

Charity Number: 1133321  
Company Number: 06972673  
Registered Provider Number: 4647

**KEELMAN HOMES LIMITED**

(a company limited by guarantee and not having share capital)

Annual Report and Financial Statements  
for the year ended 31 March 2025

**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

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**For the year ended 31 March 2025**

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**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Report of the Board**  
**For the year ended 31 March 2025**

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**Report of the Board**

The Board present their report and financial statements for the period ended 31 March 2025.

**Principal activities**

The principal activity of the company is development of affordable housing and (as registered provider for affordable housing) carrying out landlord duties. The company contracts with delivery partners to increase the levels of affordable housing within the Gateshead area and has entered into a partnership with Karbon Solutions to deliver housing management services to existing homes and tenants.

At 31 March 2025 the portfolio included:

- 187 new build properties.
- 120 properties acquired as part of an Empty Homes Purchase and Repair (EHPaR) Programme.

There was no development activity in 2024/25 while the company focused on management of its existing stock. One home was sold to in the year via a Right to Acquire application.

**Our aims and objectives**

Keelman Homes' purpose as set out in the objects contained within the Company's Memorandum of Association includes:

- (a) to provide houses or hostels or other residential accommodation and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means;
- (b) to provide for aged, disabled (whether physically or mentally), or chronically sick persons in need thereof houses or hostels or other residential accommodation and any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons;
- (c) to provide services, advice or assistance upon terms appropriate to their means to aged, disabled (whether physically or mentally) or chronically sick persons or other persons in necessitous circumstances in need thereof and providing any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons;
- (d) the provision of recreation or other leisure facilities in the interest of social welfare with the object of improving the conditions of life for the residents of the area of benefit;
- (e) the relief of poverty amongst the residents of the area of benefit;
- (f) the advancement of education, training or retraining, particularly among unemployed people and providing unemployed people with work experience;
- (g) the maintenance, improvement or provision of public amenities for the public benefit in the interests of regeneration in areas of social and economic deprivation in which the Charity owns or manages housing stock; and
- (h) such other charitable purposes beneficial to the public consistent with the objects above as the Trustees shall in their absolute discretion determine.

Keelman Homes aims to provide new housing in Gateshead for affordable rent and to provide housing management services for our tenants in this area. Our aims reflect the purposes Keelman Homes was set up to deliver.

**Keelman Homes Limited**  
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**Report of the Board**  
**For the year ended 31 March 2025**

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**Ensuring our work delivers our aims**

Every year we reflect and self-assess our achievements against the company aims and objectives, and during a Board Strategy Planning day we develop our plans for the forthcoming years, ensuring the aims and objectives (which must always align with our Articles of Association) are being fulfilled.

**Structure and Governance**

**Governing document**

Keelman Homes is a charitable company limited by guarantee; it was incorporated as a private company on 25 July 2009 and received charitable status on 16 December 2009. The organisation was established under a Memorandum of Association which established the objects and powers of the company and is governed under the Articles of Association.

During the 2014/15 financial year there was a significant change in the membership of Keelman Homes with The Gateshead Housing Company resigning and the current Trustees of Keelman Homes being appointed as members. The ownership of Keelman Homes changed to being owned by the Board of Trustees of Keelman Homes, rather than being owned by The Gateshead Housing Company.

As a subsidiary of The Gateshead Housing Company, Keelman Homes was precluded from applying for funding from Homes England's (HE) affordable homes guarantee programme. Changing the membership of Keelman Homes allowed it access to new potential funding resources from HE and the private sector, and with this there is the potential to increase the amount of new affordable homes the company can deliver.

In the event of the charity being dissolved, every member must pay £10 towards the cost of dissolution and the liabilities incurred by the charity.

**Corporate governance**

The company is a limited by guarantee without any share capital.

The company adopts the principles of the NHF 2020 Code of Governance relative to an organisation of its size and structure.

The Keelman Homes Board agree to codes of conduct which are in line with the Charity Commissions 'Guide to the Essential Trustee' (CC3) and the Company has a Risk Management Policy in place which underpins its key decisions.

The current Board membership includes seven Trustees (known as Trustee's for the purpose of Charity Law, and Directors for the purpose of Company Law), which is suitable for all current activity.

The Board complies with the rules as set out in the Articles of Association, and an internal governing document referred to as Standing Orders.

The Board act in the interests of Keelman Homes Limited and not on behalf of any other interest group.

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

In line with the statutory requirements for a limited company, a copy of these accounts will be filed with Companies House.

**Compliance with the Regulatory Framework**

As a Registered Provider, Keelman Homes must comply with rules set out by the Regulator of Social Housing. There were no regulatory interventions during the year, and we continue to operate within the standards set out by RoSH. We complete an annual return to RoSH, and a quarterly disposals return (if applicable).

**Recruitment and appointment of Trustees**



**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Report of the Board**

**For the year ended 31 March 2025**

The Trustees control the company, its property and its funds. The Trustees shall consist of at least six and not more than eight individuals, and includes one member nominated by Gateshead Council and six independents appointed through a selection process as ordinary Trustees. The Board skills are captured on a skills matrix which helps to find the right candidate when recruiting new Trustee.

Under the 2020 NHF Code of Governance, Trustees should serve no more than 6 consecutive years on a Board – at Keelman this equates to two terms of office. By exception only, Trustees can remain on the board for a third and final term, serving up to 9 years, where the Board agrees it is in the best interest of the company and following an appraisal of the member.

**Organisational structure**

The Trustees meet at least quarterly and are responsible for all decisions taken by the company.

The company employs a Managing Director and Financial Controller to oversee the day-to-day running of the company. The Managing Director is also appointed as Company Secretary and Authorised Representative.

Since 1<sup>st</sup> July 2023, Keelman Homes has worked in partnership with Karbon Homes as a member of a cost sharing group known as Karbon Solutions, taking one share of the company. The arrangement allows Keelman to utilise Karbon staff and share services delivered to existing Keelman tenants.

**Recruitment and development of staff**

The quality and integrity of staff are essential for maintaining good internal control. Staff policies are set out in a staff handbook and the staff structure is frequently reviewed to ensure effective running of the company.

**Related parties**

The Charity is guided by the Charities Act and Companies Act and is guided by both National and Local Policy.

Keelman Homes is a member of Karbon Solutions, and works in partnership with Karbon Homes – property management and tenancy management is predominantly handled by Karbon staff.

One member of key management personnel of Keelman Homes is a related party – a declared interest is known to the Board.

The Board considers that the systems of internal control are effective and appropriate.

**Policies on Internal Control**

Keelman Homes has established policies and procedures to monitor and emphasize the need for strong internal control. These include Financial Regulations and Contract Procedure Rules.

**Company Management**

**Reports to the board**

- At every Board meeting, strategic risk is monitored, alongside performance assessed against agreed KPI targets, and compliance of the safety of our homes against KPI targets.
- Tenant feedback is presented annually, and includes management information which relates to the decency of our homes and tenant experience.
- Budgets are set before the beginning of each financial year and agreed annually in advance. Update reports on income and expenditure are issued to the Board monthly, and reviewed collectively quarterly, assessing YTD actuals against budget and impacts YTD could have on forecast expenditure.
- Risk is considered as part of every board report presented and covers implications for the customer (Keelman tenant/leaseholders), company finance, health and safety, impact on investment/asset management/delivery of new homes, legal or regulatory, EDI, company reputation.

**Keelman Homes Limited**  
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**Report of the Board**  
**For the year ended 31 March 2025**

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**Risk Management**

The Board assess, and mitigates as appropriate, the following key strategic risks:

- Effective management of the company's finances
- Effective delivery of new build and existing investment projects
- Effective delivery of asset management
- Effective management of business continuity
- Effective management of corporate governance
- Monitoring of changing government policy and effective delivery of the business model if policy changes impact the company
- Impact on rent income due to Universal Credit and Welfare Reform
- Sourcing funding to support the company activities
- Achieving good value for money
- Effectively maintaining positive relationships with partners
- Effectively concluding a strategic options appraisal for longer-term management of Keelman Homes existing housing stock
- Effective development and delivery a strategic forward plan
- Effective controls to manage increased costs of services, labour and materials (introduced during 'cost of living crisis')

The risks are reviewed in conjunction with an approved risk management policy. The risk management policy was last reviewed in 2023/24, and is reviewed every three years (or sooner if appropriate).

**Value for money**

We are committed to delivering excellent value for money to our residents and communities, now and as part of our longer-term plans. This is one of our core values and is integrated into our business plan.

We aim to drive ongoing value for money by making informed financial and operational decisions. This means spending money wisely and having regard to the three E's:

- Economy
- Efficiency
- Effectiveness

We are committed to reinvesting surpluses into our communities by maintaining our existing homes and building more affordable homes.

We recognise that value for money (VfM) is important for our customers and continue to focus on improving estates, energy efficiency and safety for our customers.

We have calculated our VfM Metrics for 2024/25 based upon the Housing Regulator's VfM Standard for smaller Registered Providers:



**Keelman Homes Limited****(a company limited by guarantee and not having a share capital)****Report of the Board****For the year ended 31 March 2025**

<b>Metric</b>	<b>Result 23/24</b>	<b>Result 24/25</b>	<b>Performance trend on prior year</b>	<b>Value for Money Measure</b>
Metric 1 – Reinvestment	0.47%	0.51%	↑	Efficiency
Metric 2a – New Supply (Social)	0.00%	0.00%	→	Effectiveness
Metric 2b – New Supply (Non-Social)	0.00%	0.00%	→	Effectiveness
Metric 3 – Gearing	56.08%	54.17%	↑	Efficiency
Metric 4 – EBITDA MRI Interest Rate Cover	106.06%	135.42%	↑	Efficiency
Metric 5 – Headline Social Housing Cost per Unit	£4,487	£4,798	↓	Economy
Metric 6a – Operating Margin (SHL)	31.16%	39.86%	↑	Efficiency
Metric 6b – Operating Margin (Overall)	28.19%	34.51%	↑	Efficiency
Metric 7 – Return on Capital Employed (ROCE)	1.91%	3.5%	↑	Efficiency

**Financial highlights 2024/25**

<b>Statement of Comprehensive Income</b>	<b>£000</b>	<b>Balance Sheet</b>	<b>£000</b>	<b>Creditors</b>	<b>£000</b>
Annual Turnover	2,124	Fixed Assets	26,466	Loans (GMBC)	15,213
Operating Costs	1,391	Cash at Bank 31.03.2025	406	Government Grants	8,868
Surplus for the Year	68	Retained Earnings	179		

**Principal funding sources**

The principal funding sources for the building new homes are Homes England (HE) grants and loans. When properties are completed, the principal funding sources are rental income and service charge income for those properties.

**Reserves policy**

Keelman Homes aims to maintain its general reserves at a minimum of 3% of the annual expenditure budget; reserves are reinvested into the business when required, to support development activity and asset management.

**Future plans**

Our vision is to build a better Gateshead.

Our mission is to provide quality affordable homes to the residents of Gateshead. .

Our priorities are:

1. our customers – we strive to achieve high levels of customer satisfaction from tenants and leaseholders.

**Keelman Homes Limited**

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**Report of the Board**

**For the year ended 31 March 2025**

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2. delivering quality affordable homes – achieved by reinvestment in existing assets and growth by building new homes.
3. to remain well governed and financially strong.

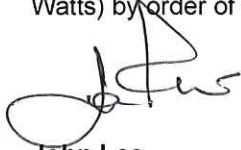
The business plan is reviewed and approved by Board on a regular basis, to ensure our approach continues to remain appropriate for our business needs. Operational targets are set internally to support delivery against our priorities.

**Going Concern**

The financial statements have been prepared on a going concern basis.

**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor is S&W Audit (formerly appointed as Haines Watts) by order of the Board.



**John Lee**  
*Chair of Trustees*

Offices 19-20,  
Gateshead International Business Centre  
Mulgrave Terrace,  
Gateshead,  
NE8 1AN

2025



**Keelman Homes Limited**  
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**Report of the Board**  
**For the year ended 31 March 2025**

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**Reference and administrative details**

<b>Charity Reference Number</b>	1133321
<b>Company Reference Number</b>	06972673
<b>Registered Provider Number</b>	4647
<b>Registered Address</b>	Offices 19-20 Gateshead International Business Centre Mulgrave Terrace Gateshead NE8 1AN
<b>Directors</b>	Joanne Giles – Resigned 18 September 2025 Tom Winter Christopher Buckley – Appointed 30 July 2024 Marc Edwards Rhiannon Piasecki Alistair Wylie – Resigned 19 September 2024 John Adams – Resigned 30 July 2024 Scott Robinson – Resigned 15 April 2024 Michelle Evans – Appointed 12 February 2025 John Lee – Appointed 12 February 2025
<b>Secretary</b>	Anne-Marie Pearce
<b>Auditor</b>	S & W Audit 17 Queens Lane Newcastle upon Tyne NE1 1RN
<b>Banker</b>	The Co-operative Bank 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG
<b>Solicitor</b>	Weightmans LLP 1 St James' Gate Newcastle upon Tyne NE1 4AD

**Keelman Homes Limited**  
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**Statement of Trustees' Responsibilities**  
**For the year ended 31 March 2025**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of Keelman Homes Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

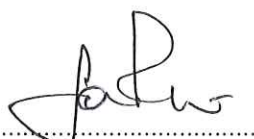
- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Co-operative and Community Benefit Societies Act 2014 and Registered Social Housing Legislation. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the board on 18/04/2025 and signed on their behalf by;



**John Lee**  
*Chair of Trustees*

**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Independent Auditors Report to the Members of Keelman Homes Limited**  
**For the year ended 31 March 2025**

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**Opinion**

We have audited the financial statements of Keelman Homes Limited (the 'association') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in reserves, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2025 and of its 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 Charities Act 2011, 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 association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course



**Keelman Homes Limited**  
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**Independent Auditors Report to the Members of Keelman Homes Limited**  
**For the year ended 31 March 2025**

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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 statement of trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and  
the strategic report and the statement of trustees 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 association and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the statement of trustees.

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

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

**Responsibilities of directors**

As explained more fully in the Statement of Trustee's Responsibilities set out on page X the members of the board are the directors of the association for the purposes of company law. The directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

**Keelman Homes Limited**  
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**Independent Auditors Report to the Members of Keelman Homes Limited**  
**For the year ended 31 March 2025**

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irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the company's industry and regulation.

We understand that the company complies with the framework through:

- Outsourcing accounts preparation and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Entering into arrangements with other parties to ensure compliance with housing related regulations

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022 and FRS 102 in respect of the preparation and presentation of the financial statements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries, particularly as the size of the company means that there is little opportunity for segregation of duties.
- The incorrect recognition of rental income resulting in the income being recognised in the incorrect accounting period.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.
- Recalculating the rental income balance and agree that any amounts due around the year end date were recognised in the correct period.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the association'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 association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

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**Independent Auditors Report to the Members of Keelman Homes Limited**  
**For the year ended 31 March 2025**

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**Craig Henderson (Senior Statutory Auditor)**  
**For and on behalf of S & W Audit**

**Statutory Auditor**  
**Chartered Accountants**

*18 September 2025*

17 Queens Lane  
Newcastle upon Tyne  
NE1 1RN



**Keelman Homes Limited**  
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**Statement of Comprehensive Income**  
**For the year ended 31 March 2025**

		2025	2024
	Notes	£000	£000
Turnover	2	2,124	1,822
Operating costs		(1,391 )	( 1,308 )
<b>Operating surplus</b>	3	733	514
Interest payable	6	( 665 )	( 668 )
<b>Surplus/(deficit) before tax</b>		68	(154 )
Tax	7	0	1
<b>Surplus/(deficit) for the year</b>		68	( 153 )
<b>Total comprehensive income/(expenditure) for the year</b>		68	( 153 )

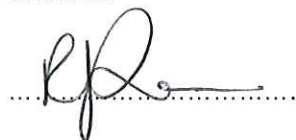
All activities are continuing.

The above income and expenditure should be read in conjunction with the accompanying notes.

The financial statements were approved by the trustees on 18/09/2025 and signed on their behalf by:



John Lee



Rhiannon Piasecki

**Keelman Homes Limited**

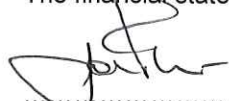
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**Balance Sheet****For the year ended 31 March 2025**

	Notes	2025 £000	2024 £000
<b>Fixed assets</b>			
Tangible assets	8	26,466	26,907
<b>Current assets</b>			
Debtors	9	276	524
Cash at bank and in hand		406	233
		<u>682</u>	<u>757</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	10	( 696 )	( 783 )
<b>Net current assets/ (liabilities)</b>		<u>( 14 )</u>	<u>26</u>
<b>Total assets less current liabilities</b>		26,452	26,881
Creditors: amounts falling due after one year	11	(26,271 )	( 26,768 )
<b>Net assets</b>		<u>181</u>	<u>113</u>
<b>Reserves</b>			
Income & Expenditure Reserve		<u>181</u>	<u>113</u>
<b>Total reserves</b>		<u>181</u>	<u>113</u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the trustees on 18/04/2025 and signed on their behalf by:



John Lee



Rhianon Piasecki

**Keelman Homes Limited**  
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**Statement of Changes in Reserves**  
**For the year ended 31 March 2025**

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	<b>Income &amp; Expenditure Reserve £000</b>
Balance at 1 April 2023	266
Deficit for year	(153)
<b>Balance at 31 March 2024</b>	<u>113</u>
Balance at 1 April 2024	113
Surplus for year	68
<b>Balance at 31 March 2025</b>	<u><u>181</u></u>

The above statement of changes in reserves should be read in conjunction with the accompanying notes.



**Keelman Homes Limited****(a company limited by guarantee and not having a share capital)****Statement of Cashflows****As at 31 March 2025**

	Notes	2025 £000	2024 £000
<b>Cash flows from operating activities</b>			
<b><i>Net cash (used in)/provided by operating activities</i></b>	<b>14</b>	448	171
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	8	( 142 )	( 142 )
Proceeds from disposal of tangible fixed assets		236	-
Proceeds from the receipt of government grants		-	-
<b><i>Net cash provided by investing activities</i></b>		94	(142)
<b>Cash flows from financing activities</b>			
Repayment of borrowings		( 369 )	( 369 )
<b><i>Net cash used in financing activities</i></b>		( 369 )	( 369 )
<b>Change in cash and cash equivalents</b>		173	( 340 )
Cash and cash equivalents at the beginning of the year		233	573
<b>Cash and cash equivalents at the end of the year</b>		406	233
<b>Breakdown of cash and cash equivalents</b>			
Cash at bank and in hand		406	233

**Notes to the financial statements**  
**For the year ended 31 March 2025**

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**1. Accounting Policies**

**1.1 Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, the Statement of Recommended Practice for Charities 2015 and with the Accounting Direction for private registered providers of social housing in England 2022. The registered provider is a public benefit entity registered in the UK.

The financial statements comply with the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency, and rounded to the nearest thousand.

**1.2 Basis of accounting**

The financial statements are prepared under the historical cost convention except for donated assets which are included at fair value upon donation.

**1.3 Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Report of the Board on pages 1 to 7.

Keelman are within a five-year management agreement with Karbon Homes from 2023 -2028.

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons. The trustees have prepared cash flow forecasts for a period covering more than 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

**1.4 Turnover**

Turnover comprises rental income receivable in the year, income from shared ownership first tranche sales, sales of properties built for sale.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale.

**1.5 Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

**1.6 Housing properties**

Housing properties are recorded at cost less accumulated depreciation and impairment. Housing properties in the course of construction are stated at cost and are transferred into housing properties when completed. The cost of a property includes purchase price and any costs directly attributable to bringing it into working condition for the intended use.

Expenditure on shared ownership properties is split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover, and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Housing properties are split under component accounting between land, structure and a specific set of major component that require replacement periodically. Replacement of such components is capitalised and depreciated on a straight line basis over the estimated useful life of components as follows:

Roof	-	50 years
Heating systems	-	40 years
Electrics	-	30 years
Windows and external doors	-	25 years
Structure	-	100 years
Bathroom	-	30 years
Kitchen	-	20 years
Gas boiler	-	15 years
Land	-	Not depreciated

Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the scheme's (CGU) carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell

Costs of improvement works to existing properties are only capitalised when there is a demonstrable enhancement of the economic benefits of the asset.

**1.7 Other tangible fixed assets**

Other fixed assets are stated at cost less accumulated depreciation and impairment. Depreciation is charged on a straight line basis.

IT Equipment	-	3 years
Fixtures and Fittings	-	5 years



**Notes to the financial statements**  
**For the year ended 31 March 2025**

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**1.8 Stocks**

Stocks comprise housing properties held for outright sale and are stated at the lower of cost and net realisable value. The costs associated with properties in the course of construction are recognised as incurred, to the extent that they are considered to be recoverable.

**1.9 Social housing grant and other government grants**

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

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

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

Government grants received for housing properties are subordinated to the repayment of loans by agreement with the Homes England. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

**1.10 Accounting estimates and judgements**

The preparation of financial statements requires the Board to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The key areas requiring the use of estimates and judgements which may significantly affect the financial statements are considered to be:

*Estimation of the useful life of assets*

The board is required to estimate the useful economic life of each component of its housing properties. These estimates are based on experience of the housing stock compared to wider sector practice.

*Bad debt provision*

The bad debt provision is as follows:

- Evictions – 100%
- Former Arrears – 75%
- Current Arrears Greater than 1 year – 50%

**Keelman Homes Limited**  
(a company limited by guarantee and not having a share capital)

**Notes to the financial statements**  
**For the year ended 31 March 2025**

**2. Turnover**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Rental and service charge income receivable	1,839	1,685
Other income	158	30
Amortisation of government grants	127	127
Shared Ownership Sales Income	-	-
	<u>2,124</u>	<u>1,822</u>

**3. Operating surplus**

The operating surplus is arrived at after charging/(crediting):

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Depreciation of owned tangible fixed assets	458	464
Impairment of owned tangible fixed assets	-	107
Amortisation of government grants and donated land	( 127 )	( 127 )
Auditor's remuneration		
- audit	20	16
- other services relating to taxation	1	2
Profit on disposal of fixed assets	111	-
	<u>111</u>	<u>-</u>

**4. Trustees' and key management personnel remuneration and expenses**

During the period, no Trustees received any benefits in kind (2024: nil) and no expenses were reimbursed to any Trustees.

The total amount of employee benefits received by key management personnel was £159,609 (2024: £60,818). The company considers its key management personnel to comprise of the managing director, financial controller and operations manager.

**5. Staff costs and employee benefits**

The average number of employees during the year was 4 (2024: 3)

The total staff costs and employee benefits were as follows:

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Gross wages	171	131
NI contributions	14	10
Pension contributions	8	3
	<u>193</u>	<u>144</u>
Total	<u>193</u>	<u>144</u>

**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the financial statements**  
**For the year ended 31 March 2025**

**6. Interest payable**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Loans from Gateshead Council	665	668

**7. Taxation**

Total tax expense recognised in the income and expenditure account

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Current tax	-	( 1 )

**7.1. Reconciliation of the effective tax rate**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Surplus/(Deficit)	68	( 153 )
Total tax (credit)/ expense	-	( 1 )
Surplus/(Deficit) before tax	68	( 154 )
Tax using the UK corporation tax rate of 19% (2023: 19%)	13	( 29 )
Tax exempt revenues	-	-
Non-deductible expenses	(13)	28
Total expenses/(credit) included in the income statement	-	( 1 )

**Keelman Homes Limited****(a company limited by guarantee and not having a share capital)****Notes to the financial statements****For the year ended 31 March 2025****8. Tangible fixed assets**

	<b>Housing Properties £000</b>	<b>Land £000</b>	<b>Shared Ownership Housing Properties £000</b>	<b>Housing Properties Under Construction £000</b>	<b>Office Equipment £000</b>	<b>Total £000</b>
<b>Cost</b>						
At 1 April 2024	26,019	3,255	1,308	48	15	30,645
Additions	126	-	-	13	3	142
Disposals	(135 )	-	(41)	-	-	(176)
At 31 March 2025	26,010	3,255	1,267	61	18	30,611
<b>Depreciation</b>						
At 1 April 2024	3,645	-	88	-	5	3,738
Charge for year	440	-	13	-	5	458
Eliminated on disposal	(50)	-	(2)	-	-	(52 )
At 31 March 2025	4,035	-	98	-	10	4,144
<b>Net book value</b>						
At 31 March 2025	21,974	3,255	1,168	61	8	26,466
At 31 March 2024	22,374	3,255	1,220	48	10	26,907

The income, costs and surplus/deficit relating to the shared ownership properties amounts to £61k (2024 - £nil), £41k(2024 - £nil), £22k(2024 - £nil), respectively.



**Keelman Homes Limited**  
(a company limited by guarantee and not having a share capital)

**Notes to the financial statements**  
**For the year ended 31 March 2025**

**8.1 Housing Properties**

Number of units under management

**2025**                      **2024**

**Under development at end of the year**

Rented general need housing units

-                      -

Shared ownership units

-                      -

**Under management at end of the year**

Rented general need housing units

283                      284

Shared ownership units

24                      24

**9. Debtors**

**2025**                      **2024**

**£000**                      **£000**

Trade debtors

-                      78

Prepayments and accrued income

276                      446

Corporation tax

-                      -

276                      524

**10. Creditors: Amounts falling due within one year**

**2025**                      **2024**

**£000**                      **£000**

Trade Creditors

64                      58

Accruals

132                      225

Loans from Gateshead Council

369                      369

Other tax and social security

4                      4

Government grants

127                      127

696                      783

**11. Creditors: Amounts falling due after one year**

**2025**                      **2024**

**£000**                      **£000**

Loans from Gateshead Council

14,842                      15,213

Government grants

11,429                      11,555

26,271                      26,768

**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the financial statements**  
**For the year ended 31 March 2025**

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The first tranche of the loan from Gateshead Council of £4.5m is repayable in equal half yearly instalments of £46,717 over 50 years from March 2010 and accrues interest at 4.59%.

An additional facility of £1.7m was agreed with the Council in October 2014, and is repayable in equal half yearly instalments of £17,000 over 50 years from April 2015 and accrues interest at 4%.

An additional facility of £1.5m was agreed with the Council in April 2015, and is repayable in equal half yearly instalments of £15,000 over 50 years from October 2015 and accrues interest at 4.25%.

An additional facility of £1.0m was agreed with the Council in April 2016, and is repayable in equal half yearly instalments of £10,000 over 50 years from October 2016 and accrues interest at 3.75%.

An additional facility of £0.5m was agreed with the Council in April 2017, and is repayable in equal half yearly instalments of £5,000 over 50 years from October 2017 and accrues interest at 3.75%.

An additional facility of £1.8m was agreed with the Council in September 2017, and is repayable in equal half yearly instalments of £18,000 over 50 years from March 2018 and accrues interest at 3.75%.

An additional facility of £0.5m was agreed with the Council in December 2017, and is repayable in equal half yearly instalments of £5,000 over 50 years from June 2018 and accrues interest at 3.75%.

An additional facility of £0.9m was agreed with the Council in May 2018, and is repayable in equal half yearly instalments of £9,000 over 50 years from November 2018 and accrues interest at 3.68%.

An additional facility of £0.5m was agreed with the Council in October 2018, and is repayable in equal half yearly instalments of £5,000 over 50 years from April 2019 and accrues interest at 3.75%.

An additional facility of £0.7m was agreed in April 2019, and is repayable in equal half yearly instalments of £5,000 over 50 years from October 2019 and accrues interest at 3.56%.

An additional facility of £0.7m was agreed in July 2019, and is repayable in equal half yearly instalments of £5,000 over 50 years from January 2020 and accrues interest at 3.3%.

An additional facility of £0.25m was agreed in March 2020, and is repayable in equal half yearly instalments of £5,000 over 50 years from September 2020 and accrues interest at 3.3%.

An additional facility of £7m was agreed in May 2020, and is repayable in equal half yearly instalments of £7,000 over 50 years from November 2020 and accrues interest at 3.3%.

An additional facility of £4m was agreed in August 2020, and is repayable in equal half yearly instalments of £4,000 over 50 years from February 2021 and accrues interest at 3.4%.

An additional facility of £0.25m was agreed in September 2020, and is repayable in equal half yearly instalments of £2,500 over 50 years from March 2021 and accrues interest at 3.4%.

An additional facility of £0.25m was agreed in December 2020, and is repayable in equal half yearly instalments of £2,500 over 50 years from June 2021 and accrues interest at 3.35%.

An additional facility of £0.6m was agreed in March 2021, and is repayable in equal half yearly instalments of £6,000 over 50 years from September 2021 and accrues interest at 3.35%.

An additional facility of £0.5m was agreed in May 2021, and is repayable in equal half yearly instalments of £5,000 over 50 years from November 2021 and accrues interest at 3.3%.

**Keelman Homes Limited**  
**(a company limited by guarantee and not having a share capital)**

**Notes to the financial statements**  
**For the year ended 31 March 2025**

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An additional facility of £0.35m was agreed in September 2021 and is repayable in equal half yearly instalments of £3,500 over 50 years from March 2022 and accrues interest at 3.16%.

An additional facility of £0.7m was agreed in November 2021 and is repayable in equal half yearly instalments of £7,000 over 50 years from May 2022 and accrues interest at 3.19%.

**Government grants**

A total of £4.832m grant was received from Homes England between the financial years of 2010/11 and 2013/14 in relation to the Kibblesworth development. This is released to the accounts over a period of 100 years.

A total of £2.663m grant was received from Homes England between the financial years of 2013/14 and 2020/21 in relation to the Empty Homes Purchase and Repair schemes. This is released to the accounts over a period of 100 years.

A total of £33.7k grant was received from the Tyne and Wear Fire and Rescue Service in relation to the installation of sprinkler systems in some of our new build developments. This is released to the accounts over a period of 100 years

A total of £0.345m grant was received from Homes England between the financial years of 2015/16 and 2016/17 in relation to the Runhead and Heddon View development. This is released to the accounts over a period of 100 years.

A total of £0.318m grant was received from Homes England between the financial years of 2016/17 and 2018/18 in relation to the West Park development. This is released to the accounts over a period of 100 years.

A total of £0.778m grant was received from Homes England in financial years of 2019/20 and 2020/21 in relation to the Bleach Green development. This is released to the accounts over a period of 100 years.

A total of £0.210m grant was received from Homes England in financial year 2020/21 in relation to the Lyndhurst development. This is released to the accounts over a period of 100 years.

Included within government grants is an amount of £2,776,600 relating to donated land (2021: £2,806,250)

Land with a value £2.7m was donated to the company in 2010/11 in relation to the Kibblesworth development. This is released to the accounts over a period of 100 years.

Land with a value £0.115m was donated to the company in 2016/17 in relation to the Heddon View development. This is released to the accounts over a period of 100 years.

Land with a value £0.15m was donated to the company in 2017/18 in relation to the West Park development. This is released to the accounts over a period of 100 years.

Land with a value of £0.15m was donated to the company in relation to Malton Green development. This is released to the accounts over a period of 100 years.

**12. Related Party Transactions**

During the financial period up until 3 July 2023, the company had a close working relationship with Gateshead Council due to previously being a subsidiary prior to becoming independent in 2014/15.



**Keelman Homes Limited****(a company limited by guarantee and not having a share capital)****Notes to the financial statements****For the year ended 31 March 2025**

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The total expenditure incurred with Gateshead Council during financial year 2025 was £66,160 (2024 £218,094 ), and the total income received was £351,366 (2024: £598,091) . There were also creditors due to Gateshead Council totalling £306 (2024:£634) and a debtor amount of nil (2024: £77,935 )at 31 March 2025.



**Keelman Homes Limited****(a company limited by guarantee and not having a share capital)****Notes to the financial statements****For the year ended 31 March 2025**

Since 3 July 2023, the Company are a member of Karbon Homes cost saving group and have a share in this group. The total expenditure incurred with Karbon Homes during year 2025 was £559,482(2024: £282,251, and the total income received was £139,302 (2024: £78,925). There were also creditors due to Karbon totalling £32,194 (2024: £42,725) and a debtor amount of nil at 31 March 2025 (2024 : nil).

A member of key management personnel is resident in a rent to buy property owned by the Company during the current and previous year. The total income received during the financial year 2024/25 was £7,867 ( 2024: £7,325 ) and total expenditure incurred was £nil (2024: nil). There was no creditor or debtor due at 31 March 2025 (2024 nil).

**13. Financial assets and liabilities**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
<b>Assets measured at cost less impairment</b>		
Trade debtors	-	78
<b>Liabilities measured at amortised cost</b>		
Loans from Gateshead Council	15,213	15,582

There are no assets or liabilities held at fair value.

**14. Cash from operating activities**

	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Deficit for the year	68	(153)
<i>Adjustment for:</i>		
Depreciation and amortisation	458	464
Impairment of fixed assets	-	107
Profit on disposal of fixed assets	(112)	17
Interest payable and similar charges	665	669
Deferred government grant	(127)	( 127 )
Taxation	-	( 1 )
	<b>952</b>	<b>976</b>
Decrease/(increase) in trade and other debtors	248	( 117 )
(Decrease) in trade and other creditors	( 87 )	( 252 )
Interest paid	(665)	( 669 )
Tax paid	-	( 1 )
<b>Net cash from operating activities</b>	<b>448</b>	<b>171</b>

