee, appointed on 4 September 2024
Stuart Davies	Chair of Templer HomeBuild
Joanna Davoile	Chair of Government Committee*, appointed on 25 July 2024

* The Remuneration Committee changed its name to the Governance Committee on 4 September 2024.

Co-opted Advisors to the Board

Dr George Dexter	Board Member, co-opted 1 February 2025, appointed 27 March 2025
Anne Marie Henderson	Board Member, co-opted 1 February 2025, appointed 27 March 2025
Richard Plumb	Board Member, co-opted 1 February 2025, appointed 27 March 2025

Executive Directors

Tom Woodman	Chief Executive, appointed on 12 April 2024
Helen Hilditch	Acting Chief Executive, 1 April 2024 to 11 April 2024

Independent Audit Committee

Colin McDonald	Independent Audit Committee Member
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For the year ending 31 March 2025, the Board met on eight occasions. There was 100% attendance at Board meetings.

Executive Management Team

Tom Woodman	Chief Executive, appointed on 12 April 2024
Helen Hilditch	Director of Finance and Investment & Deputy Chief Executive
Amanda Nicholls	Director of Customer and Communities
Justin Glue	Director of Operations Templer HomeBuild
Alison North	Director of People & Technology, appointed on 8 April 2024

Auditors	External Auditor Beever and Struthers 150 Minories London EC3N 1LS	Internal Auditor Bishop Fleming LLP Emperor Way Exeter EX1 3QS
Solicitors	Housing Management Capsticks Solicitors LLP 1 George Street London SW19 4DR	Human Resources Tozers Southernhay West Exeter EX1 1UA
	Governance and Development Trowers & Hamblins LLP 3 Bunhill Row London EC1Y 8YZ	
Bankers and Funders	The Housing Finance Corporation 3 rd Floor 17 St Swithin's Lane London EC4N 8AL	GB Social Housing 5 Great St Helen's London EC3A 6AP
	Nationwide Building Society Public Sector Team Kings Park Road Moulton Park Northampton NN3 6NW	Barclays Bank PLC. 1 Churchill Place, London, E14 5HP
Company Secretary	Helen Hilditch (non-Board member)	
Registered Office	Millwood House Collett Way Newton Abbot Devon TQ12 4PH	

Strategic Report

The Directors present their Strategic Report incorporating the Value for Money Statement for the year ending 31 March 2025.

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in Para 4.7 of the 2018 SORP for Registered Social Housing Providers and Housing SORP guidance note 2022.

Overview of the Business

Teign Housing is a registered charity, a company limited by guarantee, and is registered with the Regulator of Social Housing. Our focus is on the core activity of the company, which is the provision of low cost rented accommodation. The organisation has a wholly owned subsidiary, Templer HomeBuild Limited. Its purpose is to provide property maintenance and construction services to the social housing sector. Consolidated accounts for the Group are also reported along with those of Teign Housing, the parent organisation.

Vision

We dedicate ourselves to providing good quality homes and tailored housing support. Working with our diverse customers and trusted partners we provide effective services that bring long term benefits to all. We are sustainable in a fast-changing environment and reinvest our surpluses to grow our communities.

Values

Respectful

We treat people with empathy, respect diversity and provide quality customer service. We appreciate the relationships we build with our customers, contractors and partners; we are proud to be *Team Teign*.

Resourceful

We maximise our resources through innovation and by using our money in efficient ways. We look for opportunities to expand our business by building new homes and creating and growing valuable services. We recognise our role in supporting the local economy.

Ethical

We value our responsibility as a charity providing homes and services for those who need them and as an employer. We are an organisation with heart and strive to offer an empowering workplace and the personal service our communities want.

Governance

The Articles stipulate that there can be up to 10 Board Members, including up to three executive members. The Board currently consists of nine non-executive members and one executive member. The members of the Board are legally the directors of the company, and the Board is Teign Housing's governing body.

The Board adopted the National Housing Federation (NHF) 2020 Code of Governance on 1 April 2021. The Board is committed to and complies with the standards in the Code; however, there has been one exception this year. The Chair of the Board has served just over 9 years, which is over the prescribed nine-year maximum. However, she stepped down in July 2024, and the new Chair-elect has taken up her

position. The Code states that the maximum tenure will normally be up to six consecutive years and may be extended to a maximum of nine years, where the Board agrees it is in the organisation's best interest.

The Chief Executive retired on 31 March 2024, and a new Chief Executive started on 12 April 2024. The Chair of the Board retired on 25 July 2024, and the new Chair was appointed on the same day.

We aim to recruit Board members 6 months ahead of any vacancy. They join the Board as co-optees and are trained and inducted during this period before being formally appointed to the Board. Further training is carried out throughout their term of office. We conduct two-yearly pay benchmarking for all staff and Board posts and benchmark any vacancies for advertising. We have a schedule of standing orders and financial regulations which set out delegated authorities from the Board to its committees and the executive management team. Our three-yearly external governance review took place in early 2024-25.

The Board is supported in its governance by two committees:

- Audit & Assurance Committee
- Governance Committee (previously known as the Remuneration Committee)

The key governing documents are the Articles, the Standing Orders, the Financial Regulations, and a range of policies that guide the company's operational activities.

All non-executive Board members are paid a fee for their services. Payments during the year (including expenses) were:

Maureen Robinson	Chair of Board (retired 24th July 2024)	£3,439
Stephen Cook	Chair of Audit until September 2024 (retired 27th March 2025)	£4,559
Steve Higginson	Chair of Remuneration until 4th September 2024, then appointed Chair of Audit & Assurance Committee	£5,296
Stuart Davies	Board Member	£6,030
Joanna Davoile	Board Member until 25 July 2024, then Chair of Governance (was Remuneration)	£4,564
Colin McDonald	Independent Audit Committee Member	£1,872
Sean Palka	Board Member until 24 October 2024, then appointed Vice Chair of Board	£3,703
Richard Gammage	Chair of Board appointed 25th July 2024	£7,198
George Dexter	Board Member co-opted 1st Feb, appointed 27 March 2025	£583
Anne Marie Henderson	Board Member co-opted 1st Feb, appointed 27 March 2025	£583
Richard Plumb	Board Member co-opted 1st Feb, appointed 27 March 2025	£583
Rebecca Harwood-Lincoln	Resident Voice Champion & Chair of Customer Experience Committee	£4,695

Public Benefit Entity

As a public benefit entity, Teign Housing has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102. Teign Housing also pays due regard to the guidance published by the Charity Commission on public benefit.

We provide homes for rent at lower than market prices, homes designated for older people with additional needs, and shared ownership properties.

Financial Performance

Teign Housing Group has made a deficit after tax for the year of £429,000 (2023-24: surplus £2,665,000). Full details of our financial results can be found on pages 35 – 73. The deficit for the current financial year is wholly attributable to the £2,704,780 provision for fire safety remedial work for a high-rise building, Douglas House in Teignmouth. The work will start in the next financial year and will be completed in two years.

Financial performance is monitored through the annual budget, which is set by the Board. The budget is based on the business plan, and the Board receives a report at each meeting assessing the company's performance against the budget.

Operational Performance

The current 3-year corporate plan was agreed by the Board in March 2024. The Board has established a range of key performance indicators to assess the company's performance in relation to the corporate plan objectives. The Board monitors this quarterly through the Balanced Scorecard, Management Accounts and Financial Report.

Further details of our operational performance, including value for money, can be found on pages 12 – 28.

Business Plan

The 30-year Business Plan reflects the company's strategic direction and future aspirations. In the coming years, the focus will be on maintaining the housing stock to an appropriate level, delivering further new homes, and managing services. The business plan has been thoroughly stress-tested, and the key risks to the organisation have been identified. Appropriate mitigation arrangements are in place.

Treasury Management

At 31 March 2025, Teign Housing was funded by a £33m bond from The Housing Finance Corporation (THFC), a £25m bond from GB Social Housing (GBSH) and a £50m revolving credit facility (RCF) from Nationwide. We have fully drawn the £33m from THFC and £25m from GBSH. We have also drawn £10.75m of the RCF from Nationwide and have an undrawn RCF of £39.25m (2023-24: £12m). Finance costs on loans were £3.008m (2023-24: £2.641m), which equates to an average rate of 4.87% (2023-24: 4.59%). Finance costs of £225,000 were capitalised during the year (2023-24: £620,000). At 31 March 2025, Templer HomeBuild had a loan balance with Teign Housing of £400,000 (2023-24: £400,000). This loan is drawn for a period of six months, being repaid to the parent and redrawn by the subsidiary in June and December each year. There was £10.308m of capital committed to the development programme, which was in contract at 31 March 2025 (2023-24: £14.972m), and there was a cash and cash equivalents

balance of £2.829m (2023-24: £2.662m). A 3-year cash flow forecast is maintained and is used to anticipate the group's investment and borrowing requirements.

Reserves Policy

Reserves are retained at levels that allow the company to continue to achieve its corporate objectives, provide the new homes and services that the reserves are intended to support, and manage the risks associated with long-term expenditure plans.

A budget is set each year, along with a 30-year business plan including a forecast for reserves, allowing the company to achieve these objectives. This is monitored throughout the year and reported quarterly to the board through the management accounts.

The level held in the income and expenditure reserve at 31 March 2025 was £69,152,000 (2023-24 £69,401,000), and in the revaluation reserves £31,722,000 (2023-24 £31,781,000).

Unrestricted reserves, excluding tangible fixed assets net of grant, were £-103,805,000 at 31 March 2025 (2023-24 £-98,347,000) and can only be released by disposing of tangible fixed assets.

Property Sales

During the year, four properties were sold (2023-24: 3 properties), of which one property was under the Right to Acquire scheme (2023-24: nil), one property was under the Preserved Right to Buy Scheme (2023-24: 3 properties), two properties were fully staircased (2023-24: nil) and none were sold on the open market (2023-24: nil). We received further income for a property previously sold under the Right to Buy Scheme, which had been resold within five years of purchase. A percentage of the original discount was paid back to us upon completion. Teign Housing received proceeds of £284,000, all from Right to Buy and Right to Acquire sales (2023-24: £339,000).

Staff

The average number of employees for the year ending 31 March 2025 was 187 (2023-24: 178 employees). The Board recognises the contribution made by all staff and is committed to their continued development. During the year, the company spent £158,200 on staff training and development (2023-24: £90,100).

Fire Safety Remedial Work

The Building Safety Act 2022 and the new Fire Safety (England) Regulations 2023, which came into force in January 2024, set out how landlords of high-rise buildings (those with seven stories or more, or over 18m high) should work with fire services to ensure a planned and effective response to fire alarms at these buildings. We have just one property, Douglas House in Teignmouth, which falls into this high-rise definition.

To fully comply with this new legal requirement, Teign Housing commissioned an independent review of Douglas House. This Fire Risk Appraisal of External Walls (FRAEW) report based on PAS 9980 (Fire Risk Appraisal of external wall construction and cladding of existing blocks of flats – code of practice), resulted in a number of recommendations which we will be actioning including the planned removal of the external wall insulation. The residents have been informed of the decision, and we are in constant communication with them about the progress of the project. We started consultation on the project in

2023-24, and £213,352 has been incurred in legal and professional advice in 2024-25. It is estimated that £2,220,000 will be needed for this work and will all be revenue expenditure. We will receive a £296,000 grant to cover the works for leaseholders. At the same time as carrying out the remediation work, the windows will also be replaced at a cost of £780,780, which will all be capital spend. We have provided for all of these costs in this year's accounts, and the remedial work will start in the next financial year.

Damp and Mould

In 2023, Teign Housing and Templer HomeBuild collaborated to create a new Damp and Mould Policy and Procedure to set out and improve the approach to dealing with these issues. We aim to proactively reduce issues relating to damp and mould by maintaining the housing stock to decent homes standard or better through the asset management information system, investment programmes, Housing Health and Safety Rating System assessment outcomes, initiatives to maximise customer contact points to identify issues, and the use of environmental monitoring systems. Reactively, a Damp Mould and Condensation (DMC) working group monitors the situation and actions informed via a case tracker and monthly update, a specific role to investigate and monitor DMC issues has been created within THB, a triage process has been adopted to categorise reports of damp and mould at the outset to prioritise our resources, and mandatory training has been delivered to continue this annually and to new starters. In 2024-25, we paid £45,100 to tenants in compensation relating to damp and mould. We dedicated five of our homes as decant properties to provide temporary accommodations to the tenants whilst their homes were being rectified. In spring 2024, our resident scrutiny panel conducted a review of our approach to damp and mould, making recommendations to the Board which were accepted. The Audit & Assurance Committee is monitoring progress closely. We are ready for the implementation of Awaab's law in October 2025. We are already embracing the new processes and ensuring that this keeps us compliant with the pending change in the autumn. We are continuing to meet monthly with the DMC Action Group. Now that we have a Senior Building Surveyor in post, they will create a subgroup to monitor and evolve our DMC at an operational level.

Development

During 2024-25, we entered into one new contract worth £7,171,000 to purchase a section 106 scheme, which will deliver 30 rented and 13 shared ownership homes over the coming years.

Due to the refinancing process and Douglas House Funding, we were not able to bid for around 6 months of the year, which has impacted our programme. Despite this, we were able to get into a contract with Brook Vale, Dawlish, which provided us with 43 homes. In addition, we have also had a bid accepted on three properties at The Orchard, Aller Road, Kingskerswell, which EMT has recently approved. We are currently working on offers for two sites that would provide a total of 76 homes over the next four years and are hopeful to receive approval to exchange contracts in the next few months.

43 new affordable homes were completed in 2024-25. This was less than anticipated due to the time during which we were unable to bid, as mentioned above, and the delayed start to the Upper Coly Valley development. In addition, two schemes (Beara Farm and Oak Mead), totalling 52 properties, were aborted during the year. Beara Farm was aborted due to concerns about the developers' ability to complete the

project and the associated infrastructure following a slow and tricky contract negotiation period. Oak Mead was aborted via a mutual agreement due to a delay in granting planning permission.

	Social Rental Units	Low Cost Home Ownership	Total Units
Under construction 31/03/2024	81	31	112
Started in the year	22	5	27
Aborted in the year	38	14	52
Completed in the year	31	12	43
Under construction 31/03/2025	34	10	44

In 2025-26, we plan to develop 44 homes over the next 12 months, potentially increasing another 11 homes if the above opportunities successfully proceed to the exchange of contracts. In 2026-27, we plan to deliver 26 homes, again with the potential for up to an additional 39 homes depending on the outcome of the abovementioned opportunities.

Shared Ownership

Since 2023-24, we have brought the Shared Ownership sales process in-house. During 2024-25, we sold 11 homes with a combined share value of £1,397,750, only one of which was sold via our previous sales agent.

Future Direction

To achieve the corporate vision and values, we focus on the core of our business, and the Board has committed to the following strategic aims:

- **Excellent Services** – We will deliver high quality services to all our customers and partners. We will provide considerate customer services, empowering housing services and effective repairs.
- **Quality Homes** – We will invest in new and existing homes by maintaining high standards of repairs and improvements to our current homes and develop new homes to meet the needs of the local people.
- **Sustainable Business** – We will strengthen our business by continually improving our governance, increasing the value of our work, seeking ways of working jointly with our partners, and investing in our staff.

Performance against these aims is monitored as part of a three-year Corporate Plan for 2024 to 2027.

We are committed to maintaining our financial performance and delivering good homes and customer services. We achieve this by focusing on maintaining our operational performance, maximising our income, and effectively driving down costs.

We have several strategies in place to support our strategic aims. The neighbourhood services strategy directs us to provide excellent services, and the ageing well strategy focuses on our older customers.

The asset management strategy focuses on the quality of our homes and ensures that they are of a good standard and are maintained appropriately. The development strategy sets out the aspirations for future development and the business plan, which currently has a capacity for 179 homes over the next 5 years. The regeneration strategy sets out plans for longer-term regeneration, and £456,986 has been included in the business plan for 2025-26. It has been reduced to £330,000 in 2026-27, and £203,087 for 2027-28.

The carbon reduction strategy sets out plans for the business to reduce its carbon footprint, and the first stage is to invest in homes with lower energy performance ratings. In order to meet the government's target of all homes having a minimum EPC (energy performance certificate) rating of C by 2030, in 2025-26, the business plan makes provision for £1.18m of investment in our homes to improve their energy performance rating in 2026-27, and then £1.2m per year until 2030. We have successfully gained grant funding of £3.7m over the next three years. For decarbonisation, we will invest £0.5m per year from 2031 until 2037, which will then rise to £1.0m per year.

To maintain a sustainable business, we follow several policies which ensure our governance is continually reviewed and improved. In October 2023, Teign Housing proudly retained its Investors in People Platinum accreditation in recognition of our continued investment in employee engagement, learning and development, leadership, management, and wellbeing. We continue the agile working policy, empowering our staff to work flexibly from the office and home to support the well-being of our people and to promote a healthy work-life balance. The value for money strategy sets out how we continually seek to improve quality and performance and, where possible, reduce costs and create efficiencies.

Risk Management

We recognise that risks are inevitable, and our integrated approach ensures risk management is an integral part of achieving our goals and objectives.

During the year, the Board revised the Strategic Risk Register and identified ten key strategic risks to replace the previous 27.

We operate in a constantly changing environment, and our risk owners review their risks each month to ensure they are still appropriate and reflective of current activities. We report risks to the Board through the Audit & Assurance Committee. The Board determines our risk appetite statement, which shapes the parameters within which we operate, and our risk management framework manages our risks, closely monitors them, ensuring the way we manage them is appropriate to the rewards and opportunities they will deliver.

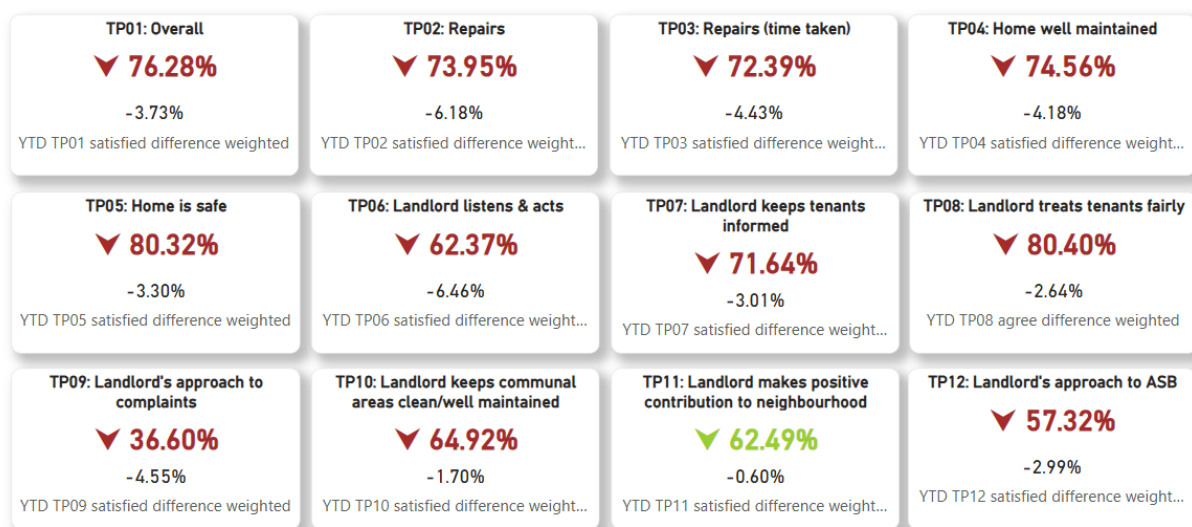
Our highest risks were:

Risk	Link to our corporate Plan Strategic Aims	Impact	Examples of how we mitigate this risk	How we will introduce additional controls
Recruitment, Development & Retention	Sustainable Business	Failure to complete key tasks Loss of knowledge	Staff benefits package Agile Working Policy	Introduction of a People Strategy
External Conditions: Failure to plan and respond to external events	Sustainable Business	Increased costs Inability to provide services	Business Continuity plan in place Customer Experience Committee Clear strategic direction	Further developments in the ways we listen to our customers' voices
Asset Management: Failure to manage our assets effectively	Quality Homes	Devaluation of our homes Health & Safety breaches Additional costs of remedial works	Asset Management Strategy Acquisitions & Disposals Policy	
Data: Failure to manage our data properly	Sustainable Business	Incorrect reporting or ill-informed decision-making due to poor data quality or management	Monthly performance information Internal audits to scrutinise data accuracy	The introduction of a data strategy
Customers: Failure to provide good customer service.	Excellent services	Loss of customers' confidence in the service we provide Increased costs due to high turnover, longer letting times and higher incidence of ASB	Resident Involvement Policy Customer Experience Committee	Development of an EDI Strategy Further development of the Customer Experience Committee

Tenant Satisfaction Measures

Tenant Satisfaction Measures (TSM) are a set of 12 expectations set by the Regulator of Social Housing to measure how well we are performing. Twelve measures are about tenant perception and 10 relate to management information. Each year we publish our full results and provide our residents with a plan of how we are going to improve upon our performance. Our full TSM report will detail our approach to surveying along with details of how we listened and responded to our residents to improve our service to them over the past twelve months.

To ensure our data is representative we have weighted the results below. Prior year data is unweighted.



Value for Money Statement

The Board approved the Value for Money (VFM) strategy in July 2024. The VFM strategy reflects the changes to the regulator's value for money standard issued in April 2018 and the organisation's corporate plan.

The standard states that a set of metrics should be used to measure the value for money achieved within the organisation. These are presented below.

		Group		Association		Budget FY26	Target FY25	Sector Metrics
		2024/25	2023/24	2024/25	2023/24	2025/26	2024/25	2023/24
Metric 1	Reinvestment %	7.3%	10.8%	7.3%	10.8%	8.5%	8.1%	7.8%
Metric 2	A New supply delivered SH %	1.1%	3.1%	1.1%	3.1%	1.1%	1.1%	1.5%
	B New supply delivered NSH %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Metric 3	Gearing %	32.8%	32.9%	32.9%	33.1%	36.9%	40.9%	46.4%
Metric 4	EBITDA MRI Interest Cover %	7.5%	134.4%	7.5%	134.4%	109.8%	110.3%	123.7%
Metric 5	Social housing cost per unit £	£ 5,388	£ 4,809	£ 5,388	£ 4,809	£ 5,565	£ 5,156	£ 5,094
Metric 6	A Operating margin SH %	9.0%	22.0%	8.8%	21.8%	17.1%	18.6%	21.0%
	B Operating margin overall %	8.0%	20.4%	7.8%	20.2%	15.5%	17.5%	18.9%
Metric 7	ROCE %	1.3%	2.7%	1.3%	2.7%	1.5%	2.4%	2.8%

The group's metrics above compare favourably against the sector average in some areas but less so in others.

The group's reinvestment is slightly below our targeted 8.1% and is below the sector metrics of 7.8%. The latest sector metrics relate to 2023-24, and as such, it is difficult to compare with this benchmark as it is nearly one year behind. During 2024-25, we entered into one new contract with a value of £7,171,000 to purchase a section 106 scheme and delivered 31 rented and 12 shared ownership homes over the coming years.

We have a strong development pipeline through the purchase of section 106 schemes and smaller land-led developments within the Teignbridge District and further afield in neighbouring authority areas. This has been further facilitated through the additional funding secured during the year from financing an additional £30m of Revolving Credit Facility (RCF). However, due to rising energy prices and labour costs, which have increased the cost of building new homes and other costs, the re-investment forecast will increase from 7.3% to 8.5% for next year.

The new supply delivery is calculated based on units completed in 2024-25. We have achieved our targeted supply of 1.1% by delivering 43 units. We are marginally below the sector average of 1.5% on this metric; however, as the benchmark relates to 2023-24 data, it does not show the true comparison of our 2024-25 year-end performance. For a like-for-like comparison, our metric of 2023-24 is 3.1%, which has outperformed the sector's benchmark of 1.5%.

The new supply is forecasted to be 44 units in 2025-26, including 31 affordable rent, seven social rent, and six shared ownership properties. 34 of these have been committed, and the remaining ten are currently in the process of contract negotiation. We will continue to seek new opportunities to achieve our development aspirations, and we now have the capacity to deliver 196 homes over the next four years.

Gearing decreased slightly to 32.8% from 32.9%. We are now utilising the Revolving Credit Facility and cash reserves to fund our increased investment in new homes and regeneration. At 32.8%, this remains well below the sector average, 46.4%, giving us scope to increase the borrowing. The new tranche of £30m RCF was secured in June 2024 and will be available for ten years. This will allow us to further invest in new homes and regeneration, as well as give us the financial capacity to meet any requirements from the Decent Homes 2 Standard and stock condition surveys. All of this aims to improve the quality of our homes and the effectiveness of our service to tenants, improve efficiencies and achieve savings for both tenants and Teign Housing whilst keeping our interest cover rate well within sustainable levels.

The EBITDA MRI interest cover (Earnings Before Interest, Tax, Depreciation and Amortisation, Major Repairs Included) is 7.5%, below the target and the sector metrics. An exceptional case has caused the low EBITDA, the £2.2m provision of fire remediation work to Douglas House that will take place in 2025-26. Although our funders do not use EBITDA MRI as one of their covenants, we have historically met the funders' targets, except for this one-off occurrence. The interest cover ratio is expected to rise to 109.8% in 2025-26 as we have fully provided Douglas House costs in 2024-25.

The social housing cost per unit has increased from £4,809 last year to £5,388 this year due to increased responsive repairs, cyclical maintenance, and void repairs. We have used more subcontractors to reduce the number of works in progress, such as damp, mould, and condensation jobs. The continuing increase in materials, energy, and labour costs impacts the sector. Overall, we have seen a rise in the cost per property compared to the prior year, which is an overall increase within the sector.

The operating margin overall is 8.0%, below the sector's average and our targeted margin. Again, this is caused by the provision of fire remediation work. Without these exceptional expenses, we would have achieved 16.2%. In 2025-26, we have a budgeted margin of 15.5%. The target has been further reduced compared to previous years, and it is anticipated that the drive to improve the service we deliver to tenants and to increase the investment in decarbonisation will be pursued.

The return on capital employed (ROCE) was reduced to 1.3%. This metric is below the target and the sector benchmark due to increased operating costs and the provision of Douglas House fire remediation work. Due to rising materials, labour, and utilities costs, the ROCE is forecasted to be 1.5% in 2025-26.

We continue to be committed to providing good customer service in a challenging environment. Economic and political uncertainty will continue for the coming year, and Teign Housing has modelled and planned for further potential issues through the business planning process.

Value for Money underpins all business activities at Teign Housing, and it is driven by the Board. VFM is about reviewing what we do and how we do it to make informed choices about how resources are effectively channelled towards delivering services and corporate priorities. The aim is to make the best use of our customers' money whilst balancing the cost and time with quality and stakeholder benefit, reasonable customer expectations, organisational benefits and business survival.

The Board's focus on VFM allows the company to continue to deliver great services and grow through developing new homes. The current business plan, including the financial position after refinancing, includes the delivery of 179 homes over the next five years.

The Board scrutinises financial and service delivery performance at each meeting through the management accounts and balanced scorecard, and any areas of poor performance are supported by a detailed narrative identifying the issues and the steps to deliver improvements.

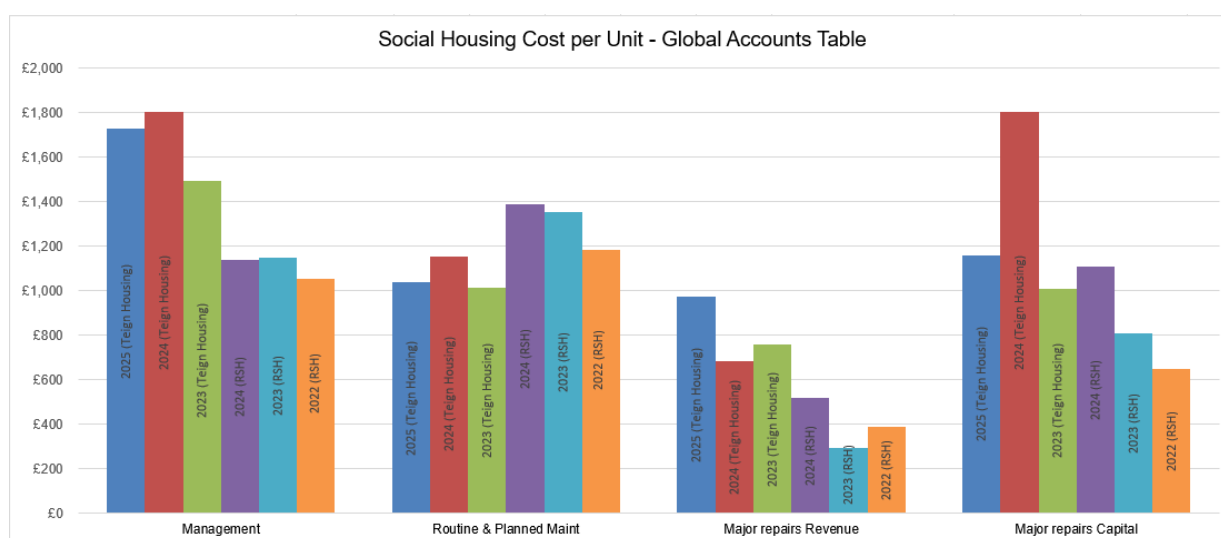
These include:

- Value for Money Metrics – full details of value for money achievements
- The balanced scorecard, including Housemark Benchmarking Results – comparative figures with our peers in the sector
- Quarterly Financial Report
- Annual report – report sent annually to our tenants
- Interim annual review of the business plan against actual progress
- Regular reforecasting as part of the management accounts review

An evaluation of our costs in comparison to the global accounts is presented below, and the figures for Teign Housing have been re-stated in line with the current global accounts format (based on SW & SE Peer Group). The latest figures available as a sector comparative are for the year ending March 2024, one year behind our year-end.

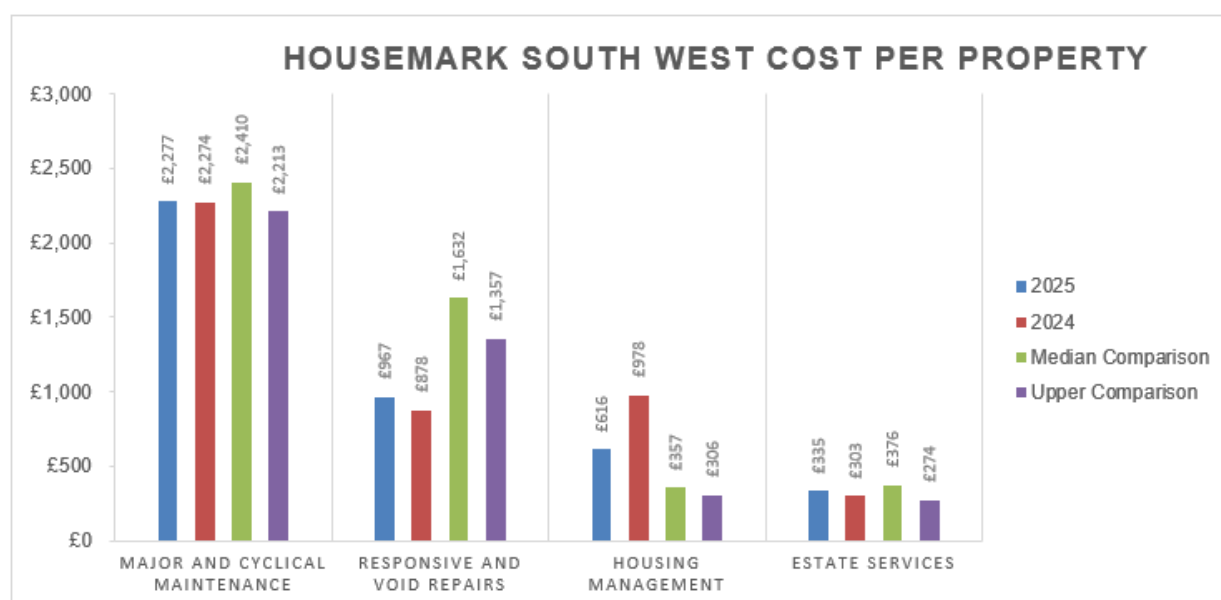
RSH Global Accounts Comparison

Area	Teign Housing			RSH Global accounts		
	2024-25 £	2023-24 £	2022-23 £	2024 £	2023 £	2022 £
Expenditure – per Social Housing Property						
Management	1,728	1,802	1,495	1,138	1,151	1,053
Routine & Planned Maintenance	1,037	1,154	1,013	1,390	1,354	1,182
Major repairs – Total	2,134	2,487	1,770	1,629	1,104	1,038
Major repairs – Revenue	973	685	759	520	295	390
Major repairs – Capital	1,161	1,802	1,011	1,109	810	648
Total cost per unit	4,899	5,443	4,278	4,157	3,609	3,273



South West Peer Group Housemark Comparison

Teign Housing Cost Per Property	Teign Housing		Comparison Group Median	Comparison Group Upper
	2024-25	2023-24	2023-24	2023-24
Department	£	£	£	£
Major and Cyclical Maintenance	2,277	2,274	2,410	2,213
Responsive and Void Repairs	967	878	1,632	1,357
Housing Management	616	978	357	306
Estate Services	335	303	376	274
Total costs per unit	4,195	4,433	4,775	4,149
<i>No of Properties</i>	3,946	3,904	3,493	1,689



Compared to the prior year, our major repairs cost per unit has been reduced in 2024-25, which is due to a reclassification of costs in the preceding year. The total cost per unit remains higher than the average of RSH (SW & SE), as their data is one year behind. After examining the 2023-24 and 2024-25 costs, we see a consistent increase compared to 2022-23. RSH (SW & SE) global accounts and the Housemark South West Housing peer group show similar findings.

Although our management costs per unit have decreased from last year, they are still over the RSH sector average due to factors outside our control, particularly the increase in insurance premiums and Douglas House legal and professional costs. Continued scrutiny of management costs and tight budgetary control will ensure the organisation's overall efficiency.

Routine and Cyclical Maintenance has decreased slightly from last year and is lower than the sector average. We are continually working to ensure we receive the best quality for the best price for our purchases to mitigate the increases as much as possible. We also drive efficiencies where possible by planning similar works in areas and by type.

The total costs of major repairs, including capital and revenue, are above the RSH sector average and reduced from last year due to the reclassification. Revenue expenditures increased by 42% over the last year due to the provision of Douglas House fire safety remediation costs. Capital expenditures were reduced offsetting some of the increase in revenue expenditures. Capital expenditures fluctuate year on year due to the maintenance programme's planning to make the most efficient use of resources.

We will ensure that we maintain tight budgetary control going forward to provide optimum value and investment in our housing stock for the future. We have embarked on a stock condition survey programme that we aim to largely complete by the end of 2025-26 to ensure that the investment in our stock is focused in the right areas and maintains the longevity and desirability of our homes. We continue looking for opportunities to invest in energy efficiency for our existing homes and balance the cost of better energy efficiency and the viability of new build schemes.

With the acknowledgement that the stock condition survey results will impact the future strategy, the Asset Management Strategy was reviewed, updated and approved by the Board in April 2024. A further updated Asset Management and Carbon Reduction Strategy will be developed during 2025-26 to provide us with a clear focus and direction about the future use and energy efficiency of our assets such as continued use, redesignation, redevelopment or disposal. When we dispose of properties assessed as unsuitable or unsustainable for affordable housing, the proceeds are used to support the development of new homes.

We will continue to:

- Review our own land, housing stock and garage sites for development opportunities – where suitable, these are now included within the future development programme.
- Review key assets for potential opportunities.
- Assess the requirements and resources needed for progress towards EPC Band C by 2030 and Net Zero Carbon by 2050.
- Consider our asset management viability tool to assist us with knowledge of our housing stock. This includes neighbourhood mapping and allows us to consider various options to determine the future of the asset. We continue looking at alternative options to improve on this.

Below is an extract from the scorecard, which presents the company's performance against targets set internally for the year ended 31 March 2025 and against targets taken from Housemark data for 2024. We have selected areas that we believe represent current VFM significance.

Area	2024-25	2023-24	2022-23	2021-22	Housemark 2023-24 Benchmark	Target 2024-25
Customer satisfaction						
Repairs	98.3%	98.2%	97.9%	97.6%	78.9%	96.0%
Standard of property at re-let	100.0%	96.6%	99.0%	94.0%	-	100.0%
Satisfaction with complaints process	52.0%	50.0%	95.0%	95.0%	76.2%	85.0%
Rent collection & arrears						
Rent collection	101.6%	100.4%	99.3%	100.1%	-	100.0%
Rent arrears (% of annual debt)	2.13%	2.72%	2.65%	2.33%	2.02%	3.20%
Void loss & turnaround						
Void losses	0.67%	1.10%	0.56%	0.50%	1.02%	0.50%
Void turnaround time (days)	21.9	33.9	25.1	22.6	42	25
Digital agenda						
Total number of tenant portal registrations	1197	901	650	603	-	1000
Inbound communication by Webchat	1.8%	1.3%	1.1%	1.6%	-	-

Customer satisfaction with repairs has increased slightly from 98.2% to 98.3%, compared to last year, and we continue to exceed our targeted 96.0% for the year. We are significantly above the Housemark average of 78.9%. Satisfaction with the standard of property at relet has met our 100% target. Satisfaction with the complaints process is 52.0%, a small increase from last year, but still below the Housemark benchmark of 76.2%. We did 89 satisfaction surveys over the year, and 47 were satisfied. In 2024-25, complaints have more than tripled compared to the previous year, as we expected with the Housing Ombudsman Service. Our tenants' response rate on the survey has improved to 34% in 2024-25, which has given us some valuable insight into what residents are complaining about and how we can improve our service.

The rent collection rate reached 101.6%, a slight increase from last year, and above our target of 100%, as we have collected some prepayments and rent arrears. The rent arrears have reduced to 2.13% from last year's 2.7%, and above the benchmark of 2.02%. We exceeded our target, 3.2%. We have continued to support tenants over the last year by applying for universal credit and working with them where it is possible to manage their rent payments. This has helped us to improve our performance from last year and exceed our internal targets. Through our Head Start team, we have signposted and assisted tenants in securing the additional financial support they need. We have also distributed over £50,700 (2023-24: £37,500) of financial support through a hardship fund to tenants in greater need.

Void losses due to voids have dropped to 0.67% compared to last year's 1.10% and are well below the benchmark 1.02%. However, we are still slightly over our targeted 0.50% due to the delays in letting new properties in early in the year. The delay is caused by fire door issues that must be rectified.

Across the organisation, we have a strong focus on VFM, and many departments have specific VFM targets. An updated VFM report was presented to the Board and approved in July 2024. In 2024-25, our VFM focus was on:

Digital and Technology

We successfully upgraded our housing management system, Civica Cx, to the latest version, providing enhanced functionality and security for staff and, in turn, improving the customer experience. User Acceptance Testing (UAT) continues to be carried out by our in-house workstream leads across the organisation and Cx Analyst, with no consultancy required. We have also successfully migrated data from our legacy EDRM system (Documotive) into SharePoint. This will save us £11,500 per year in support and maintenance fees.

All our frontline staff within the Customer & Communities directorate now have tablets to conduct estate inspections, keep in touch (KIT) visits, and use various forms directly within Civica Cx to enter data at the source. Following thorough testing, we found that staff were able to use Cx through their web browsers rather than procuring the Cx Mobile app. This provided us with a saving of approximately £66,000 per year.

A brand-new website was launched in March, providing a better resident and key stakeholder experience. The website has enhanced accessibility and security built in as standard. We tested the market to obtain the best value quotation for developing it. An element of the new website was the introduction of ReciteMe as our new accessibility tool and scanner. We procured this software for three years upfront, resulting in a £7,500 saving across the contract's three-year term.

We have developed Power BI reports and dashboards to replace Mobyssoft for rent arrears predictions. It provides more accurate and up-to-date data for our income and renting team, saving us approximately £65,000 a year. Following a recent value-for-money review, we have also ceased developing the Cadcorp GIS solution, as the cost outweighs the benefit, saving us approximately £22,500 a year. After attending the Cyber UK conference, we sourced a supplier for our network penetration test and Cyber Essentials Plus assessment for almost £15,000 less than budgeted.

Improve skills and behaviours of staff

We recognise that motivated staff create satisfied customers. We continue prioritising staff professional development throughout 2024-25 by investing in training to enhance our service delivery, safety, and compliance. This included an organisational culture transformation programme with Mary Gobar International, housing law training for frontline colleagues, and health and safety training and qualifications. In 2025-26, the focus will remain on cost-effective, high-value training, utilising in-house expertise where possible and with trusted providers.

Welfare reform and cost of living impact

We continue to work with our customers to support them with issues surrounding Universal Credit and the Cost-of-Living crisis. Our Head Start Team comprises three Coordinators and one Team Leader with a clear focus on tenancy sustainment. Whilst not limited to, their work and support will consider trial calculations for our customers to ensure they are claiming everything they are entitled to; carrying out

affordability assessments during the pre-tenancy allocation process to ensure their new property will be affordable; and delivering our Assisted Lettings Scheme to eligible customers with white goods or carpets to reduce the costs associated with moving to a new property.

With the pressures of the cost of living, the Tenancy Sustainment team often finds themselves working with customers to increase their financial resilience and support them in managing the impact this may have on the individual and/or household. Our support extends further to help improve Health and Wellbeing, Digital Inclusion, and Positive Participation.

In 2022-23, we launched a Hardship Grant with a core purpose to support customers impacted by the cost of living and rent increases. The support offered via the Hardship Grant has continued since then. From 2022-23 to 2024-25, we have supported 679 households, with a total grant spending of £120,238. We are pleased that, in 2025-26, a further £35,000 funding has been made available. The level of support provided benefits customers who benefit from the grant's immediate financial respite and can also be beneficial in reducing other pressures, such as stress and anxiety. As a result, this has led to better engagement in managing tenancies.

We have been working with Homemaker Southwest since 2019 to help our tenants with debt problems. In 2024-25, for an annual fee of £5,000, they helped our tenants receive a total of £48,400 of the support they were entitled to. This is a cost-efficient service that directly benefits our tenants. Some of this income helps tenants pay their rent on time, reducing our arrears. During the year, the Head Start Team received 206 referrals from our Customers and Communities Directorate, 195 of which identified financial inclusion as an area of need. The Head Start Team obtained a total of £70,321 additional income for these residents. Within the year, we have received a total of £118,721 in income support from the partnership between our Head Start Team and Homemaker Southwest, £34,916 of which was directly allocated on the rent account of tenants with a combination of successful backdated housing costs, Discretionary Housing Payments and Housing Benefit entitlement costs.

Asset Management

Our full housing stock survey continued over 2024-25, meaning we have surveyed 83% of the stock at the end of the financial year. This will give us valuable insight into the condition of our housing stock so that we can undertake any necessary remedial action, better plan our cyclical and planned maintenance cycle and carbon reduction work and highlight any issues before they become too serious. Whilst a financial outlay in the short term, this will provide efficiency savings over the long term. It will also allow us to identify any problem stock that may be beneficial to dispose of and replace with newly developed housing or consider local regeneration where the opportunity arises. Planning is underway to target the 17% of the stock we have remaining to survey.

Procurement

We continue to be a member of the Advantage South West Procurement Consortium. This organisation exists to improve lives and homes through innovation and collaboration and to improve value for money for its members. In 2024-25, the savings delivered through the membership of this consortium total £179,491.

Templer HomeBuild

The wholly owned subsidiary Templer HomeBuild (THB) continues to provide us with greater control over service delivery and cost efficiencies. There is a strong emphasis on 'right first time', generating progressive efficiencies and cost savings. The VAT savings from Templer HomeBuild in 2024-25 were £678,198. The 2025-26 budget includes a further VAT saving of £670,990.

This year, we have reflected on independent Value for Money reviews to ascertain Templer HomeBuild's (THB) overall performance. Benchmarking reports analysed the volume and cost of works to give context to the overall repairs and maintenance service, providing a better understanding of the value achieved compared to other similarly sized Housing Associations in the South West.

Responsive Repairs

THB carried out 3.14 repairs per property, almost exactly in line with the benchmark average. Our average repair cost was £207.25, significantly lower than the benchmark average and the second lowest of those included in the measure.

In reviewing the cost breakdown, THB is highly consistent with the benchmark average, demonstrating the effectiveness of our delivery model and the balanced use of direct labour and subcontract resources.

Void Repairs

Our average void cost has seen a consistent year on year reduction but is high compared to the benchmark average. This high cost is not considered indicative of poor Value for Money but rather representative of local customer expectations and a high re-let standard. The focus in 2025-26 is to revisit the void standard to find an acceptable balance between cost and customer satisfaction.

Unlike Responsive Repairs, the Void delivery model was considered inconsistent with the benchmark. Void delivery is more commonly delivered through subcontracted works than the THB self-delivery approach. In the coming year, this is being reviewed alongside the re-let standard.

In 2024-25, we have seen a rise in total void property repair costs due to the number of void properties rising from 158 to 206, but the average void cost per property has been reduced from £8,600 to £7,900. This year, we have completed 75 (£731,100) major voids and 24 (£441,000) mega voids, compared to 53 (£475,400) and 23 mega (£499,700) last year.

Component Replacement

The cost of planned works in general compares very favourably with benchmark averages.

The two principal component replacement programmes show that kitchens were 6.8% below the benchmark average, and bathrooms were 8.6% below.

Like Voids, the THB self-delivery approach is also considered inconsistent with the benchmark; subcontract is the most common delivery model. The primary reason for externalising planned works is often a lack of continuity or duration of programmes and the resulting risk to productivity within a directly employed workforce. Whilst the procurement of packages such as kitchens and bathrooms will be evaluated, it is important for THB to maintain an approach that delivers the optimum balance of internal and external resources.

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

We completed work on a further block (three of four blocks) containing 16 properties. With the addition of external wall insulation, we have improved the energy efficiency of the residents' homes. We conducted preparatory assessments on a small number of properties to inform our application to the Government's flagship Warm Homes Social Housing Fund to assist our future energy improvement work to get all our homes to EPC C or better.

We started work on contract term negotiations with LivGreen Futures Ltd to deliver a 'turnkey' energy improvement and carbon reduction retrofit project through the Greener Futures Partnership Decarbonisation Delivery framework.

Customer Service

We have successfully implemented the Omnichannel project, so we now have all communication avenues in one place. This allows us to ensure that all correspondence is answered promptly and that we resource each channel appropriately.

During the year:

- there was 98.3% satisfaction with repairs carried out
- 100% of all planned work was completed on time

The Customer First Team continued to engage in Call Quality and Monitoring Coaching to improve customer interactions.

Our Customer First Team Advisors are scored on set criteria around tone of voice and active listening. This process has increased baseline scores, significantly improving our customers' experience and, hopefully, their expectations of our service. We achieved Contact Centre accreditation from the Contact Centre Management Association early in the year.

Community Engagement

We have continued to be fully engaged with our Community Safety Partnership to resolve safeguarding and anti-social behaviour issues where there is a community impact. This saves on resources and legal costs.

Following a recent assessment of the effectiveness of the Anti-Social Behaviour (ASB) Respect Line, we have decided not to renew it for 2025-26, as the cost outweighs the benefits. This will save us approximately £4,500 each year, which can be used in other areas of need, such as additional security measures for victims of violence. We have appointed a Senior Tenancy Enforcement Officer who can take on the work currently being referred to our solicitor. They will ensure a more comprehensive, swift outcome, reducing time spent managing ASB and making customers more satisfied.

We are looking at how Estate Inspections are undertaken and by whom, recognising that this is a protracted process with many people involved at different stages. We have worked tenaciously, in partnership with Templer HomeBuild, to continue achieving 100% compliance on gas and electrical safety testing this year, employing various strategies that have helped us avoid legal costs. We moved the repair

diagnostics tool from M3 Central to our portal and app, which will allow us to implement self-scheduled repairs for residents in the future.

Following a recent Value for Money review, we have stopped running skip days, which is not financially beneficial. We are now working with tenants more intensely, on an individual basis, to improve the condition of their homes and take responsibility for their communities. This is both empowering for residents and more cost-efficient.

The Rents and Tenancy Sustainment teams have completed more Discretionary Housing Payment applications on behalf of tenants. While initially it takes more time, this does prove value for money when the applications are awarded, as the debt is cleared quicker than when we chase a tenant for payment and the cost of the tenant making payments to us.

Independence and Wellbeing

The Winter Warmer events continue to provide information on reducing fuel consumption, understanding benefit entitlements, and avoiding fuel poverty. Some agencies have attended some of our events. Devon Fire and the Fire and Rescue came along and spoke with tenants and booked them in for Home Safety Visits. Affordability and Billing Support for tenants attended group meetings to discuss support. Exeter Community Energy and Healthy Homes provided information on reducing bills, support with insulation, heating homes, and large arrears/bills with energy companies.

Hot meals continue to be prepared, and activities occur in our community rooms. These have continued as the Spring Kitchen and Summer Sizzlers, bringing scheme communities together and aiming to build relationships, combat loneliness, and improve wellbeing. They have been very well received. The feedback has been positive about the new service and how this has made a difference for them. Having someone knock at their door regularly is appreciated. In 2024-25, the total number of activities is 194 with 990 attendees. These events include drop-in sessions for tenants to discuss housing and support-related issues, celebrations such as the King's Coronation, monthly meals prepared by Hub Coordinators and wellness events.

We have continued to set goal plans to capture the needs of our most vulnerable customers. During the year, 38% of our customers living in our sheltered accommodation received a plan.

ALRT (Assisted Lifting Response Team)

The company has continued partnering with Torbay, South Devon NHS, and Appello to offer this service. Customers who benefit from this service will get the Torbay ALRT team to assist a non-injured faller with lifting. The team has specialist lifting equipment and training, meaning it can get customers up quickly and help prevent further accidents. It also means a shorter wait time than if they were waiting for an ambulance, as paramedics can prioritise emergency cases over someone unable to get up but unhurt.

Tenant Involvement

We remain committed to actively engaging with our residents and the broader community. Our Resident Involvement Manager oversees these efforts, assisting us in understanding the values and expectations of our tenants. We host a Residents' Forum that convenes every six weeks in a hybrid format. Our consultations extend to service modifications, processes, and tenant-related policies, procedures, and

strategies. Additionally, our Scrutiny Panel conducts regular assessments of our services from the residents' perspective, offering valuable feedback and suggestions for enhancement. Furthermore, our recently introduced Customer Experience committee reinforces our dedication to ensuring any resident involvement group's actions are monitored and implemented, while providing a direct link between residents and our Board members. Collectively, these initiatives ensure that Teign Housing maintains a strong connection with its residents.

In 2025-26, as well as the projects above, which will continue, our focus will also be on:

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

The additional stock condition data from the stock surveys will provide better and more accurate data to inform our investment plans for carbon reduction. Using this data along with EPC information, we can cost effectively target properties for planned maintenance to both maintain decent home standards and focus on the least energy efficient properties to maximise the return on investment.

We are planning to deliver two phases across the year targeting approximately 140 homes as we work towards our target of achieving a minimum EPC band C across all of our stock by 2030.

Damp and Mould

We continue to take a proactive approach, adopting smart technology to monitor and track trends in “at-risk” homes. Remote sensors installed in properties with a greater probability of damp and mould alert us to issues and enable us to remedy problems early. Our Damp and Mould Action Group continues to focus on key issues, ensuring our processes are continuously reviewed and consistent with current legislative requirements.

DMC has also factored into our internal audit plan to provide further assurance of our policies, procedures, and controls. An audit took place in our 2024-25 programme, and we will undertake a deep-dive audit as part of the 2025-26 deep-dive audit plan.

Procurement Initiatives

In 2025-26, we will fully review our supply chain arrangements. The overarching objective is to establish a greater number of direct, local arrangements that deliver better value, make a measurable contribution to the local economy, and positively affect the communities in which we work. Procurement initiatives will leverage collaboration with other Housing Associations and consortia, such as Advantage South West, to establish new frameworks and supply partners.

Further improve our complaints process

Templer HomeBuild introduced a Customer Experience Lead role to help manage complaints about repairs and maintenance and deliver better service to our customers. We will continue enhancing our approach to complaints with increased employee training opportunities and co-developing processes with our customers. Full results are published quarterly on the Board and Residents Forum and our website. We continue to fully roll out “Lessons Learned,” and in 2025-26, we aim to stop making the same mistakes again and prevent them.

Develop more affordable homes

We will continue developing affordable homes while ensuring that homes remain affordable for people in our local communities. This may be through the purchase of section 106 developments or smaller land-led schemes. In the business plan, we target to deliver 53 new homes in 2025-26. We continue to review our land and properties for redevelopment opportunities. Ultimately, this will lead to an increase in rental income, which can be reinvested in our existing stock or used to build more new homes.

Improve cash flow by increasing the collection of non-rent debt

Our housing management system will continue to monitor rechargeable repair debts. The balances show against repair records. In addition, we have introduced monthly reporting on recharge debt to monitor the success rate of collection, which we have never had previously. We are in the process of creating an arrears procedure within Cx to help further improve the efficiency of recharge debt.

Customer Service

The Customer First Team will relaunch Call Quality and Monitoring Coaching to improve customer interactions. Team leaders will be included in the relaunched program, and subject matter experts will be invited to provide coaching and feedback on specific call types. This will improve the quality of the advisor's detailed knowledge of the call subject matter, improving the quality of the advisor's response to callers.

We have delivered the Omnichannel project, which integrates all communications channels into one area to enable us to better manage demand for our service.

The team will continue to have refresher huddles for the Making Every Contact Count initiative. This training is focused on customer service but also has a broader remit of matching personal skills to technical skills to equip employees to achieve their full potential and improve service levels across the directorate.

Independence and Wellbeing

The digital switchover, in which we replaced all the hard-wired alarm equipment, was completed ahead of our target date. We completed this over two phases, and phase two was completed at the end of December 24. This results in a far quicker response to emergency calls.

Tenancy sustainment plans continue to be created with all new tenants as part of the sign-up process. This allows goals to be set for the outcomes of moving into the sheltered schemes and also to identify any needs for support and assistance before moving in. This could be assistance with registering for a doctor's surgery or other medical and social requirements. This helps the team best plan for the support needed and have it in place on the day the tenancy begins.

This promotes engagement with the residents, especially when introducing a new technology. It is critical that the users feel comfortable and able to use the alarm units for their safety and peace of mind.

The community events with Winter Warmers, Spring Kitchen, and Summer Sizzlers will continue, and the craft sessions will promote relationships and contact and reduce feelings of loneliness. At these sessions, we invite partner agencies to demonstrate the support offered.

Aids and Adaptations

The Aids and Adaptations (A&A) policy and procedure have been reviewed. The review reflects the co-development work done with beneficiaries of the A&A service and the associated service improvements. We have introduced a quarterly performance report that will reflect the service's value to our customers and stakeholders.

Tenant Involvement

Looking forward, we are excited to share details of our customer voice strategy, detailing additional methods to ensure our residents have various opportunities to help shape our services and improve our methods of communication with our residents, outlining outcomes from their input. This will include introducing estate inspectors, one-day scrutiny reviews, improved communication with younger residents and informal methods for residents to get involved and provide us with valuable suggestions and feedback. Communication with residents will be expanded by introducing a monthly one-minute update video to ensure our residents have additional means of hearing news from Teign Housing. We will continue to work closely with our customers and the communities' team to deliver roadshows within our estates, allowing residents to talk to various members of staff regarding issues they may have and potential suggestions for Teign Housing to improve.

Digital and Technology

We will introduce self-service appointment bookings for repairs, where our customers can book a repair slot that suits them, and our contact centre staff can book it on their behalf, freeing up resources within the Customer First Team. To improve our work efficiency, we will review the next Civica Cx housing management system upgrade in November.

Following the tender process, we will appoint a supplier of our Microsoft licensing for the next 3 years, providing the best value and quality provider through testing the market thoroughly. We will procure and implement a new cloud-based asset management and compliance system to centralise data and provide real-time asset tracking and monitoring. Furthermore, we will implement an Artificial Intelligence (AI) strategy as part of our wider Digital Strategy to enhance the resident and staff experience across the organisation and alleviate staff time and resources.

Health and Safety

Over the past year, we have continued to embed our three-year Health and safety Strategy and align our approach with HSG65, the Health and Safety Executive's framework for managing health and safety through a 'Plan, Do, Check, Act' model. This ensures that health and safety are integrated into how we manage our services rather than treated as a stand-alone system.

This year, a key area of focus has been supporting our colleagues in confidently carrying out risk assessments relevant to their work activities. By providing practical tools, training, and tailored support, we enable staff to take ownership of health and safety within their roles, helping create safer working environments.

We have also strengthened our programme of building health and safety inspections, using findings to drive improvements and maintain safe, compliant environments for our colleagues and customers.

In addition, we have prioritised fire safety for our residents by providing clear advice and guidance to both customers and staff. This has included raising awareness, promoting best practice, and responding to specific concerns to ensure everyone understands their role in keeping homes safe.

Looking ahead to 2025-26, we will continue to strengthen our health and safety management system to provide assurance to the Board and confidence to our residents. This includes an internal audit programme that will assess key elements of our approach, providing insight into areas of good practice and identifying where further improvements are needed. Refresher training will be rolled out for all staff and Board members, including IOSH-accredited courses and conflict resolution for lone workers.

To support a more proactive and consistent safety culture, we will use the Health and Safety Executive's climate survey tool and introduce multi-disciplinary safety tours. These initiatives will help us better understand our current culture and track progress over time.

Last year, we completed health and safety inspections across all our residential buildings with communal areas, enabling timely action on issues, improving compliance, and reinforcing our commitment to resident safety. Building on this strong foundation, we will continue to drive improvements that deliver safe homes, empowered staff, and long-term value for money.

Maintain financial capacity

The current RCF of £20m remains available until 2028. The refinancing project was finalised in June 2024, and we have secured a new RCF of £30m until 2034. This will enable the continued expansion of our development capacity and capital investment in improvements for our existing stock.

Ensure our residents are happy with their repairs

Next year, we aim to continue to exceed 97% satisfaction with repairs carried out.

Provide quality repairs and minimise return visits

Next year, we aim to exceed 99% of repairs requiring only one visit.

Work efficiently and respectfully in customers' homes

Next year, we plan to complete 97% of all planned works on time.

Remain Financially Strong

In 2025-26, our operating margin is budgeted to be 15.5%, which has been impacted by effect of the inflation rate on repairs and maintenance costs having increased more than the rate of rent increase. In the business plan our forecasted operating margin rises to 16.5% in 2026/27 and 17.7% in 2027/28.

Assurance and Internal Control

The Board of Teign Housing has overall responsibility for establishing and maintaining an effective system of internal control. The systems of internal control are the measures designed to ensure that Teign Housing is successfully working toward its objectives, and that the risks that threaten the achievement of

the company's objectives are identified and properly managed. Such a system can provide reasonable but not absolute assurance and cannot eliminate risk.

The Board reviews the system of internal controls, assesses its effectiveness and takes any necessary steps to maintain or improve its effectiveness.

Teign Housing's system of internal controls includes the measures set out below:

Policy and strategy – there are a range of policies and strategies in place that determine and guide the activities and arrangements of the company.

Internal Deep Dives and Reviews – regular reviews of the risks and assurance frameworks are supported by a robust internal audit programme. We also undertake internal deep dives across the business. The Audit & Assurance committee monitors the progress of any internal audit actions through to completion.

Prevention and detection of fraud – The system of internal control includes measures designed to prevent or detect fraud.

The Board has established a policy on the prevention, detection and investigation of fraud, which includes a whistle-blowing procedure and an anti-money laundering policy. The company uses different measures to prevent and detect fraud, which include but are not limited to:

- A Risk Management Framework
- Policies on staff conduct
- Declarations of interest
- Key reconciliations
- Authorisation controls
- Access controls
- Exception reports
- Financial Regulations

Board's assessment of assurance and internal control

The Board has conducted a review and made enquiries of the Executive and Senior Management Team to inform its view on the effectiveness of Teign Housing's internal controls. A full report on Internal Controls Assurance was provided to the Audit Committee on 13 May 2025. The results of the Board's review are the basis of this statement.

Teign Housing has assessed its compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and considers itself to be compliant.

The Board confirms that an effective system of internal control has been in place throughout the year ending 31 March 2025 and up to the date of signing this report.

The Strategic Report, incorporating the Value for Money Statement, was approved by the Board of Directors on 24 July 2025 and signed on its behalf by

Richard Gammage

Chair of the Board



Directors Report

The Directors present their report for the year ending 31 March 2025.

Directors

The directors who served the company during the year are shown on page 1.

Information for auditors

The directors who held office at the date of approval of this Board Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Compliance

The company 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 company'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 Directors' Responsibilities

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

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

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial

position of the company and enable them to ensure that the accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Directors on 24 July 2025 and signed on its behalf by:



Richard Gammage
Chair of the Board

Independent Auditor's Report

Opinion

We have audited the financial statements of Teign Housing (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 March 2025 which comprise the Consolidated and parent Company Statement of Comprehensive Income, the Consolidated and parent Company Statement of Financial Position, the Consolidated and parent Company Statement of Changes in Reserves, the Consolidated Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2025 and of the Group's income and expenditure and the parent Company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 28, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or the parent Company 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

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

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

- We obtained an understanding of laws, regulations and guidance that affect the Group and parent Company, 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 Companies Act 2006, 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, NHF Code of Governance 2020, tax legislation, health and safety legislation, and employment legislation.

- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.
- 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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

George Shillam ACA (Senior Statutory Auditor)

For and on behalf of

Beever and Struthers

Chartered Accountants and Statutory Auditors

150 Minories

London

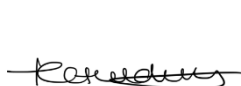
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Date: 4 September 2025

Statement of Comprehensive Income

	Note	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Turnover	2	25,838	24,843	25,983	24,949
Cost of sales	2	(1,063)	(2,536)	(1,063)	(2,536)
Operating expenditure	2	(22,712)	(17,754)	(22,887)	(17,889)
Gain on disposal of property, plant and equipment	2	268	83	268	83
Movement of investments property value	2	-	(45)	-	(45)
Operating surplus	2	2,331	4,591	2,301	4,562
Interest receivable	4	52	95	82	124
Interest and financing costs	5	(2,812)	(2,021)	(2,812)	(2,021)
Surplus/(Deficit) before tax		(429)	2,665	(429)	2,665
Taxation	7	-	-	-	-
Surplus/(Deficit) after tax		(429)	2,665	(429)	2,665
		(429)	2,665	(429)	2,665
Other Comprehensive Income					
SHPS - Actuarial gain/(loss) in respect of pension schemes	20	121	(225)	121	(225)
Total		121	(225)	121	(225)
Total comprehensive income for the year		(308)	2,440	(308)	2,440

The financial statements on pages 35 to 73 were approved and authorised for issue by the Board on 24 July 2025, and were signed on its behalf by:



Helen Hilditch
Company Secretary



Richard Gammage
Chair of the Board



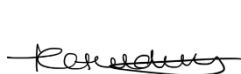
Steve Higginson
Chair of Audit Committee

The results relate wholly to continuing activities, and the notes on pages 39 to 73 form an integral part of these accounts.

Statement of Financial Position

	Note	Group At 31-Mar-25 £'000	Group At 31-Mar-24 £'000	Association At 31-Mar-25 £'000	Association At 31-Mar-24 £'000
Fixed Assets					
Intangible Assets	8	91	73	91	73
Tangible Assets	9	180,815	174,537	180,815	174,537
Investment Properties	10	525	525	525	525
		<u>181,431</u>	<u>175,135</u>	<u>181,431</u>	<u>175,135</u>
Current Assets					
Stock	11	949	923	949	923
Debtors due in less than one year	12	1,093	981	1,585	1,438
Debtors due in greater than one year		964	964	964	964
Cash and cash equivalents	13	2,829	2,662	2,517	2,363
		<u>5,835</u>	<u>5,530</u>	<u>6,015</u>	<u>5,688</u>
Less creditors: amounts falling due within one year	14	(14,531)	(10,399)	(14,711)	(10,557)
Net Current Liabilities		<u>(8,696)</u>	<u>(4,869)</u>	<u>(8,696)</u>	<u>(4,869)</u>
Total assets less current liabilities		<u>172,735</u>	<u>170,266</u>	<u>172,735</u>	<u>170,266</u>
Creditors: amounts falling due after more than one year	15	(68,742)	(68,415)	(68,742)	(68,415)
Provisions for Liabilities					
Pension Liability	20	(414)	(669)	(414)	(669)
Other provisions	17	(2,705)	-	(2,705)	-
Total Net Assets		<u>100,874</u>	<u>101,182</u>	<u>100,874</u>	<u>101,182</u>
Reserves					
Income and Expenditure reserve		69,152	69,401	69,152	69,401
Revaluation reserve		31,722	31,781	31,722	31,781
Total Reserves		<u>100,874</u>	<u>101,182</u>	<u>100,874</u>	<u>101,182</u>

These financial statements on pages 35 to 73 were approved and authorised for issue by the Board on 24 July 2025 and were signed on its behalf by:



Helen Hilditch
Company Secretary



Richard Gammage
Chair of the Board



Steve Higginson
Chair of Audit Committee

The notes on pages 39 to 73 form an integral part of these accounts

Statement of Changes in Reserves

Group:

	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 31st March 2023	66,895	31,847	98,742
Surplus from Statement of Comprehensive Income	2,665	-	2,665
Actuarial loss relating to the year	(225)	-	(225)
Transfer to/(from) revaluation reserve to income and expenditure reserve restated	66	(66)	-
Balance at 31st March 2024	69,401	31,781	101,182
Deficit from Statement of Comprehensive Income	(429)	-	(429)
Actuarial gain relating to the year	121	-	121
Transfer to/(from) income and expenditure reserve to revaluation reserve	59	(59)	-
Balance at 31st March 2025	69,152	31,722	100,874

Association:

	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 31st March 2023	66,895	31,847	98,742
Surplus from Statement of Comprehensive Income	2,665	-	2,665
Actuarial loss relating to the year	(225)	-	(225)
Transfer to/(from) revaluation reserve to income and expenditure reserve restated	66	(66)	-
Balance at 31st March 2024	69,401	31,781	101,182
Deficit from Statement of Comprehensive Income	(429)	-	(429)
Actuarial gain relating to the year	121	-	121
Transfer to/(from) income and expenditure reserve to revaluation reserve	59	(59)	-
Balance at 31st March 2025	69,152	31,722	100,874

The notes on pages 39 to 73 form an integral part of these accounts

Consolidated Statement of Cash Flows

	Group 2025 £'000	Group 2024 £'000
Cash flows from operating activities		
(Deficit)/Surplus for the year after tax	(429)	2,665
Adjustments for investing or financing activities		
(Gain) on sale of fixed assets	(268)	(83)
Interest receivable	(52)	(95)
Interest and financing costs	2,812	2,021
	2,492	1,843
Adjustments for non-cash items:		
Depreciation	3,099	2,808
Impairment of Fixed assets	-	-
Government grant utilised in the year	(85)	(82)
(Increase)/Decrease in stock	(26)	657
(Increase)/Decrease in Investment properties	-	45
(Increase)/Decrease in trade and other debtors	(112)	551
Increase/(Decrease) in trade and other creditors	1,377	(301)
Pension costs less contributions payable	(163)	(154)
Increase/(Decrease) in other provision	2,705	-
	6,795	3,524
Net cash generated from operating activities	8,858	8,032
Cash flow from investing activities		
Capital expenditure on housing properties	(9,161)	(16,225)
Net proceeds on sale of housing properties	700	219
Purchase of other fixed assets and intangible assets	(442)	(277)
Government grant received	515	214
Interest received	52	95
Net cash used in investing activities	(8,336)	(15,974)
Cashflow from financing activities		
Interest paid	(3,105)	(2,715)
Loan Break Fees	-	-
Interest element of finance lease rental payment	-	-
Loans received	2,750	8,000
Loans repaid	-	-
Net cash used in financing activities	(355)	5,285
Net change in cash and cash equivalents	167	(2,657)
Cash and cash equivalents at beginning of year	2,662	5,319
Cash and cash equivalents at year end	2,829	2,662

The notes on pages 39 to 73 form an integral part of these accounts.

Notes to the Financial Statements

Legal Status

Teign Housing is a company limited by guarantee incorporated in England and Wales under the Companies Act 2006, it is a registered charity under the Charities Act 2011 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is Millwood House, Collett Way, Newton Abbot, Devon TQ12 4PH.

1 Principal Accounting Policies

Basis of Accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered social housing providers (2018). The Group is required under the Companies Act (Group Accounts) Regulations 2006 to prepare consolidated Group accounts.

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 financial statements have been prepared in compliance with FRS102. The financial statements are prepared on the historical cost basis of accounting as modified by the valuation of the transferred rented housing stock to deemed cost on the transition to FRS 102 and are presented in £000's. Investment properties are included in the financial statements at valuation.

As a public benefit entity, Teign Housing has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

The Group financial statements consolidate the financial statements of Teign Housing (the parent) and its subsidiary undertaking Templer HomeBuild for the year ended 31 March 2025.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Teign Housing and entities controlled by the Group (its subsidiary). Control is achieved where the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

Intercompany transactions and balances between group entities are eliminated in full upon consolidation.

Going Concern

The company's financial statements have been prepared on a going concern basis, which assumes the ability to continue operating in the foreseeable future. The impact of the ongoing regional and global conflicts continue to be monitored, and the company has adapted to various new ways of working. The future budget and business plans have been constructed with this in mind, and no significant concerns have been noted.

The business plan was stress tested and assessed for any imminent or likely future breach in borrowing covenants. No significant concerns have been noted, and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

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 (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- a. Development expenditure.** The company capitalises development expenditure when the Board approve the agreement for contract. Initial capitalisation of costs is based on management's judgement that the development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
- b. Categorisation of housing properties.** The company has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the company has considered if the asset is held for social benefit or to earn commercial rentals.
- c. Tangible fixed assets.** Other than investment properties, tangible fixed assets are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

d. Pension and other post-employment benefits. The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations, and these valuations involve making assumptions. The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation are standard rates of inflation, property valuations, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 19.

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

A review of void losses in the year has been carried out and no properties have been identified as impaired.

A review of the schemes in development has been carried out and no properties have been identified as impaired.

Following the assessment of impairment, no impairment losses were identified in the reporting period.

f. Provision for bad debts. A provision is made for bad debts based on the age of the debt. The rates of the provision increase from 10% for debts over 13 weeks to 50% for debts over 52 weeks. Former tenant arrears are provided for at 100%.

g. Valuation of investment properties. Investment properties are held at fair value at each year-end. The last external valuation was undertaken by Jones Lang Lasalle, an independent valuer, on 31 March 2024. For the year ending 31 March 2025, fair value was arrived at following an internal assessment derived from the current market leases, demand and investment property indices for comparable real estate and the nature and location of the specific asset. The valuation represents fair value and remains unchanged at the year-end.

Turnover and revenue recognition

Turnover represents rental income receivable from tenants and leaseholders, amortised capital grants, revenue grants from Local Authorities and Homes England, income from the sale of shared ownership properties and income from other service suppliers, excluding VAT.

Income is recognised in relation to the period when the goods or services have been supplied. Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Service charges

Service charge income and costs are recognised on an accrual basis. The company operates variable service charges on a scheme by scheme basis in full consultation with residents.

Operating Leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and the amount of maturity of the related loan.

Capitalised Interest

Interest on our development schemes is capitalised from the point the Board approves the project and the company begins to incur development costs.

Categorisation of Debt

The Group's debt has been treated as "basic" in accordance with paragraphs 11.8 and 11.9 of FRS 102.

Corporation Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, respectively.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
- Any deferred tax balances are reversed when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Value Added Tax

The company charges VAT on some of its income and can recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the company and not recoverable.

Intangible Assets

Intangible assets are for IT software. They are stated at cost less accumulated depreciation.

The useful economic life is 3 to 5 years.

Tangible Assets

Properties for social rent transferred from the Local Authority are stated at deemed cost less accumulated depreciation, all other properties and tangible fixed assets are stated at historic cost less accumulated depreciation. Donated land/assets or assets acquired at below market value from a government source, i.e., local authority, are included as a liability in the Statement of Financial Position at the fair value less consideration paid. Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties, on practical completion of construction. Cost includes the cost of acquiring land and buildings, development costs, and interest charges incurred during the development period. Staff costs and overheads directly attributable to bringing housing properties into working condition for their intended use are capitalised. Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The company depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Structure	100 Years
Cornish Units	50 Years
Kitchens	20 Years
Bathrooms	30 Years
Wiring	30 Years
Heating/boilers	15 Years
Windows and Doors	30 Years
Pitched Roof	70 Years
Flat Roof	20 Years
Disabled adaptations	10 Years

Low Cost Home Ownership

The costs of low-cost home ownership properties are split between current and fixed assets based on the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets. Interest on loans used to finance the development of new housing properties is capitalised during the construction period.

Other Tangible Fixed Assets

Other tangible fixed assets are stated at cost less accumulated depreciation. Leased assets are depreciated over the life of the lease if this is shorter than their useful economic life. Depreciation is provided on a straight-line basis, at rates considered appropriate to write off the assets over their useful economic lives as follows:

IT equipment	3 to 5 years
Leasehold Improvements	5 to 10 years
Office premises	90 years
Office fixtures and fittings	3 to 5 years
Teigncare Alarm Equipment	3 to 10 years
Motor Vehicles	4 years
Electrical works	40 years
New technology	15 years
Gas installations	25 years

Investment Property

Investment property includes commercial properties not held for the social benefit of the company. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted, if necessary, for any difference in the nature, location, or condition of the specific asset. An independent valuer evaluates the investment properties at least every three years, and an internal assessment is carried out each year. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Social Housing Grant (SHG)

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (excluding land), under the accruals model.

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

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

Revaluation Reserve

The revaluation reserve represents the difference on transition between the fair value of transfer rented social housing properties and their historical cost carrying value, where deemed cost transitional relief was taken.

2 Turnover, cost of sales, operating expenditure, and operating surplus

Group	Turnover	Cost of sales	Operating expenditure	2025 Operating surplus	Turnover	Cost of sales	Operating expenditure	2024 Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (note 2a)	22,987	-	(19,448)	3,539	20,843	-	(17,303)	3,540
Other social housing activities								
Other Services	151	-	(59)	92	146	-	(200)	(54)
Expensed Development Costs	-	-	(90)	(90)	-	-	-	-
First tranche low cost home ownership sales	1,536	(1,063)	-	473	3,437	(2,536)	-	901
Fire Safety Remediation Costs	-	-	(1,924)	(1,924)	-	-	-	-
Activities other than social housing								
Other activities (note 2b)	868	-	(895)	(27)	417	-	(251)	166
Fire Safety Remediation Grant	296	-	(296)	-	-	-	-	-
Total	25,838	(1,063)	(22,712)	2,063	24,843	(2,536)	(17,754)	4,553
Gain on disposal of property, plant and equipment (note 2c)				268				83
(Decrease)/Increase in value of investment properties				-				(45)
Operating surplus				2,331				4,591

2 Turnover, cost of sales, operating expenditure, and operating surplus cont'd.

Association	Turnover	Cost of sales	Operating expenditure	2025 Operating surplus	Turnover	Cost of sales	Operating expenditure	2024 Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (note 2a)	22,987	-	(19,635)	3,352	20,843	-	(17,461)	3,382
Other social housing activities								
First tranche low cost home ownership sales	1,536	(1,063)	-	473	3,437	(2,536)	-	901
Other Services	213	-	(47)	166	200	-	(177)	23
Expensed Development Costs	-	-	(90)	(90)	-	-	-	-
Fire Safety Remediation Costs	-	-	(1,924)	(1,924)	-	-	-	-
Activities other than social housing								
Other activities (note 2b)	951	-	(895)	56	469	-	(251)	218
Fire Safety Remediation Grant	296	-	(296)	-	-	-	-	-
Total	25,983	(1,063)	(22,887)	2,033	24,949	(2,536)	(17,889)	4,524
Gain on disposal of property, plant and equipment (note 2c)				268				83
(Decrease)/Increase in value of investment properties				-				(45)
Operating surplus				2,301				4,562

2a Income and expenditure from social housing lettings

Group	General needs £'000	Housing for older people £'000	Low cost home ownership £'000	Other £'000	Total 2025 £'000	Total 2024 £'000
Income						
Rent receivable, net of identifiable service charge and voids	16,323	4,423	775	-	21,521	19,488
Service charge income	456	753	40	-	1,249	1,101
Amortised government grants	63	22	-	-	85	82
Other income from social housing lettings	95	31	6	-	132	172
Turnover from social housing lettings	16,937	5,229	821	-	22,987	20,843
Operating expenditure						
Management	(5,014)	(1,672)	(296)	-	(6,982)	(6,955)
Service charge costs	(836)	(703)	(156)	-	(1,695)	(432)
Routine maintenance	(627)	(222)	-	-	(849)	(3,404)
Planned maintenance	(2,359)	(836)	-	-	(3,195)	(1,062)
Major repairs expenditure	(2,804)	(994)	-	-	(3,798)	(2,637)
Bad debts	(99)	(6)	(1)	-	(106)	(125)
Depreciation of housing properties	(1,917)	(753)	(108)	-	(2,778)	(2,533)
Amortisation	(32)	(11)	(2)	-	(45)	(155)
Impairment of housing properties	-	-	-	-	-	-
Operating expenditure on social housing lettings	(13,688)	(5,197)	(563)	-	(19,448)	(17,303)
Operating surplus on social housing lettings	3,249	32	258	-	3,539	3,540
Void losses	(116)	(36)	-	-	(152)	(286)

2a Income and expenditure from social housing lettings cont'd.

Association	General needs	Housing for older people	Low cost home ownership	Other	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Rent receivable, net of identifiable service charge and voids	16,323	4,423	775	-	21,521	19,488
Service charge income	456	753	40	-	1,249	1,101
Amortised government grants	63	22	-	-	85	82
Other income from social housing lettings	95	31	6	-	132	172
Turnover from social housing lettings	16,937	5,229	821	-	22,987	20,843
Operating expenditure						
Management	(5,069)	(1,691)	(299)	-	(7,059)	(7,032)
Service charge costs	(846)	(711)	(158)	-	(1,715)	(437)
Routine maintenance	(634)	(225)	-	-	(859)	(3,415)
Planned maintenance	(2,386)	(846)	-	-	(3,232)	(1,090)
Major repairs expenditure	(2,836)	(1,005)	-	-	(3,841)	(2,674)
Bad debts	(99)	(6)	(1)	-	(106)	(125)
Depreciation of housing properties	(1,917)	(753)	(108)	-	(2,778)	(2,533)
Amortisation	(32)	(11)	(2)	-	(45)	(155)
Impairment of housing properties	-	-	-	-	-	-
Other costs	-	-	-	-	-	-
Operating expenditure on social housing lettings	(13,819)	(5,248)	(568)	-	(19,635)	(17,461)
Operating surplus on social housing lettings	3,118	(19)	253	-	3,352	3,382
Void losses	(116)	(36)	-	-	(152)	(286)

2b Turnover from activities other than social housing

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Garage Lettings	381	353	381	353
Commercial Lettings	40	36	40	36
Market Rent	35	28	35	28
Other Non-Social Housing Activities	412	-	412	-
Gift Aid Donation	-	-	83	52
	868	417	951	469

2c Gain on disposal of assets

Group and Association	Right to Buy/Acquire Sales £'000	Low Cost Home Ownership £'000	Open Market Sales £'000	Other Disposals £'000	Total 2025 £'000	Total 2024 £'000
Proceeds of sales	284	468	-	-	752	357
Less: Costs of sales	(79)	(341)	-	(64)	(484)	(112)
Amount payable to Teignbridge District Council	-	-	-	-	-	(162)
Gain/(Loss)	205	127	-	(64)	268	83

3 Directors' emoluments, key management personnel & employee information

	2025 £'000	2024 £'000
The aggregate emoluments paid to or receivable by non executive Directors and former Directors	43	39
The aggregate emoluments paid to or receivable by executive Directors and former Directors	152	172
	<u>195</u>	<u>211</u>
The emoluments paid to the highest paid Director excluding pension contributions	138	152
The aggregate amount of Directors or past Directors' pensions, excluding amounts payable under a property funded pension scheme	-	-

The number of full time equivalent staff whose remuneration payable fell within bands of:	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
£80,000 to £89,999	-	-	-	-
£90,000 to £99,999	-	-	-	-
£100,000 to £109,999	2	3	1	2
£110,000 to £119,999	1	-	1	-
£120,000 to £129,999	1	-	1	-
£130,000 to £139,999	-	-	-	-
£140,000 to £149,999	-	-	-	-
£150,000 to £159,000	1	-	1	-
£160,000 to £169,000	-	-	-	-
£170,000 to £179,000	-	1	-	1

The Chief Executive is an ordinary member of the pension scheme; no enhanced or special terms apply. There are no additional pension arrangements. Nil (2023-24: £20,093) contribution was made by the company in addition to the personal contributions of the Chief Executive. Directors (key management personnel) are defined as the members of Board and the Chief Executive.

	Group	Group	Association	Association
	2025	2024	2025	2024
The average number of persons employed during the year expressed in full time equivalents (37 hours per week) was:				
Office staff	111	105	86	82
Wardens, caretakers and cleaners	21	19	21	19
Maintenance staff	55	53	-	-
	<u>187</u>	<u>177</u>	<u>107</u>	<u>101</u>
	Group	Group	Association	Association
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Staff costs (for the above employees)				
Wages and salaries	6,869	6,086	3,945	3,527
Social Security costs	689	585	388	342
Other Pension costs	634	557	526	476
Non Executive Director Wages and salaries	43	39	43	39
Holiday Pay Accrual	60	55	32	16
	<u>8,295</u>	<u>7,322</u>	<u>4,934</u>	<u>4,400</u>

4 Finance income and other income

	Group	Group	Association	Association
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank finance income	52	95	52	95
Interest received from Group entities	-	-	30	29
	<u>52</u>	<u>95</u>	<u>82</u>	<u>124</u>

5 Finance costs and similar charges

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
On loans repayable within 5 years	546	269	546	269
On loans wholly or partly repayable in more than five years	2,325	2,325	2,325	2,325
Costs associated with financing	133	20	133	20
Net interest on the defined liability	29	24	29	24
Less finance costs capitalised on housing properties under construction	(225)	(620)	(225)	(620)
Other interest charges	4	3	4	3
Charged to income and expenditure account	<u>2,812</u>	<u>2,021</u>	<u>2,812</u>	<u>2,021</u>

6 Surplus on ordinary activities before taxation

Is stated after charging/(crediting)	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Depreciation of housing properties	2,870	2,526	2,870	2,526
Depreciation of other fixed assets	182	127	182	127
Amortisation of intangible fixed assets	48	155	48	155
Operating lease rentals (land and buildings)	-	-	-	-
Operating lease rentals (other)	-	-	-	-
Auditors remuneration (excluding VAT)				
- Audit of the Group financial statements	28	28	28	28
- Audit of subsidiaries	-	-	-	-
- Other service	2	2	2	2
Amortisation of government grant	(85)	(82)	(85)	(82)

7 Taxation on surplus on ordinary activities

Teign Housing is a registered charity. Charitable activities of the Company are exempt from United Kingdom Corporation Tax.

Analysis of charge/(credit) for the year	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Current tax				
UK corporation tax at 25% (2023/24: 25%)	-	-	-	-
Adjustment in respect of prior years	-	-	-	-
Total current tax charge/(credit)	-	-	-	-
Deferred tax				
Total deferred tax charge/(credit)	-	-	-	-
Tax on surplus on ordinary activities	-	-	-	-
Reconciliation of tax charge				
Surplus/(deficit) on ordinary activities before taxation	(429)	2,665	(429)	2,665
Tax on surplus/(deficit) at corporation tax rate of 25% with profits over £250,000 (2023/24: 25%)	(107)	666	(107)	666
Effects of:				
Non-taxable surplus on charitable activities	107	(666)	107	(666)
Expenses not deductible for tax purposes	-	-	-	-
Non trade charges utilised in period	-	-	-	-
Tax charge/(credit) for the year	-	-	-	-

8 Intangible assets – IT software

	2025
	£'000
Cost	
At 31st March 2024	1,039
Additions	66
Disposals	(1)
At 31st March 2025	1,104
Amortisation	
At 31st March 2024	(966)
Charge for year	(48)
Disposals	1
At 31st March 2025	(1,013)
Net book value	
At 31st March 2025	91
At 31st March 2024	73

9 Tangible fixed assets

	Social Housing Properties for Letting Completed	Social Housing Properties for Letting Under Construction	Low Cost Home Ownership Properties Completed	Low Cost Home Ownership Properties Under Construction	Total Housing Properties	Land	IT Equipment	Office	Supported Housing Equipment	Fixtures & Fittings	Motor Vehicles	Total Fixed Assets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost												
At 1st April 2024	169,487	6,948	15,004	(144)	191,295	65	283	1,178	186	323	148	193,478
Non-Property Additions	-	-	-	-	-	-	62	-	261	33	25	381
Newly Built Properties	-	2,790	-	2,365	5,155	-	-	-	-	-	-	5,155
Works to Existing Properties	4,582	677	-	-	5,259	-	-	-	-	-	-	5,259
Capitalised Interest	-	157	-	68	225	-	-	-	-	-	-	225
AUC Transfers	2,201	(2,201)	1,536	(1,536)	-	-	-	-	-	-	-	-
Trans. to Current Assets	-	-	-	(1,253)	(1,253)	-	-	-	-	-	-	(1,253)
Disposals	(387)	(134)	(312)	-	(833)	-	1	(2)	-	2	(17)	(849)
At 31st March 2025	175,883	8,237	16,228	(500)	199,848	65	346	1,176	447	358	156	202,396
Depreciation & Impairment												
At 1st April 2024	(17,558)	(139)	(499)	-	(18,196)	-	(207)	(152)	(50)	(247)	(89)	(18,941)
Depreciation	(2,728)	-	(142)	-	(2,870)	-	(45)	(14)	(74)	(24)	(25)	(3,052)
Disposals	254	139	8	-	401	-	-	1	-	(2)	12	412
At 31st March 2025	(20,032)	-	(633)	-	(20,665)	-	(252)	(165)	(124)	(273)	(102)	(21,581)
Net book Value												
At 31st March 2025	155,851	8,237	15,595	(500)	179,183	65	94	1,011	323	85	54	180,815
At 31st March 2024	151,929	6,809	14,505	(144)	173,099	65	76	1,026	136	76	59	174,537

9 Tangible fixed assets cont'd

Number of units owned and managed

Group and Association

Social Housing Accommodation	Opening Balance	Started in Year	Aborted in Year	Completed in Year	Closing Balance
Under development					
General needs housing	81	22	38	31	34
<i>Social rent</i>	16	11	-	16	11
<i>Affordable rent</i>	65	11	38	15	23
Supported housing and housing for older people	-	-	-	-	-
Low cost home ownership	31	5	12	14	10
	112	27	50	45	44

	Opening Balance	Completed in Year	Disposed in Year	Closing Balance
Owned at end of year				
Social Housing				
General needs housing	2,720	31	2	2,749
<i>Social rent</i>	2,386	16	2	2,400
<i>Affordable rent</i>	334	15	-	349
Supported housing and housing for older people	997	-	-	997
Low cost home ownership	165	14	2	177
Non-Social Housing				
Private sector leasing	23	-	-	23
Market rent	3	-	-	3
	3,908	45	4	3,949

	Opening Balance	Taken on in Year	Removed in Year	Closing Balance
Accommodation Managed for Others				
Social Housing	13	-	-	13
Non-Social Housing	44	2	-	46
	57			59
Owned and Managed Properties	3,965			4,008

The value of property additions includes £225,000 of capitalised finance costs (2023-24: £621,000). Finance costs are charged on all schemes during the development stage. The total cumulative value of capitalised finance costs is £2,544,000 (2023-24: £2,264,000). The average rate of finance costs is 4.87% (2023-24: 4.59%).

Housing properties were valued by Jones Lang LaSalle in accordance with Royal Institute of Chartered Surveyors procedures. Based on the commitments to the funders, some properties are valued at EUV-SH (existing use value), and some are at MV-ST (market value subject to tenancy). Properties valued annually for funding commitments at 31 March 2025 equated to £128.5m (1,438 properties); Properties valued triennially for funding commitments at 31 March 2023 equated to

£30.7m (413 properties), and unencumbered properties valued at 31 March 2024 equated to £101.2m (1,493 properties), in total 3,344 properties. There are 605 properties that have not been valued for funding commitments.

The total capital and revenue expenditure on repairs and maintenance to existing social housing properties in the year was £13,101,000 (2023-24: £11,032,000). Of this £5,259,000 (2023-2024 £3,818,000) was capitalised.

The residual value of the housing property assets represents land which is not depreciated. The cost of land at 31 March 2025 was £35,851,400 (2023-24: £35,501,400).

10 Investment properties held for letting

Group and Association	2025 £'000
Cost	
At 31st March 2024	525
Additions	-
Loss from adjustment in value	-
At 31st March 2025	525

Investment properties were re-valued as at 31 March 2024 by Jones Lang Lasalle, professionally qualified external valuers. The valuation of properties was undertaken in accordance with the Royal Institute of Chartered Surveyors' Valuation Global Standards. These properties were part of the original stock transfer from Teignbridge District Council and transferred with a nil value. The shops have been valued on the basis of Market Value. The total valuation remains at £525,000 (£525,000, 31 March 2024). The fair value was arrived at following an internal assessment derived from the current market leases, demand and investment property indices for comparable real estate and the nature and location of the specific asset. The valuation represents fair value and remains unchanged at the year-end.

11 Stock

	2025	2024
Group and Association	£'000	£'000
Properties held for sale		
Low cost home ownership properties		
Completed	825	530
Under construction	124	393
	<u>949</u>	<u>923</u>

Ten low-cost home ownership properties were under construction, and six were completed and available for sale as of 31 March 2025.

12 Trade and other debtors

Amounts falling due in less than one year

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Arrears of rent and service charges	621	611	621	611
Provision for bad and doubtful debts	(244)	(353)	(244)	(353)
	<u>377</u>	<u>258</u>	<u>377</u>	<u>258</u>
Prepayments and accrued income	281	514	363	577
Other trade receivables	435	209	445	203
Amounts owed by subsidiary undertakings	-	-	400	400
Amounts due in less than one year	<u>1,093</u>	<u>981</u>	<u>1,585</u>	<u>1,438</u>

Amounts falling due in greater than one year

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
THFC loan interest paid in advance	964	964	964	964
Amounts due in greater than one year	<u>964</u>	<u>964</u>	<u>964</u>	<u>964</u>

13 Cash and cash equivalents

	Group	Group	Association	Association
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Short term deposits	-	-	-	-
Cash at bank	2,829	2,662	2,517	2,363
	2,829	2,662	2,517	2,363

14 Creditors: amounts falling due within one year

	Group	Group	Association	Association
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade payables	451	484	450	483
Accruals and deferred income	1,887	242	1,887	242
Rent and service charges paid in advance	878	884	878	884
Right to Buy sharing agreement	-	162	-	162
Amounts owed to subsidiary	-	-	288	259
Other creditors	287	375	259	348
Bank loans (note 15a)	10,750	8,000	10,750	8,000
Deferred capital grant (note 15b)	90	84	90	84
VAT creditor	17	7	17	7
Income Tax (PAYE) and National Insurance	171	161	92	88
Lease obligations	-	-	-	-
Amounts owed to subsidiary undertakings	-	-	-	-
	14,531	10,399	14,711	10,557

15 Creditors: amounts falling due after more than one year

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Bank loans (note 15a)	57,530	57,511	57,530	57,511
Loan Premium	3,363	3,479	3,363	3,479
Deferred capital grant (note 15b)	7,768	7,303	7,768	7,303
Recycled Capital Grant Fund (note 15c)	58	99	58	99
Sinking Fund (Haldon)	23	23	23	23
	68,742	68,415	68,742	68,415

15a Bank loans

The Group and Association loans are repayable in the following periods:

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
Fixed rate loans				
Within one year	-	-	-	-
2 to 5 years	-	-	-	-
In 5 years or more	57,530	57,511	57,530	57,511
Variable rate loans				
Within one year	10,750	8,000	10,750	8,000
2 to 5 years	-	-	-	-
In 5 years or more	-	-	-	-
	68,280	65,511	68,280	65,511

The £25m loan from GBSH and £33m loan from bLEND PLC are fixed long-term loans, which remain in place, resulting in a total drawn debt of £58m.

The £20m revolving credit facility remains in place with Nationwide, and £10,750,000 was withdrawn at the end of March 2025 (2023-24: £8,000,000). We have a new tranche of £30m with Nationwide from June 2024, which remains undrawn.

All loans are secured by specific charges on the Company's housing properties and are repayable at varying finance costs, from 2.92% to SONIA plus 1.18%.

The average rates of finance costs on the long-term loans outstanding at 31 March 2025 were:

Fixed rate loans 3.98% (2023-24: 3.98%)

At 31 March 2025, the Group and Association also had the following undrawn loan facilities:

	2025 £'000	2024 £'000
Undrawn facilities (Nationwide)	39,250	12,000
	39,250	12,000

15b Deferred capital grant

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
At start of the year	7,387	7,311	7,387	7,311
Received during the year	515	214	515	214
Grants recycled on disposals to RCGF	41	(56)	41	(56)
Released to income during the year	(85)	(82)	(85)	(82)
	7,858	7,387	7,858	7,387
Amount due to be released < 1 year	(90)	(84)	(90)	(84)
	7,768	7,303	7,768	7,303

The total accumulated government grant and financial assistance received or receivable at 31 March 2025 is £8,827,000 (2023-24: £8,272,000), of which, £7,858,000k (2023-24: £7,387,000) is included as deferred capital grant and £969,000 (2023-24: £884,000) has been recognised as income through the Statement of Comprehensive Income to date.

15c Recycled capital grant fund

	Group 2025 £'000	Group 2024 £'000	Association 2025 £'000	Association 2024 £'000
At start of the year	99	43	99	43
Inputs to RCGF:				
Grants recycle received		56		56
Grants recycle disposed	(41)		(41)	
At 31 March 2025	58	99	58	99
Due in more than one year	58	99	58	99
	58	99	58	99

All balances relate to Homes England.

16 Operating leases

The Group and Association no longer have any operating leases.

17 Provisions for liabilities and charges

	Group At 31-Mar-25 £'000	Group At 31-Mar-24 £'000	Association At 31-Mar-25 £'000	Association At 31-Mar-24 £'000
At the start of the year	-	-	-	-
Increase in the provision of costs	3,001	-	3,001	-
Increase in the provision of income	(296)	-	(296)	-
Released in the year	-	-	-	-
Unused amounts reversed in the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Unused amounts reversed in the year	2,705	-	2,705	-
	<hr/>	<hr/>	<hr/>	<hr/>

The Building Safety Act 2022 sets out how landlords of higher-risk buildings should maintain and make safe those properties. We have one property, which falls into the higher risk definition of properties 18m in height or above and requires remediation. It is estimated that £2,200,000 will be needed for this project, which will all be revenue costs. We will receive a grant from Homes England to cover the remedial works for leaseholders, and Teign Housing will bear the rest of the costs. The estimated grant will be around £296,000. At the same time as carrying out the remediation work, the windows will also be replaced at a cost of £780,780, which will all be capital spend, giving a total provision of £2,704,780. We will start the remedial work in 2025-26 and anticipate to complete it in the year.

18 Share Capital

Teign Housing is a company limited by guarantee and as such does not have share capital. At 31 March 2025, the company's guarantors were its Company/Board members and the extent of the guarantee was £1 each.

19 Capital commitments

	2025 £'000	2024 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	10,308	14,972
Capital expenditure that has been authorised by the Board but has not yet been contracted for	1,695	3,158
	<u>12,003</u>	<u>18,130</u>

The company expects these commitments to be financed over the life of the committed development program over a period of 3 years with:

	2025 £'000	2024 £'000
Proceeds from sale of shared ownership properties	2,436	2,484
Uncommitted loan facilities	9,567	15,646
	<u>12,003</u>	<u>18,130</u>

The revolving credit facility provided by Nationwide (£50,000,000) will fund £9,567,000 of committed expenditure.

20 Pensions Liability

Total Pension Liability	2025 £'000	2024 £'000
SHPS	(414)	(669)
Total	(414)	(669)

(a) Social Housing Pension Scheme

During the year, the company participated in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK and is accounted for as such.

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

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

The scheme was closed to new members and on 31st March 2022 the company closed the scheme to the remaining two members.

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2025 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to accurately calculate the impact of this issue, but we have had an indication that our maximum liability would be £68,000. No adjustment has been made in these financial statements in respect of this potential issue.

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)

	2025 £'000	2024 £'000
Fair value of plan assets	2,702	2,840
Present value of defined benefit obligation	<u>(3,116)</u>	<u>(3,509)</u>
(Deficit) in plan	(414)	(669)
Unrecognised surplus	<u>-</u>	<u>-</u>
Defined benefit (liability)	<u><u>(414)</u></u>	<u><u>(669)</u></u>

Reconciliation of opening and closing balances of the defined benefit obligation

	2025 £'000	2024 £'000
Defined benefit obligation at start of period	3,509	3,382
Current service cost	-	-
Expenses	5	5
Interest expense	167	162
Member contributions	-	-
Actuarial losses (gains) due to scheme experience	159	124
Actuarial losses (gains) due to changes in demographic assumptions	-	(34)
Actuarial losses (gains) due to changes in financial assumptions	(503)	(52)
Benefits paid and expenses	<u>(221)</u>	<u>(78)</u>
Defined benefit obligation at end of period	<u><u>3,116</u></u>	<u><u>3,509</u></u>

Reconciliation of opening and closing balances of the fair value of plan assets

	2025 £'000	2024 £'000
Fair value of plan assets at start of period	2,840	2,808
Interest income	138	138
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(223)	(187)
Employer contributions	168	159
Member contributions	-	-
Benefits paid and expenses	(221)	(78)
Fair value of plan assets at end of period	<u>2,702</u>	<u>2,840</u>

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£85,000) (2024: £49,000).

Defined benefit costs recognised in statement of comprehensive income (SOCl)

	2025 £'000	2024 £'000
Current service cost	-	-
Expenses	5	5
Net interest expense	29	24
Defined benefit costs recognised in Statement of Comprehensive Income (SoCl)	<u>34</u>	<u>29</u>

Defined benefit costs recognised in other comprehensive income (OCI)

	2025 £'000	2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(223)	(187)
Experience gains and losses arising on the plan liabilities - gain (loss)	(159)	(124)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-	34
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	503	52
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	121	(225)
Total amount recognised in Other Comprehensive Income - gain (loss)	<u>121</u>	<u>(225)</u>

Assets

	2025	2024
	£'000	£'000
Global Equity	303	283
Absolute Return	-	111
Distressed Opportunities	-	100
Credit Relative Value	-	93
Alternative Risk Premia	-	90
Liquid Alternative	501	-
Emerging Markets Debt	-	37
Risk Sharing	-	166
Insurance-Linked Securities	8	15
Property	135	114
Infrastructure	-	287
Private Equity	2	2
Real Assets	324	-
Private Debt	-	112
Opportunistic Liquid Credit	-	111
Private Credit	331	-
Credit	103	-
Investment Grade Credit	83	-
High Yield	-	-
Cash	37	56
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	1	18
Secured Income	45	85
Liability Driven Investment	819	1,156
Currency Hedging	4	(1)
Net Current Assets	6	5
Total assets	2,702	2,840

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

Key assumptions

	2025 £'000	2024 £'000
Discount Rate	5.90%	4.92%
Inflation (RPI)	3.06%	3.11%
Inflation (CPI)	2.80%	2.79%
	3.80%	3.79%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	2025 Life expectancy at age 65 (Years)	2024 Life expectancy at age 65 (Years)
Male retiring in 2025 (2024)	20.5	20.5
Female retiring in 2025 (2024)	23.0	23
Male retiring in 2045 (2044)	21.7	21.8
Female retiring in 2045 (2044)	24.5	24.4

21 Related parties

Transactions with regulated and non-regulated elements of the business

The company provides management services, other services, and loans to its subsidiary.

The company also receives charges from its subsidiary for labour services provided for property maintenance and compliance.

Gift aid from the subsidiary is recognised at year end on a receivable basis and is calculated based on the profit for the year end.

Payable to the company from non-regulated subsidiaries

	2025 £'000	2024 £'000
Transactions with Templer HomeBuild Limited		
Gift aid	83	52
Management & administration	68	58
Loan interest	30	29
Loan repayments received	400	400
	<u>581</u>	<u>539</u>

Payable to non-regulated subsidiaries from the company

	2025 £'000	2024 £'000
Transactions with Templer HomeBuild Limited		
Property services provided	3,582	3,073
Loans to subsidiary	400	400
	<u>3,982</u>	<u>3,473</u>

Statement of Financial Position balances between Parent and Subsidiary

	Creditors £'000	Debtors £'000
Teign Housing	288	500
Templer HomeBuild	500	288
	<u>788</u>	<u>788</u>

Balances held in respect of the Parent/Subsidiary relationship are eliminated on consolidation.

22 Consolidated structure and investment

On 17 October 2005, Teign Development Limited was formed as a wholly owned subsidiary of Teign Housing. Teign Development Limited changed its name to Templer HomeBuild Limited on 11 April 2017 and commenced trading on 1 July 2017. The principal activity of Templer HomeBuild is the provision of property maintenance and construction services to the Social Housing sector, including properties for rent and sale. Templer HomeBuild profit for the year was £82,000 (2023-24: £52,000) and had net assets of nil (2023-24: nil).

23 Low-cost home ownership – buyback liability

Teign Housing has two low-cost home ownership properties that have mandatory buy back clauses, this means that in the event of the owner being unable to sell their property we are obliged to purchase their share. These will be noted as contingent liabilities in the accounts. A contingent liability is one where the outcome of an existing situation is uncertain, and this uncertainty will be resolved by a future event.

10 Lonsee Gardens

Sale date – 24th November 2010

Share percentage bought – 35%

Price of percentage bought - £53,245

Original 100% market value as stated in the Lease - £152,100

The property/shares were transferred to a new shared owner on 21st November 2013.

The 100% market value on 21st November 2013 was £145,000

12 Lonsee Gardens

Sale date – 1st October 2010

Share percentage bought – 25%

Price of percentage bought - £37,537.50

Original 100% market value as stated in the Lease – £150,150

24 Change in Net Debt

Group

	At Beginning of the year £'000	Cash Flows £'000	Non-Cash Movements £'000	At End of the year £'000
Cash and Cash Equivalents	2,662	167	-	2,829
Housing Loans Due in One Year	(8,000)	(2,750)	-	(10,750)
Housing Loans Due After One Year	(57,511)	-	(19)	(57,530)
	(62,849)	(2,583)	(19)	(65,451)

Association

	At Beginning of the year £'000	Cash Flows £'000	Non-Cash Movements £'000	At End of the year £'000
Cash and Cash Equivalents	2,363	154	-	2,517
Housing Loans Due in One Year	(8,000)	(2,750)	-	(10,750)
Housing Loans Due After One Year	(57,511)	-	(19)	(57,530)
	(63,148)	(2,596)	(19)	(65,763)