Magna Housing Limited Financial Statements 2024/25

Registration Number: 7520

31 March 2025

Contents

Who we are

We're a medium-sized housing association based in the south west of England, with a vision to create great homes together.

With customers at the heart of everything we do, we aim to offer homes to be proud of with a choice of facilities and customer services that are tailored to individuals as their lives change.

Our principal activities are the management, maintenance, construction and acquisition of social and affordable housing.

As a registered provider, managing just over 9,000 homes for rent and shared ownership, we provide more than 20,000 people with a safe and affordable home.

Helping to deliver this, we have a workforce of around 500 colleagues, providing day-to-day support for our customers and ensuring that we have the right tools and the capability to meet our customers' needs.

Our customers are:

- People who rent a home from us.
- People who buy a home from us.
- People who live in our sheltered homes.
- People who receive specialist support services.
- People we work with in our local communities.

We work across Dorset, Devon and Somerset to maintain and build affordable homes and communities for local people.

We have a strong property development pipeline in place, which drives our mission to create great places where people choose to live.

Governance

The Magna Group Structure

‘Magna’ refers to Magna Housing Limited. ‘The Magna Group’ refers to the Group created from 31 March 2017, i.e. Magna Housing Ltd and Charter (SW) Ltd, which is our development subsidiary.

Magna Housing Limited was formed on 31 March 2017 from the amalgamation of Magna Housing Group Ltd, Magna Housing Association Ltd and Magna West Somerset Housing Association Ltd.

It is a Community Benefit Society registered under The Co-operative and Community Benefit Societies Act 2014, and a ‘not for profit’ Registered Provider, operating under charitable rules, registered with the Regulator of Social Housing and affiliated to the National Housing Federation.

Charter (SW) Limited is the development subsidiary of Magna. It did not trade during 2024/25 and made no loss or surplus during the year. The Board has agreed to retain Charter for future development opportunities and as it has rights and responsibilities under building contracts it entered into between 2006 and 2011. These progressively expire over time.

Magna does not produce consolidated financial statements as the 2024/25 transactions and balance of its subsidiary are immaterial to the Magna Group.

Advisors and Board members

Chair	C Turner	
Other Members	A Auty	Resigned 31 March 2025
	S Rastrick	
	S White	
	N Perryman	
	J Cowie	
	L Martini	
	J Skivington	
	J Ballantyne	
	S Quinn	
	J Gemmel	From 25 July 2024
	L Page	From 25 July 2024

Independent Auditors	Beever & Struthers The Colmore Building 20 Colmore Circus Queensway Birmingham B4 6AT
Principal bankers	Barclays Bank plc 3rd Floor Windsor Court 3 Windsor Place Cardiff CF10 3BX
Registered office	Everdene House Railway Triangle Industrial Estate Dorchester Dorset DT1 2PJ
Funders	Private Placement Nationwide Clydesdale

Senior executive officers

Chief Executive	S White	
Deputy Chief Executive and Finance Director	P Satchwell	(Resigned 31 May 2024)
Interim Finance Director	I White	(From 1 June 2024 to 30 September 2024)
Chief Finance Officer	D Killoran	(From 30 September 2024)
Director of Customer Operations	J Martin	
Director of Organisation Capability	A Davis	
Director of Sustainability and Investment	P Read	
Company Secretary	L Bunbury	

Registration number: 7520

Chair's welcome

Christine Turner

Chair

Welcome to the 2024/25 financial statements for Magna. This year has been transformative for us, marking the beginning of our new five-year strategy, Better Futures. Shared with colleagues in June, this strategy is more than a blueprint; it's our commitment to creating sustainable, thriving communities and providing the best possible services for our customers.

The year has been marked by a significant change in the national landscape. The election of the new Labour government in June brought with it a renewed focus on social housing, with pledges to build 1.5 million new homes and reform the planning system. This political shift has given us a sense of optimism as we align our goals with the government's ambitious housing agenda.

Before the election, Magna played an active role in advocating for a long-term solution to the housing crisis. Alongside our partners in the housing sector, we continued to press for substantial funding commitments, recognising the economic and political challenges that cast doubt upon some of the government's initial ambitions. The autumn Budget brought some welcome news, with a £5 billion allocation for affordable housing and a new five-year rent settlement. However, the rise in National Insurance contributions posed additional challenges, impacting our operations as well as those of other businesses in our sector.

Despite these external pressures, I am incredibly proud of Magna's resilience and adaptability. Our achievements over the past year are testament to the solid foundation laid by our previous Brilliant Basics strategy. We have made significant investments in new and existing homes and have continued to foster strong, vibrant communities.

Our Board has been deeply involved in the development of the Better Futures strategy, and I am both proud and excited about the future we are shaping together. The dedication and hard work of our colleagues and Board members, including new appointees, have been instrumental in our progress.

We have also remained attuned to the regulatory and sector context, preparing for forthcoming changes such as Awaab's Law and the increased focus on customer voice and consumer standards. Magna is committed to not only meeting these new requirements but exceeding them, ensuring that we continue to deliver high-quality, safe, and affordable homes.

Looking ahead, our focus will be on driving the Better Futures strategy forward, with a strong emphasis on ethics, sustainability and value for money. We aim to leverage our position as a regional anchor and continue to be a prominent voice in the national conversation about housing. Our vision for growth and greater impact is grounded in our commitment to our customers and the communities we serve.

In conclusion, I would like to express my heartfelt gratitude to everyone at Magna for their unwavering dedication and hard work. Together, we have navigated a year of significant change and emerged stronger and more united in our mission.

I am confident that, with the continued support and collaboration of our colleagues, partners and stakeholders, we will achieve even greater success in the years to come.

Thank you,

Christine Turner

Chair

Comment from our Chief Executive

Selina White
Chief Executive

Reflecting on the past year, I feel proud of the accomplishments and milestones that Magna has achieved. In the face of numerous challenges, we have once again shown our resilience and commitment to making a positive impact.

Our team has displayed determination and innovation while navigating a complex political and economic landscape to play our part in tackling the housing crisis. Demand for our services has remained high, prompting us to focus our budgets on helping as many people as quickly as possible.

A highlight was the launch of our Better Futures strategy, which outlines our vision for future success and sustainability. At its heart is our commitment to improving the quality and accessibility of our services for our customers. And we'll do this while driving value in how we operate and making best use of our resources to better serve local communities.

Features of our future-focused strategy include investment in green technology to make homes warmer, harnessing digital to make it easier for customers to access services, and fostering a culture of collaboration and innovation. By focusing on these areas, we aim to make a tangible, positive impact on our customers' lives by creating more comfortable, sustainable places to live and designing more responsive, efficient services.

We believe these efforts will create long-term value for our customers, improving their quality of life and building stronger, more vibrant communities.

During 2024/25, we were on site building 123 new homes, completing 13 in Somerset and 55 in Dorset. We moved forwards with our net zero commitments through both new homes and improving the energy efficiency of existing ones. We continued to expand our capabilities in modern methods of construction (MMC), focusing on both category 1 and 2 systems. Meanwhile, our pipeline of more than 100 new homes is progressing through the planning system.

Our investment in both new and existing homes at Webbers Piece in Maiden Newton is an example of Better Futures in action. We took a holistic view of the needs of our customers and the wider community, buying land next to our current estate to grow the supply of much-needed affordable homes in this rural community. At the same time, we channelled government funding into retrofitting improvements to the neighbouring older homes. Our customers, community and nature can all benefit from this approach to investment in our homes and estates as we commit to growth and improvement through the Better Futures period.

In addition, we made our highest ever annual capital planned investment, £13.9m, in maintaining and improving existing homes. This included 91 new roofs and windows to make 188 homes warmer, and critical fire safety works across 15 schemes.

We welcomed the new government's commitment to social housing and their ambitious goal for new homes in this parliament. Our new strategy will focus on delivering these homes in our region, gearing up to make a significant contribution to this national effort, which will help to create thriving, sustainable communities for future generations.

Our ambition to be a regional anchor has been realised through strong partnerships and active participation in national conversations. We have achieved this through our membership of Placeshapers, Homes for the South West and the National Housing Federation's national and regional network.

We have also participated in regional forums spanning a range of sectors, including Constructing Excellence South West and the Great South West. By working collaboratively, we have been able to amplify our impact and advocate for our region and communities.

This year, we have celebrated numerous achievements across all directorates.

We have continued to focus on listening to our customers and using their feedback to improve our services. We focussed on making further improvements to our repairs service, which we know is a really important service to our customers, we invested in more ways customers can get in touch, improving our communications and learning from complaints. We have seen a really positive shift in how customers feel about our services with increased satisfaction in 9 out of 12 of our tenant satisfaction perception measures. This provides us with good assurance that we have the right plans in place to move forward as we progress the Better Futures strategy.

In support of our strategy, we have invested in our data and insight capabilities, meaning that we are set up better to understand the needs of customers, more about our homes and communities and our overall performance. This will enable us to map our future customer journeys and ensure they have equity and accessibility at the heart.

Our colleague engagement score is continuing to improve, while our employee retention is the strongest it has been in years, supported by the comprehensive range of training and development opportunities we offer and our ability to offer market rate pay increases.

We secured Warm Homes Wave 3 grant funding demonstrating our capabilities to deliver improvements to our homes, and delivered of our first purpose-built Extra Care housing scheme, St Martin's House in Gillingham, alongside Dorset Council and Care Dorset showed our breadth of partnership working.

These accomplishments are a result of the hard work and dedication of our entire team.

We remain steadfast in our commitment to making decisions that are ethical, sustainable and financially sound, setting a standard of excellence to guide future success. These principles guide our actions and decisions, ensuring that we operate with integrity and responsibility.

As we move forward, our focus will be on delivering the promises outlined in our Better Futures strategy. We envision a future of growth and greater impact, where we continue to build on our successes and create lasting positive change.

In closing, I would like to extend my heartfelt thanks to all Magna colleagues, board and committee members for their unwavering support and dedication. Together, we will continue to achieve great things and build a brighter future for all.

Thank you,

Selina White

Chief Executive

Strategic report

Strategic direction – Better Futures

In 2024/25, we transitioned from our three-year Brilliant Basics strategic phase to a new five-year corporate strategy, Better Futures. During the year, we continued to report against our Brilliant Basics performance indicators as the new ones take shape during 2025/26.

Brilliant Basics set out to lay the strong foundations we need to deliver our ambitious 10-year vision, 'Creating great homes together', launched in 2019.

Taking us through to 2029, our new strategy is all about looking forwards: building on our foundations and extending our mission to help create better futures for our customers, communities, people, partners and – as a newly stated commitment – the planet.

Considering how everything we do impacts the world around us and how we respond to our ever-changing environment marks a key shift in our approach to Better Futures. The new strategy also takes a longer-term view, spanning five years rather than three. This reflects our commitment to embedding sustainability as a principle – alongside ethics and value for money – guiding everything we do.

Our Better Futures strategy was developed by our Strategic and Executives Boards in response to the challenges and opportunities we face, and which will continue to evolve into the future. These include:

- The crisis in the availability of decent, affordable homes
- An ageing population and changing demographic profiles
- Major changes to legislation and regulation
- Political change and instability, locally, nationally and globally
- The climate emergency and net zero targets
- The ongoing cost of living crisis
- Artificial intelligence and rapid technological change
- Changing customer needs and expectations
- Increasing division and polarisation of political, media and online discourse

We believe that to influence meaningful change and realise the best outcomes for people and the planet, Magna needs to:

- Work collaboratively with organisations across sectors.
- Use technology, data and insights to better understand our customers' changing needs and design homes and services tailored to meet them.
- And develop the culture and capabilities to thrive into the future.

Our strategy is framed by five distinct 'Better Futures':

- **Our Impactful Future** – we'll make a bigger, better impact. We'll lead when we can and work together to achieve even more
- **Our Ethical Future** – we'll do the right thing, guided by our values and principles to look after people and the planet
- **Our Customers' Futures** – we'll support our customers to create their own better futures. We'll offer homes and services to meet their changing needs and leave no one behind.
- **Our Secure Future** – we'll continue to build on our foundations to strengthen and grow our business, impact and influence, while staying true to our values
- **Our Working Future** – we'll develop the skills, knowledge, systems and culture to deliver Better Futures. We'll reflect our diverse communities and build our shared values into the heart of our organisation.

Our strategic priorities

Our **strategic priorities** ensure we focus on the important areas that guide and influence our decision-making. They are:

- **Better data, better decisions** – design inclusive services by gathering the right data and insights to understand our customers, communities and homes better.
- **Better, together** – develop meaningful partnerships across sectors to drive positive change and be a driving force for collaboration in our region and beyond.
- **Better through digital** – using technology to give people more choice and access to services designed for customers' needs and leaving no one behind.
- **Better skills and experiences** – building the capabilities, culture and resilience to thrive into the future and be a place where people belong and are inspired to be their best.

Our **guiding principles** underpin every decision we'll make, ensuring they are not at any cost. They are:

- **Ethics**
- **Sustainability**
- and **Value for money.**

And, finally, our four cross-cutting **plans** set out how we'll deliver Better Futures between now and 2029:

- **Customer and Community Plan** – how we'll play our part and more as a social landlord, providing people with great homes, services and experiences that enable them to live their lives their way.
- **Homes and Places Plan** – how we'll create the right homes and places for the future, both as places for people to live and as assets to look after.
- **Future of Work Plan** – how we'll develop the people, skills and culture to deliver Better Futures and meet the needs of our customers and colleagues, now and in the future.
- **Growth and Impact Plan** – how we'll strengthen and build on our foundations to create a bigger, more positive, long-lasting impact.






Performance in 2024/25

Over the year, we have continued to report against our four Brilliant Basic strategic priorities as we develop our Better Futures performance framework. We have used performance indicators that meet both the Regulator of Social Housing's and our own requirements for monitoring progress in achieving our objectives. Performance is considered by the Executive Board on a monthly basis. The Board reviews performance every quarter and receives the strategic dashboard updates each month.

Performance is summarised against our key performance indicators (KPIs) by strategic priority:

- Customer Experience
- Supply and Investment
- Organisational Capability
- Performance and Results

Our KPIs as of 31 March 2025 and the previous years, along with our targets for 2024/25, are presented in the section summaries below. The KPIs are considered against the 2023/24 actuals and the 2024/25 targets

The Tenant Satisfaction Measures (TSMs) were introduced in 2023/24 and are considered part of our core strategic KPIs.

Customer Experience

In 2024/25, against a background of higher demand, skills shortages and new regulatory requirements, our customer-facing teams were able to deliver high levels of customer satisfaction, digital engagement and safety compliance.

During 2024/25 our key areas of focus have been:

- Gaining a greater understanding of our customers' needs to drive product and service improvements both now and continuing into the future.
- Improving customer satisfaction through better customer outcomes.
- Increasing the accessibility of our services.
- Enabling customers and communities to get involved and shape our services.
- Providing safe, warm and affordable homes to our existing customers and future customers.

We are committed to listening to our customers. Through our well-established Customer Engagement Framework, customers have lots of opportunities to get involved and give feedback.

In 2024/25 we received 3,228 responses to our transactional surveys to understand the experience a customer has had at the point of receiving a service or interacting with us.

In addition to this, we received over 600 responses to the Tenant Satisfaction Measure (TSM) perception survey which gives us a greater understanding of how customers feel about our services and their homes. From a customer perspective, the main key drivers of satisfaction are:

- Our repairs service.
- How well their home is maintained.
- That their views are listened to and acted upon.

Customer Experience and Home Services

Our repairs service and ensuring customers' homes are well maintained is a key driver of customer satisfaction, and one of our core landlord services. In 2024/25 the high demand for our repairs service continued, with 26,905 repairs being raised (2023/24:27,403). Our board approved an additional £600,000 investment in the repairs service to increase the speed of repairs and enable us to move closer to meeting our customers' expectations.

This was the second year we used the tenant satisfaction measures (TSMs) to assess our customers' perceptions of our services and overall, we are pleased with the latest TSM results. There were some positive movements from last year's survey - 63.5% of customers reported that they were satisfied with our overall repairs service, rising by 3.9% compared to last year, and the satisfaction with the time taken to complete repairs also rose by 12.3%, showing that we're on the right track to providing a better service in this area. We know we have more to do to meet our customer's expectations and we will be investing in further resources in 2025/26.

A key focus has been on increasing the accessibility of our services. The improvements made in the ways customers contact us resulted in over 40,000 contacts, and more than half of our engagement was handled digitally with our live chat service. During 2024/25, live chat became our highest-performing channel for customer satisfaction, achieving 95.6% satisfaction. We also improved our customer communications to make them easier to understand. This shift to digital has allowed us to better manage resources, improve productivity and deal with contact from customers more effectively.

Our score on the Trustpilot reviews website also increased to 4.3 out of 5, placing us in the 'Excellent' bracket.

During 2024/25 we made significant investments in our communities through the Customer Involvement Fund and secured additional funding from suppliers.

Feedback from our customers was that they wanted us to be more visible in our communities, throughout the year we have supported various initiatives such as donations to food banks, local community groups, and community education programmes. These efforts included helping children in our communities learn to manage budgets effectively, and in December, we hosted our Santa's Grotto which bought communities together. Children received early Christmas presents and an extra gift, all funded by donations from over 17 suppliers.

Our headline satisfaction measure, 'Taking everything into account, how satisfied or dissatisfied are you with the service provided by Magna?' was at 60% but we saw a notable improvement from the first part of the year, from 57% to (end of the year) 63%. Like last year, findings from the TSM survey tell us that to improve overall satisfaction we need to continue to reduce wait times for response repairs and improve how we listen and act on customer views. We have a dedicated action plan for the TSM survey and have linked it to our strategic program to ensure that customer feedback informs everything we do.

However, we recognise that there are still areas where we can improve. Our scores for overall service satisfaction, home safety, and how we treat our customers fairly and with respect all saw small decreases over the results from last year, and we will continue to work on addressing this.

We have already started to implement and explore new ways to improve in these areas, focussing on further improving our repairs, complaints handling, and communication. We're also looking at new ways to engage with our customers to better understand their needs and tailor our services accordingly.

Performance Indicator		2025/26	2024/25		2024/25 performance against target and last year's actuals	2023/24	
		Target	Actual	Target		Actual	Target
Customer Experience and Home Services							
Satisfaction with the overall service provided	TSM	66.9%	60.0%	66.9%	↔	60.9%	66.9%
Satisfaction that the landlords keeps tenants informed about things that matter to them	TSM	70.3%	65.6%	65.0%	↑	60.9%	71.2%
Satisfaction that the landlord listens to tenant views and acts upon them	TSM	56.4%	52.3%	53.2%	↑	49.6%	56.6%
Agreement that the landlords treats tenants fairly and with respect	TSM	78.2%	73.3%	78.2%	↓	77.1%	77.0%
Satisfaction with the repairs service received	TSM	69.0%	63.5%	67.0%	↑	59.6%	74.5%
Thinking about your most recent repair, how satisfied are you with the repairs service provided by Magna on this occasion		86.0%	80.5%	86.4%	↑	79.5%	79.4%
Satisfaction with the time taken to complete the most recent repair	TSM	62.8%	54.8%	62.8%	↑	42.4%	70.3%
Appointments made and kept for all responsive repairs		97.0%	94.4%	96.0%	↔	94.4%	94.3%
Repairs completed within target timescale – non-emergency response repairs	TSM	70.1%	49.5%	70.1%	↓	56.6%	72.9%
Repairs completed within target timescale – emergency response repairs	TSM	97.5%	94.7%	97.5%	↑	94.3%	85.2%
Satisfaction the home is well maintained	TSM	70.8%	67.2%	69.1%	↑	64.6%	70.2%
Satisfaction that the landlord keeps communal areas clean and well maintained	TSM	71.7%	64.7%	62.5%	↑	54.2%	63.4%

Building Safety and Compliance

We are committed to keeping our customers safe in their homes - not only because of regulation and legislation, but because 'always safe' is a core value of Magna and it is fundamental to the way we operate as a social landlord. Our commitment is evidenced through our consistently high performance.

Throughout the year we continued to invest in our plans to move from an eight-year to a five-year electrical testing program. This is currently the best practice within the social housing sector. Despite the sector-wide shortage of electricians, 97.7% (2023/24: 80.5%) of our homes are now in the five-year programme; we aim to complete the transition in 2025/26. To help overcome the risk around the shortage of electricians, we have invested in additional apprentices.

In 2024/25 we continued to invest in fire safety, reducing outstanding fire risk actions and completing remediation works to ensure our customers and the public remain safe. We have focussed on resident engagement and increasing awareness of fire safety amongst customers and colleagues.

The ongoing focus on building safety across the sector has put pressure on the supply chain to deliver the required work. The sector has seen several contractor failures, including ISG, who we were engaged with to remediate our only higher-risk residential building. The failure required an additional £0.7m of investment to complete the remediation works.

We continued to focus on keeping our Sheltered and Supported Housing customers safe and living well. We invested in and delivered on an ambitious and industry-leading project of upgrading our old analogue emergency call systems and smoke detection systems to a full digital system.

Performance Indicator		2025/26	2024/25		2024/25 performance against target and last year's actuals	2023/24	
		Target	Actual	Target		Actual	Target
Building Safety and Compliance							
Fire Risk Assessments overdue (legally responsible)		0	0	0	↔	0	0
Total number of high risk actions overdue		0	0	0	↔	0	0
Proportion of homes for which all required fire risk assessments have been carried out	TSM	100%	100%	100%	↔	100%	100%
Proportion of homes for which all required gas safety checks have been carried out	TSM	100%	100%	100%	↔	100%	100%
Proportion of homes for which all required legionella assessments have been carried out	TSM	100%	100%	100%	↔	100%	100%
Proportion of homes for which all required communal passenger lifts have been carried out	TSM	100%	100%	100%	↔	100%	100%
Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	TSM	100%	100%	100%	↔	100%	100%
Number of electrical safety checks overdue		0	8	0	↓	0	0
Satisfaction the home is safe	TSM	79.6%	75.5%	79.0%	↓	76.1%	79.0%

Customer and Community Support

Listening to our customers is fundamental in delivering better outcomes and improving our services. Throughout 2024/25 complaints have provided us with valuable insight. We know we do not always get things right and if things go wrong, we want to ensure that customers know how to complain, what they can expect and what we can do to make it right - more importantly, how we learn from it as an organisation.

Over the past year, we have seen an increase in complaints. This has been evidenced across the housing sector though the expansion of the Housing Ombudsman Service (HOS) powers in April 2024, and this introduced a new code of practice. The key themes of complaints were;

- Responsive repairs – wait times and poor communication.
- Tenancy issues.
- Antisocial behaviour.

Despite a higher volume of complaints, we achieved 100% compliance in responding to complaints within HOS timescales and increased customer satisfaction within complaints handling. We received three severe maladministration findings from the HOS. These findings were for complaints handling and the handling of ASB/ neighbour nuisance, and they relate to cases from 2022 and 2023. Improvements have been made to both services since.

We know there are still further improvements to be made. During the year we reviewed our capacity to meet customer demand, our service level agreements (SLAs) for complaints handling, and continue to focus on learning from complaints in order to drive service improvements.

Following the outcome of the review, we will be investing in additional resources in 2025/26.

We remain in a housing crisis. Our aim is always to reduce the number of homes we have empty and to ensure that once empty, new customers are housed in a warm, safe and affordable home, which is suitable for their needs, as swiftly as possible. In 2024/25, we reduced re-let times, and we saw increased satisfaction with the quality of the home that customers were moving into.

We continued to support customers to downsize to homes more suitable for their changing needs, despite grant support being removed, freeing up 32 (2023/24:72) bedspaces, saving customers within the region of £21k in bedroom tax, whilst freeing up larger homes to house even more customers.

Magna's main source of operating income is rent; therefore, it is vital that rent is collected, and customers are supported to sustain their tenancies and not fall into arrears. Despite the economic challenges faced by our customers, 21% of our customers have less than £10,000 of household income a year - arrears in 2024/25 have remained consistent with 2024/25. We have worked in partnership with other agencies and supported our customers with 1,053 (2023/24:606) claims to achieve an additional £2m income (2023/24: £1.94m) of which £1.12m was specifically rent-related.

We are committed to improving sustainability, as reflected in our ESG reports. Our customers directly benefited by nearly £15k of additional winter fuel funds, this supported customers who were struggling to afford with their heating costs.

Performance Indicator		2025/26	2024/25		2024/25 performance against target and last year's actuals	2023/24	
		Target	Value	Target		Value	Target
Customer and Community Support							
Satisfaction that the landlord makes a positive contribution to neighbourhoods	TSM	66.8%	61.0%	57.3%		53.3%	69.1%
Satisfaction with the landlord's approach to handling anti-social behaviour	TSM	61.3%	56.1%	57.6%		51.3%	47.4%
Anti-social behaviour cases relative to the size of the landlord (including hate incidents	TSM	20.6	6.2	17.8		16.5	56.2
Satisfaction with the landlord's approach to handling complaints	TSM	34.5%	26.9%	31.0%		17.7%	5.6
Number of severe maladministration finding from the Housing Ombudsman		0	3	0		-	-
Stage 1 complaints per 1000 properties	TSM	55.7	64.0	38.8		19.4	46.2
Stage 1 complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	TSM	96.1%	100%	90.7%		78.6%	80%
Stage 2 complaints per 1000 properties	TSM	9.4	12.8	8.6		4.4	11.6
Stage 2 complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	TSM	99.8%	100%	91.1%		66.7%	80.3%
How satisfied or dissatisfied were you with the overall condition of your home at the time of letting?		85.0%	86.4%	85.0%		79.7%	90.0%
Re-let times for all relets		40 days	43 days	45 days		46 days	50 days
Current tenant arrears		2.1%	2.2%	2.1%		2.2%	2.8%

Supply and Investment

Performance Indicator		2025/26 Target	2024/25 Actual	2024/25 Target	2024/25 performance against target and last year's actuals	2023/24 Actual	2023/24 Target
Supply and Investment							
Overall, how satisfied or dissatisfied are you with the quality of your home		80%	74.5%	76.3%	↑	70.6%	82.6%
Percentage of non-decent dwellings at the end of the year	TSM	0%	0.1%	0%	↔	0.1%	0
Homes actually failing the decent homes standard	TSM	0	9	0	↓	12	0
% of rental properties with SAP band D or below	TSM	25.0%	24.1%	25.0%	↓	23.9%	30%

We remain committed to increasing the supply of new quality, affordable homes in our local areas and investing in our existing portfolio of homes. During 2024/25 we delivered 68 new homes (2023:29) against our business plan target of 110 with the balance of the 42 homes now forecast to complete in 25/26.

This included 55 units of extra care accommodation in Gillingham, in partnership with Dorset Council. The scheme is providing new customers with the best modern technology and fantastic living environment.

During the year we have invested in increasing our skills and capabilities to achieve our strategic goal of delivering 2,000 new homes within 10 years. This has resulted in increasing our newbuild pipeline. We are in a strong position targeting 720 new homes over the next 3 years.

The market is looking promising as we approach the end of the current Homes England grant round, with updates expected for the next round in 2025/26. Overall, the housing market is showing signs of improvement, supported by a political climate that's becoming more supportive of affordable housing and with some recent interest rate cuts, conditions are steadily getting better. This said, planning delays have continued to hamper our ability to get consent, mainly driven by a frequent turnover of case officers and challenges related to phosphates and nitrates, and this is a factor behind us falling short of our target of new homes.

Every new development goes through a robust governance process to ensure we are maximising the use of our financial resources. We carefully assess the quality of our new homes in terms of materials, community impact, and energy performance. Our goal is to ensure that we make well-informed decisions that prioritise our customers and lead to positive long-term outcomes for them.

We've been building partnerships with a diverse range of developers, from large nationals to smaller SMEs, which is helping us strengthen our presence in the market. We are collaborating with local authorities, town councils, Curo, and Homes England to advance new development opportunities.

This year we have been building the framework for our asset investments for the future, which has meant continuing to improve our data quality, and gaining a better understanding of our costs, effectiveness and decision-making.

We are committed to investing in our existing homes. Using the governments Social Housing Decarbonisation Fund (SHDF), we have upgraded homes to the highest energy efficiency standards. We completed 52 out of 87 retrofit homes in 2024/25, with the balance due to complete in 2025/26. These homes have gone from some of the worst to the best-performing for energy efficiency amongst our homes.

Warm and affordable homes are vital to support our customers' wellbeing. During the year, we delivered energy improvements to 227 homes. Our energy efficiency improvements helped tackle fuel poverty, reduce carbon emissions and create health benefits for our customers. Our new engagement process saw 100% of customers agree to have the work done in their homes. Much of this was delivered in sheltered housing, supporting customers with multiple complex needs.

100% of our homes have had a stock condition survey in the last 5 years informs our future investment programmes, ensuring are homes are decent and well maintained. Overall, capitalised planned investment in our homes exceeded £13.9m, £1.5m more than the previous year and our highest level of investment in a single year as we strive to keep our homes decent and meet new fire safety requirements. We did see 9 homes drop below the decent homes standard these are in the process of remediation.

To support our sustainability and investment areas we focused on securing additional grants, such as Wave 3 of the Warmer Homes fund to retrofit more than 250 more of our older homes, and the next phase of the Affordable Housing programme.

We continued to grow our partnerships, delivering significant financial benefits and strengthening our position for future funding, and we enhanced colleagues' understanding of sustainability across Magna, which will help improve the standard of homes and services for our customers.

Organisational Capability

Performance Indicator	2025/26	2024/25		2024/25 performance against target and last year's actuals	2023/24	
	Target	Actual	Target		Actual	Target
Organisational Capability						
How likely is it you would recommend Magna as a place to work?	7.6	7.5	7.3	↑	7.4	7.0
Percentage of voluntary employee turnover	15%	8.1%	12.4%	↑	11.7%	17.6%
Colleague absence rate	3.5%	3.2%	3.2%	↑	3.0%	4.2%
Cyber security – actual security incidents	0	2	0	↓	4	0

We are strategically advancing our technology landscape to underpin future transformation and sustainable growth. The rollout of new electronic document management and telephony systems, alongside initiatives to modernise remote access and virtual server management, positions us for enhanced cyber resilience and operational agility. Our collaboration with PWC as Enterprise Architects is setting a robust framework for selecting next-generation Housing Management and CRM systems, while our newly formed Data and Insight team is embedding data-driven decision-making at the core of our organisational strategy.

Restructuring the digital team has sharpened our focus on building digital capabilities and supporting the Better Futures strategy, guiding transformative discovery, and fostering a human-centered approach to service design. Investment in communication and engagement, including a more accessible website and a new customer insight platform, ensures inclusive engagement and continuous feedback to drive improvement and innovation.

The Project Management Office remains central to aligning change with our strategic goals, overseeing key projects and embedding governance across all initiatives. Introducing a business improvement process and forming an AI Development Group have accelerated our ability to triage and deliver high-impact projects, ensuring we harness emerging technologies responsibly and effectively.

Our project planning process is now fully aligned with Magna's values and sustainability commitments, evaluating transformation initiatives through an ethical and sustainable lens to maximise long-term benefits for colleagues, customers, and communities. Investment in colleague development, market-aligned remuneration, and robust health and safety practices are helping us build a resilient, skilled workforce, supporting retention and reducing turnover.

As we move forward, our integrated approach to digital transformation, capability building, and sustainability ensures we are well-placed to mobilise ongoing change, drive innovation, and secure lasting growth for Magna and the communities we serve.

Our Colleagues

Our aspiration is to create a great place to work, so that we both attract and retain talented people and have the skills needed to deliver for our customers.

2024/25 presented some challenges due to skills shortages, particularly in recruiting specialist trades, and specifically electricians. We know this is a national problem and understand that this skillset has now been added to the overseas visa list. This type of shortage puts pressure on our wage costs, as we compete for the same qualified talent pool. To help counter this challenge we are continuing to invest in apprenticeships for existing and new colleagues, to grow our own talent.

Colleague feedback and engagement is fundamental to ensure we continue to enhance our colleague experiences at Magna. We aim to ensure that colleagues can engage and have their voices heard and we offer various ways that colleagues can feedback through our engagement tools, including colleague forums and digital surveys. These powerful tools help us get colleagues' views from across Magna, that in turn shape the focus of our employee experience at an organisation and team level. Our overall engagement score at the start of the year was 7.2, and we ended on 7.5.

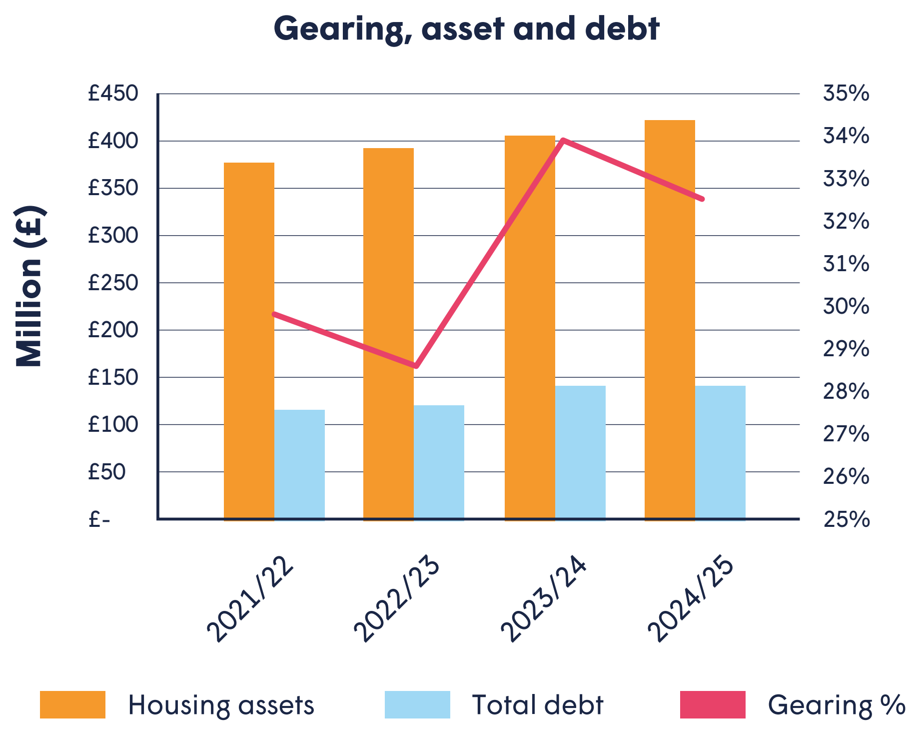
Linked to our digital journey our People team harnessed technology through digitalisation of processes and we invested in our colleagues through additional learning and continuing development, spending £343k (2023/24: £198k) in this space. We made safety a focus when introducing a fleet management system, placing our first van order for several years, and creating an operational safety group.

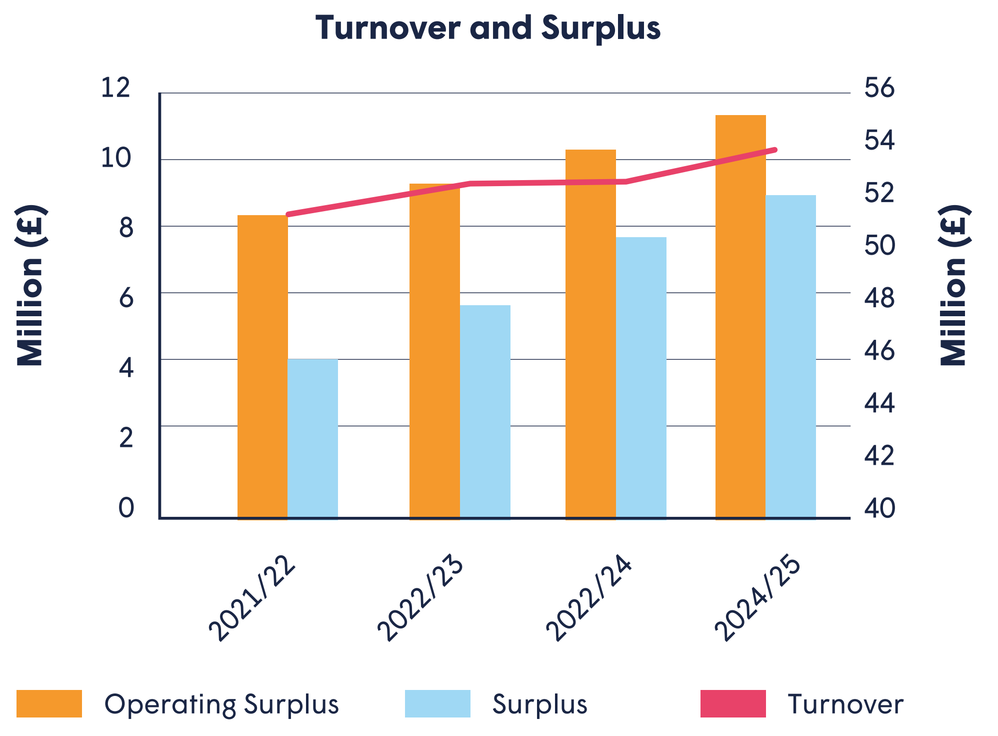
We have comprehensively reviewed our new starter induction and have combined multiple sessions into a single, on-site induction day. This makes sure new colleagues get the same, great experience when joining Magna. It also reduces the number of e-learning modules that need to be completed – = and we have feedback to say this has created a better experience for our new colleagues.

At Magna, we embrace a holistic understanding of sustainability that extends beyond environmental stewardship to include the well-being and equity of our colleagues. Our approach recognises that a sustainable future is shaped not only by the choices we make for the planet—such as investing in a pilot of a small, more energy-efficient electric van fleet—but also by fostering a working environment where equity, diversity, and inclusion are embedded in every aspect of our operations. By integrating these values into our decision-making, from vehicle procurement, to partnering with Housing Diversity Network, to the design of colleague experiences, we ensure that our commitment to sustainability is reflected both in our carbon footprint and in the culture we cultivate.

Performance and Results

Performance Indicator	2025/26	2024/25		2024/25 performance against target and last year's actuals	2023/24	
	Target	Actual	Target		Actual	Target
Performance and Results						
% Operating Margin (incl. FA sales)	15.3%	19.2%	17.2%	↓	19.3%	19.2%
Reinvestment %	15.5%	5.7%	8.8%	↓	6.8%	8.5%





Note: 2021/22 surplus adjusted adding back £7.6m refinancing costs

Despite the continued pressures of the external economy, financial performance in the year has been strong. Turnover was £59.7m (2024: £53.5m), up £6.2m from the previous year when excluding first tranche sales. Operating surplus was also up year-on-year at £11.4m compared to £10.3m in 2023/24. This resulted in a surplus before tax and pension adjustments of £8.8m. This compared favourably to 2023/24, which achieved a surplus of £7.4m.

Our performance contained some one-off items, including settlement of an insurance claim of £1.7m, the underlying performance remained very similar due to one off costs, related to rectification works for a failing contractor (£0.7m) and the writing off of historic book values and accrued dilapidations (£0.7m) for three imminent leased property hand backs.

Operating margins form part of our key performance measures. In the year to 31 March 2025, an operating margin, including fixed asset (FA) sale of 19.2% was achieved, exceeding our 17.2% target.

Magna's underlying margin outperformed expectations while continuing to deliver on our objectives in spite of the inflationary and price pressures absorbed during the year. Year on year comparative performance is detailed in the graph below.

Total net assets at 31 March 2025 were £283m, a year-on-year increase of £10m. Housing assets increased by £12m through the year as a result of the development programme, and investment in our current stock. We added 68 new homes, 55 extra care and 13 for general needs rent and sold six shared ownership properties, which were handed over towards the end of the previous year. The net increase in properties was reduced by nine sales in the year.

We had a key performance indicator on additionality to rental income, driven by new homes and this was achieved with £303k added against a target of £297k for the year. We expect £309,000 of new revenue from new homes in 2025/26.

Liquid cash resources remain strong, with more than £20m of cash available to utilise and £50m of additional credit facilities. Debt remains the same as the prior year with gearing reducing as we build our asset base, and all our covenants were met.

Internally, we have grown and strengthened our business partnering and corporate financing capability which gives us a stronger foundation to utilise our financial strength and capacity and achieve better value in delivering our Better Futures strategy.

Value for Money Statement

Delivering value for money (VfM) was a high priority objective of the Brilliant Basics strategy and is retained as an underlying principle of our Better Futures strategy.

Achieving VfM requires an optimum blend of all three aspects. To support this, our investment in Procurement capability has enabled us to achieve savings of £300k during 2024/25 and set ambitious targets for 2025/26

Furthermore, we invested in developing our project and programme management capability to ensure a structured approach to delivery and benefits realisation. During the course of the year, we've delivered the majority of projects and associated benefits, including enhancing the digital use of our live chat service (contributed towards the 6% positive shift in our TSM results), the introduction of a new dashboard for Damp & Mould reporting and replacing our electronic document and records management system (EDRM) which has improved efficiency and outcomes across the business.

We view VfM as consisting of economy, efficiency and effectiveness:

Economy

Minimising the cost of resources used while having regard to quality.

Efficiency

the relationship between the output from goods or services and the resources to produce them (the input). More output for the same input, the same output for less input, or less output for even less input, are all examples of improved efficiency.

Effectiveness

the extent to which objectives are achieved and the relationship between intended and actual impacts.

2024/25 VfM achievements

A key enabler to drive improved value has been our procurement team. We increased resource within the team and implemented a range of system and process improvement to improve consistency and standardisation in our procurement practices and supported colleagues to achieve better outcomes and value with delivery partners We're also seeing other benefits including improved data and insights to support decision-making which further underpins delivery of our strategic priorities.

Procurement projects increased from 18 in 2023/24 to 42 in 2024/25 and this is expected to increase further in 2025/26, aligned to our target to increase the volume of total spend to be contracted. We're proud of our procurement outcomes in 24/25, driven by new skills and enhanced ways of working and working with our supply chain to also target social value.

Other added value outcomes

During 2024/25 we invested significantly in our homes, to improve quality, safety and efficiency for our customers. In addition to revenue investment of £1.5m, our total planned capital investment on existing homes exceeded £13.9m (inclusive of grant from the Social Housing Decarbonisation Fund) This led to improvements in the energy efficiency of homes alongside material improvement in building fabric; all of which collectively enhance the quality of homes for our customers.

Grant funding played a crucial role in creating value for money, allowing us to deliver over £50k to local communities. We awarded £42k to seven local charities and community groups for projects that promote wellbeing, environmental protection, and social mobility. Through our Community Involvement Fund, we also started work on a new app to help customers manage their finances more effectively.

Our commitment to the fabric-first approach led to the successful completion of improvement works on 1,160 homes. This includes pointing, windows and roofs, ensuring that our customers feel their homes are valued within the community they live. And we have delivered critical fire safety works across 15 schemes, enhancing the overall safety and environment.

Our investment in response repairs and empty homes also remains high, and we also invested resources in this area, too, with a new team to support with damp and mould remediation. We have made a good start to the challenges in this area, although we know we have much more to do, with both repairs and damp and mould still high on our priority list for 2025/26.

Targets	Performance
Savings	£340,468.91 of both cash realisable and cost mitigation savings
Project	We completed project SharePoint Adaptation Mission (SPAM). This has built new forms for us which will drive better outcomes.
Contracts	c68% of spend under contract
ESG	This has been harder to monitor, though we produce defined outcomes at tender conclusion we're working on a way to value the contribution.

Regulator VfM Metrics

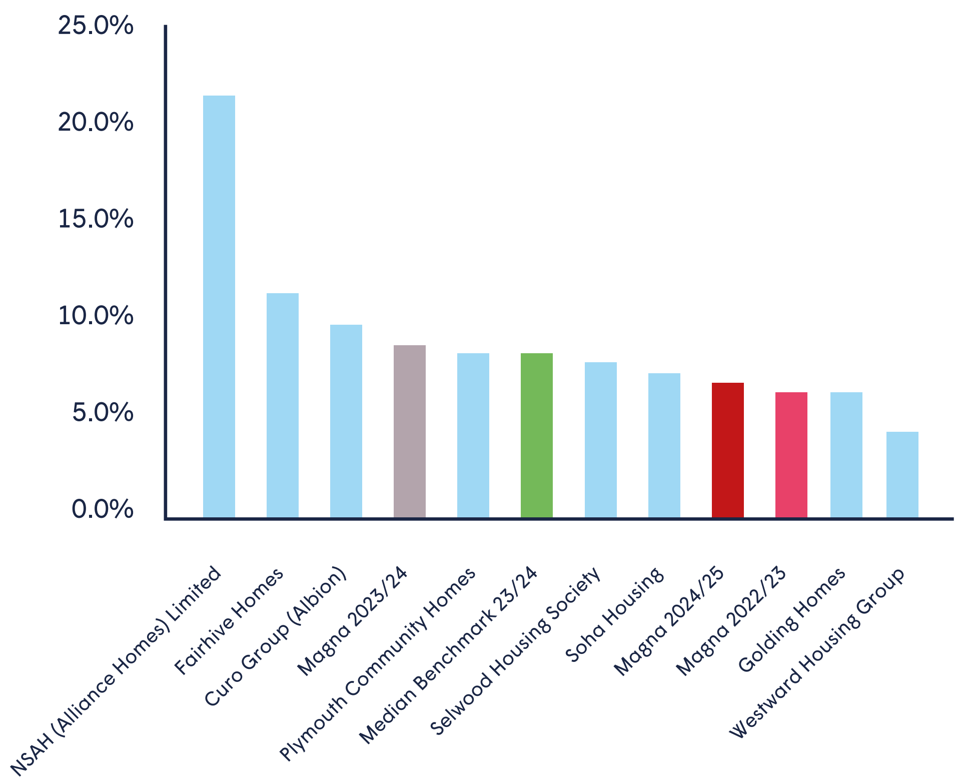
The following table shows performance against the regulator's value-for-money metrics:

Magna Housing Ltd Value for Money Metrics	2022/23	2023/24	2024/25	2025/26	2028/29	2023/24	2023/24
	Stats	Stats	Stats	Budget	Year 4 Forecast	Benchmark (Median)	Global Accounts (Median)
Reinvestment %	5.47%	7.63%	5.70%	15.50%	11.22%	7.60%	7.70%
New Supply Delivered (Social housing units) %	0.96%	0.34%	0.80%	2.01%	2.65%	2.10%	1.40%
New Supply Delivered (Non-Social housing units) %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gearing %	26.23%	26.22%	25.18%	30.79%	33.77%	52.20%	45.60%
EBITDA MRI Interest Cover %	258.5%	123.7%	166.3%	128.7%	222.6%	132.0%	122.0%
Headline social housing cost per unit (£)	4,582	5,771	6,116	6,319	5,541	5,107	5,136
Operating Margin (Social Housing lettings) %	16.49%	18.08%	13.56%	14.11%	21.65%	22.10%	20.40%
Operating Margin (Overall) %	16.12%	18.31%	16.23%	13.39%	20.76%	20.60%	18.50%
Return on capital employed %	2.36%	2.43%	2.62%	2.12%	2.65%	3.00%	2.80%

The latest benchmark figures have been obtained from the global accounts (GA) for 2023/24. The benchmark is derived from data for 33 housing associations working in the southwest and southeast, excluding London, with a minimum of 2,500 properties. There was no metric for new supply, non-social housing units, delivered. Ten of the closest peers are included in the graphs below. The impact of the external economic environment has clearly been seen within the change in benchmark medians with reductions since 2021/22. In particular, operational surpluses and interest cover. This is further corroborated by the £533 increase (11.7%), following the prior year increase of £343 (8.1%) in the social housing cost per unit which is £6,116 for Magna in 2024/25.

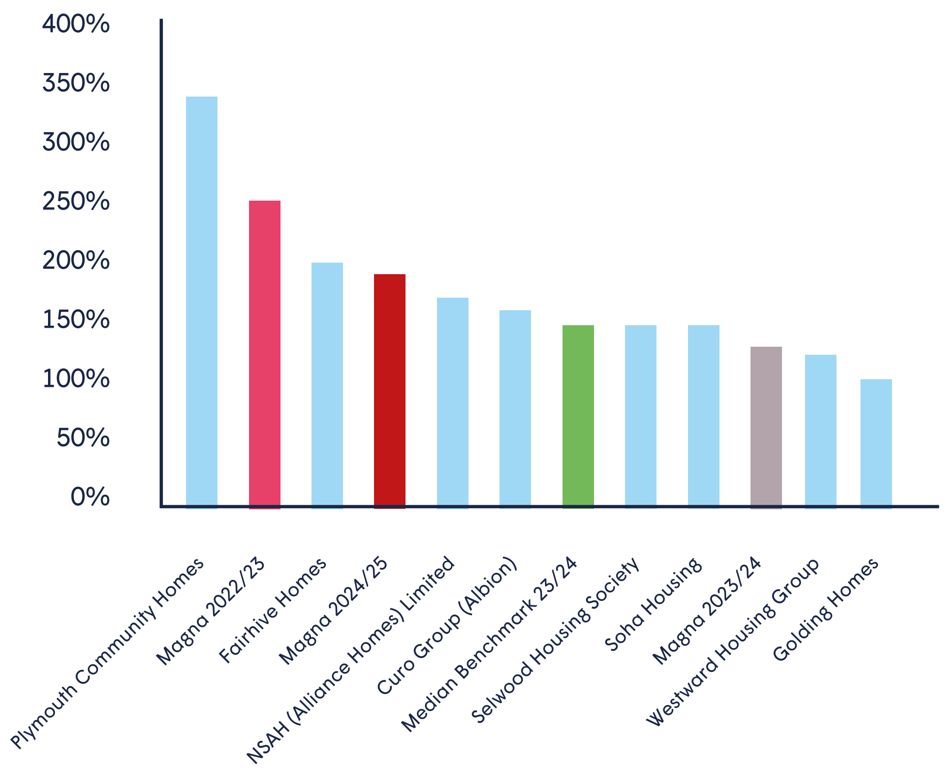
Magna is well-protected on the interest cover metric following the re-financing exercise that was completed in Autumn 2021. A low fixed interest rate means that capacity is not squeezed to the same extent as some of our peers, and with low gearing we are well placed to continue to invest in both current and new homes. Overall, these measures provide confidence that the business is well placed to continue to meet its strategic objectives and in delivering VfM.

Reinvestment %



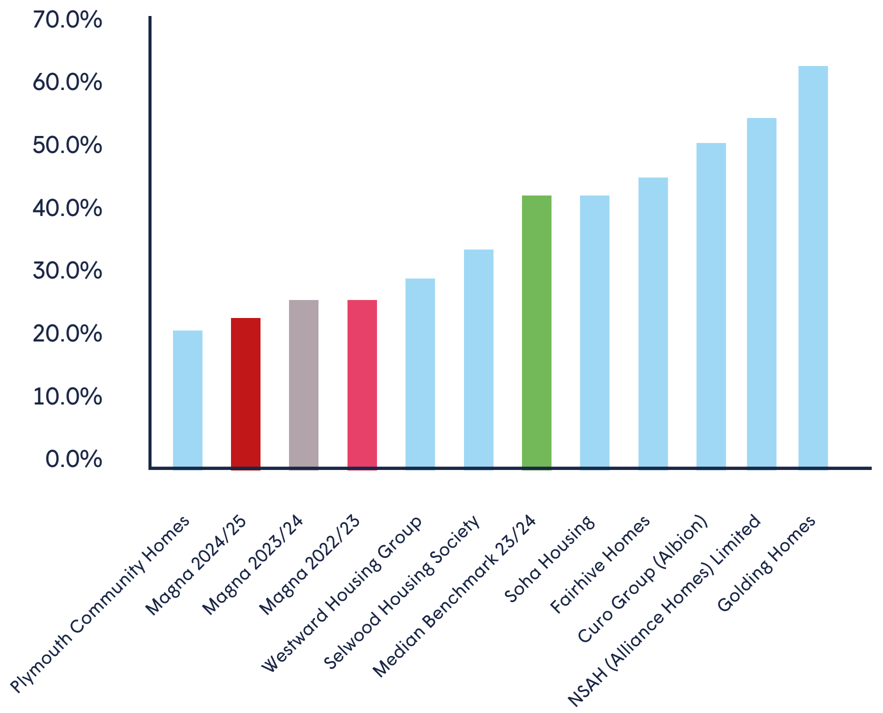
Magna shows reasonable consistency of investment and in line with our peers, but with a growing pipeline of new homes our targets for reinvestment are higher for the new few years.

EBITDA MRI Interest Cover



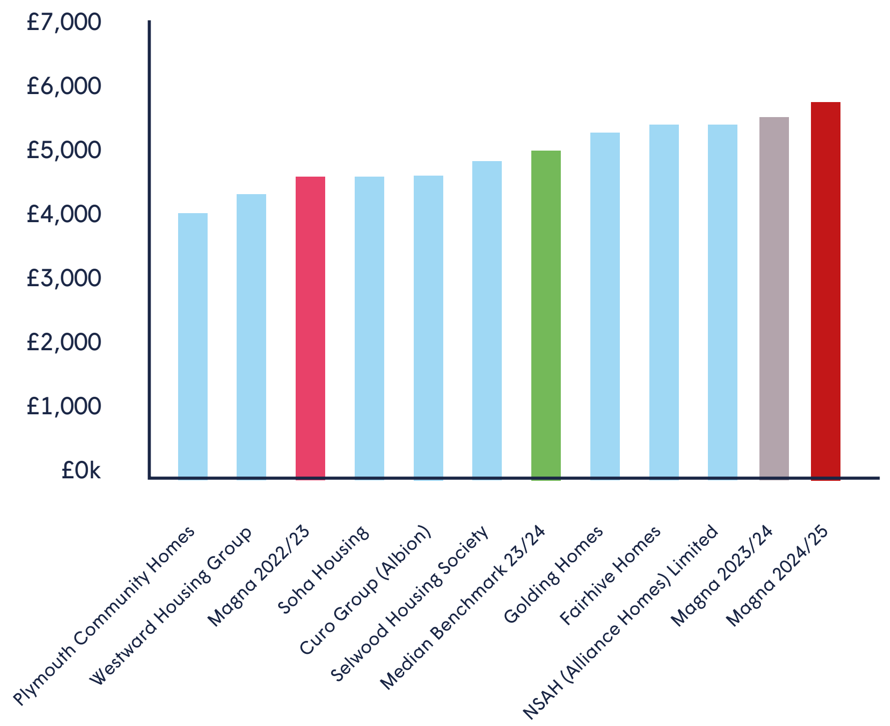
Despite increasing cost pressures reducing surpluses Magna continues to reflect a strength here, supported by the low average cost of capital. This will be challenged during the year ahead as new funds are drawn but appropriate internal rules exist to manage this.

Gearing

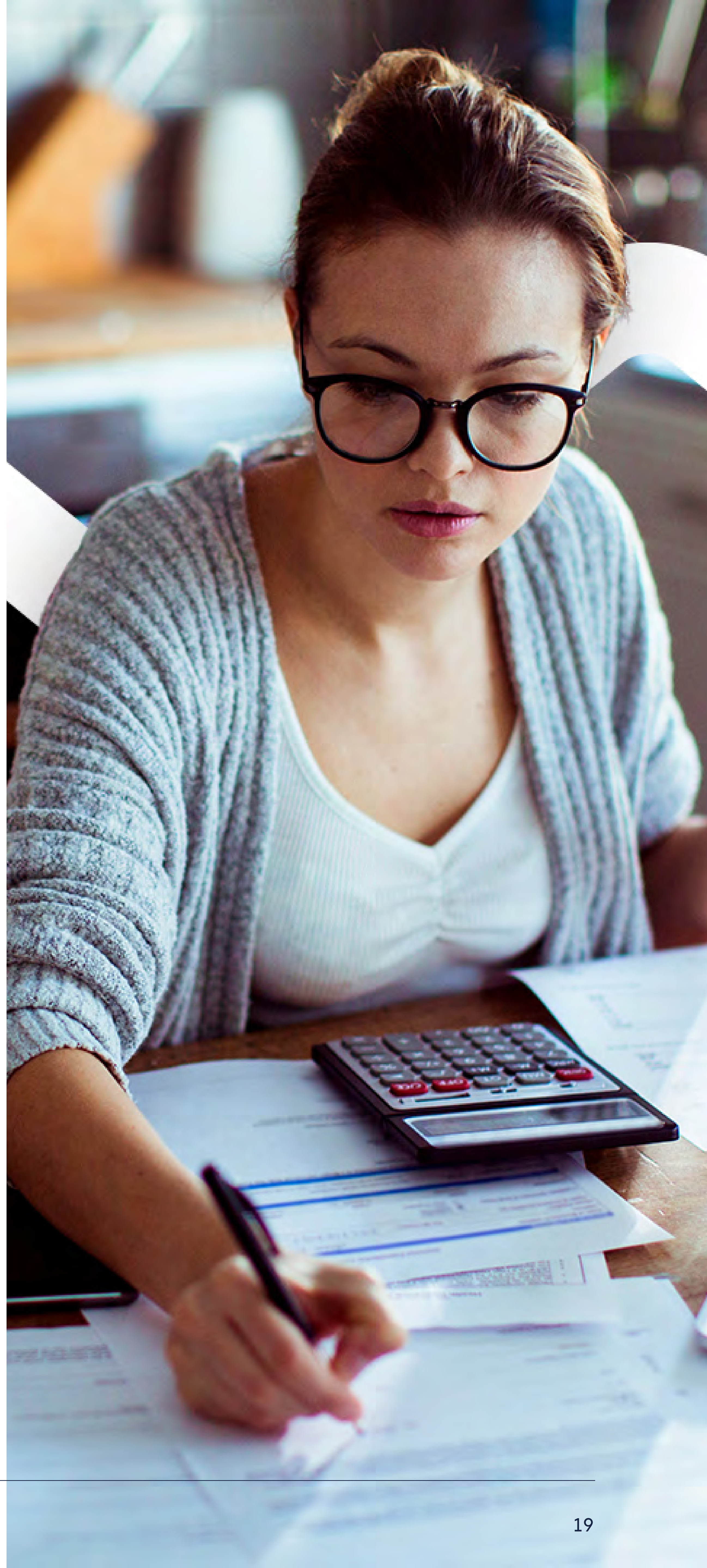


Gearing remains a key strength for Magna, supporting the future investment plans and an expectation to increase facilities in the region of £100m during the next 12 months

Headline social housing cost per unit



Magna continues to increase year on year investment in capital works which is reflected in this graphic. We also continue to strive for efficiencies and better purchasing pricing to drive costs down.



2025/26 VfM

Our budgets for 2025/26 are set and include targeted added value, we continue to add value for our customers by investing in their homes, increasing the total repairs and maintenance budget, which is some £4.5m (£2.5m capital) greater than the previously approved business plan.

To manage the additional work, we are performing we have invested in new resources, supporting the foundations for the delivery of better futures, our new five-year strategy.

Some of the value inputs and outcomes expected in the next year are:

- Focus on continual service and business improvement
- Improvement of customer services and complaint handling
- Additional investment in Building Safety and electrical testing
- Continued support for those wishing to downsize.
- Continued improvement to EPC rating of our homes specifically draw-down of grant from SHDF Wave 2 & 3 funding.
- Investment in new roles with a future focus, including apprentices.
- Continuing our net zero carbon journey.
- Enhancing the digital offer for our customers.
- Improving our response repairs service.

Future prospects

The statement of financial position as at 31 March 2025 demonstrates Magna's financial strength. The current economic environment places additional pressures on the business, however, Magna is a resilient business, able to respond quickly and effectively to threats and any subsequent downturn in performance. Long-term business plans show Magna's financial strength increasing further in future years alongside delivery of all strategic objectives. This has also been stress tested, and we understand in-depth those scenarios that could threaten the stability of the business.

We ended 2024/25 with a strong development programme, an allocation of grant from Homes England and 65 (2023: 133) homes on site. Spend has already been incurred on our manufactured MMC homes and combined with land owned, there is potential of 142 (2023: 128) homes.

Description of principal risks and uncertainties being faced

Magna's strategic risks, those that influence the achievement of our strategy, are reviewed by the Executive Board continually and by the Risk and Audit Committee and the Strategic Board at each of their meetings. The strategic risk register describes, for each strategic risk: the current mitigated risk position; the impact; the controls in place to reduce probability and impact; the actions being taken to strengthen the controls; and a progress report on those actions. Each risk is scored by impact and likelihood, before and after the application of controls. Risks are mitigated through Magna's whole system of internal control, which is described in the Internal Control and Risk Management section of this report.

Risk ratings

Red and amber risks are those risks for which actions are required to reduce them to, or below, an acceptable level. The definitions are as follows:

RED risks – We have moved into a position where we're uncomfortable with and will manage very closely.

AMBER risks – We need to watch out, stay alert and act.

GREEN risks – We're managing this satisfactorily, minimal action required.

The table below contains details of the six strategic risks, the risk description and details of controls, and the risk score at the end of March 2024 (colour signifies the current managed risk level):

Red Risks

Strategic risk	Examples of key controls we have in place to reduce probability and impact
Health and safety (H&S) failure (16) Failure to have in place and to implement the relevant culture, controls, systems, processes, and standards that ensure the ongoing safety of customers, colleagues and suppliers.	• Adhering to safety standards, regulation, and best practice. • Competent employees properly trained to deliver the required work. • Policies and procedures relating to the full range of health and safety activities in place and regularly reviewed. • Risk assessment framework in place for all aspects of work. • Regular audits and third-party assurance checks on key compliance activities. • Comprehensive performance reporting on principal health and safety activities which tracks performance against standards. • Annual health and safety improvement plans • CDM processes

Amber Risks

Strategic risk	Examples of key controls we have in place to reduce probability and impact
Customer satisfaction (12) A significant fall in satisfaction with Magna, leading to damage to our reputation, financial implications, Regulatory scrutiny and community trust impact.	• Ensuring our colleagues are adequately trained and adhere to policy & procedures. • Service improvement reviews • Using data and insight to inform our strategic priorities, specifically around customer complaints • Monitoring of performance & taking corrective action to deal with poor performance. • Compliance with Social Housing Regulation Bill • Collaborative working with external stakeholder and scrutiny groups collectively tackling wider sector risks • Robust contract management to ensure service being provided to customers is satisfactory

Amber Risks (continued)

Strategic risk	Examples of key controls we have in place to reduce probability and impact
Major business interruption / Business Continuity (9) Sustained business disruption for an extensive and unknown period, for example as a result of fire, flood or medical emergency, IT failure or organisational capability and capacity gap.	• Business continuity policy and plan. • Business impact assessment. • Business continuity lead (deputy in place). • Separate IT disaster plan. • Cyber security disciplines. • Emergency communication plan. • Plans and processes cloud based and can be accessed remotely. • Business continuity steering group. • Regular stress tests of plan. • Stress-testing recovery plan • Incident management team. • Extensive home working capability.

Green Risks

Strategic risk	Examples of key controls we have in place to reduce probability and impact
Legal and regulatory (6) Adverse or catastrophic impact on the business of failure to comply with legal or regulatory requirements including but not limited to; RSH, GDPR, HSE.	• Compliance policies that are regularly reviewed and updated. • Monitoring and reporting of performance against requirements through all levels of governance. • Health and safety framework including risk assessments, policies, procedures etc. • Risk awareness training. • Lessons learnt reports from more minor instances and near misses. • Strong controls and review of reporting to the regulator. • Full range of corporate insurances in place. • Business recovery and continuity plans including scenario testing.

Green Risks (continued)

Strategic risk	Examples of key controls we have in place to reduce probability and impact
Reputational risk (6) **Direct:** Arising from the conduct, actions, or internal issues of the organisation. **Indirect:** Arising from the conduct or issues of our employees. **Peripheral:** Arising from our partners' or sector's conduct and actions.	• Monitoring compliance with code of governance and regulatory standards. • Programme of internal audit and annual report • Robust approach to ensuring our customers' homes are safe; customer communications; learning from complaints; commitment to customer experience; H&S standards and compliance; rent and service charge setting; conflicts of interest monitoring at all levels; executive pay is reviewed annually by the Membership and Renumeration Committee. • Business continuity and disaster recovery planning and continuous review. • Crisis communication and pro-active PR management (national and local). • Fraud response policy and plan. • Active participants in regional and national forums, enabling the monitoring of political and wider sector issues
Finance – threats to income, liquidity, and increased expenditure (6) Inability of the business to function as required due to a lack of cash flow or sustained losses causing the business to default on payment to its creditors or on loan covenants.	• Cash flow management and control from policies, procedures, and Financial Regulations. • Regular review and monitoring of financial indicators. • Management and financial accounts plus external statutory audit. • Internal audit of financial controls. • 30-year financial plan regularly reviewed against changes in economic indicators. • External audit. • Minimum cash holding. • Stress testing, mitigation and recovery plans. • Recovery plan

Magna's appetite for risk is commensurate with how far it thinks the likely impact of taking the risk, after having taken all reasonable actions to manage it, will help to achieve its strategy, and the risk's compatibility with Magna's capacity, it being a not-for-profit housing charity in receipt of public money. During 2024/25, the Board undertook a review of its risk appetite as part of Magna's introduction of its new strategy phase.

C Turner

Chair

Christine A Turner

Report of the Board

Structure, Governance and Management

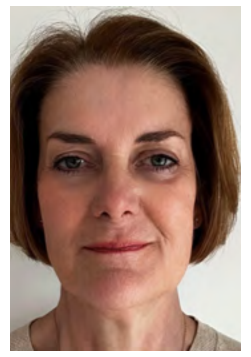
Corporate Governance

The Board is responsible for the proper conduct of Magna's affairs. It consists of a maximum of 12 (2024: 12) members, all but one being non-executive directors. They bring substantial relevant knowledge and experience. Each was remunerated for their services. Each Member acts in a personal capacity. The Board met six times (2024: six) during the year. The Board has adopted the 2020 NHF Code of Governance and considers that it has no areas of non-compliance to explain in this report.

The Board ended the year with three (2024: four) permanent committees, dealing in turn with Risk and Audit, Governance and Remuneration, and Asset Investment. The Chairs Committee is an ad-hoc committee which is planned to be utilised again in 2025/26. A Treasury Panel, including board members was set up on 3 September 2020 and supported the Board in overseeing the refinancing in 2021/22. This panel only meets when appropriate and will be convened in 2025 to support the process of raising new finance. Membership of the committees and panel is shown below. Each have terms of reference and report to the Board by means of its minutes and reports from its committee/panel chair.

The Board

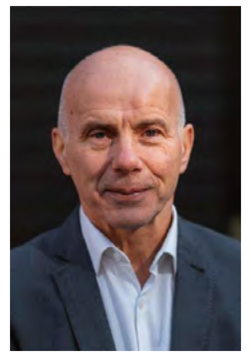

Christine Turner


Suzanne Rastrick


Selina White

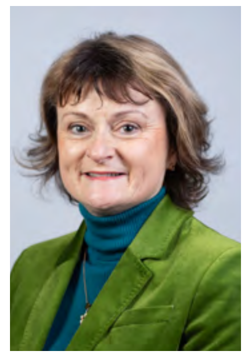

Nigel Perryman


Jonathan Cowie


John Skivington


Lara Martini


James Ballantyne


Sandra Quinn


Jens Gemmel von Döllinger


Linda Page

The table below details the members of the committees and the Treasury Panel:

Committee	Member
Risk and Audit Committee	Ms Suzanne Rastrick (Chair); Mr Jonathan Cowie; Mr Nigel Perryman; Mr Mark Ripley (independent committee member); Mrs Adesola Osuji (independent committee member); Ms Sandra Quinn
Governance and Remuneration Committee	Ms Lara Martini (Chair from 23 April 2024); Ms Christine Turner; Ms Suzanne Rastrick; Mr Nigel Perryman; Mr Jens Gemmel (from 28 July 2024)
Asset Investment Committee	Mr Alistair Auty (Chair until 1 November 2024); Mr John Skivington (Chair from 1 November 2024); Mr Jonathan Cowie; Ms Linda Page (from 28 July 2024Mr Chris Hartiss (independent member, from 25 May 2023 until 31 March 2024; Mr James Ballantyne; Mr Guy Palmer (independent committee member, from 25 July 2024)
Chairs Committee	Ms Christine Turner; Mr Alistair Auty (until 1 November 2024); Ms Lara Martini (from 25 May 2023); Ms Suzanne Rastrick; Mr John Skivington (from 1 November 2024)

Magna seeks Board members with the skills, experience and other qualities that enable them to help run the business properly, and who accept the obligation upon them to uphold the purpose and objectives of Magna. The Board undertakes annual self-assessment of its effectiveness. Individual performance of Board and Independent members is assessed at least annually by way of an appraisal conducted by the Chair of the Board and the Chairs of the Committees for Independent members. The performance of the Chair of the Board is assessed annually by the Chair of the Governance and Remuneration Committee and summarised to the Board.

In accordance with the scheme of delegation, the Risk and Audit Committee retains responsibility for overseeing the risk management framework, including strategic risk management, risk governance, and internal control systems in order to provide assurance of its effectiveness to Board. It reviews reports from management, from the internal auditors and from the external auditors, and seeks to obtain reasonable assurance that controls are in place and are being followed. Additionally, it approves the nature and scope of external audit, approves an annual internal audit plan and associated terms of reference, considers recommendations, and agrees appropriate responses and action with the senior executive officers. The Committee met five times during the year. The internal auditors also attended meetings, and they had unrestricted access to the Chair of the Committee. The senior executive officers attended meetings when required. The Risk and Audit Committee reports back to the Board any issues of concern. The Board also formally considers internal control during the year in addition to considering the statement on internal control contained in these financial statements. The minutes of the committee are formally recorded and are reported to the Board.

The Board delegates day-to-day management to the Chief Executive and other senior colleagues. They are accountable to the Board, carrying out its instructions and providing it and its committees with comprehensive reports and advice on Magna's affairs, including its performance across a broad range of measures. One employee, the Chief Executive, is a member of the Board.

The Board has adopted the 2020 NHF Code of Conduct to help ensure probity and considers that it complies with the principles and provisions of the code. It has policies and procedures on sensitive areas such as tendering and procurement, again to help ensure probity. It uses internal audit to check compliance with these and other policies and procedures which have the same aims.

In January 2025 Magna was confirmed as maintaining its G1 and V1 ratings from the Regulator of Social Housing. To the best of its knowledge, the Board considers that it complied with the Governance and Financial Viability Standard of the Regulatory Framework and the provisions concerning rents set out in the 2016 Welfare Reform and Work Act.

Magna has remunerated Board Members since April 2017, and this totals 0.1% of annual turnover.

Members of the Board and Senior Executive Officers

The Members of the Board and the senior executive officers of Magna are set out on pages 3 and 4. All the Members and senior executive officers served throughout the year except as noted on pages 3 and 4.

Accounting Policies

Magna's financial statements are reported under FRS102. The detailed accounting policies are disclosed in Note 1.

Treasury Policy

Magna's financing structure is made up of term and revolving loans and development grant from Homes England. Treasury activities are controlled and monitored by the Chief Finance Officer, reporting to the Board with advice from treasury advisors. They are carried out in accordance with a Treasury Management Policy.

Magna meets all financial covenants as agreed with its lenders.

Cash flow requirements are reviewed weekly and monitored daily. Magna normally carries only sufficient liquidity for current working capital requirements, with any significant excess cash balances managed in accordance with the Treasury Management Policy.

Interest rate exposure is managed using interest rate fixes as part of a balanced treasury strategy and, at the year-end, 100% (2024: 100%) of Magna's drawn funds were at fixed interest rates.

Magna's current debt portfolio consists of a £140m facility via a Private Placement and two £25m Revolving Credit Facilities (RCFs). The Private Placement is fully drawn, all of which is at fixed interest rates with repayments in 2051 (£80m), 2053 (£20m) and 2056 (£40m). None of the RCFs have been drawn at 31 March 2025 but are available until 2032. They are on a variable interest rate basis. All facilities are fully secured.

Social and community activities and charitable donations

We continue to work with the wider community and others to help achieve our purpose. Magna made charitable donations totalling £23,336 (2024: £24,081). Within this total, £14,666 was paid to local community initiatives (2024: £13,883).

Directors' and officers' insurance

The group maintains directors' and officers' liability insurance.

Internal control and risk management

This report covers the whole system of internal control during the year 2024/25 and is not restricted to internal financial control.

The Board acknowledges that it is responsible for Magna's system of internal control and for reviewing its effectiveness. The Board recognises that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Board is satisfied that the process for identifying, evaluating and managing the significant risks faced by Magna is continuous, has been in place for the year in question and up to the date of approval of the financial statements, and is regularly reviewed.

The Board has reviewed the effectiveness of the system of internal control by several means, including its reviews of the Risk Management framework, consideration of the work of the Risk and Audit Committee, regular reports on performance against targets, compliance and similar reports by external bodies, and a review of the fraud and theft register.

The Board pursues policies and practices which are designed to achieve effective internal control and describes the most important in this report.

Magna exercises control in the first instance by establishing and following a methodical process of deciding its vision, mission, strategic priorities, operational targets and associated budgets.

The Board last reviewed its risk management and assurance framework in May 2024 and reviews its strategic risks and how they are controlled quarterly. A scheme of delegation in Magna requires the Board to take primary responsibility to produce a risk management policy. The risk management framework itself is subject to periodic internal audit.

Magna views risk primarily as anything that does, or may, hinder its ability to achieve its strategy. Hence, its main risks may be readily summarised as any factor that may lead to failure to achieve its vision and strategic priorities. The quality and effectiveness of the controls in place to manage those risks are further tested and strengthened by consideration of risks such as major fraud or breach of lenders' covenants. The overall aim of the risk management policy is to ensure Magna has a successful and embedded risk management framework, creating stability and contributing to continued financial viability.

Magna kept the risks created by the general operating, political, economic, climate and health environments under constant review during 2024/25, and implemented suitable controls where necessary and possible.

Responsibility for key controls is mainly allocated by policies and procedures. These are controlled and maintained to a high standard and made available to colleagues in electronic format.

Magna operates a whistle-blowing system, which encourages colleagues to raise anonymously with external consultants any concerns they feel they cannot raise through the normal internal channels.

Control is further reinforced by the production of comprehensive performance data, followed by analysis and action.

The Internal Audit Plan 2025-26 reflects the risk management policy so that internal audit resources are directed towards testing the most significant risks and their controls, which, if they fail, could cause harm to Magna. The plan, which is subject to the approval of the Risk and Audit Committee, is proposed and implemented by professional, independent auditors, who have unrestricted right of access to the Chair of the Risk and Audit Committee.

Magna places emphasis on the benefits that arise from personal responsibility in addition to those achieved by following procedures. We aim to produce an open organisation in which information of all sorts flows freely in the belief that the more open an organisation is the more robust it is as it is more likely to uncover weaknesses of any type in good time. Recruitment, selection, training and appraisal policies seek to reinforce this approach.

The Risk and Audit Committee is a committee of the Board of Magna. It receives quarterly internal audit reports from the internal auditors. Any material instances of weak internal control are reported to this committee and/or the Board.

The Board considers reports from the external auditors, and from other external bodies, such as the Regulator of Social Housing, on compliance. Board members undergo both collective and individual appraisal, and view this as an important risk control.

Fraud and theft

Magna complies with the Regulator of Social Housing's requirements on fraud and adheres to additional requirements of its own. Association-wide anti-fraud policies require, amongst other things, a register to be maintained of all instances of actual and suspected fraud and theft.

Conclusion on internal control

The Risk and Audit Committee has received the annual report on the effectiveness of anti-fraud measures and internal control. In the light of that, and using other sources of assurance available to it, the Board has reviewed the effectiveness of the system of internal control. The Board is satisfied that there is sufficient evidence to show that systems of internal control existed and operated throughout the year, that those systems were aligned to a continuous process for the management of the significant risks facing Magna, and that those controls are subject to professional, independent testing and assessment. The Board believes that this will remain true up to (and beyond) the date of the approval and signing of the annual financial statements. The Board is aware of no weaknesses which have resulted in material misstatement or loss, and which have required disclosure in the financial statements and considers that the risk that the financial statements may be materially misstated due to fraud is low. To the best of its knowledge and belief, the Board knows of no reason why it should not sign its Representation Letter to its external auditors.

Statement of Board's responsibilities

The directors are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations. The Co-operative and Community Benefit Societies Act 2014 and other legislation require the Board to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Registered Provider (RP) and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board is responsible for keeping accounting records that are sufficient to show and explain the RP's transactions and disclose with reasonable accuracy at any time the financial position of the RP and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and Regulations thereunder, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022. It is also responsible for safeguarding the assets of the RP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring the accuracy of the Magna website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of compliance

The Board confirms that the Report of the Board has been prepared in accordance with the principles set out in Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

Going concern

The 30-year business plan is updated on a regular basis, with the Risk and Audit Committee reviewing the stress testing assumptions. The final business plan was approved, with stress testing and mitigations in May 2025. We have stress-tested the plan against a wide range of scenarios to identify potential sensitivities in the base plan. We prepare a comprehensive mitigation plan annually that identifies, in order of priority, the areas we would target to reduce expenditure if necessary.

The Board has reviewed and approved the annual budgets for 2025/26 and the medium- to long-term financial position as demonstrated in the 30-year business plan and is assured that Magna has the financial capacity and strength to successfully operate for the foreseeable future.

In reaching this level of assurance, the Board has scrutinised several areas:

- Exposure to the property market – budget and business plan sensitivity testing takes account of a slowing down of construction, fewer first tranche sales, and a reduction in sales values.
- Increases in operating costs – considering increases in management costs, reflecting higher CPI and RPI levels and delays to our expected efficiencies.
- Rent and service charge receivable – sensitivity testing a loss of income due to the impact of welfare reforms, considering increases in bad debts and void properties as well as frozen or reduced rent rises.
- Other adverse scenarios, e.g. rising interest rates and heavy fines for non-compliance in areas such as data protection and safeguarding residents.

The Board is satisfied that Magna has sufficient financial capacity and liquidity to remain compliant with its loan covenants, and to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Appointment of Independent Auditor

Beever and Struthers were appointed for the year ended 31 March 2025 at Magna's Annual General Meeting held on 25 July 2024.

By order of the Board

Christine A Turner

C Turner
Chair
31 July 2025

Independent Auditor's Report

Opinion

We have audited the financial statements of Magna Housing Limited "the association" for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements including a summary of 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 surplus 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 Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 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 Board with respect to going concern are described in the relevant sections of this report.

Other information

The association's Board is responsible for the other information, which comprises the Board's annual report, including the strategic review, value for money, risk management, corporate governance, the statement on internal control and the directors 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.

In connection with our audit of the financial statements 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

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

- the information given in the Board's report for the financial year for which the financial statements are prepared is not consistent with the financial statements; or
- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 26, 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 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 Board 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 Board 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.

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 and regulations that affect the association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed 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 and fraud 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 nature of the association's activities and the regulated nature of the association's activities.
- We reviewed financial statements disclosures and tested to 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 association's members, as a body, in accordance with section 87(2) of the Co-operative and Community Benefit Societies Act 2014. 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 or audit work, for this report, or for the opinions we have formed

Beever and Struthers

28 August 2025

Beever and Struthers, Statutory Auditor
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Statement of Comprehensive Income

The financial statements on pages 33 to 57 were approved and authorised for issue by the Board on 31 July 2025 and were signed on its behalf by:

Chair

C Turner

Board member

N Perryman

Company Secretary

L Bunbury

	Note	**Year ended 31 March 2025**	Year ended 31 March 2024
		£000	£000
Turnover	2	**59,735**	53,532
Cost of sales	2	**(761)**	(277)
Operating expenditure	2	**(49,278)**	(43,452)
Impairment losses on assets of cash generating units		**-**	-
Surplus on disposal of fixed assets	5	**1,748**	528
Increase/(decrease) in valuation of investment properties	12	**15**	(10)
Operating surplus		**11,459**	10,321
Interest receivable and similar income	6	**1,165**	798
Interest payable and other financing costs	7	**(3,796)**	(3,744)
Surplus/(Deficit) before tax		**8,828**	7,375
Other comprehensive (expenditure)/income			
Actuarial gain/(loss) in respect of pension schemes	23	**1,369**	3,531
Total other comprehensive income/(expenditure)		**1,369**	3,531
Total comprehensive income/(expenditure) for the year		**10,197**	**10,906**

Statement of Changes in Reserves

	Revaluation reserve	Income and expenditure reserve	**Total reserves**
	£000	£000	**£000**
Balance as at 31 March 2023	**86,886**	**174,954**	**261,840**
Surplus from statement of comprehensive income	-	10,906	**10,906**
Depreciation at deemed cost transferred from revaluation reserve to income and expenditure reserve	(1,198)	1,198	**-**
Movement on revaluation reserve for disposal of fixed assets	(45)	45	**-**
Balance as at 31 March 2024	**85,643**	**187,103**	**272,746**
Surplus from statement of comprehensive income	-	10,197	**10,197**
Depreciation at deemed cost transferred from revaluation reserve to income and expenditure reserve	(1,198)	1,198	**-**
Movement on revaluation reserve for disposal of fixed assets	(639)	639	**-**
Balance as at 31 March 2025	**83,806**	**199,137**	**282,943**

Statement of Financial Position

The financial statements on pages 33 to 57 were approved and authorised for issue by the Board on 25 July 2024 and were signed on its behalf by:

Chair

C Turner

Board member

N Perryman

Deputy Secretary

L Bunbury

	Note	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Fixed Assets			
Tangible fixed assets	11	**419,885**	408,301
Investment properties	12	**975**	960
Investments in subsidiaries	13	**26**	26
Total Fixed Assets		**420,886**	409,287
Current Assets			
Inventories	14	**3,270**	3,607
Trade and other debtors	15	**2,554**	3,121
Cash and cash equivalents	16	**34,055**	33,011
		39,879	39,739
Creditors: amounts falling due within one year	17	**(23,146)**	(24,234)
Net Current Assets/(Liabilities)		**16,733**	15,505
Total assets less current liabilities		**437,619**	424,792
Creditors: amounts falling due after more than one year	18	**(153,799)**	(149,159)
Provision for Liabilities			
Pension provision	23	**(877)**	(2,887)
Other provisions		**-**	-
Total Net Assets		**282,943**	272,746
Reserves			
Non–equity share capital	26	**-**	-
Income and expenditure reserve		**199,137**	187,103
Revaluation reserve		**83,806**	85,643
Total Reserves		**282,943**	272,746

Statement of Cash Flows

	Year ended 31 March 2025	Year ended 31 March 2024
	£000	£000
Net cash generated from operating activities – see note A	**22,408**	20,265
Cash flow from investing activities		
Purchase of tangible fixed assets	**(15,081)**	(14,085)
New development spend	**(8,457)**	(15,004)
Proceeds from sale of tangible fixed assets	**3,692**	1,500
Gift Aid	**-**	-
Interest received	**1,173**	768
Total Grants received	**1,255**	5,446
	(17,418)	(21,375)
Cash flow from financing activities		
Interest paid	**(3,946)**	(3,410)
New Borrowings	**-**	20,000
Repayment of borrowings	**-**	-
	(3,946)	16,590
Net change in cash and cash equivalents	**1,044**	15,480
Cash and cash equivalents at the beginning of the year	**33,011**	17,531
Cash and cash equivalents at the end of the year	**34,055**	33,011

(continued) →

	Year ended 31 March 2025	Year ended 31 March 2024
	£000	£000
Note A		
Cash flow from operating activities		
Operating surplus for the year	**11,444**	10,331
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	**11,331**	10,221
Amortisation of grant	**(167)**	(119)
Surplus on disposal of fixed assets	**(1,753)**	(687)
Impairment	**-**	-
(Increase) /decrease in stock	**(45)**	(53)
Decrease / (increase) in trade and other debtors	**(1,473)**	(4,697)
Decrease in debtors more than one year	**-**	-
Increase/(decrease) in trade and other creditors	**(1,095)**	4,016
Increase in creditors more than one year	**4,166**	1,253
Increase/(decrease) in provisions	**-**	-
Net cash generated from operating activities	**22,408**	20,265

Notes to the Financial Statements

1. Accounting Policies

Basis of accounting

The 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 housing providers: Housing SORP 2018.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements have been prepared in compliance with FRS102. Magna meets the definition of a public benefit entity (PBE).

The accounts have been prepared on the historical cost basis of accounting, except in respect of the revaluation of investment properties, and are presented in sterling (£'000) for the year ended 31 March 2025.

A summary of the more significant accounting policies, which have been applied consistently, is set out below:

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.

- **Going concern.** The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. We have agreed a business plan which allows us to fund both our latest stock condition survey and our development programme. The business plan also shows our adherence to our borrowing covenants and has also been stress tested against a number of scenarios, with mitigating actions identified to counter these. We therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.
- **Categorisation of housing properties.** Magna has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, Magna has considered if the asset is held for social benefit or to earn commercial rentals. Magna has determined that market rented properties are held to earn commercial rentals and hence have been classified as investment properties.
- **Housing properties** in tangible fixed assets are valued at deemed cost as at 1 April 2014. Magna took advantage of transitional relief set out in FRS102 for deemed cost and treated all grant on transition under the performance model with subsequent grants under the accrual model.
- **Investment properties** include market rented properties, shops and other commercial properties. They are measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date.
- **Impairment.** Magna considers the need for impairment on overall property demand and other external sources of information such as changes in Government policy, including the review of voids on a property by property basis.
- **Service charge** estimates for current year variances to scheme surplus or deficits are calculated at a high level, against corresponding service charge costs for the year. During the year ahead these will be refined against the actual variances and updated in the following accounting period

Other key sources of estimation and assumptions:

- **Tangible fixed assets.** Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Revaluation of investment properties.** Magna carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. Fair value, as defined by FRS102, is used for these property types as it can be measured on an on-going basis. Magna engages independent valuation specialists to determine fair value as at 31 March each year. The valuer uses a valuation technique based on a discounted cash flow model. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long term vacancy rate.

- **Pension and other post-employment benefits.** Magna participates in three defined benefit pension schemes as an 'Admitted Body':

  - The Local Government Fund (LGPS) administered by Dorset County Council (DCC);
  - The Local Government Fund (LGPS) administered by Somerset County Council (SCC); and
  - The Social Housing Pension Scheme (SHPS).

  Magna closed these defined benefit pension schemes to new members on 1 October 2011 and introduced, in their place, a defined contribution scheme.

  The cost of the LGPS and SHPS defined benefit pension plans are primarily determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. 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. In determining the appropriate discount rate, the scheme employers consider the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector.

  Any pension asset arising from these valuations are not recognised in Magna's accounts due to there being no prospect of receiving such a surplus. The asset ceiling of nil is applied.

  Further details are given in note 23.

- **Impairment.** Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount. This is likely to be the value in use of the asset based on its service potential (Depreciated Replacement Cost - DRC). The resulting impairment loss is recognised as expenditure in the Statement of Comprehensive Income.

  Depreciated Replacement Cost (DRC) is calculated using a replacement cost valuation, depreciated for the number of years the property has been in use.

  Investment properties are valued annually. Where there is a change in value, the charge is recognised in the Statement of Comprehensive Income.

  Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Investments

Investments in shares in group companies are stated at the lower of cost and net realisable value. Any impairment in the value of investments is charged to the Statement of Comprehensive Income in the year in which it is first recognised.

Turnover and revenue recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and Homes England, income from the sale of shared ownership and other properties developed for outright sale and other income and 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's basis. Magna operates variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the actual surplus or deficit from prior years as well as an estimate on the current years' surplus or deficit, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

Sinking funds

Magna has a number of schemes which require sinking funds in order to provide for the future cost of maintaining them. Magna manages sinking funds in accordance with its policy. Funds are held in a separate bank account and included in the Statement of Financial Position within creditors until costs are incurred.

Interest payable and financing costs

Interest costs and fees associated with obtaining debt are charged to the Statement of Comprehensive Income using the effective interest rate method over the term of the debt. Also included within finance costs are ongoing servicing fees of borrowings.

Taxation

Magna has charitable status and is therefore not subject to corporation tax on surpluses derived from charitable activities. All charitable activities undertaken are classed as charitable.

Value Added Tax

Magna charges VAT on some of its income and is able to 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 Magna and not recoverable.

Property, plant and equipment

Housing properties

Tangible fixed assets are stated at deemed cost as at 1 April 2014, less accumulated depreciation. Magna took advantage of transitional relief set out in FRS102 for deemed cost and treated all grant on transition under the performance model with subsequent grants under the accruals method.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

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.

Magna 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:

Component	UEL
Alternative energy sources	30 years
Bathrooms	30 years
Boilers	15 years
Cavity Wall Insulation	30 years
Central heating	30 years
Doors	35 years
External Wall Insulation	30 years
Flat roofs	30 years
Garages	50 years
Kitchens	20 years
Lifts & other communal assets (e.g. fire safety)	25 – 35 years
Loft Insulation	20 years
Oil tanks	25 years
Pitched roofs/Chimneys	60 years
Structure	100 years
Structure (pre-cast reinforced concrete)	50 years
Windows	30 years

Magna depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category

Other tangible fixed assets

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected useful economic lives which are as follows:

Freehold and long leasehold properties	50 years
Maintenance equipment	5 years
Computer equipment	3 – 6 years
Office equipment, fixtures and fittings	5 years
Motor vehicles – New or Pre Owned	8 years (from vehicle registration date)
Non Housing communal assets (e.g. CCTV)	6 years

Low cost home ownership properties

The costs of low cost home ownership properties are split between current and fixed assets on the basis of 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 low cost home ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental due to the development process and directly attributable to bringing the property into its intended use.

Property managed by agents

Where Magna carries the majority of the financial risk on property managed by agents, income arising from the property is included in the Statement of Comprehensive Income.

Where the agency carries the majority of the financial risk, income includes only that which relates solely to Magna.

In both cases, the assets and associated liabilities are included in Magna's Statement of Financial Position.

Operating leases

All Magna's leases are operating leases and payments are charged to the Statement of Comprehensive Income on a straight line basis over the term of the lease.

Investment properties

Investment property includes commercial and other properties not held directly to achieve Magna's purpose. 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 by external valuers 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. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Inventories

Stocks of materials are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

Properties held for resale are included in current assets at the lower of cost or estimated selling price less sale costs.

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and which are receivable or payable within one year are recorded at transaction price.

Provisions for bad and doubtful debts

The association maintains bad debt provisions for any potential non-payment of debt.

At each Statement of Financial Position date Magna makes an assessment as to the level of bad debt provision required against individual debtors. The assessment takes into account the past payment history of the debtor, the age of the debt and the contractual relationship.

Non-government grants

Grants received from non-government sources are recognised under the "performance model". If there are no specific performance requirements the grants are recognised as turnover when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as turnover.

Social Housing and other government grants

Magna has taken advantage of transitional relief set out in FRS102 for deemed cost and treated all grant on transition under the performance model with subsequent grants under the "accruals method".

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the amount of the grant received is held as deferred income on the Statement of Financial Position under creditors less than and greater than one year. The grant is released to turnover over the estimated useful life of the associated asset under the accruals model.

Where other grant is received, e.g. SHDF (Social Housing Decarbonisation Fund), the grant is released over the UEL of the asset it funded under the "accruals model".

Grant received for items of cost written off in the Statement of Comprehensive Income Account is included as part of turnover.

SHG must be recycled by Magna under certain conditions, primarily if a property is sold. 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 the grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover.

Recycling of Capital Grant

Where SHG is recycled, as described above, it is credited to a fund which appears as a creditor until used to fund the acquisition of new properties. Where recycled grant is known to be repayable it is shown as a creditor within one year.

Retirement benefits

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

Consistent with the guidance in FRED 71 paragraph 4 (FRS 102 paragraph 28.11B), the difference between the deficit funding liability is recognised in Other Comprehensive Income. Further disclosures in this area are included in note 23.

Revaluation reserve

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

Financial instruments

Financial assets and liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of future receipts discounted at a market rate of interest.

At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments meet the conditions in paragraph 11.8(b) of FRS102 and are measured at amortised cost using the effective interest method.

Financial instruments held by Magna are classified as follows:

- Financial assets such as current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method;
- Financial liabilities are held at amortised cost using the effective interest based on an appropriate market rate;
- Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment.

2. Particulars of turnover, cost of sales, operating expenditure and operating surplus

31 March 2025

	Turnover	Cost of Sales	Operating Expenditure	**Operating Surplus**
	£000	£000	£000	**£000**
Social housing lettings (note 3)	55,851	-	(48,278)	**7,573**
Other social housing activities				
Charges for support services	-	-	-	**-**
Supporting people	27	-	(4)	**23**
First tranche sales	767	(761)	-	**6**
Development costs not capitalised	-	-	(44)	**(44)**
Abortive development costs	-	-	(323)	**(323)**
Other *	1,717	-	-	**1,717**
Activities non-social housing				
Lettings – market rented	181	-	(110)	**71**
Other	1,192	-	(519)	**673**
Revaluation of investment properties	-	-	15	**15**
Sub Total	59,735	(761)	(49,263)	**9,711**
Surplus on disposal of property, plant and equipment	2,925	-	(1,177)	**1,748**
Total	62,660	(761)	(50,440)	**11,459**

* Other income above includes a one off £1.7m insurance receipt related to a long term historic claim

31 March 2024

	Turnover	Cost of Sales	Operating Expenditure	**Operating Surplus**
	£000	£000	£000	**£000**
Social housing lettings (note 3)	51,777	-	(42,418)	**9,359**
Other social housing activities				
Charges for support services	-	-	-	**-**
Supporting people	34	-	(11)	**23**
First tranche sales	436	(277)	-	**159**
Development costs not capitalised	-	-	(151)	**(151)**
Abortive development costs	-	-	(236)	**(236)**
Activities non-social housing				
Lettings – market rented	162	-	(92)	**70**
Other	1,123	-	(544)	**579**
Decrease in valuation of investment properties	-	-	(10)	**(10)**
Sub Total	53,532	(277)	(43,462)	**9,793**
Surplus on disposal of property, plant and equipment	1,064	-	(536)	**528**
Total	54,596	(277)	(43,998)	**10,321**

3. Particulars of turnover and operating costs from social housing lettings

Year ended 31 March 2025	General housing	Supported housing	Low cost home ownership	**Total**
	£000	£000	£000	**£000**
Income				
Rent receivable	38,308	13,684	198	**52,190**
Service charge income	929	2,537	28	**3,494**
Amortisation of grant	167	-	-	**167**
Turnover from social housing lettings	39,404	16,221	226	**55,851**
Operating Expenditure				
Management	9,450	4,756	185	**14,391**
Service charge costs	1,502	2,006	12	**3,520**
Routine maintenance	5,895	2,445	28	**8,368**
Planned maintenance	2,741	912	8	**3,661**
Major repairs	5,907	1,965	17	**7,889**
Bad debts	154	55	1	**210**
Property lease charges	257	-	-	**257**
Depreciation on housing properties	7,965	2,225	-	**10,190**
Impairment of housing properties	-	-	-	**-**
Pension operating charge	(208)	-	-	**(208)**
Operating cost of social housing lettings	33,663	14,364	251	**48,278**
Operating surplus on social housing lettings	5,741	1,857	(25)	**7,573**
Void losses	(214)	(318)	(2)	**(534)**

Year ended 31 March 2024	General housing	Supported housing	Low cost home ownership	**Total**
	£000	£000	£000	**£000**
Income				
Rent receivable	34,968	12,492	181	**47,641**
Service charge income	1,068	2,917	32	**4,017**
Amortisation of grant	119	-	-	**119**
Turnover from social housing lettings	36,155	15,409	213	**51,777**
Operating Expenditure				
Management	9,064	4,619	164	**13,847**
Service charge costs	1,799	2,650	18	**4,467**
Routine maintenance	5,229	2,171	25	**7,425**
Planned maintenance	2,598	865	7	**3,470**
Major repairs	2,866	954	8	**3,828**
Bad debts	71	26	-	**97**
Property lease charges	260	-	-	**260**
Depreciation on housing properties	6,875	2,118	-	**8,993**
Impairment of housing properties	-	-	-	**-**
Pension operating charge	22	9	-	**31**
Operating cost of social housing lettings	28,784	13,412	222	**42,418**
Operating surplus on social housing lettings	7,371	1,997	(9)	**9,359**
Void losses	(241)	(86)	(1)	**(328)**

4. Surplus on ordinary activities

Operating surplus is stated after charging:	2025	Restated 2024
	£000	£000
Auditor's remuneration (excluding VAT)		
In their capacity as statutory auditors	**34**	33
Fees payable to the auditors and its associates for other services:		
Taxation compliance services	**2**	2
Other assurance services for loan covenant certification	**-**	-
Operating lease rentals		
Other – vehicles	**-**	-
Land and buildings	**355**	345
Office equipment	**5**	4
Impairment losses of housing properties	**-**	-
Depreciation of housing properties	**8,901**	8,530
Depreciation of other fixed assets	**1,141**	1,227

5. Surplus on disposal of fixed assets

2025

	Low cost home ownership staircasing	Right to Buy	Others	Total
	£000	£000	£000	£000
Proceeds of sales	453	766	1,706	2,925
Less: costs of sales	(261)	(245)	(671)	(1,177)
Surplus	**192**	**521**	**1,035**	**1,748**

2024

	Low cost home ownership staircasing	Right to Buy	Others	Total
	£000	£000	£000	£000
Proceeds of sales	229	-	835	1,064
Less: costs of sales	(125)	-	(411)	(536)
Surplus	**104**	**-**	**424**	**528**

6. Interest receivable and similar income

Surplus for the year is stated after crediting:	2025	2024
	£000	£000
Bank interest	**1,165**	798

7. Interest payable and financing costs

	2025	2024
	£000	£000
Defined benefit pension charge	**65**	298
On loans wholly or partly repayable in more than five years	**3,769**	3,516
Other financing costs	**266**	228
Less: interest capitalised on housing properties under construction	**(304)**	(298)
	3,796	3,744

8. Taxation

Magna's charitable objects exempt it from corporation tax.

9. Directors' remuneration

The remuneration paid to key management personnel, ie the Chief Executive and Executive Directors was:

	2025	Restated 2024
	£000	£000
Emoluments	**766**	671
Pension contributions	**117**	105
	883	776
Emoluments paid to the highest paid Director, excluding pension contributions in the year	**183**	166

Key management personnel include Chief Executive, Chief Finance Officer, Director of Customer Operations, Director of Sustainability and Investment, and Strategic Organisational Capability Director (2024: five).

Remuneration for the Chief Executive in the year, excluding pension contributions, was £182,777.22.

The Chief Executive is an ordinary member of the Social Housing Pension Scheme. No enhancements or special terms are applied. Pension contributions of £26,693.28 (2024: £24,281.64) were made during the year on behalf of the Chief Executive.

9. Directors' remuneration (continued)

Non Executive Board members received the following remuneration:

The board members remunerations are shown in £'s and exclude National Insurance contributions where relevant.

	2025	2024
	£	£
Alistair Auty	6,458	6,500
James Ballantyne (from 25 May 2023)	5,000	3,832
Jonathan Cowie	5,000	4,500
Rachel Crownshaw (from 29 April 2021 to 31 March 2024)	-	6,500
Jens Gemmel (from 28 July 2024)	3,424	-
Chris Hartiss (from 25 May 2023)	3,319	2,980
Lara Martini (from 25 May 2023)	7,443	3,832
Jesse Meek (from 29 April 2021 to 31 March 2024)	-	4,500
Adesola Osuji (from 27 July 2023)	3,500	2,375
Linda Page (from 28 July 2024)	3,424	-
Guy Palmer (from 1 August 2024)	2,397	-
Nigel Perryman	5,000	4,500
Sandra Quinn (from 27 July 2023)	5,000	3,054
Suzanne Rastrick	7,500	6,500
Mark Ripley (from 27 July 2023)	3,500	2,375
Robin Roberts (resigned 15 May 2024)	583	3,500
John Skivington (from 25 May 2023)	6,042	3,832
Christine Turner	13,250	12,000
	80,840	70,780
Total expenses reimbursed to Members	2,021	3,193

Selina White is an executive board member but receives no additional remuneration.

10. Employee information

	2025	2024
Average number of full time equivalent employees during the year	489	465

The calculation is based on the numbers of employees at the end of each quarter.

Employee Costs	2025	2024
	£000	£000
Wages and salaries	17,735	15,889
Social security costs	1,704	1,520
Other pension costs	2,061	2,147
	21,500	19,556

The number of employees whose remuneration payable in the period of account, including pension contributions and non-cash benefits, excluding National Insurance, exceeded £60,000 was:

	2025	2024
£190,001 to £200,000	1	-
£180,001 to £190,000	-	-
£170,001 to £180,000	-	1
£150,001 to £160,000	-	-
£140,001 to £150,000	3	1
£130,001 to £140,000	-	2
£120,001 to £130,000	-	2
£110,001 to £120,000	-	-
£100,001 to £110,000	3	2
£90,001 to £100,000	5	2
£80,001 to £90,000	3	5
£70,001 to £80,000	6	5
£60,000 to £70,000	11	6
	32	26

11. Tangible fixed assets

	Housing properties	Other tangible assets	Total
	£000	£000	£000
Net book value: At 1 April 2024	403,178	5,123	408,301
Net book value: At 31 March 2025	**416,084**	**3,801**	**419,885**

Housing properties

	Housing properties under construction	Housing properties held for letting	Low cost ownership properties under construction	Completed low cost ownership properties	Total
	£000	£000	£000	£000	£000
Gross book value:					
Cost at 1 April 2024	29,179	453,243	2,690	19,008	504,120
Additions – New Build	-	-	-	89	89
Properties under construction	6,907	-	2,607	-	9,514
Completions	(15,645)	15,645	-	-	-
Works to existing properties	-	13,918	-	-	13,918
Disposal of components	-	(2,984)	-	-	(2,984)
Interest capitalised	227	-	77	-	304
Transfer from current assets	-	-	2,201	21	2,222
Transfer to current assets	-	-	(2,601)	-	(2,601)
Transfer to I & E	-	(25)	-	-	(25)
Disposals	-	(600)	-	(237)	(837)
Cost at 31 March 2025	**20,668**	**479,197**	**4,974**	**18,881**	**523,720**
Accumulated depreciation:					
Depreciation at 1 April 2024	-	99,127	-	1,815	100,942
Charge for the year	-	8,770	-	131	8,901
Disposal of components	-	(1,896)	-	-	(1,896)
Disposals	-	(311)	-	-	(311)
Depreciation at 31 March 2025	**-**	**105,690**	**-**	**1,946**	**107,636**
Net book value at 31 March 2025	**20,668**	**373,507**	**4,974**	**16,935**	**416,084**
Net book value at 31 March 2025	29,179	354,116	2,690	17,193	403,178

11. Tangible fixed assets (continued)

	2025	Restated 2024
	£000	£000
Housing Properties comprises		
Freehold land and buildings	**414,371**	401,419
Leasehold land and buildings (under 21 years)	**1,713**	1,759
	416,084	403,178

	2025	2024
	£000	£000
Expenditure on works to existing properties in the year		
Components capitalised	**13,918**	15,241
Amounts charged to expenditure	**19,918**	14,723
Development interest capitalised	**304**	298
Interest rate used for capitalisation (average)	**2.51%**	2.51%

Housing properties valued at deemed cost

Housing properties held for letting as at 1 April 2014 were professionally valued during April 2014 by Savills as at 31 March 2014. The basis of the valuation was their Existing Use Value – Social Housing ("EUV-SH"). The valuation was undertaken in accordance with the RICS Asset Valuation Manual. In determining the valuation, the valuers made use of discounted cash flow methods. The discount rate was 5.5%. The valuation incorporates the impact of the Regulator's Rent Influencing guidance, which sets target rents for each property. The rents set were assumed to grow by RPI plus 0.5% in 2014/15, by CPI plus 1.0% per annum until 2025/26 and then by CPI thereafter.

Magna took advantage of transitional relief set out in FRS 102 to restate the value of its properties at deemed cost as at 1 April 2014, the date of transition. To do this it used the 31 March 2014 valuation, less accumulated depreciation. All grant on transition was treated under the performance model and was released to the Income and Expenditure Reserve. This increased the carrying value of those properties in the Statement of Financial Position.

Other tangible assets

	Freehold property	Maintenance equipment	Computer equipment	Office equipment, fixtures and fittings	Motor vehicles	Assets under construction	Total
	£000	£000	£000t	£000	£000	£000	£000
Cost							
At 1 April 2024	4,265	356	6,363	1,315	4,020	43	16,362
Additions	-	50	218	-	-	19	287
Reclassification of existing asset	-	-	-	-	-	(8)	(8)
Disposals	(1,024)	(12)	-	-	(80)	(35)	(1,151)
As at 31 March 2025	**3,241**	**394**	**6,581**	**1,315**	**3,940**	**19**	**15,490**
Accumulated depreciation							
At 1 April 2024	2,725	273	5,035	1,089	2,117	0	11,239
Charge for year	39	36	525	91	450	-	1,141
Disposals	(607)	(12)	-	-	(72)	-	(691)
As at 31 March 2025	**2,157**	**297**	**5,560**	**1,180**	**2,495**	**0**	**11,689**
Net book value							
As at 31 March 2025	**1,084**	**97**	**1,021**	**135**	**1,445**	**19**	**3,801**
As at 31 March 2024	1,540	83	1,328	226	1,903	43	5,123

12. Investment properties held for letting

Net book value:	2025	2024
	£000	£000
At start of year	**960**	970
Additions	**-**	-
Disposals	**-**	-
Revaluation	**15**	(10)
At end of year	**975**	960

Investment properties were valued at 31 March 2025 by Savills. Commercial properties have been valued on a desktop basis at £295k. The residential properties remain valued at £680k.

13. Investments in subsidiaries and joint ventures

Charter (S.W.) Limited

Charter made a surplus before tax of nil in the year (2024: £nil surplus).

The carrying value of the investment of £26,000 (2024: £26,000) is supported by underlying net assets.

14. Inventories

Properties held for resale	2025	2024
	£000	£000
Completed properties for sale	**-**	782
Work in progress on properties for sale	**2,600**	2,200
Stocks of maintenance materials	**670**	625
	3,270	3,607
The value of stocks of maintenance materials charged to expenditure in the year	**1,337**	1,379

15. Trade and other debtors

	2025	2024
	£000	£000
Gross rent arrears	**1,908**	2,067
Less provision for doubtful debts	**(982)**	(1,314)
	926	753
Other debtors	**535**	1,640
Prepayments and accrued income	**1,093**	728
Amounts owed by subsidiaries	**-**	-
	2,554	3,121

16. Cash and cash equivalents

	2025	2024
	£000	£000
Cash at bank	**29,061**	28,290
Sinking fund balances	**4,994**	4,721
	34,055	33,011

17. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade creditors	**1,867**	1,256
Rents received in advance	**2,035**	2,017
Other taxes and social security	**693**	627
Maintenance sinking fund	**4,863**	4,640
Recycled capital grant fund (note 20)	**12**	-
Other creditors	**1,667**	980
Pension creditor	**223**	192
Accruals and deferred income	**5,519**	4,502
Amounts owed to subsidiaries	**68**	69
Loan interest and repayments (note 19)	**-**	-
Capital grant received in advance (note 22)	**6,287**	10,038
Refinancing loan asset	**(88)**	(87)
	23,146	24,234

18. Creditors: amounts falling due after more than one year

	2025	2024
	£000	£000
Loan interest and repayments (Note 19)	**140,000**	140,000
Refinancing loan asset	**(1,238)**	(1,326)
Recycled capital grant fund (Note 20)	**181**	393
Social housing grant (Note 22)	**14,856**	10,092
	153,799	149,159

The refinancing loan asset is amortised over the life of the loans.

19. Debt analysis

Loans repayable by instalments:	2025	2024
	£000	£000
Within one year	**-**	-
In one year or more but within two years	**-**	-
In two years or more but within five years	**-**	-
In more than five years	**140,000**	140,000
Total loans repayable in more than one year	**140,000**	140,000
Total Loans	**140,000**	140,000

19. Debt analysis (continued)

At 31 March 2025 Magna had facilities of £190,000,000 (2024: £190,000,000) with a private placement note purchase agreement of £140,000,000, and RCF's with Nationwide and Clydesdale Banks. At 31 March 2025, £140,000,000 (2024: £140,000,000) had been drawn down of which £140,000,000 (2024: £140,000,000) is fixed. The average interest rates for the fixed rates loans are 2.51%. The borrowings are secured by fixed charges over housing property assets.

	2025	2024
	£000	£000
At 31 March 2024 Magna had the following undrawn borrowing facilities	50,000	50,000
	50,000	50,000

20. Recycled capital grant fund

	2025	2024
	£000	£000
At the start of the year	393	844
Inputs: Grants recycled	-	50
Interest Accrued	10	39
Recycling: New build	(210)	(540)
At the end of the year	193	393
Amount where repayment may be required within one year	12	0
Amount where repayment required after one year or more	181	393
	193	393

21. Contingent liability

During 2019/20 Magna purchased a block of flats, Raglan Lodge. As part of the agreement Magna agreed to accept the liability for the capital grant. This grant, valued at £240,798 only becomes repayable should Magna decide to sell the block of flats outside of the sector. This is not expected to happen and therefore the grant has not been accounted for but will remain a contingent liability.

22. Social housing grant

	2025	2024
	£000	£000
At the start of the year	**20,130**	13,950
Additions	**1,180**	6,299
Amortised within statement of comprehensive income	**(167)**	(119)
At the end of the year	**21,143**	20,130
Creditors: Amounts falling due within one year	**6,287**	10,038
Creditors: Amounts falling due after one year	**14,856**	10,092
	21,143	20,130

Social housing grant (SHG) is receivable from the Homes and Communities Agency (HCA). Grant received for properties under construction is classified as a creditor due in less than one year. Once properties have been completed the grant is classified as a long-term creditor and amortised to the profit or loss for the period over the life of the properties' structure.

23. Pension arrangements

Magna participates in three defined benefit pension schemes as an 'Admitted Body':

- Local government scheme administered by Dorset County Council;
- Local government scheme administered by Somerset County Council; and
- The Social Housing Pension Scheme.

Magna closed these defined benefit pension schemes to new members on 1 October 2011 and introduced, in their place, a defined contribution scheme. The impact of the McCloud / Sargeant judgement is included in the LGPS disclosures. No adjustments have been included in light of the Virgin Media case, there is insufficient information to be able to quantify the potential impact.

Dorset County Council Pension Fund

Magna is a member of the Dorset County Council Pension Fund.

A full actuarial triennial valuation was completed as at 31 March 2022, using suitable methods, by a qualified independent actuary.

As at the 31 March 2025 there were 37 active members of the defined benefit (DB) Scheme (2024: 40) employed by Magna. The total pension cost for Magna for the year in respect of this Fund was £470,000 (2024: £483,000). The cost is assessed in accordance with advice from a qualified actuary. Employer's contributions to the Fund of £25,300 (2024: £26,551) were included in creditors and paid after the year end. The employer's contributions certified by the actuary to the Fund in respect of the year ending 31 March 2025 were 522% (2024: 525%) of members' contributions.

Somerset County Council Pension Fund

Magna is a member of the Somerset County Council Pension Fund. As at the 31 March 2025 there were 20 active members of the defined benefit (DB) Scheme (2024: 21) employed by Magna. The total pension cost for the year in respect of this Fund was £215,000 (2024: £209,000). The cost is assessed in accordance with advice from a qualified actuary. Employer's contributions to the Fund of £17,667 (2024: £17,408) were included in creditors and paid after the year-end. The employer's contributions proposed by the actuary to the Fund in respect of the year ending 31 March 2025 were 358% (2024: 360%), of members' contributions.

23. Pension arrangements (continued)

Dorset and Somerset county council funds

The main financial assumptions adopted as at 31 March 2025 were:

	Both 2025	Both 2024	Both 2023
Financial assumptions (per annum)			
Retail price index inflation	3.2%	3.3%	3.3%
Consumer price Index	2.9%	2.9%	2.9%
Salary inflation	2.9%	2.9%	2.9%
Pension increases	2.9%	2.9%	2.9%
Discount rate	5.8%	4.9%	4.8%
Life expectancy (years)			
Males retiring today	21.8	21.8	22.2
Females retiring today	24.0	23.9	24.2
Males retiring in 20 years	23.1	23.1	23.5
Females retiring in 20 years	25.4	25.4	25.6

Magna's share of the fair values of each main class of assets held by the Funds as at 31 March 2025 and the expected rates of return for the ensuing year are set out in the following table:

Fair Value:	2025	2024	2023
Equities	**36,144**	35,736	32,940
Gilts	**519**	576	431
Property	**3,813**	4,174	4,059
Bonds	**4,407**	4,312	3,756
Cash	**1,300**	1,258	1,055
Other	**8,923**	8,632	8,239
	55,106	54,688	50,480

Magna's share of the net assets and liabilities of the Dorset and Somerset County Council Pension Funds is set out below:

	2025	2024	2023
Share of assets	**48,609**	53,734	50,480
Share of estimated liabilities	**48,611**	(55,044)	(55,875)
Net deficit at 31 March	**(2)**	(1,310)	(5,395)

Amount charged to surplus

	2025	2024	2023
Current service cost	**(451)**	(475)	(1,107)
	(451)	(475)	(1,107)

23. Pension arrangements (continued)

Amount charged to other finance income

	2025	2024
	£000	£000
Interest on assets	**2,636**	2,382
Interest on pension scheme liabilities	**(2,636)**	(2,624)
Net charge	**-**	(242)

Actuarial gain/(loss) in respect of pension schemes

	2025	2024
	£000	£000
Return on assets less interest	**(5,889)**	2,657
Change in financial assumptions	**7,003**	1,494
Net gain/ (loss)	**1,114**	4,151

The movement in the net deficit for the year to 31 March 2025 is as follows:

	2025	2024
	£000	£000
Fair value of scheme assets at 1 April	**53,734**	50,480
Interest on assets	**2,636**	2,382
Return on assets less interest	**(346)**	3,611
Other actuarial gains/(losses)	**-**	-
Administration expenses	**(40)**	(41)
Contributions by employer including unfunded	**685**	692
Contributions by fund participants	**150**	150
Changes in effect of asset ceiling	**(5,543)**	(954)
Estimated benefits paid	**(2,667)**	(2,586)
Fair value of scheme assets at 31 March	**48,609**	53,734
Defined benefit obligations at 1 April	**(55,044)**	(55,875)
Service cost	**(451)**	(475)
Interest cost	**(2,636)**	(2,624)
Change in financial assumptions	**6,738**	914
Change in demographic assumptions	**137**	747
Experience loss on defined benefit obligations	**128**	(167)
Estimated benefits paid net of transfer in	**2,666**	2,585
Contributions by scheme participants	**(150)**	(150)
Unfunded pension payments	**1**	1
Defined benefit obligations at 31 March	**(48,611)**	(55,044)
Net deficit at 31 March	**(2)**	(1,310)

23. Pension arrangements (continued)

Social Housing Pension Scheme (SHPS)

Magna participates in the social housing pension scheme, a defined benefit multi-employer scheme administered by TPT Retirement Solutions (TPT).

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 Pension Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes.

	2025	2024	2023
Retail price index inflation	3.0% per annum	3.1% per annum	3.2% per annum
Consumer price Index	2.8% per annum	2.8% per annum	2.8% per annum
Salary inflation	3.8% per annum	3.8% per annum	3.8% per annum
Discount rate	6.0% per annum	4.9% per annum	4.8% per annum
Life expectancy (years)			
Males retiring today	20.5 years	20.5 years	21.0 years
Females retiring today	23.0 years	23.0 years	23.4 years
Males retiring in 20 years	21.7 years	21.8 years	22.2 years
Females retiring in 20 years	24.5 years	24.4 years	24.9 years

Magna's share of the fair values of each main class of assets held by the Funds as at 31 March 2025 and the expected rates of return for the ensuing year are set out in the following table:

Fair Value	2025	2024
	£000	£000
Absolute Return	-	262
Alternative Risk Premia	-	213
Cash	90	132
Credit	254	-
Credit Relative Value	-	220
Currency Hedging	11	(3)
Distressed Opportunities	-	236
Emerging Markets Debt	-	87
Global Equity	744	668
High Yield	-	1
Infrastructure	1	677
Insurance-Linked Securities	20	35
Investment Grade Credit	205	-
Liability Driven Investment	2,012	2,729
Long Lease Property	2	43
Liquid Alternatives	1,232	-
Net Current Assets	14	12
Opportunistic Liquid Credit	-	262
Private Credit	813	-
Private Debt	-	264
Private Equity	6	5
Property	333	269
Real Assets	795	-
Risk Sharing	-	393
Secure Income	111	200
	6,643	6,705

23. Pension arrangements (continued)

Magna's share of the net assets and liabilities of the SHPS fund is set out below:

	2025	2024
	£000	£000
Share of assets	**6,643**	6,705
Share of estimated liabilities	**(7,518)**	(8,282)
Net deficit at 31 March	**(875)**	(1,577)

Amount charged to surplus

	2025	2024
	£000	£000
Current service cost	**(94)**	(89)
	(94)	(89)

Amount charged to other finance income

	2025	2024
	£000	£000
Interest on assets	**342**	347
Interest on pension scheme liabilities	**(407)**	(403)
Net charge	**(65)**	(56)

Actuarial gain/(loss) in respect of pension schemes

	2025	2024
	£000	£000
Return on assets less interest	**(895)**	(1,047)
Change in financial assumptions	**1,150**	427
Net surplus/(loss)	**255**	(620)

	2025	2024
	£000	£000
Fair value of scheme assets at 1 April	**6,705**	6,948
Interest on assets	**342**	347
Return on assets less interest	**(895)**	(1,047)
Contributions by employer including unfunded	**615**	583
Estimated benefits paid	**(124)**	(126)
Fair value of scheme assets at 31 March	**6,643**	6,705
Defined benefit obligations at 1 April	**(8,282)**	(8,335)
Service cost	**(94)**	(89)
Interest cost	**(407)**	(403)
Change in assumptions	**1,150**	427
Estimated benefits paid net of transfer in	**124**	126
Expenses	**(9)**	(8)
Defined benefit obligations at 31 March	**(7,518)**	(8,282)
Net deficit at 31 March	**(875)**	(1,577)

23. Pension arrangements (continued)

As at the 31 March 2025 there were 13 active members of the defined benefit (DB) Scheme (2024: 13) employed by Magna. The annual pensionable payroll for Magna in respect of those DB members was £617,817 (2024: £586,125).

The total pension cost for Magna for the year in respect of this DB Scheme was £192,183 (2024: £182,428). Employer contributions to the DB Scheme of £15,999 (2024: £15,176) were included in creditors and paid after the year end.

Magna closed this defined benefit pension scheme to new members on 1 October 2011 and replaced it with a defined contribution (DC) scheme. As at the statement of financial position date there were 403 active members (2024: 371). The annual pensionable payroll in respect of those DC members was £14,040,028 (2024: £12,315,729).

The total pension cost to Magna for the year in respect of this DC section of the Scheme was £1,537,684 (2024: £1,335,513). Employer contributions to the DC section of the Scheme of £134,868 (2024: £112,641) were included in creditors and paid after the year end.

24. Analysis of changes in net debt

	At beginning of the year	Cash flows	Non-cash movements	At end of the year
	£000	£000	£000	£000
Cash and cash equivalents	33,011	(9,920)	10,964	34,055
Housing loans due in one year	-	-	-	-
Housing loans due after one year	140,000	-	-	140,000
	173,011	**(9,920)**	**10,964**	**174,055**

25. Financial instruments

Financial instruments are analysed as follows:	Note	**2025**	2024
		£000	£000
Financial assets that are debt instruments at amortised cost			
Trade receivables	15	**926**	753
Other receivables	15	**1,628**	2,368
		2,554	3,121
Financial liabilities measured at amortised cost			
Bank loans	19	**140,000**	140,000
Trade creditors	17	**1,867**	1,256
Rent in advance	17	**2,035**	2,017
Sinking fund	17	**4,863**	4,640
Recycled capital grant	20	**193**	393
Social housing grant	22	**14,856**	10,092
Taxes and social security	17	**693**	627
Owed to subsidiaries	17	**68**	69
Other creditors	17	**7,409**	5,674
		171,984	164,768

26. Non-equity share capital

Allotted, issued and fully paid	2025	2024
	£000	£000
At 1 April	18	16
Shares of £1 issued during the year	2	4
Surrendered during the year	(1)	(2)
At 31 March	19	18

Each Member of Magna holds a non-equity share of £1 in Magna. They carry the right to vote at General Meetings of Magna on the basis of one share one vote. No rights to participate in the distribution of the net assets of Magna in the event of a winding up are conferred by the shares.

27. Capital commitments

Capital commitments at the end of the financial year for which no provision has been made in these financial statements were as follows:

	2025	2024
	£000	£000
Contracted	7,780	10,324
Authorised but not contracted	30,087	253
	37,867	10,577
Capital commitments will be funded by		
Cash or drawings on agreed loan facilities	37,867	10,577

28. Operating leases

Magna holds properties, office equipment and vehicles under non-cancellable operating leases. At the end of the year Magna had commitments of future minimum lease payments as follows:

	2025	Restated 2024
	£000	£000
Land and Buildings		
In less than one year	327	298
In one year or more but less than five years	1,192	1,045
In five years or more	3,333	2,816
Others		
In less than one year	6	-
In one year or more but less than five years	7	-
In five years or more	-	-
	4,865	4,159

29. Accommodation owned and managed

Under development at the end of the year

	2025 No. of properties	2024 No. of properties
General needs housing	92	131
Low-cost home ownership	37	26
	129	157

Social Housing

	2025 No. of properties		2024 No. of properties	
	Owned	Managed	Owned	Managed
Under management at the end of the year				
General needs housing	6,130	-	6,140	-
Supported housing	254	-	221	-
Sheltered housing	1,870	-	1,847	-
Low-cost home ownership	266	-	267	-
Freehold Only	384	-	386	-
Total social housing units owned and managed	8,904	-	8,861	-

Non-social

	2025 No. of properties		2024 No. of properties	
	Owned	Managed	Owned	Managed
General needs	37	5	37	5
Low cost home ownership	79	5	79	5
Fixed equity	16	-	16	-
Market rented	25	-	25	-
	9,061	10	9,018	10

Reconciliation of stock movements in the year

	GN	SH	SU	LCHO	Other Social	Total
Units at start of period	6,182	1,847	221	351	427	9,028
New developments/acquisitions	13	-	55	-	-	68
Property sales/disposals	(22)	-	-	(1)	(2)	(25)
Other	(1)	23	(22)	-	-	-
Units at 31 March 2025	6,172	1,870	254	350	425	9,071

Garages

	No. of units owned 2025	No. of units owned 2024
Under management at the end of the year		
Garages	1,322	1,323

Managed units represent properties we manage on behalf of The Buckland Newton Community Partnership Trust. Accommodation managed by others (from Note 30) is included within the information above.

30. Accommodation managed by others

Magna owns/leases property managed by other bodies	2025 No. of properties	2024 No. of properties
	Managed	Managed
General needs - social	1	1
Market rented	25	25
Supported housing	60	60
	86	86

31. Related parties

Legal status

Magna Housing Limited is a public benefit entity.

Magna Housing Limited ('Magna') is the ultimate parent undertaking and controlling party of the Group. All bodies are incorporated in England and Wales. The registered office of the Group is Everdene House, Railway Triangle Industrial Estate, Dorchester, Dorset, DT1 2PJ.

Magna is the parent company and provides management and administration services to members of the Group who have agreed to pay for the cost of those services. None of these are consolidated on the basis of materiality.

Name	Incorporated	Registered/Non registered	Legal Status
Charter (S.W.) Limited *	Companies Act 2006	Non Registered	Private company limited by shares

* Charter (S.W.) Limited is a 100% owned subsidiary of Magna Housing Limited.

At the end of the financial year no (2024:0) Board member was a tenant of Magna.

The recharge for management and administration services from Magna to Charter (S.W.) Limited is a nominal charge to cover time spent by the Chief Executive and Finance Director on Charter (S.W.) Limited matters. Charges incurred during the year were £nil (2024: £nil)

Amounts charged by members of the Group during the year

	2025	2024
	£000	£000
Amounts charged from Magna to Charter (S.W.) Limited for management and administration	-	-

A summary of intra-group closing debtor and creditor balances

	2025	2024
	£000	£000
Charter (S.W.) Limited Intra-Group closing debtor and creditors Balances		
Debtors – amounts owed by group members	68	69
Creditors – amounts payable to group members	-	-

There is no interest charged on the outstanding balances and they are unsecured debt.

magna

For more information visit
magna.org.uk