

Annual report and financial statements 2023/24



Selwood 
Housing

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Directors, executive officers, advisors, and bankers

The directors of the Selwood Housing Group who were in office during the year and up to the date of signing the financial statements were:

Group Board of Directors

Sheila Lewis *

Stella Shepherd **

David Knight to 04/10/23

Hannah Jones

Koo Chai Young Li Mow Ching

*chair

** vice chair

Lisa Nicholls from 04/10/23

Chris Butters

Richard Yates

Valerie Lee to 04/10/23

Nicola Setchell from 04/10/23 to 01/05/24

Philip Whitehead

Executive officers

Group chief executive

Group finance director

Group transformation and people director

Group operations director

Group development director

Barry Hughes

Mark Mayler

Ria Bristow

Verena Buchanan

Paul Walsh

Registered office

Bryer Ash Business Park

Bradford Road

Trowbridge

Wiltshire BA14 8RT

Advisors and bankers

Independent auditor

Beever and Struthers
20 Colmore Circus
Queensway
Birmingham
B4 6AT

Internal auditors

TIAA Limited
Artillery House
Fort Fareham
Newgate Ln
Fareham
PO14 1AH

Principal funder

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Principal bankers

Lloyds Bank
64 Fore Street
Trowbridge
Wiltshire
BA14 8EU

Principal legal advisors

Trowers & Hamblins
The Senate
Southernhay Gardens
Exeter
EX1 1UG

Capsticks Solicitors
LLP
1 St George's Road
London
SW19 4DR

Anthony Collins
Solicitors
143 Edmund Street
Birmingham
B3 2ES

Charity commission registration No. 1141124

Company limited by guarantee - registration No. 4168336

Registered with the Regulator of Social Housing – registration No. LH4097

Selwood Housing Society Ltd

Welcome from the Chair of our Board of directors

Overview

A year of considerable investment in local affordable homes and in supporting our communities and customers.

I am pleased to introduce our 2023-24 annual report and financial statements, in my last full year as Chair.

We are happy with the progress we have made this year, particularly set against the continued challenging economic backdrop, both for us and for our customers.

Sector-wide challenges affecting all housing associations continued including another below inflation rent cap, ongoing inflationary and higher interest rate pressures and ever-increasing cost of living challenges.

Our people have worked tirelessly over the past year to support our customers, as shown in the excellent performance we have delivered.

This is also the first year of reporting the **new tenant satisfaction measures** (TSMs) from the Regulator of Social Housing. We're pleased that our full year customer survey results show an **84% overall customer satisfaction** rate with our services. We also scored *very highly* for keeping residents informed (89%), provision of a safe home (87%) and treating residents with respect (87%). These results place us in the top 25% of housing associations nationally and in our in our peer group that have completed their returns to date.

Building new homes

The National Housing Federation (NHF) estimates, 1.5 million families will be on the waiting list for social housing by 2030, a rise of almost a third. We know the difference a safe secure home can make to families, and we are committed to playing our part as the housing crisis continues to escalate.

In October, we secured an additional £25m loan from Lloyds Bank enabling us to press on with our plans to build 1,700 more local affordable homes by 2034. During the year we built **171 new homes**, which represents an increase of **11%** when compared with new homes built last year.

This included our regeneration of a derelict site in Polebarn Road, Trowbridge. Situated at the centre of a historic conservation area and surrounded by listed heritage buildings, customers moved into these new social rent and shared ownership homes at McDonogh Court in March.

We also completed our first EPC A rated scheme at Platinum Court, another regeneration of a key corner site at Studley Green in Trowbridge.

Selwood Housing Society Ltd

Overall, we welcomed 661 people into new build Selwood Housing homes this year. That's in addition to the more than 300 households we welcomed to our existing homes.

Investing in our homes.

In 23/24 we also made substantial investments in our existing homes, to improve energy efficiency and meet net zero carbon targets, eradicate damp and mould and to improve the quality and safety of our customers' homes.

Our plan to bring over 1,500 homes to EPC C rating or above by 2030 is well underway. In April 2023 we received an award of £1.4 million from the social housing decarbonisation fund. Combined with our £4.3 million co-funding, this enabled us to begin a programme of improvements to our least energy efficient properties including loft, cavity and external wall insulation as well as photovoltaic panels and air source heat pumps. Our investment will help make our customers' homes warmer and address fuel poverty.

We prioritised customers experiencing damp and mould issues, with a significant investment of around £500k ring fenced. New monitoring devices such as the 'surveyor cube' have been introduced to help our specialist surveyors work closely with customers implementing more targeted and effective solutions to stop damp and mould.

We installed 481 new bathrooms and kitchens and 229 new windows, all well ahead of our targets for the year.

We have worked hard to improve our response time for repairs in customer homes completing over 99% of emergency repairs and almost 95% of non-emergency repairs within target, well ahead of our sector peers.

Supporting our communities and customers

Our priority neighbourhoods during 2023-24 were two communities in Warminster and Westbury, where initiatives included a community garden makeover and neighbourhood impact days.

Following concerns raised by customers and residents about antisocial behaviour and safety during our community 'door knock' consultation in July, we applied for grant funding to install CCTV on the Westleigh Estate. With funding approved, this multi-agency project is set to increase the wellbeing and safety of all residents.

We also funded several wider community projects as part of our Stronger Communities Fund, including refurbishing a skatepark, funding fun runs and pop-up youth cafes. In addition, our people have brought communities together, for example our Manor Court sheltered housing community are now working closing with a local primary school on an eco-project.

Selwood Housing Society Ltd

We supported our customers in maintaining their tenancies, particularly when facing financial hardship because of the cost-of-living crisis. Practical help included our membership of Wiltshire Money, referrals to other charities and providing benefit eligibility advice. Working in this way has helped to us maintain a low level of rent arrears at just **0.76%**.

Supporting our people to deliver our services

We believe that being truly local makes us different, with over 75% of our team living in the communities where we have homes. We have continued to invest in training, development and extending professional skills.

Staff consistently demonstrate their passion and dedication to our customers. The customer services team responded to a total of 47,392 calls and approximately 12,000 emails, and the planning team booked and organised a staggering 27,000 repairs jobs.

Our real time Rant & Rave customer feedback platform tells us instantly what customers think of the repair service received. We're delighted that in 2023/24, 91% of customers rated their repair as a 4, or 5, out of 5.

We are listening to our customers, responding to what they say and continuing to drive our performance forwards.

During the year, we also pressed ahead with work to improve and create new digital services, so we can deliver an even better experience of working with and at Selwood Housing.

Outlook

Looking ahead, we will invest further in our homes, prioritising those areas that we know are most important to our customers – repairs, safety, and environmental efficiency. We're also committed to achieve our new tenant satisfaction measures, providing quality homes and services to our customers. And with a current pipeline of 300 new homes, we can deliver more affordable homes for local people.

Finally, I would like to thank all colleagues at Selwood Housing, who have worked hard over the past year to deliver these excellent results and to all our partners and stakeholders for their continued support.



Sheila Lewis
Chair

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024

The group Board presents its report and audited consolidated financial statements of Selwood Housing Society Limited and its subsidiary undertakings, for the year ended 31 March 2024.

Selwood Housing Group

Selwood Housing Society Limited (Selwood Housing) is the parent company of Silcoa Limited, Cottsbury Homes Limited, and Selwood DevCo Limited.

Selwood Housing is a company limited by guarantee governed by its articles of association. It is registered with the Charity Commission and the Regulator of Social Housing (RSH) and administered by a Board of non-executive directors (the Board).

Principal activities

The principal activities of the group are the development and provision of affordable housing, incorporating the letting, management and maintenance of dwellings for people in housing need and the provision of support services.

Overview of the business

The purpose of Selwood Housing is to develop, manage and maintain quality affordable housing and provide support services for the benefit of people in housing need.

We manage and maintain homes across Wiltshire, Bath and North East Somerset, and the parts of the county of Somerset which are within one hour's drive of our head office in Trowbridge. We have a strong local presence and involvement with our local communities. We own 7,196 properties and are the largest social landlord in the West of Wiltshire.

The Regulator of Social Housing refreshed their assessment of Selwood's compliance with the Governance and Financial Viability Standard in December 2023 which resulted in Selwood Housing retaining our G1 governance rating and V2 viability rating.

We have an active programme to develop new homes in our areas of operation, offering a range of affordable homes that meet the needs identified by our local authority partners. In addition to substantial investment in new homes, we are continuing a large programme of improvements to our existing properties.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Overview of the business *continued*

We are committed to neighbourhoods, customers and excellence and we undertake a wide range of community activities. We provide lifeline services to our tenants.

Selwood Housing has three commercial subsidiaries, set up for specific purposes. They are all wholly owned by Selwood Housing and the profits they make stay within the group to support Selwood Housing's charitable objectives.

Silcoa Ltd was our property repairs and improvement company which was integrated into Selwood Housing on the 1 July 2021. No activity remains in the company and so is now dormant.

Cottsbury Homes Ltd is a company that develops homes for market sale. It is not currently active.

Selwood DevCo Ltd is the owner of photovoltaic (PV) panels which are installed on 115 properties owned by Selwood Housing.

Objectives and strategy

The Board has referred to the Charity Commission's general guidance on public benefit when reviewing Selwood Housing's aims and objectives and in planning our future activities. The Board has considered how planned activities for the year will contribute to the aims and objectives they have set.

Our strategy is underpinned by four guiding principles:

- To ensure our people are motivated, skilled, and able to deliver for our customers.
- To deliver excellent value for money homes and services.
- To respond quickly and effectively to our customers' needs and the changing environment we operate in.
- To retain our local focus which is one of our key strengths.

These principles will guide our work over the coming years. Our corporate plan develops these into the key areas for us to develop in the next few years.

Our key challenge is:

“To be able to deliver quickly on a wide range of complicated, changing targets to meet rising customer expectations”

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Objectives and strategy *continued*

The key areas for us in the next few years are:

- Coordinate and prioritise our work.
- Create the right culture.
- Work in the right way.
- Build partnerships.
- Be flexible by design.

The specific targets for 2024/25 are:

- Ensure that our homes are safe, in line with all relevant legislation.
- Our asset management strategy outlines our approach to reaching our environmental targets, which are for all our properties to be at SAP C level by 2030 and carbon-neutral by 2050.
- Build 1,700 new homes in the next ten years.
- Deliver our Horizon programme of transformation to time and budget achieving the targeted outcomes. Horizon is our programme of work, to create new inclusive digital services, so we deliver an even better experience of working with and at Selwood Housing.
- Deliver our other projects to time and budget.
- Maintain compliant consumer, governance and viability ratings with the Regulator of Social Housing
- Continue to comply with all regulatory standards.
- Deliver the targets we've set against the regulatory value for money and tenant satisfaction measures.
- Deliver the other targets we've set relating to our people and culture.
- We have signed up to and will implement the requirements of Together with Tenants.
- We have a clear approach to equality, diversity and inclusion and will implement our action plan during 2023-2025.
- We have now achieved Investor in People Gold and are targeting moving up to Platinum in our next assessment in 2024.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Objectives and strategy *continued*

Selwood Housing's values

- Customer focused: By focusing on our customers, we are able to provide a high-quality service with integrity.
- One team: By working as 'One Team' we consider others. It also allows us to work collaboratively to successfully achieve a common goal.
- Honesty: By being honest we can fix issues before they become problems.
- Dynamic: By being dynamic we are able to come up with new ways of doing things, think outside the box and come up with solutions to any existing or potential problems.

Operational performance

Financial review

The group turnover in the year was £53m (2023: £46m). This represents an increase of 15% (2023: increase of 4%).

Operating costs are higher than last year at £38m (2023: £34.1m), this is mainly due to inflationary increases and the completion of some large, planned programmes of work in year. Operating costs include depreciation charges of £9.0m (2023: £9.0m), a key accounting estimate. Impairment losses have been recognised in the year totalling £1,006k in respect of two blocks of flats in Warminster that the Board have approved for demolition. (2023: £433k).

The surplus from the sale of properties was higher than last year at £3.4m (2023: £1.6m) due to selling more properties in line with our current asset management and disposal strategies. The properties' sold included a mix of right to buy, right to acquire, staircasing and open market sales. Selwood Housing remains committed to considering the suitability and efficiency of our properties.

The overall surplus for the Group in the year is £7.1m, (2023: £6.1m), higher than last year despite increased operational and interest costs.

Selwood Housing carries fixed assets in its financial statements at cost (not valuation). Selwood Housing's residential property asset base at cost was £564m as at 31 March 2024 (2023: £533m). This increase was a combination of the addition of newly developed homes and works to existing properties.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Operational performance *continued*

The pension asset of £28.4m has been restricted to £nil (2023: liability £nil) as the recoverability of this asset would require a right to reduce employer contributions or to request a refund from the fund. Neither of these options are available.

The existing use value – social housing (EUV-SH) of Selwood Housing's properties was estimated to be in the region of £471m at 31 March 2024 (2023: £433m). The directors consider there is no impairment following an impairment review conducted as described in the notes to these accounts.

Selwood Housing finances its property assets through a loan facility of £101.8m (2023: £108.6m) made available by Nationwide Building Society, a £50m (2023: £50m) facility from Affordable Housing Finance Plc (AHF), a £55m (2023: £30m) facility from Lloyds Bank Plc and a £20m facility from MORhomes Plc. At 31 March 2024 £81.8m (2023: £88.6m) of the Nationwide facility had been drawn down. This left £20m (2023: £20m) available from Nationwide. £50m (2023: £50m) of the AHF funding had been drawn down at year end, £32.5m had been drawn from the Lloyds Bank facility (2023: £8m) and £20m from MORhomes Plc (2023: £20m)

The Board of Selwood Housing Group has adopted a treasury management policy statement. This sets out the group's policies concerning all treasury management activities, including managing cash flow, borrowing, investing, and hedging. In the financial year net cash inflow from operating activities of £16.8m (2023: £17m) helped to fund net cash spend of £26.2m (2023: £28.1m) on developing new homes before receipt of social housing grant.

In the 2023/24 corporate plan Selwood Housing had several key areas of focus. Our achievements against each of those areas during 2023/24 include the following:

- Maintaining our G1V2 rating for the year.
- Achieving upper quartile results for the first tenant satisfaction measures.
- Securing an increased revolving credit facility of £55m with Lloyds bank to fund new properties.
- Completing the first year of the social housing decarbonisation fund (SHDF) property improvements on time and within budget.
- Delivering a surplus that was better than budget despite the impact of higher-than-expected cost inflation and interest rates.
- Maintaining a very strong arrears performance that was sub 0.8% - a record low for the third year in a row.
- Achieving 100% compliance for our gas servicing.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Operational performance *continued*

- Completing new building supplier contracts with three preferred suppliers to secure pricing on over 500 of our most commonly used materials.
- Maintaining our responsive repairs productivity to over 3 jobs completed per day.
- Delivering the largest ever kitchens programme for over 400 properties on time and in line with budget expectations.

Key risks

Financial risk management policy

Selwood Housing's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk, interest rate risk and covenant breach risk.

The main credit risk for Selwood Housing relates to non-payment of rents from tenants. We actively manage arrears ensuring tenancies are affordable for new tenants. We provide clear payment terms, a structured process of credit control and regular review of individual tenants' accounts.

The risk that Selwood Housing does not have sufficient liquid assets to carry on its activities is managed through active cash flow monitoring and forecasting.

Interest rate risk for Selwood Housing is particularly relevant regarding its loan facilities with Nationwide Building Society and Lloyds Bank plc. Selwood Housing has in place a risk management programme and treasury management strategy that seeks to limit the adverse effects of interest rate fluctuations on its financial performance.

Covenant performance is monitored throughout the year by the Board.

Selwood Housing is not directly exposed to commodity price or exchange rate risk as a result of its operations.

The group maintains effective control over the risks in the business using an online tool, Decision Time. The risk register for Selwood Housing and all its subsidiaries is regularly reviewed by the Board.

The Selwood Housing risk register identifies the most significant risks to the business, the causes of these risks, controls that are in place and mitigating actions that are being taken to reduce the impact and/or probability of those risks. The register covers both strategic and operational risks.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Key risks *continued*

The major strategic risk areas and mitigating controls identified on the risk register are:

Risk Area	Key Controls/Actions
Lack of financial resilience to withstand changing socioeconomic environment	<ul style="list-style-type: none"> • Budget and business plan approved by the Board and reported on regularly. • Financial plan stress tested with various scenarios. • Value for money strategy with regular review. • New contracts in place for key repairs and maintenance suppliers. • Contracts for supply of goods and services are regularly reviewed. • Identify and monitor appropriate benchmarking.
Asset management – providing homes that are decent, warm and meet required need	<ul style="list-style-type: none"> • Asset management strategy and plan reported to Group Asset and Development Committee (GADC) on a quarterly basis. • Provision for expenditure in financial plan to get properties to EPC C by 2030 and net zero carbon by 2050. • Internal stock condition survey target in place. • Budgeting and forecast process and subsequent monitoring. • Contract management and procurement processes in place. • Damp and mould action plan monitored by GADC. • Internal stock condition survey target of 205 per annum
Risk that people and culture do not allow us to deliver strategic objectives	<ul style="list-style-type: none"> • Executive portfolio Board in place to prioritise projects and agree resource allocation. • Project Brief and Business Case approval process in place. • Personal performance review process, incorporating skills and development plans. • Management development and training in place. • Professional development for relevant staff. • Flexible working policy determines approach to hybrid working. • Training and development programmes for digital skills.
New homes delivery does not meet corporate plan targets	<ul style="list-style-type: none"> • Development strategy approved by the Board and progress reviewed on a quarterly basis by GADC. • Comprehensive monitoring and reporting of progress with the development programme. • Sites, suppliers, and key materials reviewed daily. • Regular dialogues with relevant local authorities, agents, developers, and landowners to seek future opportunities. • Design and quality specifications meet the Selwood Housing strategy.
Technology failures that disrupt business (excluding cyber-attack)	<ul style="list-style-type: none"> • Management plan developed on back of service strategy. • Policies and procedures in place and reviewed against framework. • Regular account management meetings with third party suppliers. • Portal in place for new Dynamics based upgrades. • Documentation of all legacy systems in place
Risk of Cyber security attack	<ul style="list-style-type: none"> • ICT and data protection policies in place. • Internal periodic reviews to ensure appropriate security levels in place. • Disciplinary procedures in place. • Vulnerability scanner to review potential security issues. • Business continuity plan includes plan to address cyber risks.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Environmental, Social & Governance (ESG) matters

Selwood Housing is committed to its environmental, social and governance aims in providing affordable homes both now and into the future, delivering these to high environmental standards possible whilst meeting our regulatory and governance requirements. Selwood issued our second ESG report in 2023 after adopting the principles of the sustainability for reporting standard (SRS) and aligning to key strategies including how we build new and manage our existing homes.

Environmental

Selwood Housing has developed a carbon reduction strategy and action plan that aims to ensure all homes meet SAP C standard by 2030 and introduces new low carbon and renewable technologies to meet the 2050 net carbon zero targets. Our newly developed properties achieve very high environmental standards, and we are continuing to invest to improve the environmental performance of our existing housing properties. One of our key performance indicators is the average SAP rating achieved across all housing properties, which is a measure of their environmental performance.

Streamlined Energy and Carbon Reporting

Selwood Housing have generated a Streamlined Energy and Carbon Reporting (SECR) statement to comply with the latest SECR Regulations (2019). This report presents a full 3rd party verified SECR statement, compared to the previous financial year's usage, for use in Selwood Housing's annual reporting. All emissions throughout this report are displayed in terms of carbon dioxide equivalents (CO₂e) and have been rounded to 2 decimal places.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Energy efficiency action statement

Reported emissions and energy use data for 1 st April 2023 – 31 st March 2024		
	Current reporting year 1 st April 2023 – 31 st March 2024	Previous reporting year 1 st April 2022 – 31 st March 2023
Energy consumption used to calculate emissions: /kWh [mandatory] – optional to provide separate figures for gas, electricity, transport fuel and other energy Sources	*Gas: 1,170,970 kWh *Electricity: 835,169 kWh Transport fuel: 1,301,138 kWh Total: 3,307,277 kWh	Gas: 1,361,941 kWh Electricity: 985,237 kWh Transport fuel: 1,631,429 kWh Total: 3,978,607 kWh
Emissions from combustion of gas tCO ₂ e (Scope 1) [mandatory]	214.20 tonnes CO₂e¹ 11.25 tonnes CO ₂ e office usage 13.75 tonnes CO ₂ e communal areas 189.20 tonnes CO ₂ e communal heating systems	248.61 tonnes CO₂e 11.26 tonnes CO ₂ e office usage 27.16 tonnes CO ₂ e communal areas 210.19 tonnes CO ₂ e communal heating systems
Emissions from combustion of fuel for transport purposes (Scope 1) [mandatory]	311.08 tonnes CO₂e (in-house maintenance fleet)	393.31 tonnes CO₂e (in-house maintenance fleet)
Emissions from purchased electricity (Scope 2, location-based) [mandatory]	172.94 tonnes CO₂e¹ 17.17 tonnes CO ₂ e office usage 155.77 tonnes CO ₂ e communal areas <i>See below for transmission and distribution losses</i>	190.52 tonnes CO₂e 10.01 tonnes CO ₂ e office usage 180.51 tonnes CO ₂ e communal areas <i>See below for transmission and distribution losses</i>
Total gross CO ₂ e based on above - [mandatory]	698.23 tonnes CO₂e <i>Excludes scope 3 emissions</i>	832.44 tonnes CO₂e <i>Excludes scope 3 emissions</i>
Intensity ratio: tCO ₂ e gross figure based from mandatory fields above/ e.g. £100,000 revenue [mandatory]	101.75 kgCO ₂ per home managed (exc. office emissions) Office intensity: 17.22 kgCO ₂ per m ² (includes T&D losses)	124.39 kgCO ₂ per home managed (exc. office emissions) Office intensity: 12.25 kgCO ₂ per m ² (includes T&D losses)
Methodology [mandatory]	SHIFT methodology SECR Reporting SHIFT Environment Using DEFRA (2023) Conversion Factors in line with Environmental Reporting Guidelines (2019) as the majority of the financial year falls into the calendar year 2023. Comparison data from the previous year's SECR is using DEFRA 2022 Conversion Factors.	

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Energy efficiency action statement *continued*

Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2, market-based) / tCO ₂ e [optional]	Only reporting on location based	Only reporting on location based
Emissions from generation of electricity that is consumed in a transmission and distribution system for which the company does not own or control (Scope 3) / tCO ₂ e [optional]	14.96 tonnes CO₂e <i>Transmission and distribution (T&D) losses associated with UK electricity</i>	17.43 tonnes CO₂e <i>Transmission and distribution (T&D) losses associated with UK electricity</i>
Emissions from employee business travel for which the company does not own or control (Scope 3) / tCO ₂ e [optional]	31.78 tonnes CO₂e 31.78 tonnes CO ₂ e employee vehicles 0.00 (Nil) tonnes CO ₂ e public transport	32.09 tonnes CO₂e 32.03 tonnes CO ₂ e employee vehicles 0.06 tonnes CO ₂ e public transport
Emissions from leased assets, franchises, and outsourced activities (Scope 3) / tCO ₂ e [optional]	The regulated emissions from the independently heated homes we manage far outweigh our operational emissions and are therefore reported here on a voluntary basis. Our SHIFT methodology estimated emissions at 16,041.41 tonnes in total, or 2.47 tonnes per home managed.	The regulated emissions from the independently heated homes we manage far outweigh our operational emissions and are therefore reported here on a voluntary basis. Our SHIFT methodology estimated emissions at 16,733.13 tonnes in total, or 2.61 tonnes per home managed.
Total gross Scope 3 emissions / tCO ₂ e [optional]	16,088.15 tonnes CO₂e	16,782.65 tonnes CO₂e
Total gross Scope 1, Scope 2 [location / market] & Scope 3 emissions / tCO ₂ e [optional]	16,786.38 tonnes CO₂e	17,615.09 tonnes CO₂e
Additional intensity ratio: tCO ₂ e net figure / e.g. £100,000 revenue [optional]	2.55 tonnes per home managed for total Scope 1, 2 and 3 emissions recorded.	2.70 tonnes per home managed for total Scope 1, 2 and 3 emissions recorded.
Third Party verification [optional]	SHIFT Environment	

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Energy efficiency action statement *continued*

During the period 1st April 2023 to 31st March 2024, we installed:

- windows in 229 properties
- 220 gas boiler upgrades
- 124 electric heating systems including 51 on off gas bungalows
- completed upgrades on 78 off gas bungalows

Some of the work in the upgrades listed above form part of the programme of works that is utilising the £1.4m Social Housing Decarbonisation Funding (SHDF) that was secured during the year to deliver fabric first decarbonisation of our properties that have an EPC rating below EPC C. This work will continue throughout 2024, completing in March 2025. We have already started to plan for the next SHDF wave of funding (wave 3) to continue our programme beyond 2025. This will support our target of ensuring all our properties are EPC C and above by 2030.

Social

Affordability

The Valuation Office Agency sets the Local Housing Allowance (LHA) affordability criteria at the 30th centile point between what, in the local rent officer's opinion, are the highest and lowest non-exceptional rent in a Broad Rental Market Area. These statistics are used as a reference point for housing benefit and are a good indication of rent levels which are affordable in an area. Our valuer's have compared our rents with the average sector rent and LHA in the same localities. Selwood Housing's rents are demonstrably lower than those of other housing associations in the same area and are affordable when compared with the local housing allowance.

Scrutiny

At the start of the financial year there was a complete change in personnel of the Involvement & Communities Team and considerable change in personnel of the scrutiny team. Whilst this impacted heavily on time and resource for a period, it has meant an exciting transition with the two teams growing together. I&C have supported the remaining members, including the new chair, to recruit new volunteers and form a fully functioning team. A recruitment drive in April saw two new members join. They have all undergone induction, mandatory training and continuous development training. They are all members of TPAS (the national organisation on tenant participation and engagement experts). A new vice chair was recently elected.

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

The scrutiny team have been monitoring progress from their completed review into operational customer communications. Their recommendations have seen the creation of:

- a communications guidance document for staff.
- a set of 23 new templates for the most important and sensitive customer letters we send out.
- 'communications champions' within the business with continued training for them.

The team then undertook a further review into Selwood Housing's Damp & Mould Services. Working with TPAS, the review was carried out using their new 'bootcamp' method in a one-day workshop. Seven additional customers attended and alongside the scrutiny team members they reviewed and discussed the new service that had been presented to them by staff and managers. They analysed what worked and where there were gaps. Nine recommendations were then proposed at that session and seven have been adopted. The scrutiny team then carried out a phone survey to hear from a wider representation of our customer-base before completing their report which is currently with management for a response ahead of submission to Board.

Working with the business performance & insight team we produce an information pack to share with the scrutiny team ahead of quarterly business meetings, so that they have the key information on 'Rant & Rave' customer surveys, Tenant Satisfaction Measure data and finance & performance ahead of the meeting presentations. We created a new Sharepoint site for the scrutiny team which helps with transparency of information sharing, teamwork and ensures higher security of shared documents. All of this helps scrutiny keep informed so they can best question our services and operation.

Together with Tenants:

Selwood Housing have adopted the National Housing Federation's Together with Tenants Charter. We agreed an action plan with the scrutiny team and with heads of service as to how we meet the charter's 6 commitments. Ahead of each quarterly business meeting the I&C team provide our scrutiny team with written updates on the progress of each action within the plan. This allows them time to reflect, discuss and bring questions/challenges to the quarterly business meeting.

Involvement:

Customers who have signed up to our Make a Difference list (a 'warm list' of over 1000 customers who wish to hear more about involvement opportunities) were invited to participate in four task & finish involvement projects over the year. 23 customers were involved in these in-person and digital sessions:

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Involvement: *continued*

- July 2023: EDI Customer policy review, five customers attended an in-person focus group (with another inputting online). Five recommendations and suggestions were taken on Board including use of Plain English and improved channels of communication.
- September-November 2023: Reporting a Repair, seven customers attended an in-person focus group feeding back on the communication of our repairs offer and advising what needed to be conveyed to customers. At a second stage they then shared their views on the creation of a webpage to help finalise the message.
- February-March 2024: four customers took part in a digital review of the Tree Policy, helping improve communication of key messages in the policy itself and through the website.
- March 2024: six customers helped develop a new policy on how Selwood Housing deal with Unacceptable Behaviour, in line with recommendations from the Ombudsman. A new policy has now been implemented.

In June 2023 the I&C team worked with the Marketing & Communications team to create a new Customer Involvement newsletter. The I&C team now send this monthly mailout to the 1,050 customers on our make a difference list, advertising forthcoming opportunities to get involved and sharing 'You Said, We Did' feedback on recent projects and policy reviews. This maintains regular engagement, interest and recognises the value of our volunteers and the importance Selwood Housing puts on hearing our customers' voices. We currently have an open rate of above 50% for our monthly mailouts. We continue to work closely with the Marketing & Communications team to promote our work both internally & externally through our OurPlace team page, the Website 'Get Involved' pages, articles in the Customer Newsletter, on our Socials and in Staff Brief, including the recent Meet the I&C Team video.

Since the new I&C team have been in place we have started collecting EDI information anonymously from involved customers who are willing to share their details. This is to benchmark the diversity of those we are reaching, so that we can make necessary adjustments to improve engagement. We will start to evaluate this as part of our ongoing benchmarking, at the end of each quarter.

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Complaints Forum:

Initial support for the newly created customer complaints forum: support in their quarterly meetings (for first 3 quarters until established), funding and administration of expenses & incentives, reporting & promotion of their work as well as advice & support to their coordinator on volunteer management and engagement. We have helped recruit three new customers, so now there are six permanently involved members in the group that every quarter review the process of five recently closed complaints and score them against set criteria. The complaints' coordinator and head of housing review this and relevant action is taken.

Decarbonisation project – resident engagement:

In September the I&C team organised, promoted and facilitated a drop-in session for customers who would be having decarbonisation energy upgrades in their home. This gave them the opportunity to engage with the management team and contractors and have their questions or any concerns answered. 17 customers attended this event. The I&C team also provided resources for all residents that detailed information about how to best make use of the new systems for example how to benefit from solar panels. The I&C team created an FAQs sheet following this drop-in session and then door-knocked all properties of customers who couldn't attend and shared that information with them, giving another opportunity for questions to the contractors and property team. In October the I&C team supported the property team and contractors to door-knock all properties at the second phase of the decarbonisation scheme to remind customers of the forthcoming surveys and to answer any initial queries. The I&C team then shadowed contractors in property surveys and took part in a training session on using new heating systems. We continue to be part of the ongoing Steering Group and have further resident engagement and support planned for the further phases of the project.

Communities:

The I&C team are a key partner in the priority neighbourhoods' project, working in Westbury and Warminster communities during 2023. We supported practical community tasks such as estate walkabouts and clear-ups and attended the regular project team meetings. The I&C team have led on the marketing & communications of the project with promotion of events as well as internal & external publicity of successes. We created an initial stakeholder mapping exercise and have engaged with key stakeholders, starting initial conversations and building relationships to create legacy after the project finishes. We have shared funding to enable two projects to go ahead: improvements to a community hub in Westbury and accessibility to a community garden in Warminster. We are currently supporting the Warminster project in applying for Area Board, and Police & Crime Commissioner grants, having already secured £5,000 from the Town Council.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Communities: *continued*

These monies will fund a joint project with Wiltshire Police to install & manage CCTV in one of our neighbourhoods with high criminal activity and anti-social behaviour.

Stronger Communities Funding:

As a new team we looked at processes and criteria to ensure that the funding we distribute is best directed at our customers and in our neighbourhoods. We have made the process more efficient with four application windows open throughout the year. During 2023-2024 we distributed £22,835 from our Stronger Communities Fund to enable 15 community projects across 10 towns & villages where we have our housing stock.

Q1 of 2023-2024: £3,380 for 4 projects:

- Alzheimer's Memory Café in Westbury
- Julian House fun-run in Trowbridge Park
- Studley Green Primary School trip for SEN children
- Prize donation to 4Youth Active Fest

Q2 of 2023-2024: £3,510 for 3 projects:

- Bradford on Avon Bowls Club
- Purple Elephant children's festival in Frome
- Pop-up youth café on Studley Green

Q3 of 2023-2024: £9,945 for 5 projects:

- Old Sarum Community Pantry
- Step-Up Pre-School in Dilton Marsh
- Disabled facilities at Westwood Social Club
- YMCA Green Shoots Nursery on Studley Green
- Doorway homeless charity in Chippenham

Q4 of 2023-2024: £6,000 for 3 projects:

- Group 5 charity (West Wiltshire)
- Flooring for Trowbridge Future community hub flooring
- Wiltshire Search & Rescue

We also worked with the Priority Neighbourhoods' Project to fund two additional projects at £2,000 each:

- Bradley Road community garden in Warminster
- Westbury community project

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Stronger Communities Funding: *continued*

As part of our application process we request details of total project cost, breakdown of all costs and how much of the project is self-funded. We also ask if they're applying to other grant funders and what amount they've requested. In most cases, being approved for one grant will often unlock access to another grant, therefore helping secure more funding for the community. We only pay out once any necessary match-funding is confirmed so that we know the project is viable. We can then calculate how much money has been brought into our communities in total. Accumulatively these 15 projects secured an additional £170,446 in addition to the money donated from us, to be spent in our communities.

We are into the third and final year of a three-year funding commitment to local charity, Trowbridge Futures. This £30,000 contract helps fund a neighbourhood connector who is working across our three main housing estates in Trowbridge. Amongst other things they support a kindness cafe, veterans' group, community fridge and cookery sessions. They undertake door knocking as part of a community conversation project, have supported the development of a community association and centre. They have worked with the local authority's migration and resettlement team to support delivery of English language courses.

The new I&C team have worked with the Procurement team to reinstall the social value clause in appropriate high value contracts. It is proposed social value inclusion should be considered in high value arrangements over £1 million where the benefits are known to be available and worthwhile. Payments will be made on an annual basis, on the anniversary of the contract's commencement. This decision will guarantee ongoing funding to boost the Stronger Community Fund and allow us to continue supporting our communities.

Resident Support

Selwood Housing's charitable donations were £28.5k (2023: £18k) during the year to 31 March 2024. In addition to this we allow various community groups to utilise two garages free of charge and we lease The Hub to Trowbridge Town Council for a peppercorn rent. We estimate the rental income foregone on these to be equal to donations of around £9k (2023: £7k).

Governance

Selwood Housing is fully committed to the principles of openness, accountability, and competence. We welcome and support the principal recommendations laid down in the National Housing Federation's Excellence in Governance, Code for members (revised 2020). The code was reviewed and adopted by the Board in December 2021. The Board concluded that we are fully compliant with the code.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Staff wellbeing

Our ability to meet our objectives and commitments to tenants and other customers in an efficient and effective manner depends on the expertise, commitment, and enthusiasm of all our employees. We take seriously the need to be an employer that recruits high calibre staff, we then ensure they are motivated, skilled, and able to deliver for our customers and provide an excellent service. This is a guiding principle in our corporate strategy, as described above.

Selwood Housing provides information on its objectives, progress and activities through regular team meetings, staff briefings, CEO monthly updates and our staff forum. Selwood Housing seeks employees' views on how to improve services and on matters of common concern through our monthly pulse survey. The executive team also take part in a monthly live question and answer session with all staff. The group supports the employment of a diverse workforce, both in recruitment and in the retention of employees.

Board and executive composition

At 31 March 2024 Selwood Housing's Board was made up of six females and three male directors. The senior management team was made up of three male and two female members.

Committees of the group Board

During the year the following committees were in operation:

- The group audit and finance committee have oversight of external and internal audit, the financing and treasury position of Selwood Housing, monitoring of stage 3 complaints, changes to specific policies and reviews the fraud register at each meeting. At 31 March 2024 the members of the group audit and finance committee were Chris Butters, Stella Shepherd, Richard Yates, Philip Whitehead and Nicola Setchell. Nicola Setchell left the Board on the 01 May 2024.
- The group asset and development committee consider and makes recommendations to the Board in respect of matters relating to repairs, planned and cyclical works, development, compliance, and any other property related matter that needs Board consideration. At 31 March 2024 the members of the group asset and development committee were Sheila Lewis, Marie Li Mow Ching, Hannah Jones and Lisa Nicholls.

All other matters including strategy and business planning and other financial matters are considered directly by the full group Board.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Board and executive directors

The group Board and executive directors of Selwood Housing who served during the financial year are listed on page 1. The group Board comprises of nine members, who are regarded as non-executive directors for legal purposes.

The Board is responsible for the governance of Selwood Housing Group. Their role in practice may be summarised as:

- Providing leadership
- Setting policy and strategic aims
- Monitoring performance
- Management of risk
- Uphold Selwood Housing Group's values

Board members regularly participate in training and development to ensure they maintain and develop their skills and have a high level of awareness of current issues in the social housing sector.

Board members undergo a formal appraisal of performance on an annual basis. The format of the appraisal involves a review of everyone's performance over the year and an assessment of training, skills, and development needs.

Each Board member is expected to take responsibility for fulfilling their training plan while Selwood Housing Group is committed to ensuring that resources are in place to enable this. As part of the appraisal process the Board also considers its collective effectiveness in delivering the aims and objectives in the corporate plan.

At 31 March 2024, the executive directors consisted of the group chief executive, the group finance director, the group development director, the group operations director, the group transformation and people director.

Insurance policies indemnify Board members and staff against liability when acting for Selwood Housing. These policies were in force throughout the financial year and at the date of approval of the financial statements. The indemnity is a qualifying third-party indemnity.

Board members are recruited based on selecting skill sets, the demographic make-up and experience that are required for the existing Board.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Board and executive directors *continued*

Candidates are short-listed by the interview panel made up of the group chief executive, two appropriate Board members and the group transformation and people director against the Board director specification, which is contained in Selwood Housing's governance manual. Interviews are carried out by the interview panel and the best candidate for the role is selected. The procedure used is full, fair, and inclusive. Each new Board member goes through a structured induction.

Remuneration

Board members are remunerated for their services and are entitled to claim out of pocket expenses such as travelling. Travel costs to and from Selwood Housing's offices are reimbursed as a taxable benefit. Some Board members choose not to reclaim their travel costs.

Payments to Board members are shown in note 10 to the financial statements, which shows the actual payments in the financial year, the level of payments and the proportion which the total amount paid forms of Selwood Housing's annual turnover.

Any changes in remuneration do not take effect until approved by the company in the general meeting and increases to Board members' remuneration do not take effect more frequently than once every three years.

The Board decides the pay and benefits of the executive directors and agrees the terms on which the chief executive can set other staff salaries, within the agreed market pay based framework.

The executive directors are either members of the Wiltshire Pension Scheme or members of the group personal pension plan, depending on when they joined the organisation. They participate in the scheme on the same terms as all other eligible staff. Selwood Housing contributes to the schemes on behalf of all eligible staff and does not offer alternative benefits such as cars.

There are no service contracts for executive directors. They are employed on similar terms to other staff, with a notice period of three months.

Reserves policy

Selwood Housing's reserves are invested in its properties. They have been used to fund the development of new homes for letting to people in housing need and the improvement and replacement of components in existing properties. They provide working capital and help Selwood Housing to maximise its borrowing capacity. Selwood Housing sets a target for reserves in its 30-year business plan and ensures that actual reserves stay in line with the plan.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Regulatory standards

The Board undertook a review of Selwood Housing's compliance with the Regulator of Social Housing's governance and financial viability standard in December 2023 and the Board concluded that Selwood Housing complies with the standard.

Value for Money

Selwood Housing Group's approach to value for money (VfM)

Value for money forms one of the key pillars of our principles and values as outlined in our corporate strategy:



Our VfM strategy was reviewed in 2024 and updated targets agreed with the Board in October 2024.

The aims of our value for money strategy are:

- To achieve the appropriate balance of performance, satisfaction, and cost in the delivery of our strategy differentiating between service areas.
- To measure the value for money that Selwood Housing delivers at a headline level using the Regulator of Social Housing value for money key performance indicators.
- To measure where we are against appropriate comparators for other areas in our strategy, and
- To set annual targets to achieve our desired position.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for money for Selwood Housing includes considering:

- Making best use of our assets
- Changing how we work so we need fewer resources to deliver the same service, freeing up resources for other priorities.
- Adopting the best way for delivering our services, which could be delivered internally or through external partners or suppliers.
- Making better use of the data we hold and using this to make our services better value.
- Contributing positively to the country's finances by reducing the call on welfare benefits through charging below market rents.
- The social impact of our homes and services.
- Improving the energy efficiency of our homes and thereby reducing energy costs for our customers.

Value for Money Standard (VfM)

The Regulator of Social Housing (RSH) issued a new VfM Standard in April 2018 which includes a requirement for registered providers to publish their performance against a series of common metrics with which to measure economy, efficiency and effectiveness as set by the Regulator. The table below compares our performance over the last three years with our Housemark peer group, the RSH global accounts performance and our targets for next year.

Performance Metric	2021/22 Actual	2022/23 Actual	2023/24 Target	2023/24 Actual	2024/25 Target	2022/23 Housemark Median *	2022/23 Sector Median **
Business health % efficiency							
Operating margin - Overall	17.1%	18.1%	17.5%	18.5%	18.1%	19.2%	18.2%
Operating margin - Social housing lettings	18.8%	18.9%	16.4%	18.3%	17.8%	20.0%	19.8%
Interest cover % (EBITDA-MRI)	311.3%	260.4%	102.7%	126.1%	101%	126.6%	128.4%
Headline social housing cost per unit £ CPU	£4,343	£4,332	£5,548	£5,208	£5,961	£4,291	£4,586
Return on capital employed %	1.9%	2.1%	2.5%	2.6%	2.6%	3.5%	2.8%
Development & investment							
New supply delivered % - Social housing units	2.3%	2.2%	2.1%	2.4%	2.0%	1.5%	1.3%
Gearing %	31.7%	33.6%	36.7%	35.5%	37.3%	48.8%	45.3%
Reinvestment %	5.4%	7.2%	7.0%	7.4%	7.2%	8.3%	6.7%

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for Money *continued*

* Housemark - Peer group median from the leading data and insight company for the UK housing sector.

** Sector median is the latest published sector results (2022/23) reported by the Regulator of Social Housing.

Despite a challenging economic environment where inflation remained high for the year and interest rates maintained their 16-year record high levels, Selwood's financial performance has been exceptional, **achieving value for money results better than target for all 8 regulator measures.**

Selwood's **headline social housing cost per unit (CPU)** rose by 20% on the previous year however this was only partly due to the inflationary pressures seen in new contracts and higher staffing costs. The vast majority was due to higher volumes of work delivered by the teams in both responsive and planned repairs. An example being the kitchens teams completing more kitchens and bathrooms than forecast.

EBITDA-MRI interest cover (*) fell as expected due to the higher interest costs, however they were 25 basis points better than target and we expect to be able to deliver an EBITDA-MRI higher than 100% in 24/25. We do not have any covenants that are measured by EBITDA-MRI, having amended all of these the previous year. The EBITDA covenants are being comfortably met at almost 4x the required cover. We expect this to remain achievable for the full length of the agreements. We have already started to look at more fixed funding options to hedge the current variable interest rate risks that continue to persist.

Gearing was better than target and well below Selwood's golden rule target of 50% and the existing loan covenant of 60%. Gearing measures, the relationship between debt and tangible fixed housing assets, and will increase over the next few years as we borrow more money to fund our development programme and meet our environmental targets.

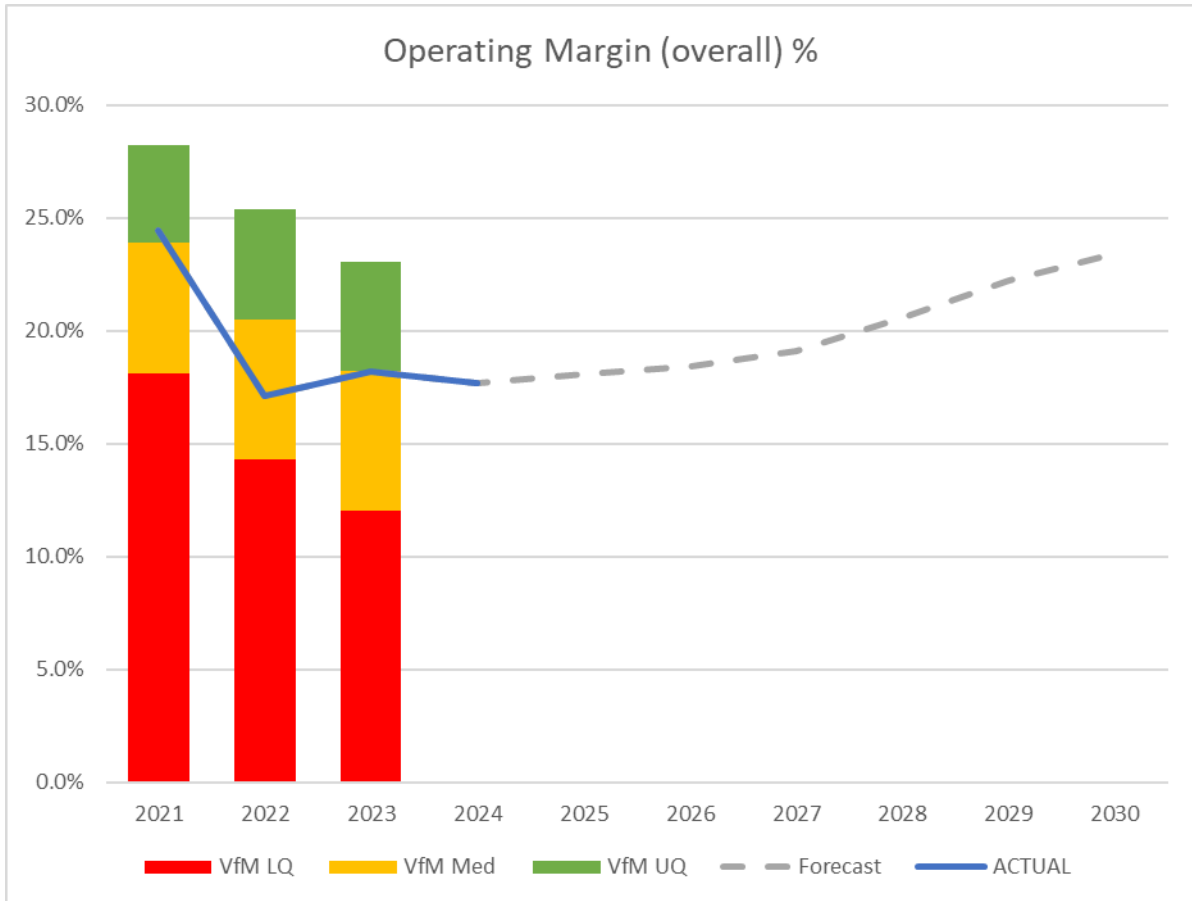
The improved **return on capital employed (ROCE)** was better than target due to an increase in gains from disposal of fixed assets. The Board agreed to a targeted disposal strategy for properties with low energy efficiency, homes suffering from significant damp and mould issues and other high onward investment requirements. This will result in the disposal of a handful of properties over the coming years which will continue to boost the Selwood ROCE performance.

* EBITDA-MRI – Earnings Before Interest, Tax, Depreciation, Amortisation – Major Repairs Included

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for Money *continued*



The **operating margin** declined slightly but not to the levels expected for the year. Our efficiency continues to improve with our responsive repairs' teams increasing jobs completed per day to 3.2 from 3 jobs per operative per day in the previous year. The successful procurement for three suppliers for our significant building materials spend was completed late in the year but is expected to drive savings into the future across the course of the next 3-5 years.

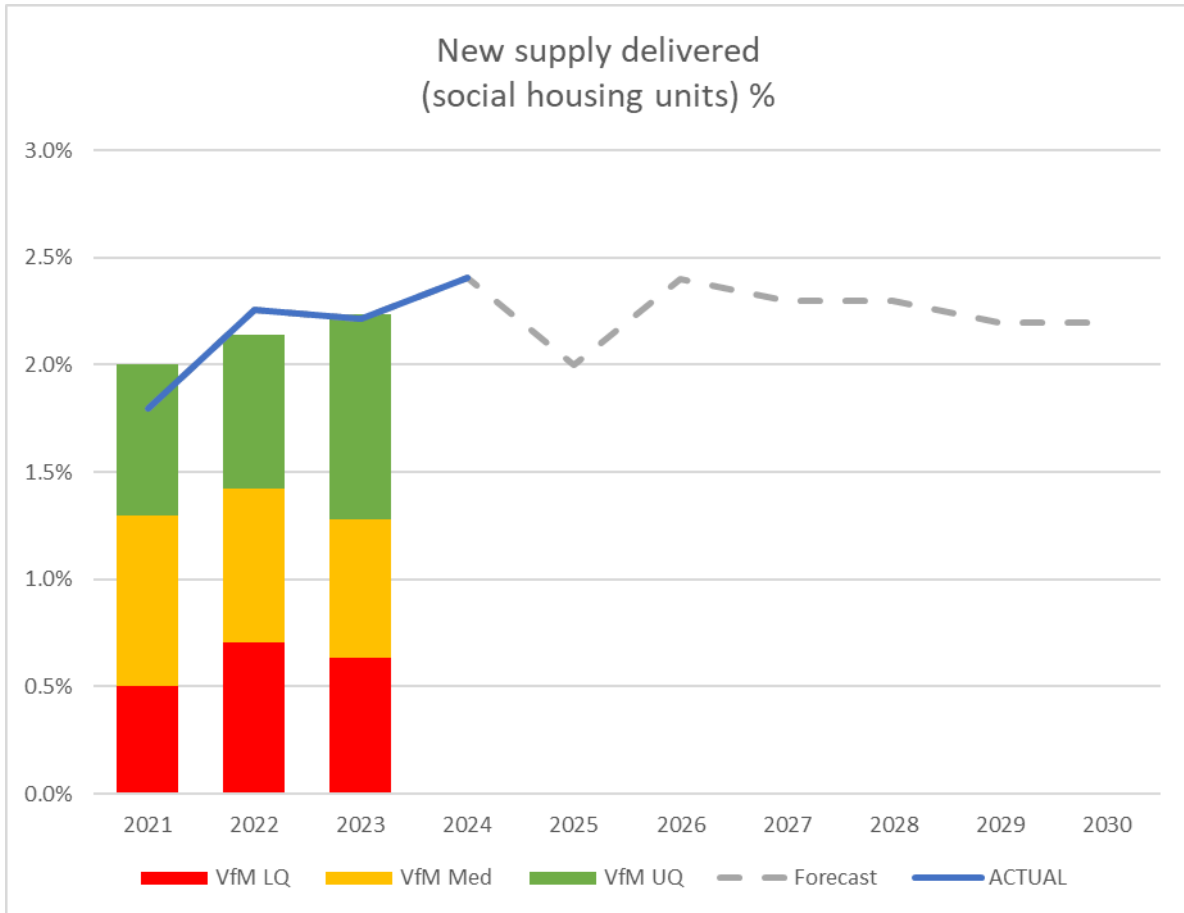
The transformation project, to develop and expand our system capabilities, improve our processes, and explore further efficiencies has also progressed and in time will also improve the efficiency of our operations. This project continues to require additional staff and investment in new systems in the short term which impacts our operating margin.

It is anticipated that the activities outlined above will help to maintain Selwood's operating margin at their current levels before increasing in the medium term.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for Money (*continued*)



The **new supply delivery** increased during the year to achieve 171 new properties. This is expected to fall to the 150-property target in 24/25 as we reduce the risk of the impact of build cost inflation and possible development delays in the sector. Selwood are still committed to development and our corporate strategy lays out a plan to build 1,700 homes over the next 10 years. This, combined with our commitment to invest in our existing properties, is shown in our **re-investment percentage** remaining above the median benchmark. Shared ownership demand remains strong, and the Board has agreed to increase to 40% shared ownership for all newly developed properties from the previous 30% level. We will continue to monitor this in our performance triggers to mitigate any risk of unsold properties.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

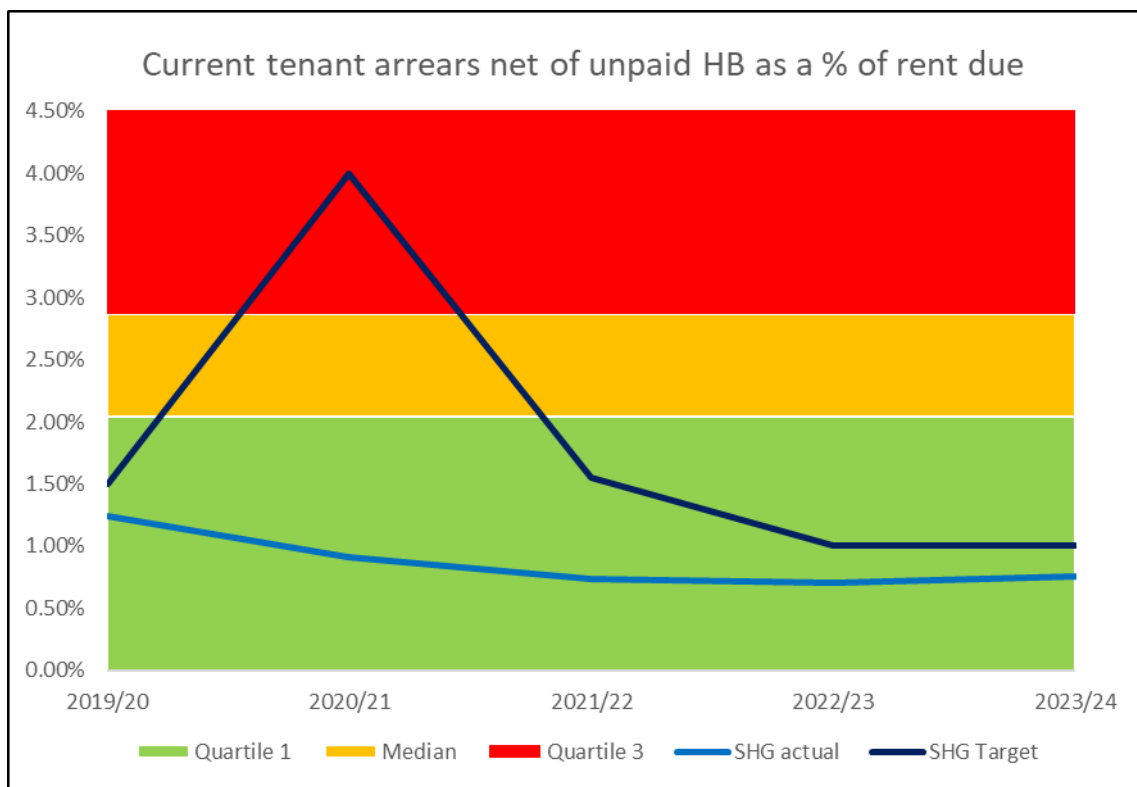
Value for Money (*continued*)

In addition to the indicators included in the VfM standard, two key areas of performance monitored by the Board are rent loss due to empty properties as a % of rent due and current tenant arrears net of unpaid housing benefit as a % of rent due. These are financial KPIs but also helps us to fulfil our social purpose:

- Good voids performance means that more homes are available for people in housing need.
- An appropriate approach to dealing with current tenant arrears assists our tenants with their security of tenure and their money management skills.

It has been another good year for our lettings team, both in terms of performance and of adapting service delivery to deliver in a changing environment. During the year the team let 402 homes and the neighbourhoods team facilitated 96 mutual exchanges. At the end of March 2024, the void loss attributable to rented dwellings (including shared ownership) was 0.96% (March 2023 0.63%).

The graph below compares the actual performance and target for Selwood Housing with the quartiles calculated by HouseMark for our benchmarking group during 2023/24:



Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for Money *(continued)*

Despite the increased cost of living the collection of rent and service charges remains strong. This is in part due to our robust pre-tenancy assessment of affordability, the firm, consistent and timely intervention of the income team, and timely referrals to our tenancy sustainment coordinators and financial inclusion partners.

The strong collection ethos has shone through again this year with only 5 evictions taking place. The principles of timely support and decisive intervention have resulted in another top-quartile performance from the income team of 0.76% current customer arrears.

2023 has seen the organisation re-join the Housemark benchmarking group. Peer group comparison has validated our income collection performance. Our 2023-year end figure compares favourably against the sector (reported at 3.4%) and a comparable cohort of providers (at 2.9%). Selwood Housing is amongst the best performers in the sector.

Supporting actions to deliver the 24/25 targets

To support the delivery of the targets set out for the value for money metrics shown above, we will:

- As a result of the higher interest rates, ensure that the cost of carry of debt is as low as possible, balancing borrowing with the requirements of the organisation.
- Utilise peer group data from organisations like Housemark to ensure that we are benchmarking against similar organisations providing similar services.
- Continue to closely monitor for slowdown in the housing market that could affect shared ownership schemes and the overall operating margin of the Association.
- As inflation effects take hold, consider how Selwood can further maintain the surplus to mitigate the impact whilst still providing good services to our customers.
- Look at ways to improve our return on capital employed (ROCE) as our cost of borrowing rises.
- Analyse headcount and staffing costs by service and benchmark to identify under/over provision.
- Review all vacant posts prior to going out to recruitment ensuring that there is an adequate process in place to confirm need and benefit.
- Further develop our procurement and contract management processes to achieve the goals of the procurement strategy.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Value for Money (*continued*)

Tenant Satisfaction Measures

Our first set of tenant satisfaction measures to submit to the regulator have been very positive. All our survey measures are in the upper quartile of benchmark results that we have seen across the sector during the year, with overall satisfaction at 84.1%. This is based on feedback from 591 customers completing telephone surveys during the year. The full results are shown below:

2023/24 survey measures - LCRA only		Selwood 2023/24
TP01	Proportion of respondents who report that they are satisfied with the overall service from their landlord.	84.1%
TP02	Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the overall repairs service.	82.1%
TP03	Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the time taken to complete their most recent repair.	82.5%
TP04	Proportion of respondents who report that they are satisfied that their home is well maintained.	83.2%
TP05	Proportion of respondents who report that they are satisfied that their home is safe.	87.2%
TP06	Proportion of respondents who report that they are satisfied that their landlord listens to tenant views and acts upon them.	72.0%
TP07	Proportion of respondents who report that they are satisfied that their landlord keeps them informed about things that matter to them.	89.0%
TP08	Proportion of respondents who report that they agree their landlord treats them fairly and with respect.	86.7%
TP09	Proportion of respondents who report making a complaint in the last 12 months who are satisfied with their landlord's approach to complaints handling.	46.0%
TP10	Proportion of respondents with communal areas who report that they are satisfied that their landlord keeps communal areas clean and well maintained.	77.5%
TP11	Proportion of respondents who report that they are satisfied that their landlord makes a positive contribution to the neighbourhood.	79.3%
TP12	Proportion of respondents who report that they are satisfied with their landlord's approach to handling anti-social behaviour.	69.3%

The non-survey measures are also positive with the majority in either the upper or median quartile of benchmark results that we have seen across the sector during the year.

Selwood Housing Society Ltd

2023/24 Q3 non-survey measures		Selwood 2023/24
BS01	Proportion of homes for which all required gas safety checks have been carried out.	100.0%
BS02	Proportion of homes for which all required fire risk assessments have been carried out.	100.0%
BS03	Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out.	90.9%
BS04	Proportion of homes for which all required legionella risk assessments have been carried out.	100.0%
BS05	Proportion of homes for which all required communal passenger lift safety checks have been carried out.	100.0%
RP01	Proportion of homes that do not meet the Decent Homes Standard - LCRA only - annual	1.6%
RP02 (1)	Proportion of non-emergency responsive repairs completed within the landlord's target timescale.	85.2%
RP02 (2)	Proportion of emergency responsive repairs completed within the landlord's target timescale	99.7%
CH01 (1)	Number of stage one complaints received per 1,000 homes.	58.5
CH01 (2)	Number of stage two complaints received per 1,000 homes.	9.4
CH02 (1)	Proportion of stage one complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales.	92.6%
CH02 (2)	Proportion of stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales.	88.9%
NM01	Number of anti-social behaviour cases, opened per 1,000 homes.	32.1
NM01 (2)	Number of anti-social behaviour cases that involve hate incidents opened per 1,000 homes	0.3

Section 172 Statement

The Board of directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its stakeholders as a whole, and in doing so have regard to a range of matters including:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers, and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly between stakeholders in the company.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Key decisions and matters that are of strategic importance to the company are appropriately informed by s172 factors. These include but are not limited to:

- the approval of the company's strategy and long-term strategic plan
- the approval of the current year budget including rent and service charge changes,
- the approval of the overall 30-year financial plan and stress test scenarios
- the approval of the disposal strategy
- the approval of the people strategy
- the approval of the data strategy
- the approval of the company pay and benefits for staff and CEO
- the adoption of financial regulations and group governance manual
- the review of Selwood's compliance with regulatory standards

Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture.

As part of the Board's decision-making process, the Board considers the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

In making material decisions the Board has sought to deliver benefit to our customers and the communities that we build in, provide secure employment opportunities and fair economic relationships with our suppliers.

Internal controls assurance

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The Board receives and considers annual reports at the group audit and finance committee, group asset and development committee and management on the management of risk and control arrangements. The Board review the strategic risk register at each of its meetings and receive the full risk register annually for review. The group audit and finance committee set the plans for internal audits based on the risk register to ensure that appropriate work is being undertaken to mitigate risks with corrective actions, where necessary.

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Internal controls assurance *continued*

The process for identifying, evaluating, and managing the strategic risks faced by Selwood Housing is ongoing, and has been in place prior to and throughout the period commencing 1 April 2023 up to the date of approval of the annual report and financial statements. The system for monitoring risk management is intuitive, interactive and puts emphasis on ensuring that good controls are in place and actions are progressed to deliver improvement in risk scores.

The arrangements adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework include:

- The articles of association, governance manual and financial and procurement regulations
- A set of delegated powers detailing the responsibilities of the committees, the group chief executive and the executive team
- Policies and procedures covering all major areas of activity.
- A corporate plan setting out Selwood Housing's mission and key corporate objectives.
- A risk management strategy including a risk register with a procedure for updating, reviewing, and reporting that strategy.
- An internal audit programme linked to the risk register.
- Review of the Regulator of Social Housing (RSH) sector risk profile.
- External audit reports.
- The 30-year business planning model – reviewed at least annually by the Board.
- An annual budget agreed before the beginning of each financial year.
- Monthly management accounts and performance reports to the Board and the executive team.
- Review of the fraud register at each group audit and finance committee meeting.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the group audit and finance committee to review the effectiveness of the system of internal control regularly. The Board receives minutes from each committee meeting.

The means by which the group audit and finance committee reviews the effectiveness of the system of internal control include considering internal audit reports, management assurances and the external audit reports. The committee agrees and monitors a three-year rolling programme of internal audit reviews, which have been undertaken by an independent audit firm, TIAA Limited.

Selwood Housing Society Ltd

Group strategic report including the report of the board for the year ended 31 March 2024 *continued*

Internal controls assurance *continued*

The group audit and finance committee has received the executive team's annual review of the effectiveness of the system of internal control for Selwood Housing, together with the annual report of the internal auditor and has reported its findings to the Board.

The internal auditors concluded in their annual report that "TIAA is satisfied that, for the areas reviewed during the year, Selwood Housing Group, has reasonable and effective risk management, control and governance processes in place". The Board has in turn conducted its own annual review of the effectiveness of the system of internal control and considers there is nothing adverse to bring to the attention of company members.

Statement of responsibilities of the Board

The Board are responsible for preparing the strategic report, annual report, and the financial statements in accordance with applicable law and regulations.

Company law and social housing legislation require the Board to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the group and company and of the surplus of the group and company for that period.

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

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed and the Statement of Recommended Practice for registered social housing providers 2018, 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 charitable company will continue in business.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2022. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Statement of responsibilities of the Board *continued*

The Board members are responsible for ensuring that the report of the Board is prepared in accordance with the Statement of Recommended Practice for registered social housing providers 2018.

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

Going concern

After making enquiries the Board has a reasonable expectation that Selwood Housing has adequate resources to continue in operational existence for the foreseeable future. The Board defines the foreseeable future as at least 12 months from the date of signing the financial statements. For this reason, it continues to adopt the going concern basis in the financial statements.

Annual General Meeting

The Annual General Meeting is planned to be held on 2nd October 2024 in the Boardroom of Selwood Housing's office and available on line.

Independent auditor

A resolution to appoint Selwood Housing's auditor will be proposed at the forthcoming Annual General Meeting.

Statement of disclosure of information to auditor

So far as the Board is aware, there is no relevant audit information of which the company's auditor is unaware. Each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Selwood Housing Society Ltd

Group strategic report including the report of the Board for the year ended 31 March 2024 *continued*

Approval

The report of the Board of directors including the strategic report was approved by the Board on 3 July 2024 and signed on its behalf by:



Sheila Lewis
Chair
3 July 2024

Selwood Housing Society Ltd

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SELWOOD HOUSING SOCIETY LIMITED

Opinion

We have audited the financial statements of Selwood Housing Society Limited ("the Company") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the consolidated and company statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statements of changes in reserves, , the consolidated 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 Financial Reporting Standard 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 Group's and of the Company's affairs as at 31 March 2024 and of the Group's and the Company's income and expenditure for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or Group'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 Board are responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information 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 including the letter from the chair and Group Strategic Report including the

Selwood Housing Society Ltd

operating and financial review 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- the information given in the Strategic report and the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Report of the Board have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained during the audit, we have not identified material misstatements in the Strategic report and Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board members remuneration specified by law are not made; 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 responsibilities of the Board set out on page 25, 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 members 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 Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Group or the Company 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.

Selwood Housing Society Ltd

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 based on 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 Group and Company, 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 Companies 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 Group's activities and the regulated nature of the Group'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

Selwood Housing Society Ltd

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 members of the Company, as a body, in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Cartwright (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, statutory auditor
20 Colmore Circus
Queensway
Birmingham B4 6AT
Date: 09.07.24

Selwood Housing Society Ltd

Consolidated and company statement of comprehensive income for the year ended 31 March 2024

		Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
	Note				
Turnover	4	52,699	45,967	52,772	45,951
Cost of sales	4	(5,067)	(3,455)	(5,067)	(3,455)
Operating costs	4	(37,993)	(34,147)	(37,996)	(34,155)
Gain on disposal of fixed assets	11	3,401	1,652	3,401	1,652
Operating surplus		13,040	10,017	13,110	9,993
Other interest receivable and similar income		136	53	117	49
Interest and financing costs	12	(6,007)	(3,835)	(6,007)	(3,835)
Other finance costs	26	9	(126)	9	(126)
Movement in fair value of investment properties	16	(12)	1	(12)	1
Surplus before taxation		7,166	6,110	7,217	6,082
Taxation on surplus	13	3	2	0	0
Surplus for the financial year		7,169	6,112	7,217	6,082
Actuarial loss / gain on defined benefit pension scheme	26	(368)	4,736	(368)	4,736
Total comprehensive income for year		6,801	10,848	6,849	10,818

The notes on pages 47 to 89 form part of these financial statements.

All activities relate to continuing operations.

Charity Commission Registration No 1141124
 Company Limited by Guarantee - Registration No. 4168336
 Registered with the Regulator of Social Housing No. LH4097

Selwood Housing Society Ltd

Consolidated and company statement of financial position at 31 March 2024

		Group	Group	Company	Company
		2024	2023	2024	2023
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets - housing properties	14	494,602	471,855	494,654	471,907
Tangible fixed assets - other	15	3,655	3,575	3,356	3,247
Investment properties	16	340	352	340	352
Investments in companies	17	125	125	3,225	2,225
		<u>498,722</u>	<u>475,907</u>	<u>501,575</u>	<u>477,731</u>
Current assets					
Stocks	19	6,103	4,840	4,432	4,840
Debtors - receivable within 1 year	20	4,596	3,177	4,288	3,161
Cash and cash equivalents	20a	6,601	8,720	5,594	6,688
		<u>17,300</u>	<u>16,737</u>	<u>14,314</u>	<u>14,689</u>
Creditors: amounts falling due within 1 year	21	<u>(17,730)</u>	<u>(18,023)</u>	<u>(17,734)</u>	<u>(17,987)</u>
Net current assets / (liabilities)		<u>(430)</u>	<u>(1,286)</u>	<u>(3,420)</u>	<u>(3,298)</u>
Total assets less current liabilities		<u>498,292</u>	<u>474,621</u>	<u>498,155</u>	<u>474,433</u>
Creditors: amounts falling due after more than 1 year	22	<u>(211,431)</u>	<u>(194,559)</u>	<u>(211,431)</u>	<u>(194,559)</u>
Net assets excluding pension liability		286,861	280,062	286,724	279,874
Provision for deferred tax	30	(4)	(7)	0	0
Pension liability	26	0	0	0	0
		<u>286,857</u>	<u>280,055</u>	<u>286,724</u>	<u>279,874</u>
Net assets					
Capital and reserves					
Income and expenditure reserve		157,448	148,691	157,315	148,510
Revaluation reserve		129,409	131,364	129,409	131,364
		<u>286,857</u>	<u>280,055</u>	<u>286,724</u>	<u>279,874</u>

The notes on pages 47 to 89 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 3 July 2024



Sheila Lewis
Chair



Mark Mayler
Secretary

Charity Commission Registration No 1141124
Company Limited by Guarantee - Registration No. 4168336
Registered with the Regulator of Social Housing No. LH4097

Selwood Housing Society Ltd

Consolidated statement of changes in reserves for the year ended 31 March 2024

Group	I&E Reserve £'000	Revaluation Reserve £'000	Total £'000
Opening funds April 2022	136,349	132,858	269,207
Total comprehensive income for the year	6,112	0	6,112
Actuarial gains on defined benefit pension scheme	4,736	0	4,736
Total comprehensive income	10,848	0	10,848
Transfer from revaluation reserve to income and expenditure	1,494	(1,494)	0
Opening funds March 2023	148,691	131,364	280,055
Total comprehensive income for the year	7,169	0	7,169
Actuarial loss on defined benefit pension scheme	(368)	0	(368)
Total comprehensive income	6,801	0	6,801
Transfer from revaluation reserve to income and expenditure	1,955	(1,955)	0
Closing total funds March 2024	157,448	129,409	286,857

The notes on pages 47 to 89 form part of these financial statements.

Selwood Housing Society Ltd

Company statement of changes in reserves for the year ended 31 March 2024

Company	I&E Reserve £'000	Revaluation Reserve £'000	Total £'000
Opening funds April 2022	136,198	132,858	269,056
Total comprehensive income for the year	6,082	0	6,082
Actuarial gains on defined benefit pension scheme	4,736	0	4,736
Total comprehensive income	10,818	0	10,818
Transfer from revaluation reserve to income and expenditure	1,494	(1,494)	0
Opening funds April 2023	148,510	131,364	279,874
Total comprehensive income for the year	7,217	0	7,217
Actuarial loss on defined benefit pension scheme	(368)	0	(368)
Total comprehensive income	6,850	0	6,850
Transfer from revaluation reserve to income and expenditure	1,955	(1,955)	0
Closing total funds March 2024	157,315	129,409	286,724

The notes on pages 47 to 89 form part of these financial statements.

Selwood Housing Society Ltd

Consolidated statement of cash flows for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Surplus for the financial year		7,166	6,110
Adjustments for:			
Depreciation of fixed assets - housing properties	14	8,649	8,063
Depreciation of fixed assets - other	15	273	866
Amortised grant	23	(413)	(385)
Interest payable and finance costs		5,998	3,961
Interest received		(136)	(53)
Difference between net pension expenses and cash contribution		(359)	(131)
Proceeds from sale of fixed assets- housing properties	11	(5,043)	(3,043)
Decrease /(Increase) in trade and other debtors		(1,282)	(5)
Decrease /(Increase) in stocks		(1,263)	(788)
Increase in trade and other creditors		(1,138)	959
Carrying amount of disposals		2,712	1,463
Movement in fair value of investment properties		12	(1)
Cash from operations		15,177	17,016
Taxation paid		0	0
Net cash generated from operating activities		15,177	17,016
Cash flows from investing activities			
Proceeds from sale of fixed assets - housing properties	11	5,043	3,043
Purchase of fixed assets - housing properties	14	(34,106)	(33,063)
Purchase of fixed assets - other	15	(357)	(691)
Purchase of investments		0	(100)
Receipt of grant	23	482	1,446
Interest received		136	53
Net cash from investing activities		(28,802)	(29,311)
Cashflows from financing activities			
Interest paid	12	(6,007)	(3,835)
Taxation Paid		0	0
New loans		24,500	20,000
Debt issue costs incurred		(138)	377
Repayment of loans	25	(6,849)	(4,390)
Net cash used in financing activities		11,506	12,152
Net (decrease) / increase in cash and cash equivalents		(2,119)	(144)
Cash and cash equivalents at beginning of year		8,720	8,864
Cash and cash equivalents at end of year		6,601	8,720

Selwood Housing Society Ltd

Notes to the financial statements For the year ended 31 March 2024

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Selwood Housing Society Ltd

Notes to the financial statements For the year ended 31 March 2024

1 Legal status

Selwood Housing is incorporated in England and Wales under the Companies Act 2006 and is registered with the Regulator of Social Housing. Selwood Housing is a company limited by guarantee. The guarantors are the company members. Selwood Housing is registered with the Charity Commission. The address of the registered office is given on page 1 and the nature of the group's operations and principal activities are set out in the strategic report. The Society is a public benefit entity.

2 Accounting policies

All accounting policies have been applied consistently year to year.

Basis of accounting

The financial statements of Selwood Housing have been prepared in accordance with applicable law and accounting standards in the United Kingdom, FRS 102 "the Financial Reporting Standard in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP): Accounting by registered social housing providers (update 2018) and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared under the historic cost basis except for the modification to a fair value basis for investment properties as specified in the accounting policies below.

Consolidation

The consolidated financial statements incorporate the results of Selwood Housing Society Limited and all its subsidiary undertakings for the year. Intra-group transactions and balances have been eliminated on consolidation. Subsidiaries are deconsolidated from the date control ceases.

Going concern

After making enquiries and reviewing the financial plan, the Board has a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

Selwood Housing Society Ltd

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Turnover

Turnover comprises rental income receivable in the year, income from shared ownership first tranche sales, sales of properties built for sale and other services included at the invoiced value (excluding value added tax (VAT)) of goods and services supplied in the year and revenue grants receivable in the year and capitalised capital grants. Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Income from first tranche sales and sales of properties built for sale is recognised at the legal completion of sale. Income from the supply of goods and services is recognised when those goods or services are provided. Income is measured at the fair value of the consideration received or receivable. All turnover arises in the UK.

Grant income (non-Social Housing Grant)

The treatment of grant income depends on the terms of the funding. Where the grant is not conditional upon specific targets being met, then it is treated as income as it becomes receivable. Where grant income received is conditional upon the completion of certain targets and is returnable to the grant giver if the targets are not met, the income is credited to the Statement of Comprehensive Income as the targets are achieved. Any grants received, where the targets have not yet been achieved, are held as deferred income.

Other grants are receivable from local authorities and other organisations. Grants in respect of revenue expenditure are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate.

Value added tax

Selwood Housing Society Ltd is registered for VAT. All amounts disclosed in the financial statements are adjusted to reflect Selwood Housing Society Ltd's agreed method for the treatment of VAT and the financial statements include VAT to the extent that is suffered by the group and is not recoverable from HM Revenues and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Selwood Housing Society Ltd

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Taxation

Selwood Housing is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

Qualifying Charitable Donations of Subsidiaries

The parent company only recognises gift aid income when a qualifying charitable donation is paid by a subsidiary.

Interest

Interest is capitalised on borrowings used to fund new development under construction for the period until the property is available for letting.

Other interest payable, interest receivable and related funding costs are charged to the Statement of Comprehensive Income in the year incurred.

Pensions

Defined benefit scheme

Selwood Housing Society Ltd participates as an admitted body in the Local Government Pension Scheme administered by Wiltshire Council, a defined benefit final salary scheme. The operating costs of providing retirement benefits to participating employees are recognised in the accounting periods in which the benefits are earned. The related finance costs, expected return on assets and any other changes in fair value of the assets and present value of liabilities, are recognised in the accounting period in which they arise.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high-quality corporate bond of equivalent terms and currency to the liability. The increase in the present value of the liabilities of Selwood Housing Society Ltd's defined benefit pension scheme expected to arise from employee service in the period is charged to operating surplus. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in operating surplus. Actuarial gains and losses are recognised in the Statement of Comprehensive Income. This pension scheme was closed to new members on 1 October 2010.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies (*continued*)

Defined contribution scheme

Selwood Housing also participates in a defined contribution scheme where the amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period.

Holiday pay accrual

A liability is recognised to the extent any unused holiday pay entitlement has accrued at the year end and is material; it is carried forward to future periods.

Housing properties

Housing properties are principally dwellings available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Development administration costs are capitalised on an apportionment of the staff time spent on this activity up to the point where the property is available for letting.

Improvements are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property to the business. Only the direct overhead costs associated with new developments or improvements are capitalised.

Works to existing properties which replace a component that has been treated separately for depreciation purposes are capitalised and the replaced component treated as disposed of in the year of replacement.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

The first tranche proportion is classed as current asset and related sales proceeds included in turnover and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Deemed cost on transition to FRS 102

On transition to FRS 102 the Group took the option of carrying out a one-off valuation exercise of selected housing properties and using that amount as deemed cost. The Group engaged independent valuation specialist Jones Lang LaSalle (JLL) to value properties on an existing use social housing (EUV-SH) basis to determine the deemed cost as at 1 April 2014. The adoption of the deemed cost option resulted in a net increase in fixed assets as at 1 April 2014 of £144.4m revaluation gains which was credited to the revaluation reserve.

Depreciation of Housing properties

Selwood Housing depreciates its housing properties by component on a straight-line basis over the estimated useful economic lives of component categories. Freehold land is not depreciated.

The useful economic lives of the components are as follows:

Structure	100 years
Roofs	60 years
Windows	25 years
Bathrooms	25 years
Kitchens	20 years
Boilers	15 years
PV panels	20 years
Fixtures & Fittings	10 years
Lighting	20 years
Fire Alarms	15 years
Door entry systems	10 years
Electric Heat Pumps	15 years
Air Source Heat Pumps	15 years
Guttering, Soffits & Fixings	30 years
Flat Roofs	30 years
External Wall Insulation	100 years

Housing properties under construction are not depreciated until practical completion. A full year's depreciation is charged in the year the property is first available for letting.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Impairment

Housing properties, which are depreciated over a period more than 50 years, are subject to impairment reviews annually. Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Where there is evidence of impairment, a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts.

Where necessary, fixed assets are written down to the recoverable amount, being the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. Any such write down is charged to operating surplus.

What constitutes a cash generating unit (CGU) when indicators of impairment require there to be an impairment review. Selwood Housing considers those properties revalued to deemed cost on adoption of FRS102 and within specific schemes as CGU's.

Social Housing Grant

Social Housing Grant (SHG) is receivable from Homes England. Where properties are held at deemed cost under the transition to FRS102, the related SHG was initially recognised under the performance model. Subsequent grant is accounted for using the accrual model set out in FRS 102 and the Housing SORP. Grant is carried as deferred income in the statement of financial position and released to the statement of comprehensive income on a systematic basis over the useful economic life of the structure of the property.

If SHG is received in respect of revenue expenditure, it will be credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with Homes England. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the Statement of Financial Position in creditors.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Other tangible fixed assets and depreciation

Other fixed assets are stated at cost less depreciation. Cost includes the purchase price of the asset and any costs incurred in bringing the asset into use. Depreciation is provided to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight-line basis.

- Office premises - 50 years
- PV Panels - 20 years
- Motor Vehicles - 5 years
- IT tangible assets (where costs exceed £2k) - 5 years
- IT intangible assets (where costs exceed £2k)- 5 years
- Plant and Equipment - 5 years
- IT tangible assets (Laptops/Tablets) - 3 years

Freehold land is not depreciated.

Where website and software costs can be treated as either tangible or intangible assets, they are treated as tangible fixed assets by the group.

Surpluses or deficits arising on the disposal of other fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Shared ownership first tranche sales, completed properties for outright sale and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour, capitalised interest, and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Recoverable amount of rental and other receivables

The Group estimates the recoverable value of rent and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt and the class of debt.

Operating leases

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

Schemes managed by agents

In accordance with financial reporting standards, where the risks and rewards of running the scheme accrue to the managing agent the Statement of Comprehensive Income includes only that income and expenditure which relates solely to Selwood Housing. Revenue is recognised as services are provided.

Cash and cash equivalents

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits and short-term investments with an original maturity of 95 days or less.

Short-term investments

Investments are stated at the lower of cost or market value.

Investment properties

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. These properties are held at fair value determined annually by external valuers. Any changes in fair value are recognised in the Statement of Comprehensive Income. No depreciation is provided.

In the Company's individual financial statements, investment properties rented to other group companies are classified as freehold office (other tangible fixed assets) and held at historical cost less depreciation and impairment.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Loans

All loans held by the group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price (the amount of cash received including any loan premiums) less any transaction costs. FRS 102 requires that basic financial instruments are subsequently measured at amortised cost using the effective interest rate method. The group has calculated that the difference between the historical cost basis amortising costs and premiums on a straight-line basis and the application of the effective interest rate method is not material and so loan transaction costs and premiums are amortised to the income and expenditure account on a straight-line basis over the term of the loan.

Financial Instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities.

Sinking funds

All sinking funds are dealt with as creditors.

Revaluation reserve

The difference on transition to FRS 102 between the deemed cost of social housing properties and the historical cost carrying value is credited to the revaluation reserve. The difference between historical cost depreciation and depreciation charged on the deemed cost is transferred from the revaluation reserve to the income and expenditure reserve each year.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

2 Accounting policies *(continued)*

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses. Any losses arising from impairment are recognised in the statement of comprehensive income in other operating expenses. The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts.

The Group has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The Board have also considered impairment based on their assumptions to define cash or asset generating units. A comparison of the cost of developing equivalent or similar assets has shown there is no impairment at a property asset level.
- The anticipated costs to complete on a development scheme based on anticipated construction cost, the effective rate of interest on loans during the construction period, legal costs, and other costs. Based on the costs to complete, the Board then determine the recoverability of the cost of properties developed for outright sale and / or land held for sale. This judgement is also based on the Board's best estimate of sales value based on economic conditions within the area of development.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

3 Judgements in applying accounting policies and key sources of estimation uncertainty *(continued)*

- The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates or inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

Other key sources of estimation uncertainty

- **Tangible fixed assets (see notes 14 and 15)**

Tangible fixed assets, other than investment properties 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 several factors. In re-assessing asset lives, factors such as the Group's experience over several years of actual component lives and the Group's ability to protect the life of a property by continuing investment are taken into account.

Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

3 Judgements in applying accounting policies and key sources of estimation uncertainty *(continued)*

- Investment properties (see note 16)

Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself. Key inputs into the valuations for the commercial units were

- Annual rent per square metre: £86-£135 with a weighted average of £110
 - Capitalisation rate: 9.75% - 10% with a weighted average of 9.90%
- Rental and other trade receivables (debtors) (see note 20)

The estimate for receivables relates to the recoverability of the balance outstanding at year end. A review is performed on the debt to consider whether it is recoverable.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

4 Particulars of turnover, cost of sales, operating costs, and operating surplus – group

	Turnover 2024 £'000	Cost of sales 2024 £'000	Operating costs 2024 £'000	Surplus on disposal 2024 £'000	Operating surplus /(deficit) 2024 £'000
Social housing lettings (note 5)	44,486	0	36,257	0	8,229
Other social housing activities					
First tranche low cost home ownership sales	7,576	5,067	249	0	2,260
Gain on disposal of fixed assets	0	0	0	3,401	3,401
Charges for support services	31	0	4	0	27
Development costs not capitalised	0	0	783	0	(783)
	7,607	5,067	1,036	3,401	4,905
Activities other than social housing activities					
Lettings	13	0	3	0	10
Other	593	0	697	0	(104)
	606	0	700	0	(94)
	52,699	5,067	37,993	3,401	13,040

	Turnover 2023 £'000	Cost of sales 2023 £'000	Operating costs 2023 £'000	Surplus on disposal 2023 £'000	Operating surplus /(deficit) 2023 £'000
Social housing lettings (note 5)	40,417	0	32,736	0	7,681
Other social housing activities					
First tranche low cost home ownership sales	5,114	3,455	183	0	1,476
Gain on disposal of fixed assets	0	0	0	1,652	1,652
Charges for support services	25	0	4	0	21
Development costs not capitalised	0	0	734	0	(734)
	5,139	3,455	921	1,652	2,415
Activities other than social housing activities					
Lettings	10	0	4	0	6
Other	401	0	487	0	(86)
	411	0	491	0	(80)
	45,967	3,455	34,148	1,652	10,016

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

4 Particulars of turnover, cost of sales, operating costs, and operating surplus - company

	Turnover 2024 £'000	Cost of sales 2024 £'000	Operating costs 2024 £'000	Surplus on disposal 2024 £'000	Operating surplus /(deficit) 2024 £'000
Social housing lettings (note 5)	44,486	0	36,257	0	8,229
Other social housing activities					
First tranche low cost home ownership sales	7,576	5,067	249	0	2,260
Gain on disposal of fixed assets	0	0	0	3,401	3,401
Charges for support services	31	0	4	0	27
Development costs not capitalised	0	0	783	0	(783)
	7,607	5,067	1,036	3,401	4,905
Activities other than social housing activities					
Lettings	13	0	3	0	10
Other	666	0	700	0	(34)
	679		703	0	(24)
	52,772	5,067	37,996	3,401	13,110

	Turnover 2023 £'000	Cost of sales 2023 £'000	Operating costs 2023 £'000	Surplus on disposal 2023 £'000	Operating surplus /(deficit) 2023 £'000
Social housing lettings (note 5)	40,417	0	32,735	0	7,682
Other social housing activities					
First tranche low cost home ownership sales	5,114	3,455	182	0	1,477
Gain on disposal of fixed assets	0	0	0	1,652	1,652
Charges for support services	25	0	4	0	21
Development costs not capitalised	0	0	734	0	(734)
	5,139	3,455	920	1,652	2,416
Activities other than social housing activities					
Lettings	10	0	4	0	6
Other	385	0	496	0	(111)
	395		500	0	(105)
	45,951	3,455	34,155	1,652	9,993

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

5 Income and expenditure from social housing lettings – group

	General needs £'000	Supported & older people's housing £'000	Low cost home ownership £'000	Care Homes £'000	Garages £'000	Total 2024 £'000	Total 2023 £'000
Income							
Rents net of identifiable service charges	31,287	8,564	1,642	287	729	42,509	38,691
Service charge income	595	904	64	0	0	1,563	1,341
Amortised government grants	413	0	0	0	0	413	385
Other grants	1	0	0	0	0	1	0
Turnover from social housing lettings	32,296	9,468	1,706	287	729	44,486	40,417
Expenditure							
Management	4,228	1,642	260	91	86	6,307	6,521
Service charge costs	1,458	950	0	13	9	2,430	2,241
Routine maintenance	4,705	1,462	0	220	54	6,441	6,448
Planned maintenance	4,867	1,547	0	11	25	6,450	5,536
Major repairs expenditure	3,625	1,086	0	9	20	4,740	3,721
Bad debts	73	21	0	0	0	94	98
Depreciation of housing properties:							
-annual charge	6,701	1,949	0	0	0	8,650	8,068
-accelerated on disposal of components	1,113	31	0	0	0	1,144	100
Operating expenditure on social housing lettings	26,770	8,688	260	344	194	36,256	32,736
Operating surplus / (deficit) on social housing lettings	5,526	780	1,446	(57)	535	8,230	7,681
Void Losses	187	118	112	0	46	463	312

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

5 Income and expenditure from social housing lettings – company

	General needs £'000	Supported & older people's housing £'000	Low cost home ownership £'000	Care Homes £'000	Garages £'000	Total 2024 £'000	Total 2023 £'000
Income							
Rents net of identifiable service charges	31,287	8,564	1,642	287	729	42,509	38,691
Service charge income	595	904	64	0	0	1,563	1,341
Amortised government grants	413	0	0	0	0	413	385
Other grants	1	0	0	0	0	1	0
Turnover from social housing lettings	32,296	9,469	1,706	287	729	44,486	40,417
Expenditure							
Management	4,228	1,642	260	91	86	6,307	6,521
Service charge costs	1,458	950	0	13	9	2,430	2,241
Routine maintenance	4,705	1,463	0	220	54	6,442	6,448
Planned maintenance	4,867	1,547	0	11	25	6,450	5,536
Major repairs expenditure	3,625	1,086	0	9	20	4,740	3,721
Bad debts	73	21	0	0	0	94	98
Depreciation of housing properties:	0	0	0	0	0	0	0
-annual charge	6,701	1,949	0	0	0	8,650	8,068
-accelerated on disposal of components	1,113	31	0	0	0	1,144	100
Operating expenditure on social housing lettings	26,770	8,689	260	344	194	36,257	32,733
Operating surplus / (deficit) on social housing lettings	5,526	780	1,446	(57)	535	8,229	7,684
Void Losses	187	118	112	0	46	463	312

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

6 Units of housing stock

At the end of the year accommodation in management was as follows:

	Group & Company 2024 Number	Group & Company 2023 Number
General needs housing:		
- social	4,187	4,192
- affordable	944	861
Low cost home ownership	433	367
Supported housing	76	76
Housing for older people	701	701
Sheltered units for older people / supported living	713	714
	<hr/>	<hr/>
Total social housing units	7,054	6,911
Residential care home bed spaces	46	46
	<hr/>	<hr/>
Total owned and managed	7,100	6,957
	<hr/>	<hr/>
Leaseholders of sold flats	91	90
Leaseholders units for supported living	4	4
Market rent	2	2
	<hr/>	<hr/>
Total owned and managed accommodation	7,197	7,053
	<hr/> <hr/>	<hr/> <hr/>
Units under construction	273	250
	<hr/> <hr/>	<hr/> <hr/>

	Group & Company Number
Total owned and managed accommodation as at Apr 23	7,053
Newly built rental accommodation, built by or for Selwood Housing.	171
Sales to the open market	(24)
Right to Buy Disposals	(1)
Right to Acquire Disposals	(1)
Rental property transferred to Leasehold	1
Fully Staircased LCHO	(2)
	<hr/>
Total owned and managed accommodation as at Mar 24	7,197
	<hr/> <hr/>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

6 Units of housing stock (continued)

Selwood Housing owns 76 supported housing units (2023: 76) and tenancy sustainment support was provided for 11 of these units by Selwood Housing in 2024. The rest are managed by bodies that contract with adult social care and carry the financial risk relating to these supported housing units. Other organisations manage 46 care home units on our behalf.

Selwood Housing also owns 1,157 garages, 1 shop unit used by Selwood Housing as a resource centre and 1 doctors' surgery.

7 Operating surplus

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
--	------------------------	------------------------	--------------------------	--------------------------

This is arrived at after charging / (crediting):

Depreciation of housing properties:

-annual charge	8,649	8,063	8,649	8,063
-accelerated depreciation on replaced components	139	100	139	100
Depreciation of other tangible fixed assets	273	433	247	404
Impairment of 2 blocks of flats	1,006	0	1,006	0
Impairment of Office property	0	433	0	433
Auditor's remuneration (excluding VAT):				
-fees payable to the group's auditor for the audit of the group's annual accounts	32	27	23	19
- fees for other non-audit services	2	0	2	0

8 Employees

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
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Staff costs (including Executive Team) consist of:

Wages and salaries	11,067	10,615	11,067	10,615
Social security costs	1,045	1,029	1,045	1,029
Cost of defined benefit scheme (see note 26)	217	458	217	458
Cost of defined contribution scheme	775	741	775	741
	<u>13,104</u>	<u>12,843</u>	<u>13,104</u>	<u>12,843</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

8 Employees *continued*

The average number of employees (including the executive team) expressed as full-time equivalents (calculated based on a standard working week of 35 hours during the year) was as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
Administration	62	61	62	61
Development	9	10	9	10
Maintenance	91	92	91	92
Housing, Support and care	149	149	149	149
	<u>311</u>	<u>312</u>	<u>311</u>	<u>312</u>

9 Directors' and senior executive remuneration

The directors and senior executives are defined as the members of the Board of directors, the group chief executive and the executive team disclosed on page 1.

Group and company

	2024 £'000	2023 £'000
Executive directors' emoluments	636	718
Amounts paid to non-executive directors	49	51
Contributions to money purchase pension schemes	11	10
Contributions to defined benefits pension scheme	80	75
	<u>776</u>	<u>854</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

9 Directors' and senior executive remuneration (*continued*)

The remuneration paid to staff (including the executive team) earning over £60,000 upwards (excluding employer pension contributions):

	2024	2023
	No.	No.
£60,000 - £69,999	9	5
£70,000 - £79,999	10	7
£80,000 - £89,999	0	0
£90,000 - £99,999	1	2
£100,000 - £109,999	1	1
£110,000 - £119,999	1	1
120,000 - 129,999	1	0
130,000 - 139,999	0	0
140,000 - 149,999	0	0
150,000 - 159,999	0	0
160,000 - 169,999	0	0
170,000 - 179,999	0	0
180,000 - 189,999	0	0
190,000 - 199,999	0	1
200,000 - 210,000	1	0
	<u>24</u>	<u>17</u>

Benefits have accrued to 3 executive officers under the Wiltshire pension fund defined benefit scheme (2023 – 3) and 1 director accrued benefits under the group's defined contribution pension scheme during the year (2023 – 1).

The group chief executive received remuneration of £149,216 salary excluding pension contributions plus £53,370 in lieu of pension contributions. This is 6.14 times the median salary of all members of staff (2023: 6.06 times).

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

10 Board members

The Chair of the Board receives a salary of £10,500 (2023: £10,500) per annum, the committee chairs each receive £1,750 per annum (2023: £1,750), in addition to their basic Board member payment. The standard other group Board member payment is £4,250 (2023: £4,250). Emoluments paid to Board members in 2024 were 0.09% (2023: 0.1%) of Selwood Housing's annual turnover.

Board member	Remuneration & Expenses £	Current Member of Group Asset & Development Committee	Current Member of Group Audit and Finance committee	Group Board
Sheila Lewis *	11,014	x		x
Nicci Setchell from 04/10/23	2,093		x	x
Chris Butters	6,000		x	x
Stella Shepherd **	4,250		x	x
Lisa Nicholls from 04/10/23	2,188	x		x
Richard Yates	4,250		x	x
David Knight to 04/10/23	2,173		x	x
Valerie Lee to 04/10/23	3,181	x		x
Hannah Jones	4,250	x		x
Koo Chai Young Li Mow Ching	5,531	x		x
Philip Whitehead	4,250		x	x
Total	49,180			

* Chair

** Vice Chair

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

11 Surplus on disposal of fixed assets

Group and Company	Right to Buy and Right to Acquire	Other housing properties	Staircasing	Total	Total
	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000
Disposal proceeds	235	4,532	276	5,043	3,043
Costs of disposals	(85)	(1,410)	(142)	(1,637)	(1,357)
Selling costs	2	(4)	(3)	(5)	(24)
Grant recycled	0	0	0	0	0
	152	3,118	131	3,401	1,662
Surplus on disposal of other tangible fixed assets	0	0	0	0	(10)
	152	3,118	131	3,401	1,652

12 Interest payable and similar charges

Group and company	2024 £'000	2023 £'000
Bank loans and overdrafts	4,726	2,618
All other loans (excluding loans from group entities)	2,178	1,861
Interest capitalised on construction of housing properties	(897)	(644)
	6,007	3,835

13 Taxation on profit from ordinary activities

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Current tax				
UK corporation tax on profits of the year	0	0	0	0
Effect of changes in rates	(1)	0	0	0
Adjustments in respect of previous periods	2	0	0	0
Origination and reversal of timing differences	2	2	0	0
Taxation on profit on ordinary activities	3	2	0	0

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

13 Taxation on profit from ordinary activities *(continued)*

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below.

	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Profit on ordinary activities before tax	7,166	6,110	7,217	6,082
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 25% (2022: 19%)	(1,792)	(1,161)	(1,804)	(1,156)
Effects of:				
Charitable income	1,770	1,137	1,804	1,156
Gift Aid Payment to parent	24	26	0	0
Expenses not deductible	0	0	0	0
Tax rate changes	0	0	0	0
Current tax charge for year	3	2	0	0

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

14 Tangible fixed assets – housing properties

All housing properties were freehold at 31 March 2024 (2023: all freehold).

Group	General needs completed	General needs under construction	Shared ownership completed	Shared ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
<i>Cost</i>					
1st April 2023	480,834	14,434	33,318	3,931	532,517
Construction Costs	0	17,640	0	6,876	24,516
Replaced components - Additions	11,104	(1,513)	0	0	9,591
Completed Schemes	23,822	(23,822)	8,802	(8,802)	0
Disposals - RTB, RTA & market sales	(1,694)	0	0	0	(1,694)
Disposals - replaced components	(1,559)	0	0	0	(1,559)
Impairment of 2 blocks of flats	(1,349)	0	0	0	(1,349)
Disposals - staircasing	0	0	(147)	0	(147)
Transfers	0	0	38	0	38
At 31 March 2024	511,158	6,739	42,011	2,005	561,913
<i>Depreciation</i>					
1st April 2023	(59,778)	0	(884)	0	(60,662)
Charge for the year	(8,353)	0	(296)	0	(8,649)
Eliminated on disposals	233	0	0	0	233
Replaced components - Disposals	1,420	0	0	0	1,420
Impairment of 2 blocks of flats	343	0	0	0	343
Disposals - staircasing	0	0	5	0	5
At 31 March 2024	(66,135)	0	(1,175)	0	(67,310)
Net Book Value at 31 March 2024	445,023	6,739	40,836	2,005	494,602
Net Book Value at 31 March 2023	421,056	14,434	32,434	3,931	471,855

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

14 Tangible fixed assets – housing properties *(continued)*

Company	General needs completed	General needs under construction	Shared ownership completed	Shared ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000
<i>Cost</i>					
1st April 2023	480,834	14,469	33,318	3,949	532,570
Construction Costs	0	17,691	0	6,876	24,567
Replaced components - Additions	11,104	(1,565)	0	0	9,539
Completed Schemes	23,822	(23,822)	8,802	(8,802)	0
Disposals - RTB, RTA & market sales	(1,694)	0	0	0	(1,694)
Disposals - replaced components	(1,559)	0	0	0	(1,559)
Impairment of 2 blocks of flats	(1,349)	0	0	0	(1,349)
Disposals - staircasing	0	0	(147)	0	(147)
Transfers	0	0	38	0	38
At 31 March 2024	511,158	6,773	42,011	2,023	561,965
<i>Depreciation</i>					
1st April 2023	(59,778)	0	(885)	0	(60,663)
Charge for the year	(8,353)	0	(296)	0	(8,649)
Eliminated on disposals	233	0	0	0	233
Replaced components - Disposals	1,420	0	0	0	1,420
Impairment of 2 blocks of flats	343	0	0	0	343
Disposals - staircasing	0	0	5	0	5
At 31 March 2024	(66,135)	0	(1,176)	0	(67,311)
Net Book Value at 31 March 2024	445,023	6,773	40,835	2,023	494,654
Net Book Value at 31 March 2023	421,056	14,469	32,433	3,949	471,907

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

14 Tangible fixed assets – housing properties *(continued)*

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Interest capitalised in the year	(897)	(644)	(897)	(644)
Rate used for capitalisation	3%	3%	3%	3%
	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Total social housing grant received or receivable to date				
as follows				
Capital grant - Housing properties	34,257	34,518	34,257	34,518
Recycled Capital Grant Fund	129	205	129	205
Revenue grant - I&E	413	385	413	385
Revenue grant - reserves	5,055	4,642	5,055	4,642
	39,854	39,750	39,854	39,750

Properties held for security

Selwood Housing Society Ltd had property with an existing use value of £270 million pledged as security at 31 March 2024 (£239 million – 2023).

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

15 Other tangible fixed assets – group

Group	Freehold Office £'000	Fixtures & Fittings £'000	Plant & & Equipment £'000	Motor Vehicles £'000	IT £'000	Laptops & Tablets £'000	Total £'000
Cost							
At 1 April 2023	3,556	52	554	13	2,809	0	6,984
Additions	0	0	0	0	227	130	357
Disposals	0	0	(4)	0	0	0	(4)
At 31 March 2024	3,556	52	550	13	3,036	130	7,337
Accumulated Depreciation							
At 1 April 2023	(1,303)	(22)	(226)	(13)	(1,845)	0	(3,409)
Charged in year	(60)	(5)	(26)	0	(169)	(13)	(273)
Disposals	0	0	0	0	0	0	0
At 31 March 2024	(1,363)	(27)	(252)	(13)	(2,014)	(13)	(3,682)
Net book value at 31 March 2024	2,193	25	298	0	1,022	117	3,655
Net book value at 31 March 2023	2,253	30	328	0	964	0	3,575

Freehold office includes freehold land at cost of £360,000 (2023: £360,000) which is not depreciated.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

15 Other tangible fixed assets – company

COMPANY	Freehold Office £'000	Fixtures & Fittings £'000	Plant & Equipment £'000	Motor Vehicles £'000	IT £'000	Laptops & Tablets £'000	Total £'000
Cost							
At 1 April 2023	3,556	52	6	13	2,809	0	6,436
Additions	0	0	0	0	227	130	357
Disposals	0	0	0	0	0	0	0
At 31 March 2024	3,556	52	6	13	3,036	130	6,793
Accumulated Depreciation							
At 1 April 2023	(1,303)	(22)	(6)	(13)	(1,845)	0	(3,189)
Charged in year	(60)	(5)	0	0	(169)	(13)	(247)
Disposals	0	0	0	0	0	0	0
At 31 March 2024	(1,363)	(27)	(6)	(13)	(2,014)	(13)	(3,436)
Net book value at 31 March 2024	2,193	25	0	0	1,022	117	3,357
Net book value at 31 March 2023	2,253	30	0	0	964	0	3,247

Freehold office includes freehold land at cost of £360,000 (2023: £360,000) which is not depreciated.

16 Investment properties

Group and Company	Market rent £'000	Commercial £'000	Total £'000
At 1 April 2023	225	127	352
Revaluations	(9)	(3)	(12)
At 31 March 2024	216	124	340

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

16 Investment properties *continued*

The group's investment properties are valued annually on 31 March at fair value, determined by an independent, professionally qualified valuer. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. Details on the assumptions made and the key sources of estimation uncertainty are given in note 3.

The deficit on revaluation of investment property arising £12k (2023 – surplus of £1k) has been credited to the statement of comprehensive income for the year (company and group).

17 Fixed asset investments

	Group	Company
	£'000	£'000
<i>Cost or valuation</i>		
At 1 April 2023	125	2,225
Additions	0	1,000
At 31 March 2024	<u>125</u>	<u>3,225</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

18 Subsidiary undertakings

The principal undertakings in which the company has an interest are as follows:

Name	Country of incorporation or registration	Proportion of voting rights / ordinary share capital held	Nature of business	Nature of entity	Number of shares
Silcoa Ltd *	England	100%	Dormant	Private company limited by shares	100,000 ordinary £1 shares
Cottsbury Homes Ltd	England	100%	Sale of properties at market cost	Private company limited by shares	500,000 ordinary £1 shares
Selwood DevCo Ltd	England	100%	Generation and supply of electricity	Private company limited by shares	2,500,000 ordinary £1 shares

All subsidiary undertakings have the same registered office as the company, shown on page 1.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

19 Properties for sale & other stock

Group	First tranche	Other	Total	Total					
	shared				Stock	2024	2023		
	ownership							2024	2023
	properties								
2024	2024	2024	2023						
	£'000	£'000	£'000	£'000					
Completed properties	2,921	0	2,921	2,120					
Other	0	163	163	88					
Properties under construction	1,348	1,671	3,019	2,632					
	4,269	1,834	6,103	4,840					

Company	First tranche	Other	Total	Total					
	shared				Stock	2024	2023		
	ownership							2024	2023
	properties								
2024	2024	2024	2023						
	£'000	£'000	£'000	£'000					
Completed properties	2,921	0	2,921	2,120					
Other	0	163	163	88					
Properties under construction	1,348	0	1,348	2,632					
	4,269	163	4,432	4,840					

Properties developed for sale include capitalised interest of £71k (2023 - £26k).

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

20 Debtors

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Due within one year				
Arrears of rent and service charges	638	492	638	492
Less: Provision for doubtful debts	(366)	(280)	(366)	(280)
	272	212	272	212
Amounts owed by group undertakings	0	0	0	0
Other debtors	2,683	2,077	2,381	2,067
Prepayments and accrued income	1,641	887	1,635	881
	4,596	3,176	4,288	3,160

The other debtors figure includes £541k (2023: £486k) in respect of 21 days' (2023:19 days) housing benefit due from Wiltshire Council.

20a Cash and cash equivalents

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Cash	5,274	7,425	4,938	6,075
Deposit accounts	1,327	1,295	656	613
	6,601	8,720	5,594	6,688

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

21 Creditors: Amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade creditors	1,147	2,743	1,147	2,742
Rent and service charges received in advance	702	858	702	858
Amounts owed to group undertakings	0	0	9	9
Taxation and social security	288	3	288	0
Other creditors	651	594	652	560
Accruals and deferred income	6,825	6,564	6,819	6,556
Loans due within 1 year	7,702	6,849	7,702	6,849
Recycled Capital Grant	9	28	9	28
Deferred Capital grant	406	385	406	385
	<u>17,730</u>	<u>18,023</u>	<u>17,734</u>	<u>17,987</u>

22 Creditors: Amounts falling due after more than one year

Group and company

	2024 £'000	2023 £'000
Loans and borrowings (note 25)	176,944	160,100
Deferred capital grant (note 23)	34,257	34,134
Recycled capital grant (note 24)	120	177
Sinking fund balances	110	148
	<u>211,431</u>	<u>194,559</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

23 Deferred capital grant

Group and company	2024 £'000	2023 £'000
At 1 April	34,518	33,508
Grants received in the year	482	1,446
Grants accrued	0	0
Grants recycled from the recycled capital grant fund	76	(51)
Released to income in the year	(413)	(385)
To be released to income < 1 year (note 21)	(406)	0
At 31 March	<u>34,257</u>	<u>34,518</u>

24 Recycled capital grant

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
At 1 April	205	150	205	150
Additions:				
Grants Recycled	97	55	97	55
Interest	3	0	3	0
Withdrawals:				
New build	(176)	0	(176)	0
At 31 March	<u>129</u>	<u>205</u>	<u>129</u>	<u>205</u>
Amounts 3 years or older where repayment may be required	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

25 Loans and borrowings

Loans are secured by specific charges on the housing properties of the group and are secured on the assets of Selwood Housing, including fixed charges on individual properties.

	Bank Loans 2024 £'000	Total 2024 £'000	Total 2023 £'000
In one year or less, or on demand	7,702	7,702	6,849
In more than one year but not more than two years	8,791	8,791	7,702
In more than two years but not more than five years	66,336	66,336	36,888
In more than five years	101,817	101,817	115,510
Total debt	184,646	184,646	166,949

New funding of £25m was secured in 23/24 with Lloyds. This is an extension to the current facility already in place with Lloyds.

The loans bear interest at fixed rates ranging from 1.8% to 5.08% or at variable rates calculated at a margin above the London Inter Bank Offer Rate. The current loan outstanding is made up of £120m fixed and £64.6m variable, against agreed facilities of £226.7m. At 31 March 2024 the group had undrawn loan facilities of £20m (2023 - £20m) with Nationwide and £22.5m (2023 £22m) with Lloyds.

26 Pension obligations

Group and Company

The Wiltshire Pension Fund ("WPF") is a multi-employer scheme with more than one participating employer, which is administered by Wiltshire Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. The assets of the WPF are held separately from those of Selwood Housing in independently administered funds. The actuaries have used the projected unit credit method of valuation in accordance with FRS 17.

The employers' contributions to the WPF by Selwood Housing for the year ended 31 March 2024 were £575,165 (2023: £585,547) at a contribution rate of 25.7% of pensionable salaries including an annual contribution of £343,000 to fund the deficit, set until the next funding valuation.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

26 Pensions obligations *(continued)*

Financial assumptions

The main financial assumptions used by the actuary were:

	31 March 2024 % per annum	31 March 2023 % per annum
Discount rate	4.85	4.75
Future salary increases	3.25	3.45
Future pension increases	2.75	2.95

Mortality assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% per annum for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	2024 No. of years	2023 No. of years
Current pensioners:		
Males	21.3	21.5
Females	24.3	24.5
Future pensioners: *		
Males	23.8	24
Females	25.8	26.1

Commutation

A commutation allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

26 Pensions obligations *(continued)*

Amounts recognised in the statement of financial position

	2024 £'000	2023 £'000
Present value of funded obligations relating to Selwood Housing	(23,313)	(23,324)
Fair value of plan assets relating to Selwood Housing	28,431	26,289
Unrecognised Asset	(5,118)	(2,965)
Net Deficit	<u>0</u>	<u>0</u>

Analysis of the amount (credited)/charged to the statement of comprehensive income:

	2024 £'000	2023 £'000
Current service cost	217	458
Expected return on pension scheme assets	(1,247)	(757)
Interest on pension scheme liabilities	1,097	883
Total operating charge	<u>67</u>	<u>584</u>

Of the above amount, £150,000 (2023: £126,000) was credited to other finance charges. £359,000 (2023: £131,000) was credited to operating surplus.

Changes in fair value of employer assets

	2024 £'000	2023 £'000
Opening fair value of employer assets	26,289	28,122
Contributions by the Employer	576	589
Actuarial gains	985	(2,478)
Benefits paid	(740)	(778)
Contributions by members	74	77
Interest	1,247	757
Closing fair value of employer assets	<u>28,431</u>	<u>26,289</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

26 Pensions obligations (*continued*)

Changes in present value of defined benefit obligation

	2024 £'000	2023 £'000
Opening defined benefit obligation	23,324	32,863
Current service cost	217	458
Interest cost	1,097	883
Actuarial losses /(gains)	(659)	(10,179)
Estimated benefits paid	(740)	(778)
Contributions by members	74	77
Closing defined benefit obligation	<u>23,313</u>	<u>23,324</u>

Major categories of plan assets as a percentage of total plan assets:

	2024	2023
Equities	56%	55%
Bonds	29%	31%
Property	14%	13%
Cash	1%	1%

Fair value of employer assets

	2024 £'000	2023 £'000
Equities	15,921	14,458
Bonds	8,245	8,150
Property	3,980	3,418
Cash	284	263
	<u>28,430</u>	<u>26,289</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

26 Pensions obligations (*continued*)

Amounts for the current and previous four years are as follows:

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligation	(23,313)	(23,324)	(32,863)	(34,807)	(26,518)
Fair value of scheme assets	28,431	26,289	28,122	26,017	22,039
Surplus/(Deficit) on scheme	5,118	2,965	(4,741)	(8,790)	(4,479)
Experience adjustments on plan liabilities	(776)	(1,743)	(68)	298	1,027
Experience adjustments on plan assets	985	(2,457)	1,606	3,269	(1,681)
Cumulative actuarial gains/losses	6,736	5,092	(2,609)	(6,788)	(2,379)

Projected pension expense for the year to 31 March 2025

	£'000
Projected Current Service Cost	196
Interest on Obligation	1119
Expected Return on Plan Assets	(1,377)
Total	(62)

The estimated employer contributions for the year to 31 March 2025 are approximately £576,000.

Defined Contribution Scheme

A defined contribution pension scheme is operated by the group on behalf of some employees. The assets of the scheme are held separately from those of the group and the company in an independently administered fund. All existing and new colleagues are eligible to join. The costs associated with providing this scheme are outlined in note 8.

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

27 Operating leases

At 31 March 2024, the group and company had future minimum lease payments under non-cancellable operating leases as set out below:

Amounts payable as Lessee	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Not later than 1 year	545	493	545	493
later than 1 year and no later than 5 years	952	1013	952	1013
Later than 5 years	0	0	0	0
Total	1,497	1,506	1497	1506

Amounts receivable as Lessor	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Not later than 1 year	1	1	1	1
later than 1 year and no later than 5 years	0	0	0	0
Later than 5 years	0	0	0	0
Total	1	1	1	1

28 Capital commitments

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Commitments contracted but not provided for in the accounts	81,671	60,907	81,671	60,907
Commitments approved by the Board but not contracted for	95,886	92,218	95,886	92,218
Total	177,557	153,125	177,557	153,125

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

28 Capital commitments (continued)

The above commitments will be financed primarily through borrowings, new funding, social housing grant, property sales and internal cash balances.

29 Related party transactions

The directors Stella Shepherd, Richard Yates and Hannah Jones are tenants of Selwood Housing. Their tenancy agreements are under normal commercial terms and they are not able to use their position to their advantage.

The director Philip Whitehead is also a councillor of Wiltshire Council. Any transactions made with Wiltshire Council are made at arm's length, on normal commercial terms and the councillors cannot use their position on the Board to their advantage.

Except for the disclosures below, Selwood Housing Group has taken advantage of the exemption allowed under FRS 102 not to disclose related party transactions within the group. All intra-group transactions are with subsidiaries that are wholly owned. These have been eliminated on consolidation in the group's financial statements.

Transactions with non-regulated entities

The association provides management services and other services to some of its subsidiaries. Selwood Housing also receives charges from its subsidiaries. The quantum and basis of those charges is set out below.

Transactions with non-regulated entities Payable to Selwood Housing by Subsidiaries:	Management Charges		Gift Aid	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Silcoa Ltd	0	0	1	0
Selwood DevCo Ltd	0	0	134	46
Cottsbury Homes Ltd	0	0	1	0
	<u>0</u>	<u>0</u>	<u>136</u>	<u>46</u>

Payable by Selwood Housing to Subsidiaries:	Other Charges	
	2024 £'000	2023 £'000
Silcoa Ltd	0	0
Selwood DevCo Ltd	59	1,050
	<u>59</u>	<u>1,050</u>

Selwood Housing Society Limited

Notes to the financial statements For the year ended 31 March 2024

Other intra-group charges

No other intra-group charges are payable to the society from subsidiaries. Charges from subsidiaries to the society are for goods and services provided, such as repairs and maintenance.

30 Provision for liabilities – Deferred Tax

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
At 31 March 2023	7	9	0	0
Charge / (Credit)	(3)	(2)	0	0
Origination and reversal of timing differences	0	0	0	0
At 31 March 2024	4	7	0	0

31 Net debt reconciliation

	01 April 2023 £'000	Cash flows £'000	Non -cash changes £'000	31 March 2024 £'000
Group				
Cash and cash equivalents	8,720	(2,119)	0	6,601
Loans and borrowings	(166,949)	(17,651)	(46)	(184,647)
	(158,229)	(19,770)	(46)	(178,046)
Company				
Cash and cash equivalents	6,688	(1,094)	0	5,594
Loans and borrowings	(166,949)	(17,651)	(46)	(184,646)
	(160,261)	(18,745)	(46)	(179,052)