



SAXON WEALD

Great homes, building futures

GROUP ANNUAL REPORT & FINANCIAL STATEMENTS

for the year ended 31 March 2025



Saxon Weald is a Community Benefit Society registered with the Financial Conduct Authority Number 7971

Registered with the Regulator of Social Housing number L4299



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Board, Executive Directors and Advisers

The Board

Members of the Board of Saxon Weald who served throughout the year, unless otherwise shown, were:

Board Member	Committee Membership at 31 March 2025
Corinna Bishopp BA (Hons), FCA (from 12 May 2025) (Executive Member) <i>Note: Corinna Bishopp joined after year end.</i>	N/A
Jo Boswell BA (Hons)	Customer Experience Committee (Chair), Audit & Risk Committee
Michael Chinn FCCA, CPFA (Executive Member)	N/A
Julian Chun BSc (Hons), CMCIH	Asset Management & Development Committee, Customer Experience Committee
Laila Court BA (Hons) (from 1 July 2024)	Remuneration & Nominations Committee
Steven Dennis (Executive Member) (to 31 January 2025)	N/A
Hannah Eaton BSc (Vice Chair)	Remuneration & Nominations Committee (Chair), Asset Management & Development Committee, Customer Experience Committee
Kalwant Grewal ACCA, MInstLM	Audit & Risk Committee (Chair), Emergency Committee
Simon Hardwick (Chair)	Remuneration & Nominations Committee, Emergency Committee (Chair)
Susan Morris BSc (Hons), PGCE	Asset Management & Development Committee, Remuneration & Nominations Committee, Customer Experience Committee
Neil Perrins MBA, BSc (Hons), FCMA (from 19 November 2024)	Audit & Risk Committee
Joanne Sonin MBA, PhD (to 31 August 2024)	N/A
Graham Stark	Asset Management & Development Committee (Chair), Emergency Committee

Committee Member	Committee Membership at 31 March 2025
Richard Stevens FCA	Audit & Risk Committee
Jacqueline Garman (from 1 May 2024)	Customer Experience Committee
William Dulake (from 1 May 2024)	Customer Experience Committee

Registered Office

Saxon Weald House
38-42 Worthing Road
Horsham
RH12 1DT



The Executive Directors

The Executive Directors of Saxon Weald who served during the year are as follows:

Michael Chinn FCCA, CPFA	Executive Director – Finance & Governance and Company Secretary, Acting Chief Executive (from 1 February 2025 to 11 May 2025)
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Steven Dennis (to 31 January 2025)	Chief Executive
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Kath Hicks BSc (Hons)	Executive Director – Customer Operations
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Becky Utuka MSc, PGDip, Bsc (Hons)	Executive Director – Asset & Development
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Debbie Chun BA (Hons)	Chief Information Officer
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Executive Director of Saxon Weald who joined since the year end:

Corinna Bishopp BA (Hons), FCA (from 12 May 2025)	Chief Executive
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External Auditor

Beever and Struthers

150 Minories
London
EC3N 1LS

Internal Auditor

RSM UK Risk Assurance Services

4th Floor
100 Avebury Boulevard
Milton Keynes
MK9 1FH

Main Bankers

National Westminster Bank Plc

47 Carfax
Horsham
RH12 1FD

Solicitors

Capsticks

Staple House
Staple Gardens
Winchester
SO23 8SR

Devonshires

30 Finsbury Circus
London
EC2M 7DT

Trowers & Hamlins

3 Bunhill Row
London
EC1Y 8YZ



Strategic Report Incorporating the Operating and Financial Review

The strategic report incorporates the operating and financial review and a section on value for money.

Saxon Weald's main accounting policies are set out on pages [41](#) to [50](#) of the financial statements.

Business Model and Activities

Saxon Weald is a Community Benefit Society.

As an exempt charitable housing association, Saxon Weald is registered with both the Regulator of Social Housing (RSH) and the Financial Conduct Authority (FCA). Saxon Weald is a public benefit entity for the purposes of Financial Reporting Standard 102 (FRS 102).

Saxon Weald was formed to take the transfer of the housing stock from Horsham District Council on 11 December 2000. The association provides social housing in West and East Sussex and Hampshire and at 31 March 2025 owned and managed 6,939 homes. Retirement housing for older people, extra care properties, and leasehold flats for older people make up 25% of the housing owned. In addition to 5,810 social rented homes, we own and manage 313 shared ownership homes, 157 leasehold homes for older people, 108 market rent homes, and the freehold of 551 properties mainly sold under the right to buy/right to acquire legislation.

Saxon Weald's primary objective is to provide homes for those who cannot afford to buy or rent in the private market and/or need additional support to maintain an independent home and lifestyle. Saxon Weald manages, maintains and invests in replacing major elements of these properties so that they will continue to be available for those who need them in the future. The purpose of the investment in market rent homes is to generate a financial return that is used to further Saxon Weald's charitable objectives.

During 2024/25, Saxon Weald's contract to manage homes on behalf of Legal & General Affordable Homes drew to a close and just over 100 homes which were under management have been returned. Operational resources were proportionally adjusted and are now fully focussed on Saxon Weald's homes.

Saxon Weald is the parent of Saxon Weald Capital Plc and Weald Property Development Limited. Saxon Weald Capital Plc is a wholly owned subsidiary with the purpose of providing funding from the capital markets to on-lend to Saxon Weald. Weald Property Development Limited is a wholly owned non-charitable subsidiary set up to develop homes for open market sale. Since incorporation, Weald Property Development Limited has not traded and is dormant.

Saxon Weald is in a strong, sustainable financial position, and is focussed on maintaining an efficient, effective business which continues to put customers at the very heart of what we do.



Review of 2024/25

Saxon Weald has focussed on improvements to services and operational effectiveness during a year of continued challenges for our customers with a sustained high cost of living.

Operational focus turned to improvements in our turnaround time for empty homes which was falling behind target and delaying the availability of homes for new customers. At the end of the year, we successfully returned to a position within our target number of properties which were empty, awaiting works or letting. The improvements to our approach are embedded to ensure that our homes are made available as soon as possible. The previous year's improvements to our repairs service, with more first-time fixes and repairs completed within target, have been maintained and then built on, which is reflected in our customer satisfaction levels.

Our commitment to the condition of our customers' homes drives Saxon Weald's asset data enhancement initiative which informs our property investment plan. In 2024/25, we surveyed 25% of our homes and next year we will also be surveying another 25% to bring greater visibility to the standards of our homes.

As we drive an improvement in asset data, we proactively seek ways to strengthen our approach to property safety management. Through this approach in 2024/25, we identified a number of fire safety actions which required action without delay, and we mobilised significant resources to ensure that customer safety was assured, and issues were rectified.

We recognise the improvements made and our proactive approach in Saxon Weald's strong Tenant Satisfaction

Measures, particularly the steady improvement in overall customer satisfaction which reached 81.4% in 2024/25, which is above the sector average for the previous year of 80%.

Two developments which were affected by one of Saxon Weald's development contractors entering administration during the previous year were substantially completed with a replacement contractor. Much needed new homes have been made available for our customers and effective risk mitigations ensured that they were delivered within Saxon Weald's financial parameters.

Approaching the future of Saxon Weald's operational efficiency, we have commenced a transformation programme which replaces Saxon Weald's legacy systems with a modern software solution and a fully integrated contact centre. We will deliver streamlined processes and improved access to data which will enhance Saxon Weald's ability to make informed decisions on shaping our services and delivering quality homes for our customers.

During 2024/25, Saxon Weald welcomed the Regulator of Social Housing's inspection team for a planned, co-regulation inspection. Inspections are an opportunity to gain insights on our operations, improvements plans and customer outcomes. Saxon Weald was awarded a G1 rating for Governance, V2 for Financial Viability, and C2 for Consumer Standards. We recognise the outcomes as representing Saxon Weald's operational position in 2024/25 and that our planned improvements to asset and customer data will enable delivery of better customer outcomes in the years to come.



Aims and Strategy

Saxon Weald is a Community Benefit Society and an exempt charitable housing association. In preparing this report, we have paid due regard to guidance on reporting on public benefit.

Saxon Weald is directed by the Board and Executive Team listed on pages 4 and 5.

Saxon Weald's vision 'Great homes, building futures' is designed to be aspirational and ambitious and refers to both people and our homes. It is a statement of what we are and what we want to be. It supports the work that we do in our communities, the re-investment in our existing homes and the new homes that we will build in the future. We also hold to our purpose of enabling positive life chances by providing safe and secure homes.

Our values underpin everything that we do and how we do it. They determine and influence the decisions that we take and the culture that exists. They also guide how we work and interact with colleagues, our customers, our partners, and other stakeholders. We share these values:

- Be customer led
- Be one team
- Be forward thinking
- Be inclusive
- Do the right thing

At the heart of our [Corporate Plan](#) are three strategic aims that support our vision and set our direction over the coming years. They are:

- Focus on our customers
- Invest in our homes
- Be a great place to work

Focus on our customers

Focussing on our customers is our number one priority. We engage with residents in a positive and open way, listening to their needs, wants and aspirations and providing timely, honest feedback. We deliver services that are of good quality, doing the basics well and striving to meet our customers' expectations.

Specifically, we are committed to:

- Building on the progress made by the customer task & finish scrutiny groups to review and improve our services.
- Using customer feedback and data to ensure we improve what we do in line with customer priorities.
- Improving the quality and speed of our HomeFix repairs service.
- Designing services that are customer focussed, highly efficient and lead to greater trust and customer satisfaction through our digital transformation programme.
- Making sure that instances of damp, mould, and condensation are responded to in a timely and effective way.
- Ensuring that empty properties are refurbished quickly and efficiently to provide an affordable home for new customers.

There has been sustained progress as the Customer Strategy comes to the end of its second year. This is reflected in improving trends in nearly all the Tenant Satisfaction Measures, in particular, a real positive shift in satisfaction with our repairs and estate services. As the amount of customer data we hold increases, we are now focussing on how we will use this to inform and shape services, ensuring we take the needs of different customer groups into account.



Invest in our homes

We will survey and collect data on all our homes to better understand and plan for the investment needs. Our homes must meet a good standard, being safe, warm, and affordable. Communal areas also need to be looked after well. We will invest in improving our homes' energy performance, seeking to lower customer fuel bills and reduce our carbon footprint. Any new affordable homes that we build must be designed to be energy efficient.

We are committed to:

- Obtaining good quality data on all our homes to improve our investment decisions.
- Enhancing the warmth and energy efficiency of our homes.
- Making sure that our homes are safe and secure, quickly dealing with any issues reported or found through our comprehensive inspection routines.
- Ensuring that communal areas are looked after well.
- Delivering a sustainable programme of good quality, energy efficient new homes that meet the needs of our customers.
- Finding solutions for homes that do not meet customer or business expectations, through disposal, re-generation, or re-development.

As part of our ongoing asset data enhancement initiative, we reviewed our existing asset data to inform our 30-year property investment plan. We have committed to surveying our homes at least once every five years, ensuring asset data is up to date, and ensuring compliance with the Housing Health and Safety Rating System (HHSRS).

We are enhancing the energy performance data for our housing stock

to better guide our investment in the long-term provision and sustainability of homes. This data aids us in accessing grant funding for energy improvement works. We have recently been awarded £1.8m from the Government's Warm Homes Social Housing Fund (Wave Three) and we will match-fund the grant to create a £3.6m programme of energy efficiency improvements.

Our commitment to landlord health & safety remains robust with regular inspections, audits and a proactive approach to address any arising issues. Through this approach, we identified and addressed urgent fire safety actions, ensuring customer safety in their homes. Learning from our experience, we have strengthened our approach to property safety management through improvements in procedures alongside a re-organisation of our property safety workstreams to improve process ownership and oversight. Additionally, we have introduced a systems-based data management approach.

We are strengthening our approach to managing damp and mould and rectifying its causes alongside preparations to ensure oversight of our compliance with Awaab's Law.

We continue to deliver on our wider asset investment commitments through our Asset Management Strategy whilst listening to and considering the diverse needs of our customers. This is being achieved through six main themes outlined in the Strategy:

- Safe, warm and weathertight homes – by investing in the external fabric to ensure that they are in good condition.
- Energy performance – bringing forward investment to make homes more affordable to live in.



- Active asset data management – using evolving property data to develop robust programmes of work that meet the needs and aspirations of our customers.
- Property safety – robust property safety processes that ensure that homes are safe and secure.
- Property disposal – a disposal programme that focusses on properties that are costly for our customers and Saxon Weald to maintain, are unlikely to achieve EPC-C or net carbon zero or are in remote geographical areas.
- Customer engagement – working with our customers to develop the Saxon Weald property standard.

Be a great place to work

We are proud to foster a positive, customer-focused culture where purpose, commitment, and enjoyment go hand in hand. We invest in our people through ongoing training, coaching, and development, with the aim of creating an environment where everyone can thrive and reach their full potential. We are passionate about employee wellbeing – mental, physical, and emotional and have introduced a range of initiatives to support our teams. We are committed to being an inclusive employer where every colleague feels welcome, respected and valued. Our approach is rooted in fairness and accountability.

We are committed to:

- Embedding our values into every aspect of our culture and decision-making.
- Delivering a People Strategy that drives engagement and establishes us as an employer of choice.

- Creating an inspiring, flexible working environment that supports collaboration and hybrid working.
- Maintaining a competitive employment offer that attracts and retains talent.
- Providing high quality training focused on customer service, digital skills and professional development.
- Advancing equality, diversity and inclusion across all levels of the organisation.

Our aim is to create, promote, and maintain a workplace where people feel empowered, supported, and proud to contribute – delivering excellent service to our customers.

Good progress has been made during the second year of the People Strategy. In September 2024, we launched our new organisational purpose ‘We enable positive life chances by providing safe and secure homes’. This is being embedded across the business, with role profiles updated to reflect and support the change, and help colleagues see how their role contributes. Key achievements include:

- The successful completion of the Asset team restructure.
- Digital enhancements to performance management and HR processes.
- A wide range of Equality, Diversity and Inclusion (ED&I), and wellbeing initiatives, achieving Disability Confident Level 2 accreditation.

Throughout 2024/25, Saxon Weald has maintained a strong focus on employee wellbeing. We have regularly sought colleague feedback to shape initiatives that engage, connect, inform, and support our people, reinforcing our commitment to being a great place to work.



Performance

Customer Engagement

One of the four pillars of our Customer Strategy 2023-26 is to ‘engage, listen, and act on customer voice’. To help enable this, we committed to produce an annual Customer Engagement Plan, setting out the range of ways we provide opportunities for customers to influence what we do.

Each year, we consider the impact our engagement plan for 2024-25 has had on our performance in terms of service improvements and increased customer satisfaction.

While many of our engagement activities will have their own specific desired outcome, there are four overarching measures that we aim for our customer engagement work to positively influence.

Measure	2024/25	2023/24	2023/24 median*
Saxon Weald treats me fairly and with respect	86%	86%	84%
Saxon Weald listens to views and acts upon them	71%	69%	68%
I trust Saxon Weald to do what they say they will do	73%	71%	n/a
Saxon Weald keeps me informed about things that matter to me	82%	79%	79%

Three out of our measures have improved in comparison with the previous year, with one holding steady, and all benchmarks are exceeded.

We are confident that the engagement activities evidence that the customer voice is being effectively heard and no groups are underrepresented, that our engagement activities encourage participation from a wide variety of customers, and the customer voice is influential in decision making and service improvements.



Operating performance

The table below shows Saxon Weald’s key operating performance indicators over time and compared to the upper and median performance for Saxon Weald’s Benchmarking group. Additional KPIs are given in the Value for Money Statement.

Operating Performance	2024/25	2023/24	2022/23	2023/2024 upper quartile/median*
Rent arrears - monthly average	2.3%	2.5%	2.3%	1.5%/2.3%
Void rent loss	1.8%	2.6%	2.3%	0.7%/0.9%
Average repair completion time (days)	21	23	24	17/20
Satisfaction with repairs TP02	81.9%	76.1%	77.6%	83.1/80.3%
Overall customer satisfaction TP01	81.4%	80.4%	80.5%	81.6%/80.0%

The cost-of-living crisis continues to have an impact on the household finances of many of our customers and the number of Universal Credit claimants is still increasing. Despite these pressures, rent arrears performance at 2.3% is better than our internal target of 2.7% and has improved from 2.5% in 2023/24.

There has been continued month on month improvement in void rent loss through our operational focus on turnaround time of empty homes. Void rent loss of 1.8% in 2024/25 is an improvement on the previous year and brings us near our target, which will be met in 2025/26.

Performance in the repairs service has significantly improved in the year as a result of the HomeFix Improvement Plan. This is reflected in more repairs being completed within target and better first-time fix rates, both of which are driving up customer satisfaction levels.

Overall customer satisfaction for 2024/25 was 81.4%, as measured by the Tenant Satisfaction measure TP01. Satisfaction with repairs achieved 81.9%, exceeding target. The positive trend is due to improvements in the reliability and timeliness of the repairs service, arising in part to good performance of our new materials supplier. We are not complacent however and are using data and insight from the TSMs and other sources, as well as our customer engagement activities, to identify how we can continue to drive satisfaction.

**The 2023/24 upper quartile/median defined here are from Saxon Weald’s targeted Benchmark Group. The data is obtained from Housemark, and Saxon Weald’s new Benchmark Group is defined as similar housing associations (with an in-house repairs service) in the South-West and South-East. This has been formed based on a balanced need to have a benchmark group with similar background, operations and operating area and is large enough to make statistical comparison meaningful. This may return slightly different comparisons to the Benchmark group used previously.*



Capital investment plan performance

Investment in improving the quality of our customers' homes during 2024/25 resulted in the replacement of almost two thousand components such as windows, doors, and bathrooms. Provision of warm, safe homes was of paramount importance with the investment including heating system improvements and modernised extractor fans to assist in the prevention of damp and mould.

Stock condition surveys and Decent Homes performance

In 2024/25, we surveyed 25% of our homes as we work towards a position of all our homes having a survey at least every five years. We will reach that position in early 2027 and are using the insights from the data to better inform our Decent Homes status and plan our continuous investment in our customers' homes.

Financial performance

Saxon Weald achieved a surplus for the year, which is modestly higher than the budget expectations, reflecting the underlying business strength and how that has been utilised to deliver improvements in operational areas. The improvements directly affect the availability and safety of our customers' homes and include the turnaround times for empty homes and mobilisation of resources to rectify fire safety actions.

Development of new homes in the Horsham District can only take place if it does not increase the rate of water needed above existing levels as the southeast is classified as 'seriously water stressed'. To secure planning consent to build new homes in the district, applicants must demonstrate

water mitigation measures. Saxon Weald has partnered with a water services company to fit water saving devices in our properties, regulating the flow of water coming into the home, reducing wastage and helping gas boilers work more efficiently to save our customers money on their water and gas bills. Saxon Weald uses the credits to secure planning consent for our own delivery programme and sell excess credits to housing developers. This generated a trading income in 2024/25 which supports our core housing services.

Shared ownership homes remain a part of Saxon Weald's affordable housing offer. Timings of our development programme produced fewer new homes for sale in 2024/25 than the previous year and a smaller but positive contribution to Saxon Weald's surplus. A more significant surplus was generated through active asset management where we identify homes which no longer fit our customers' needs and replace them with new homes as part of our development programme.

Investment properties held as charitable investments, which comprise market rent homes and garages, returned a positive operational contribution which supports the delivery of customer services. In 2024/25, we invested in improvement works for market rent homes, helping our customers with affordability and quality of accommodation. Reduced demand for our garages has affected the portfolio, easing the overall value from £34.8m to £34.5m at 31 March 2025. Garages are considered for redevelopment and improvements within our Asset Management Strategy, aiming for the best outcomes for our customers and the business.



Strategic Report Incorporating the Operating and Financial Review

A summary of the financial performance for 2024/25 and the preceding two years is shown below:

Financial Performance	2024/25	2023/24	2022/23
	£000	£000	£000
Turnover	58,610	56,838	50,258
Cost of sales	(2,007)	(3,350)	(2,144)
Operating expenditure	(42,296)	(39,939)	(36,896)
Gain on disposal of properties	5,091	4,159	3,471
Unrealised gain/(loss) on investment properties	(625)	862	736
Operating surplus	18,773	18,570	15,425
Net interest charges	(13,130)	(12,369)	(8,015)
Surplus before taxation	5,643	6,201	7,410
Taxation	(10)	-	-
Surplus for the year	5,633	6,201	7,410
Actuarial gain/(loss) in respect of pension scheme	-	(8,195)	14,017
Total comprehensive income for the year	5,633	(1,994)	21,427
Operating margin excluding sales	24%	25%	24%
Cash interest cover	202%	278%	282%
EBITDA MRI*	121%	215%	195%
Debt ratio**	51%	57%	57%

The two previous years included significant one-off events which affected the net income. In 2023/24, Saxon Weald closed membership of the Local Government Pension Scheme (LGPS) and the actuarial loss for that year is the net outcome of reducing the LGPS asset position to the closure position determined by the administering authority which provided an exit credit of £8.4m payable to Saxon Weald. In 2022/23, a positive outcome of a treasury management exercise provided a £4.8m receipt which reduced the interest and finance charges in the year.

Operating margins are comparable throughout the three years, despite the challenges of high inflation on operational costs, levels of empty homes, and the cost of addressing fire safety actions during 2024/25.

All covenants were comfortably met.

**Earnings before interest, tax, depreciation, amortisation of intangible fixed assets, grant amortisation and capitalised major repairs added, divided by total interest payable (including capitalised interest).*

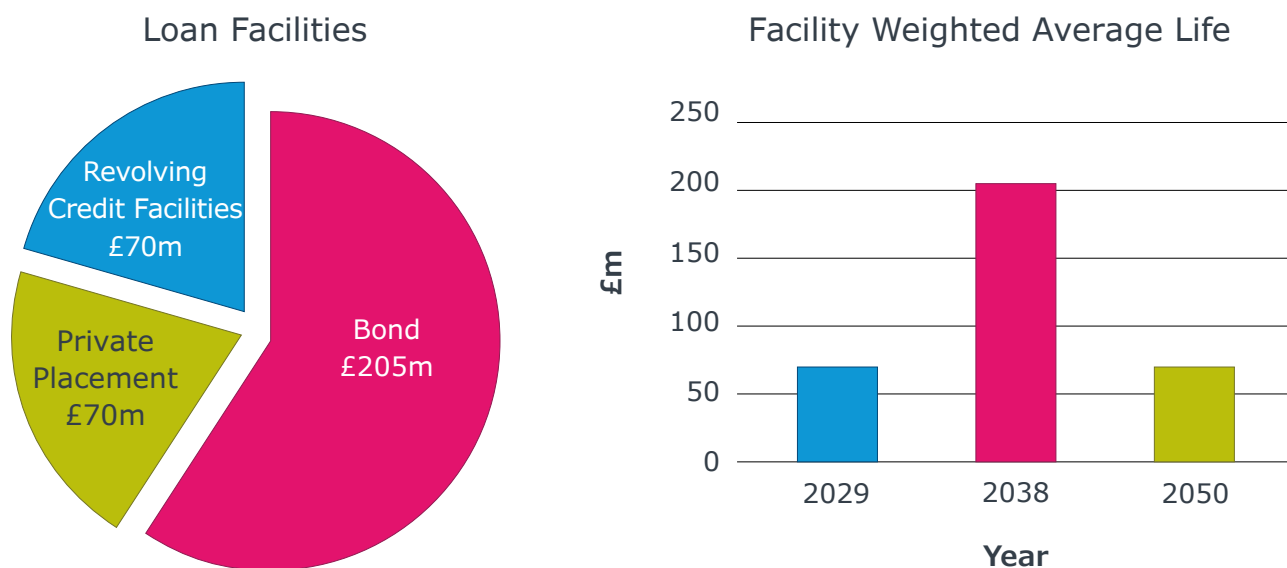
***Debt ratio is long-term loans plus short-term loans less free cash, as a percentage of housing properties at cost plus investment properties at cost.*



Treasury

Treasury activities are designed to provide funding for investment in existing homes and the development of new homes.

Saxon Weald’s portfolio at the year-end comprises £275m in medium and long-term facilities which are fully drawn at fixed rates and £70m in short-term revolving credit facilities which are undrawn.



At the statement of financial position date, 31 March 2025, Saxon Weald also held £32.6m in cash alongside the £70m in undrawn facilities, to enable future development and investment in service delivery. Recognising an opportunity to reduce the holding costs of the undrawn facilities, Saxon Weald is reducing them by £20m in 2025/26, with renewed terms agreed on £50m at an annual saving of £140k.

Cash is invested in accordance with the approved Treasury Management Policy in a range of banking counterparties with a minimum rating of A-/A2 (on the basis of Standard & Poor’s long-term credit ratings and short-term ratings respectively) and in one money market fund with a Standard and Poor’s rating of AAA.

New homes and investment

Our Development & Sales approach seeks to contribute to addressing the demand for affordable homes in our areas of operation. We choose to focus growth in those locations closest to our existing properties in Horsham District and surrounding areas of Arun, Mid Sussex, Adur & Worthing and Lewes districts across East and West Sussex.

67 new homes were completed during 2024/25, meeting our target for new homes delivered in the year. The new homes include developer-led section 106 homes and the redevelopment of a former sheltered housing block and garages into new general needs affordable housing.



Progress on future years is well advanced to deliver the five-year target of delivering 341 new homes. We are contracted to deliver a total of 50 new affordable rent and shared ownership homes on six sites during 2025/26, of which 20 form part of the Homes England Affordable Homes Programme 2021-2026 negotiated through the Continuous Market Engagement route, with additional public subsidy received from the Local Authority too. We are also contracted to deliver a further 111 homes in 2026/27 and 2027/28, with potential opportunities identified in the pipeline.

Risks and Trends

System of internal control and its purpose

We maintain a sound system of internal control that supports us in meeting our priorities. In doing so, we safeguard our services and our commitments to our customers, stakeholders and public funds.

Our system of internal control is designed to manage risk to a reasonable level rather than taking a completely risk-averse approach to eliminate risk. This is because we do not want to stifle innovation, positive change and growth but take a risk-based approach to business decision-making. Our system of internal control is based on an ongoing process designed to manage and reduce the risk of failing to achieve our Corporate Plan and priorities.

Our risk and control framework

The Board is responsible for determining the nature and extent of the significant risks it is willing to take and manage in achieving our strategic aims, overall responsibility for the delegation and systems of internal control and risk, and for reviewing its effectiveness annually.

Formal delegation provides support by the Audit and Risk Committee, the Executive and the Leadership Team. Executive and Leadership Team members are individually responsible for effective risk management within their areas of responsibility.

The Board sets and reviews the risk appetite of Saxon Weald at least annually.

Identifying and managing risks

Our strategic priorities could be impacted by a variety of challenges, and we make sure that we have controls in place to manage these and the ability to adapt our plans as necessary.

- Risk reviews are carried out by each department to ensure that the risks within their business areas remain relevant, aligned with the Corporate Plan and consider the current and predicted future operating environment. They also ensure that the controls in place are appropriate, robust, and effective. Additionally, the full corporate risk register is reviewed, with a focus on horizon scanning, to identify any new or emerging risks that may not have been identified in the departmental reviews, and any changes to previously identified risks.
- The strategic risk register captures the risks which may impact on our ability to deliver on our Corporate Plan, adversely affect our ability to deliver core services to our customers or impact our financial stability and reputation.
- Emerging risks are considered by both the Audit and Risk Committee and the Board. These include sector risks and risks which are specific to the strategic aims of Saxon Weald.



Strategic Report Incorporating the Operating and Financial Review

- Our strategic risks are grouped to describe the overall strategic issue within which they reside:

Area
Compliance and health & safety
Non-compliance with Health and Safety regulations/legislation and duty of care.
Failure to achieve our strategic aim to focus on our customers.
Failure to comply with the requirements of HHSRS and Awaab’s Law.
Financial viability
Inability of customers to afford their rent and service charges, leading to a substantial increase in arrears.
Excessive increase to the national rate of inflation.
Failure to meet the requirements and expectations of the Regulator of Social Housing standards for governance, financial viability and consumer standards.
External events emerge that could have a detrimental impact on our Business and Corporate Plans.
Transformation and cyber security
Poor implementation of new IT systems and technical issues from upgrades to existing systems.
Cyber-attack or ransomware disables or causes denial of access to our systems.
Contractor and developer risk
Severe property market crash.
Poor performance by a contractor, partner or failure of contract.
Failure to achieve the business plan assumptions.
Unable to let empty homes.



Compliance and health & safety

Saxon Weald's low risk appetite for compliance and health & safety is to be met by actions which are monitored by the Asset Management and Development Committee, supporting continuous improvement.

We are successfully transitioning to a system-based approach for compliance data management which will be completed during 2025 to enhance our compliance assurance.

Saxon Weald's low risk appetite regarding compliance with the requirements of HHSRS and Awaab's Law is to be met through the maintenance of key controls and effective mitigations while continually developing our compliance approach. Our improvements in preparedness for Awaab's Law include the following:

- Procedure alignment with our process amended to reflect the legal timeframes and requirements of the law.
- Software enhancements to integrate damp & mould reports, inspections, and repairs into our new CRM system as part of our Evolve Transformation Programme in 2025.
- Resident engagement to engage customers to discuss and seek feedback on our enhanced damp & mould management approach and policy in readiness for Awaab's Law.
- Staff training to roll out a business-wide training programme on Awaab's Law's requirements and Saxon Weald's approach.
- Performance monitoring ahead of the law coming into force to proactively measure our performance against KPIs which are reported to the Board.

- Proactive property reviews as a preventative measure through our stock condition surveys to identify properties at risk of damp & mould. We are studying the data to understand trends to inform our proactive preventive inspections to properties where no reports of damp & mould have been made.

The risk appetite is expected to be met at all times to ensure customer safety. Preparedness for Awaab's Law aids in assessing and improving our compliance and health & safety approach.

Financial viability

Saxon Weald's risk appetite requires robust assurance that effective measures are in place on budgetary control and retention of no less than an A3 credit rating and a V2 regulatory rating. Both of these ratings were successfully achieved in 2024/25.

Saxon Weald recognises economic pressures and geopolitical shocks which demonstrate a period of dramatic change and a significant probability of external events impacting on the financial viability of the sector. Effective mitigations are in place to ensure that Saxon Weald can remain financially robust in a high stress environment.

Transformation and cyber security

Saxon Weald is in the process of delivering a programme of strategic transformation to enhance service delivery through a redesigned operating model. This ambition will be realised through a resourced and governed transformation programme that will deliver measurable improvements in operational efficiency, customer experience, and cyber resilience.



Following the 2023/24 applications portfolio review, a costed and prioritised programme was developed to modernise and replace key systems. Phase one is now in delivery and is fully aligned with our strategic objectives and risk appetite.

The programme is underpinned by a robust business case that articulates the rationale for system, process and people changes, alongside clearly defined benefits. Progress is monitored through a monthly Programme Board and reported to the Board on a bi-monthly basis, ensuring strategic oversight and accountability.

Cyber risk has been elevated to a strategic level. A Board-approved cyber audit action tracker is in place, with progress reviewed regularly by the Audit and Risk Committee. Our cyber security approach is further strengthened through:

- Annual internal and external audits.
- Accreditation under Cyber Essentials and Cyber Essentials Plus.
- A roadmap to achieve Cyber Assurance accreditation.

These measures provide assurance that our investment in technology is both strategically aligned and risk-aware, supporting the delivery of a resilient and future-ready operating model.

Contractor and developer risk

Saxon Weald's risk appetite requires the prioritisation of investment into delivering customer services and improvements to existing stock ahead of delivering new homes, and that no more than 20% of income should be from sales.

Saxon Weald recognises increased contractor risk as evidenced by the

administration of a development partner in the previous year. The risk appetite is to be met through active prioritisation of investment and maintenance of controls and mitigations to seek assurance on the viability of key contractors.

Value for Money Statement 2024/25

Saxon Weald's approach and commitment to VfM

Saxon Weald defines value for money (VfM) as 'achieving the best possible outcome for the funds we spend and the resources we commit'. Achieving VfM is integral to our business activities in managing costs, optimising our assets and resources, and improving business efficiency and effectiveness in delivering customer services.

Saxon Weald's VfM Statement supports the delivery of our vision and strategic aims by providing a clear, robust, and consistent approach to VfM. It overarches our policies, processes, and strategies, and responds positively to the requirements and expectations of the Regulator for Social Housing's Value for Money Standard.

Saxon Weald's VfM objectives are to:

- Promote and maintain our VfM culture.
- Maximise our resources, assets, and opportunities.
- Monitor and evidence VfM outcomes and impact.

Saxon Weald uses Key Performance Indicators to track the achievement of VfM objectives against performance targets.



Strategic Report Incorporating the Operating and Financial Review

KPIs and Strategic Indicators	2024/25 Target	2024/25 Performance	2025/26 Target
Focus on our customers			
Satisfaction with the service provided (TP01)	85.0%	81.4%	85.0%
Satisfaction that the landlord listens to tenant views and acts upon them (TP06)	70.0%	71.3%	72.0%
Complaints resolved in target	95.0%	93.8%	100.0%
Satisfaction that the landlord keeps communal areas clean and well maintained (TP10)	70.0%	74.4%	75.0%
Invest in our homes			
Satisfaction with the repairs service (TP02)	80.0%	81.9%	82.0%
Satisfaction that the home is well maintained (TP04)	80.0%	79.8%	80.0%
Satisfaction that the home is safe (TP05)	85.0%	85.0%	85.0%
Number of new homes developed	66	67	38
Be a great place to work			
Employee net promoter score	20.0	6.0	20.0
Engagement index	7.0	7.2	7.0
Overall sickness	3.0%	3.2%	3.0%
Staff turnover	15.0%	20.7%	15.0%
Financially resilient			
Rent arrears	2.8%	2.3%	2.7%
Void rent loss	1.5%	1.8%	1.3%
Net capital surplus from disposals measured against target (forecast)	£4,000,000	£4,450,599	£4,000,000
Delivery of target (forecast) surplus	£5,487,171	£5,689,563	£7,500,000



Focus on our customers

The majority of the perception scores have improved in 2024/25 when compared to 2023/24, reflecting the positive progress made across different service areas. Of note are significant increases in both the repairs satisfaction measures and satisfaction that the landlord keeps communal areas clean and well-maintained.

Where there have been increases in satisfaction, we can point to existing good or improved performance in:

- Repairs completion times (significant reduction in complaints in this area).
- Repairs first time fix and follow on rates.
- Grounds maintenance and cleaning contracts.
- Estate inspections (more frequent and effective).
- Tenancy sustainment services, including Money Matters, the financial support fund, Every Visit Counts, and annual visits.
- Lettings and onboarding of new tenancies.

We also collect satisfaction on whether customers trust us as a landlord and 'how easy we are to deal with'. Both these scores have increased since last year, which suggests improvements in the handling of customer contacts and customer service culture.

There has been sustained improvement during the year for completing complaints within target timescales and we have consistently achieved 90-100% within target. The customer-led Task and Finish Group undertook a scrutiny exercise on complaints handling during the year leading to a significant number of recommendations being implemented.

The Customer Experience Committee has a specific responsibility to provide assurance to the Board that we are compliant with the consumer standards. There is a majority customer membership on the Committee.

Invest in our homes

The HomeFix Improvement Plan continues to have good momentum. Improving speed, reliability, and customer communications through more effective repairs processes and replacement of legacy systems is a key next step and a significant area of focus for the transformation plan.

EPC improvement work and funding

The target of achieving EPC ratings of no lower than C on our homes by 2030 and net zero targets in 2050 creates challenges for housing providers. To better inform how Saxon Weald is addressing these challenges, we have implemented the Sava Intelligent Energy (IE) system. This tool turns our housing stock data into actionable insights, allowing us to identify retrofit strategies which deliver optimal value for our homes.

Saxon Weald will also use Sava IE to support strategic asset investment planning and future sustainability funding bids. This ensures capital is directed to upgrades with the highest impact and return, and underpin the creation of our net zero carbon roadmap.

In 2024/25, supported by the Sava IE data, Saxon Weald was successful in securing £1.8m funding through the Warm Homes Social Housing Fund. Saxon Weald will match this fund to support energy efficiency improvements to 181 homes. The improvements works are scheduled to begin in 2025, with completions expected by 2027/28.



Stock condition data

In 2024/25, we surveyed 25% of our homes as we work towards a position of all of our homes having a survey at least every five years. We will reach that position in early 2027 and are using the insights from the data to better inform our Decent Homes status and plan our continuous investment in our customers' homes. As at March 2025, the percentage of Saxon Weald homes which have been surveyed within a five-year period stood at 59%.

In 2024/25, the stock condition survey informed our capital investment programmes. It enabled us to assess stock decency and key insights into addressing Housing Health and Safety Rating System risks including damp and mould.

Be a great place to work

Saxon Weald has an ambitious employee Net Promoter Score (ENPS) target of +20 which reflects our commitment to being a great place to work.

In February 2025, our ENPS score was +6. We saw a dip in our ENPS following the closure of the Local Government Pension Scheme in early 2024, which is now beginning to recover. We continue to focus on the actions we can take to improve.

We are pleased that our engagement index score, based on three key questions measuring pride, advocacy, and loyalty, was 7.2 out of 10 in the February 2025 staff survey. This exceeds our target of 7.0 and reflects a positive overall sentiment across the organisation.

During 2024/25, we identified a need to strengthen our Asset team to better deliver the aims of the Asset Investment and Management strategies and our

commitment to landlord health and safety on behalf of our customers. As the team was restructured and new roles recruited to, we experienced an expected increase in staff turnover.

Overall, staff turnover was higher than the target, with changes in the Asset team and certain lower-level maintenance roles significantly contributing to this. A plan is in place to improve staff retention in 2025/26 in these teams.

Financially resilient

Saxon Weald's strong financial resilience is demonstrated in 2024/25 through the underlying business strength and how that has been utilised to deliver improvements on the turnaround times for empty homes and mobilisation of resources to rectify fire safety actions.

Although void rent loss exceeded our target due to a residual backlog of works to empty properties and challenges in securing suitable contractors, our focus on operational improvements ensured that we had addressed the issue by the end of the year. Void performance is now within our target parameters and improvements to our approach are embedded in our operations.

Regulator of Social Housing metrics

The seven metrics that the RSH requires housing associations to report against are shown below. The table compares Saxon Weald's actual performance against the metrics for previous years, along with its budget expectations.



RSH VfM metrics	Actual 2024/25	Budget 2024/25	Actual 2023/24	Peer Group Median 2023/24
VfM 1 – Re-investment	4.1%	4.9%	4.0%	7.6%
VfM 2a – New supply social housing	1.1%	1.2%	1.6%	2.4%
VfM 2b – New supply non-social housing	0.0%	0.0%	0.0%	0.0%
VfM 3 – Gearing	49%	55%	52%	54.6%
VfM 4 – EBITDA MRI*	86%	94%	122%	129%
VfM 5 – Headline social housing cost per unit	£6,911	£6,133	£5,970	£5,255
VfM 6a – Operating margin (social housing lettings)	22%	24%	21%	19.2%
VfM 6b – Operating margin (overall)	23%	26%	25%	21%
VfM 7 – Return on capital employed	4.3%	4.5%	4.4%	3.1%

* This figure excludes surplus on disposals

VfM 1 – Re-investment

Re-investment is explained as spend on the development of new properties, plus spend on capital works to existing properties as a percentage of housing properties at cost.

New homes delivery reflects a stable development programme of homes for our customers. The number of homes delivered was below target only because of slight delays in handover timings for new homes, with one scheme completing a month after year end.

Investment in the condition of our existing homes increased by £1.2m as we continue to ensure that the quality of our homes meets customer expectations.

VfM 2a – New supply social housing (SH) and VfM 2b – New supply non-social housing

The new supply metric calculates the number of new properties as a percentage of existing properties.

67 new homes were completed for our customers in 2024/25 reflecting a continued pipeline of new homes. Saxon Weald has no current aim to increase our provision of non-social housing.

VfM 3 – Gearing

Gearing is the measure of net debt as a percentage of housing properties measured at cost. As a large-scale voluntary transfer, Saxon Weald was originally 100% debt funded and therefore highly geared at inception.

A stable loan portfolio in 2024/25 provided a strong base for operational and investment activities in the year. Receipt of £8.4m exit credit from the LGPS pension scheme, which was initiated in early 2024, gave a modest improvement to Saxon Weald’s cash and net gearing position.

The significant balance sheet capacity enables Saxon Weald to provide affordable homes and improvements to existing homes for our customers.



VfM 4 – EBITDA MRI

EBITDA MRI (Earnings Before Interest Tax, Depreciation, Amortisation Major Repairs Included) is a measure of how many times the surplus generated from day to day operating activities, including the capitalised replacement of components in existing properties, will pay interest payable.

We did not achieve our budget outcome for 2024/25. This is a direct consequence of our decision to focus in the year on operational improvements to the turnaround times on empty homes and mobilisation of resources to address fire safety actions, ensuring customer safety.

VfM 5 – Headline social housing cost per unit

The headline social housing cost per unit uses components from the financial statements to create an overall social housing cost. This is then divided by the number of units an association owns or manages and is used to highlight the differences in those costs amongst associations.

The cost per unit remains above the upper quartile for both the sector and peer group. A key factor of this is the high service charge cost per unit, which reflects the high percentage of homes for older people managed by Saxon Weald.

The continued provision of good quality homes for older people that meet a range of needs remains a core objective for Saxon Weald. In 2025, 19% (11m) of the UK population was aged 65 or over, and this is projected to rise to 26% by 2065.

High food prices and energy bills continued throughout 2024/25, putting pressure on many customers' finances. We recognise that service

charge costs at a time of high inflation have contributed to this pressure. The guidance and assistance from our Money Matters team and access to our financial hardship fund are key aspects of the support we offer to our customers to help with their finances.

VfM 6a – Operating margin (SH lettings) and VfM 6b – Operating margin (overall)

The Operating margin demonstrates profitability before exceptional expenses are taken into account and is a measure of our general financial efficiency.

Research undertaken by Housemark has reported that organisations like Saxon Weald, with a higher proportion of retirement and/or extra care housing, have lower operating margins due to the higher costs associated with managing these types of properties. In 2024/25, the social housing lettings margin improved alongside our focus on improvements to services and operational effectiveness, but challenges remain in the form of high inflation and pressure on the repairs service as we addressed fire safety actions.

VfM7 – Return on capital employed

Return on capital employed (ROCE) reflects the operating surplus as a percentage of total assets less current liabilities. This is a measure of the return an organisation makes from the capital used.

We achieved a steady ROCE year on year, reflecting the overall performance across the organisation in ensuring the delivery of services for our customers and making improvements to operational effectiveness.



Compliance with the VfM Standard

Saxon Weald's VfM Compliance Control Framework links its approach to VfM with the RSH's VfM Standard and Code of Practice. It enables Saxon Weald to assess its performance against and compliance with the requirements of the VfM Standard.

The Framework identifies the required outcomes and specific expectations of the VfM Standard and uses the relevant excerpts from the Code of Practice to articulate them. It then identifies the 'key controls' in place to meet the Standard, along with methods used to provide the Board with assurance that these controls are working and effective. Saxon Weald's compliance with the VfM Standard is reported to the Audit and Risk Committee annually, by way of an assurance report. This report is subsequently ratified by the Board.

Our assessment of performance against the VfM Standard for the period 2024/25 concluded that Saxon Weald remains compliant with the Standard and its Code of Practice.

Conclusion

Value for money is not just about new development and financial metrics, as the quality of our homes, neighbourhoods, and the services provided to our existing residents is equally, if not more, important. This includes maintaining an appropriate level of re-investment in our existing homes, continuously improving our services, and improving overall customer satisfaction.

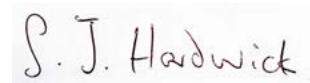
The continued investment in our existing and new homes for our customers, with operational effectiveness improvements focussing on customer safety, demonstrate Saxon Weald's continual aim of delivering added value in all that

we do. Through our Corporate Plan and strategic aims, we will continue to seek opportunities to deliver economic, social, environmental, and service efficiency value in all that we do.

Going Concern

The Board has reasonable expectation that the association has adequate resources to continue operations for the foreseeable future. For this reason, the going concern basis has been used in preparing the financial statements.

On behalf of the Board



Simon Hardwick, Chair

15 July 2025

Saxon Weald House
38-42 Worthing Road
Horsham
RH12 1DT



Report of the Board

The directors present their report for the year ended 31 March 2025. The strategic report is on pages [6](#) to [25](#).

Governance

Saxon Weald is governed by a Board comprising nine non-executives and two executives, the Chief Executive and the Executive Director – Finance & Governance. The members of the Board are listed on page [4](#).

On 1 May 2024, Jaqueline Garman and William Dulake joined the Customer Experience Committee as Committee members.

Joanne Sonin retired from the Board on 31 August 2024.

Laila Court and Neil Perrins joined the Board on 1 July 2024 and 19 November 2024 retrospectively.

The year to 31 March 2025 has been a year of change for Saxon Weald. The Board would like to express our deepest thanks to Steven Dennis for his six years leading the organisation and for his legacy and wish him well for the future. We are looking forward to working alongside our new Chief Executive, Corinna Bishopp, as she joins this ambitious organisation and steers the delivery of the next phase of Saxon Weald's journey.

The Board adopted the National Housing Federation (NHF) Code of Governance 2020 on 1 April 2021 and confirms compliance with the code for 2024/25.

The Board confirms compliance with the Regulator of Social Housing's Governance and Financial Viability standards.

Our Board is responsible for ensuring the efficient strategic and financial management of Saxon Weald including an effective risk management framework and effective arrangements for securing value for money. Board members determine the policies needed to make Saxon Weald run smoothly and in compliance with legislation and regulatory requirements. They also make decisions on service standards, resourcing, and budgets and have a remit to monitor and review our performance. Our Chief Executive and staff manage the organisation on a day-to-day basis. Board and Committee members are recruited through an open advertisement and interview process, following an assessment of the skills and experience required by the Board.

Saxon Weald assesses the skills and experience it requires from its Board and Committee members and to what extent the skills and experience of existing members match these. Saxon Weald believes that it currently has members with the right skills and experience to lead the organisation, with recruitment taking place in the 2024/25 year which added skills and experience in the areas of digital, transformation, and cyber security.

In 2024/25, the non-executive Board members at Saxon Weald were paid as follows:



Report of the Board

Name / Position	Pay
Simon Hardwick , Chair	£14,205
Hannah Eaton , Vice Chair and Chair of Remuneration & Nominations Committee	£9,252
Kalwant Grewal , Chair of Audit and Risk Committee	£7,791
Graham Stark , Chair of Asset Management & Development Committee	£7,791
Jo Boswell , Chair of Customer Experience Committee	£7,791
Julian Chun	£5,592
Susan Morris	£5,592
Laila Court (from 1 July 2024)	£4,194
Joanne Sonin (to 31 August 2024)	£2,330
Neil Perrins (from 19 November 2024)	£2,058

In 2024/25, the non-executive Committee members at Saxon Weald were paid as follows:

Name / Position	Pay
Richard Stevens , Audit and Risk Committee member	£3,150
Jacqueline Garman , Customer Experience Committee member (from 1 May 2024)	£2,888
William Dulake , Customer Experience Committee member (from 1 May 2024)	£2,888

The total amount paid to non-executive Board members during 2024/25 was £75,522 which represents 0.1% of turnover. The level of payment to Board members is determined in relation to the individual Board member's responsibilities, the size and complexity of Saxon Weald and a comparison with Board members' pay elsewhere in the sector. The level of Board members' pay is reviewed regularly. A full independent review of Board members' pay was completed in March 2024.

The Board of Saxon Weald meets six times each year. It has a robust Audit and Risk Committee that meets at least four times per year, an Asset Management and Development Committee which meets at least four times a year, a Remuneration & Nominations Committee which meets

twice a year and a Customer Experience Committee which meets at least twice a year. Attendance at Board meetings was 95% and attendance at committee meetings was 100%.

Three members of the Board are female (33%), four are male (44%), and two prefer not to say (22%). One (11%) Board member is aged over 65 years, three (33%) are 55-64 years, four (44%) are aged 45-54 years, and one (11%) is 35-44 years. Six (67%) of the Board are White, two (22%) prefer not to say, and one (11%) is Multiple ethnic group White & Asian. No Board members identify as having a disability, although one preferred not to say.

Saxon Weald offers Board members the opportunity to attend a wide range of training events including risk management and governance training.



Audit and Risk Committee's Responsibilities

Audit and Internal Controls

- Approve the objectives, scope, and timing of arrangements for external audit of the annual accounts and financial statements.
- Recommend the approval of the appointment of external auditors to the Board for a period of up to seven years, ensuring that they are independent of Saxon Weald and are able to be objective in the performance of their duties.
- Review the performance of the external auditors annually, ensuring they meet independence and ethical standards.
- Scrutinise the annual statutory audit of the financial statements, including any subsidiary accounts, and recommend approval of the financial statements to the Board. This includes responses to audit management letters, reports or investigations and to monitor implementation of any follow up actions.
- Review and approve significant changes to accounting policies.
- Ensure appropriate arrangements for internal audit are in place for the whole organisation.
- Approve the appointment of internal auditors for a period of up to seven years and undertake an annual review of their performance.
- Approve a rolling three-year risk-based internal audit strategy and an annual programme of internal audit across the organisation to ensure all relevant systems and procedures are reviewed.

- Commission additional work by the internal auditors or other consultants as necessary.
- Scrutinise all internal audit reports, agree any further actions to be taken and monitor implementation of recommendations to ensure that identified weaknesses in control are corrected and deadlines are met.
- Scrutinise the annual Statement of Internal Controls Assurance and recommend approval to the Board. This includes ongoing review during the year by the Committee to gain assurance that the appropriate internal controls are in place and maintained.
- Meet with the internal and external auditors without any employees present at least annually. To be able, on an exceptional basis, to make direct contact with auditors about a matter of concern without reference to the Board as a whole.

Risk Management

- Ensure an effective and comprehensive Risk Management Policy is in place which should be reviewed and approved annually.
- Scrutinise and review the risk register on a quarterly basis. This includes providing assurance to the Board that adequate controls and assurance are in place, escalating any significant changes in risk profile to the Board or appropriate committee.
- Scrutinise and approve the review of the Asset and Liability Register annually, providing assurance to the Board that it is accurate and up to date.



Report of the Board

- Review the Risk Appraisal Procedure.
- Ensure that the Committee, Board and staff receive appropriate training and briefing on risk management.
- Review and approve insurance arrangements at least annually to ensure policies are in place to minimise exposure to potential losses and claims, and to receive notification of claims in excess of £100,000.
- Approve the Business Continuity Policy. Ensure that appropriate arrangements are in place for business continuity and disaster recovery and that they are tested regularly.

Regulation and Compliance

- Approve the Anti-Corruption Policy and the Whistleblowing Policy.
- Receive reports on fraud and attempted fraud, bribery, and whistleblowing ensuring appropriate investigation, reporting to the Regulator and that any identified weaknesses in internal controls are addressed.
- Scrutinise the annual self-assessments against all regulatory standards providing a summary to Board, highlighting any areas of non-compliance.
- Approve the Data Protection Policy, ensuring it complies with good practice and scrutinise regular reports on information governance compliance including GDPR and cyber security.
- Review and approve the Value for Money Statement and approve the Annual Value for Money Compliance Report.

- Review and approve the Procurement Policy.

Health and Safety

- Review and recommend the Health and Safety Policy for Board approval.
- Scrutinise Landlord and Employer's Health and Safety arrangements and performance, providing assurance to the Board that adequate controls are in place to ensure compliance with statutory and regulatory obligations.

Other

- Review the Standing Orders and Terms of Reference and Financial Regulations, including delegated authorities for all matters and authorised signatories on an annual basis to ensure there is a clear system of delegation in place. Recommend any significant changes to the Board.
- Approve the write off of bad debts or waivers of income greater than £5,000.
- Undertake a self-assessment of the Audit and Risk Committee performance at least annually and regularly evaluate training needs.



Board's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Saxon Weald and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Saxon Weald will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Saxon Weald and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, The Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing. It has general responsibility for taking reasonable steps to safeguard the assets of Saxon Weald and to prevent and detect fraud and other irregularities.

Financial statements are published on the association'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 association's website is the responsibility of the Board members. The Board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Chief Executive and Executive Team

The Executive Directors, who are listed on [page 5](#), hold no financial interest in the Saxon Weald. They act as executives within the authority delegated by the Board. The detailed scrutiny of performance, the development of policy and procedures, and expenditure approvals within budget are carried out by the Chief Executive and the Executive Team.



Internal Controls Assurance

The Board acknowledges that it is responsible for the association's system of internal control and for reviewing its effectiveness.

Although no system of internal control can provide absolute assurance or eliminate the risk of failure to achieve business objectives, Saxon Weald's system of internal control is designed to manage the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board confirms that Saxon Weald has an Anti-Corruption Policy, the purpose of which is to ensure that timely and effective action can be taken to:

- Prevent further loss of funds or other assets where fraud has occurred and to maximise recovery of losses.
- Minimise the occurrence of fraud.
- Identify the fraudster and maximise the success of any disciplinary/legal action taken.
- Minimise any adverse publicity for Saxon Weald as a result of the fraud.
- Identify any lessons which can be acted upon in managing fraud in the future.
- Reduce the adverse impact on Saxon Weald.

The Anti-Corruption Policy states that:

'All Saxon Weald associated persons have a duty to report suspicions of malpractice and corrupt activity, both in line with this policy and the NHF Code of Conduct 2022, which Saxon Weald has adopted.'

The Anti-Corruption Policy also requires all cases of significant fraud to be reported to the police.

All staff have received training on their responsibilities under the Bribery Act 2010 and the Anti-Corruption Policy. The Audit and Risk Committee considers any entry into the fraud register at every meeting. During 2024/25, there were no reported cases of fraud and five reported cases of attempted but unsuccessful low value fraud.

The Board also confirms that Saxon Weald has a Whistleblowing Policy, the purpose of which is to encourage the reporting of all forms of wrongdoing or inappropriate behaviour within a safe environment.

The system of internal control encompasses Saxon Weald's financial controls that are based on regular management information, segregation of duties, and a system of delegation and accountability. It is based on an on-going process designed to identify the key risks to achieving Saxon Weald's objectives, to evaluate the nature and extent of those risks, and to manage them effectively and efficiently. Saxon Weald's Executive Directors acknowledge and commit to address areas of weakness or non-compliance with procedures which are identified by internal audit reviews and an action tracker is used by the Board to monitor progress.

In reviewing the effectiveness of Saxon Weald's systems of internal control, the Board considered:

- Regular reporting of the financial risk triggers dashboard, management accounts, covenant compliance, key financial rules, and key performance indicators.
- The establishment and monitoring of the Corporate Plan.
- Asset and Liability Register.



Report of the Board

- Regular reporting of complaints received.
- Appropriate policies and procedures in place, including reporting to Board when appropriate (including Standing Orders and Financial Regulations).
- Risk management activity including the effectiveness of the business planning, risk and control framework, and stress testing considered by the Audit and Risk Committee and the Board.
- Audit and Risk Committee overview of the internal audit plan, audit reports produced, and an annual internal audit report.
- Annual report by the Executive Team on the effectiveness of the systems of internal control.
- Annual report of the Audit and Risk Committee.
- External auditors' audit findings report.
- Reports issued by the Regulator of Social Housing.

Material Concerns

The Board has identified no material control issues or problems during 2024/25. No material concerns have been raised by the Regulator of Social Housing or Homes England or any other stakeholder to which Saxon Weald submits reports or information.

Auditors

Beever and Struthers continue as the auditors of the Group.

On behalf of the Board



Simon Hardwick, Chair

15 July 2025

Saxon Weald House
38-42 Worthing Road
Horsham
RH12 1DT



Report of the Independent Auditor to the Members of Saxon Weald

Opinion

We have audited the financial statements of Saxon Weald (the Association) and its subsidiary (the Group) for the year ended 31 March 2025 which comprise the Group and Saxon Weald Statement of Comprehensive Income, Group and Saxon Weald Statement of Financial Position, Group and Saxon Weald Statement of Changes in Reserves, Group Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2025 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies

(Group Accounts) Regulations 1969, 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at



Report of the Independent Auditor to the Members of Saxon Weald

least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises all information included other than the financial statements, and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the

Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- The Association has not maintained a satisfactory system of control over transactions; or
- The Association has not kept adequate accounting records; or
- The Association's financial statements are not in agreement with books of account; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on [page 30](#), the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from



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

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

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

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

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

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we

identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2023, 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.



Report of the Independent Auditor to the Members of Saxon Weald

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls, we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the Association's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not

accept or assume responsibility to anyone other than the Association and the Association's members for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Beever and Struthers
Chartered Accountants
Statutory Auditor

Date: 03 September 2025

150 Minories
London
EC3N 1LS



Group and Saxon Weald Statement of Comprehensive Income

for the year ended 31 March 2025

	Note	Saxon Weald		Group	
		2025 £000	2024 £000	2025 £000	2024 £000
Turnover	3	58,610	56,838	58,610	56,838
Cost of sales	3	(2,007)	(3,350)	(2,007)	(3,350)
Operating expenditure	3	(42,296)	(39,939)	(42,296)	(39,939)
Surplus on sale of fixed assets - Housing properties	3 / 7a	5,091	4,159	5,091	4,159
Unrealised (loss) / gain on investment properties	11c	(625)	862	(625)	862
Operating surplus	3	18,773	18,570	18,773	18,570
Interest receivable	5	1,241	638	1,244	638
Interest and financing costs	6	(14,374)	(13,007)	(14,374)	(13,007)
Surplus before taxation	7	5,640	6,201	5,643	6,201
Taxation	9	(9)	-	(10)	-
Surplus for the year		5,631	6,201	5,633	6,201
Actuarial (loss) in respect of pension scheme	28	-	(8,195)	-	(8,195)
Total comprehensive income for the year		5,631	(1,994)	5,633	(1,994)

All amounts relate to continuing activities.

The notes on pages [41](#) to [77](#) form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 15 July 2025 and signed on its behalf by:



Simon Hardwick
Chair



Corinna Bishopp
Chief Executive



Michael Chinn
Executive Director -
Finance & Governance

Saxon Weald
Community Benefit Society Registration No: 7971



Group and Saxon Weald Statement of Financial Position

for the year ended 31 March 2025

	Note	Saxon Weald		Group	
		2025 £000	2024 £000	2025 £000	2024 £000
Fixed assets					
Intangible assets	10	174	233	174	233
Housing properties	11a	378,042	367,264	378,042	367,264
Other fixed assets	11b	3,283	3,423	3,283	3,423
Investment properties	11c	34,547	34,784	34,547	34,784
Investment in subsidiaries	12	50	50	-	-
		416,096	405,754	416,046	405,704
Current assets					
Properties held for sale	14	444	1,459	444	1,459
Stock	15	83	138	83	138
Trade and other debtors	16	4,507	12,279	4,507	12,279
Cash and cash equivalents		32,638	27,404	32,652	27,416
		37,672	41,280	37,686	41,292
Creditors: amounts falling due within one year	17	(15,373)	(14,153)	(15,373)	(14,153)
Net current assets		22,299	27,127	22,313	27,139
Total assets less current liabilities		438,395	432,881	438,359	432,843
Creditors: amounts due after more than one year					
Bond	18	-	-	201,976	201,799
Loans from group companies	18	201,976	201,799	-	-
Loan Facilities	18	69,242	69,173	69,242	69,173
Long-term creditors - due to group companies		38	38	-	-
Grant creditors	18	60,552	60,916	60,552	60,916
		331,808	331,926	331,770	331,888
Provisions for Liabilities					
Other provisions	23	100	99	100	99
		100	99	100	99
Total Net Assets		106,487	100,856	106,489	100,856
Reserves					
Share Capital	24	-	-	-	-
Income and Expenditure reserve		106,487	100,856	106,489	100,856
Total Reserves		106,487	100,856	106,489	100,856

In view of the constitution of the society, all shareholdings relate to non-equity interests, as disclosed in note 24. The notes on pages [41](#) to [77](#) form part of these financial statements.



These financial statements were approved by the Board and authorised for issue on 15 July 2025 and signed on its behalf by:



Simon Hardwick
Chair



Corinna Bishopp
Chief Executive



Michael Chinn
Executive Director -
Finance & Governance and
Company Secretary

Saxon Weald
Community Benefit Society Registration No: 7971

Group and Saxon Weald Statement of Changes in Reserves

for the year ended 31 March 2025

	Income & Expenditure Reserve
	2025
	£000
Balance at 1 April 2023	102,850
Total comprehensive income for the year	(1,994)
Balance as at 31 March 2024	100,856
Total comprehensive income for the year	5,633
Balance as at 31 March 2025	106,489

The notes on pages [41](#) to [77](#) form part of these financial statements.



Group Statement of Cash Flows

for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Operating activities			
Net cash generated from operations	25	30,980	23,657
Cash flow from investing activities			
Acquisition and construction of housing properties		(9,062)	(13,384)
Acquisition and works to investment properties		(388)	(102)
Component replacement		(9,963)	(6,067)
Sale of properties		6,751	6,044
Purchase of other tangible fixed assets		(189)	(86)
Purchase of intangible fixed assets		(39)	(188)
Grants received		414	65
Interest received	5	1,244	638
Net cash flow used in investing activities		(11,232)	(13,080)
Cash flow from financing activities			
Repayment of bond / loans		-	(20,000)
Proceeds of new borrowings		-	30,000
Interest paid		(14,512)	(14,306)
Net surplus on bond redemption		-	528
Net cash from financing activities		(14,512)	(3,778)
Net increase in cash and cash equivalents		5,236	6,799
Cash and cash equivalents at beginning of year		27,416	20,617
Cash and cash equivalents at end of year		32,652	27,416



Group and Saxon Weald Notes to the Financial Statements

for the year ended 31 March 2025

1. Legal status

Saxon Weald (the "Society") is a public benefit entity registered under the Cooperative and Community Benefit Societies Act 2014 and is an English registered social housing provider. The address of the registered office is Saxon Weald House, 38-42 Worthing Road, Horsham, West Sussex, RH12 1DT.

Saxon Weald's primary business is to build and rent homes for those who cannot afford to buy or rent in the private market and/or who, as a result of age or other characteristics, need additional support to maintain an independent home and lifestyle.

2. Accounting policies

Basis of accounting

These consolidated financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022, under the historical cost convention, modified to include investment properties at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Basis of consolidation

The consolidated financial statements incorporate those of the Society and all of its active subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2025.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

Reduced Disclosures

In accordance with FRS 102, the Society has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues'



– Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedge fair value changes recognised in the statement of comprehensive income and in other comprehensive income.

Going Concern

At the date of these financial statements, the Board members have carried out a detailed and comprehensive review of the business and its future prospects. In particular, they have considered the forecast future performance, anticipated cash flows and the ability of the parent to meet interest payments for 12 months from the date of signing the accounts. The Board continues to monitor the short and long-term health of the association and is content that the measures taken by the association, together with a robust business plan, provide assurance that the going concern basis is appropriate in preparing the financial statements.

Turnover

Turnover comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, other services provided at the invoice value (excluding VAT) and revenue grants receivable in the period.

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

on completion at the point of legal completion of sale.

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met and are applied under the accruals method of grant accounting. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with administering authorities.

Service charges

Service charges on rented properties are recognised on an accrual basis. Service charges on rented properties are recognised in the financial statements when the weekly rent debit is raised. Service charges on shared ownership properties are credited monthly. The Society operates variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used, the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the statement of financial position.

Supporting People Income and Expenditure

Supporting People income is recognised on the basis of contracted hours worked. Supporting People contract income received from administering authorities is accounted for as income in turnover as per note 2 and recognised on the basis of contracted hours worked. The related support costs are matched against this income in the same note. Expenditure relating to



Supporting People activities is recorded as incurred. Support charges included in the rent are included in the statement of comprehensive income from social housing lettings note 3 and matched against the relevant costs.

Other income

Other income is included at the invoiced value of goods and services provided. Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Intangible Fixed Assets - Software

Intangible assets comprise of software and is stated at cost, less accumulated amortisation. Software is capitalised and written off using the straight line method of amortisation as in the opinion of the directors, this represents the period over which the software is expected to give rise to economic benefits. Currently this is four years.

Tangible Fixed Assets - Housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent and shared ownership. Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, directly attributable development costs, interest at the average cost of borrowing for the development period and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income.
- A material reduction in future maintenance costs.
- A significant extension to the life of the property.

In other cases, major repairs are charged to the statement of comprehensive income as incurred.

Land or other assets which have been donated by a government source are added to cost of assets at the fair value of the land at the time of the donation. The difference between the fair value of the asset donated and the consideration paid is treated as a non-monetary government grant and included within the Statement of Financial Position as a liability. The terms of the donation are considered to be performance related conditions. Where the donation is not from a public source, the value of the donations less the consideration is included in income.



Depreciation of Housing properties

Component	Years from date of acquisition or practical completion
Structure:	
Flats & houses	100
Studio flats	50
Pre-cast reinforced concrete structure	30
Pitched Roof	60
Heating Systems	40
Complete re-wire	40
Bathrooms	30
Lifts	30
Windows	30
Flat roof	25
Kitchens	20
Communication systems	20
Commercial kitchens	20
Solar panels	20
Boilers	15
Sewage pumps	15
Stairlifts	15
Fire safety equipment	10
Kitchen equipment	10
Heat recovery fans	10

Leasehold properties are depreciated over the lesser of the above lives or the remaining length of the lease. Freehold land is not depreciated.

Housing properties in the course of construction are stated at cost

and are not depreciated. Housing properties are either transferred to completed properties when they are ready for letting and are stated at cost or transferred at cost to investment properties and then valued at 31 March and stated at fair value.

A mixed tenure development is evaluated and considered on the basis of how the costs incurred in acquiring and developing the land are attributed to each element of the scheme. For mixed tenure housing properties, costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure, costs are allocated on a floor area for each scheme.

Investment properties

Investment properties (including properties held under an operating lease) consist of commercial properties and properties not held for social benefit. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

Government grants

Government grants include grants receivable from Homes England (HE),



local authorities and other government bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Grants are received both in advance and in arrears for a grant funded scheme, assurance of receipt of the grant is given prior to commencement.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that the Group will comply with the conditions and the funds will be received, under the accruals model.

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through the statement of comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference

between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Society would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the statement of comprehensive income. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income.

Non-Financial assets

The carrying amounts of the Society's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows



Group and Saxon Weald Notes to the Financial Statements for the year ended 31 March 2025

of other assets or groups of assets (the "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Capitalisation of interest and development and asset management staff administration costs

Costs including staff costs and loan interest relating to development and asset management activity are capitalised only where the costs are incremental and directly related to either bringing new properties into working condition for their intended use or carrying out capital works to improve existing properties. Interest on loans financing development is capitalised from the date the works commence up to the date of practical completion of the scheme. The interest capitalised is either on borrowings specifically taken to finance a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. This treatment applies irrespective of the original purpose for which the loan was raised. The average cost of borrowing in the year is used to calculate the interest capitalised, which is 5.09%.

Property Sales Income

Completed properties and properties under construction for sale, either as first tranche Low Cost Home Ownership (LCHO) sales or outright sale, are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour, direct development overheads and capitalised interest. Net realisable value is based on estimated sales prices after allowing for all further costs of

completion and disposal. Until sold, these properties are held as current assets. The sale of housing properties are recorded net of carrying value as a gain or loss on disposal.

Shared ownership properties are split proportionally between fixed assets and current assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds are included in turnover. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Where the first tranche has been sold prior to the acquisition of the properties, these are included in fixed assets only. Shared ownership structure is depreciated in line with other social housing properties.

Other tangible fixed assets

Depreciation is charged on other fixed assets to write off the cost less estimated residual values on a straight line basis over the useful lives shown below:

Freehold office building 50 years straight line
Freehold office fixtures and fittings 25 years straight line
Office furniture and equipment 7 years straight line
IT equipment 4 years straight line

Freehold land is not depreciated.

Value added tax

All expenditure is stated including irrecoverable value added tax.



Low cost home ownership properties

The costs of low cost home ownership properties are split between current and fixed assets based on the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

Stock

The stock holding relates to materials held on vans for the in-house repairs team to use for completing repairs jobs. The materials are charged to the cost of the job once the repair is complete and are recorded at original cost.

Short-term debtors and creditors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Society's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Loan interest costs

Loan interest costs are calculated using the effective interest rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined based on the carrying amount of the financial liability at initial recognition.

Loan finance issuance costs and breakage fees / receipts

Arrangement fees, agency fees and related legal fees payable when entering into new loans are capitalised then charged to the statement of comprehensive income over the life of the loan via the effective interest method. Breakage fees / receipts, relating to cancelled loans, are recognised in the Statement of Comprehensive Income in the year they are charged / received.

Taxation

By virtue of s.478 Corporation Tax Act 2010, the Society has charitable status and is not subject to corporation tax on surpluses as a result of, or earned in furtherance of, charitable objectives. The Society's subsidiary, Saxon Weald Capital plc, does not have charitable objectives and are subject to taxation. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised directly in equity is also recognised indirectly in equity. Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tax is payable on the profits arising from Group's non-charitable subsidiary



companies and on commercial activities carried out within Saxon Weald.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Holiday Pay

Short-term employee benefits, including holiday pay, are charged to the statement of comprehensive income in the period in which they accrue. Holiday entitlement due but not yet taken, is included in the statement of financial position as an accrual.

General Repairs and Maintenance Allowance

This represents a provision, under the new leases for Shared Owners, for the General Repairs and Maintenance Allowance of £500 per annum plus the amount of any unused allowance from the previous year that has been rolled over.

Defined Contribution Pensions

The Society provides a defined contribution stakeholder pension scheme for all employees. The employer contribution to the scheme is charged to the statement of comprehensive income as it becomes payable. The assets of the scheme are kept separately from those of the Society.

Financial instruments

The Group and Society have elected to apply the provisions of Section 11 'Basic Financial Instruments' in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Such debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for the impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the statement of comprehensive income for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively



Group and Saxon Weald Notes to the Financial Statements for the year ended 31 March 2025

relate to an event occurring after the impairment loss was recognised, are recognised immediately in the statement of comprehensive income.

Financial liabilities

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with such creditors constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks

specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

The provision for bad debts is based upon the age of arrears. Arrears in respect of former tenants and in respect of current tenants where the debt is over 52 weeks old are fully provided for. Arrears which are over seven weeks old are provided for at 10% and increase in % terms depending on age up to 36 weeks where they are provided at 75%.

Operating leases

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Investment in subsidiaries

Investments in subsidiaries are recorded at cost less any impairment for permanent diminutions in value.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

In preparing these financial statements, the Group and Society make the following estimates and assumptions concerning the future:

Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives, taking into account



residual values where appropriate.

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.

The freehold of the investment properties is professionally valued annually based on 90% of the market value. Market value being the estimated amount for which a property could be sold at valuation date 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.

Allocation of land for mixed tenure developments

Management estimates the proportion of the land cost to allocate to different tenure types for mixed developments based upon actual data, where available, otherwise this is based upon an allocation using EUV-SH, open market and investment values for each unit in the development.

Critical areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these judgements and estimates have been made include:

Impairment - Fixed Assets and debtors

The Group and Society make judgements regarding the level of impairment on the carrying value assets

including debtors and fixed assets. Triggers of impairment of assets are considered annually. For debtors, this judgement is on the basis of discounted net present value. For fixed assets, the judgement is assessed on a combination of existing use value - social housing, discounted cash flow and depreciated replacement cost.

Schemes under development

The anticipated costs to complete a development scheme are based on the estimated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Where schemes are mixed tenure, costs are allocated based on area split. The allocation of properties under construction costs relating to shared ownership schemes between current and fixed assets is determined by the predicted amount to be sold for each property within a year.

Accruals

Accruals for certain items are based on work completed but where no invoice has been issued at the reporting date or in subsequent weeks. Management are satisfied that estimates made are reliable and in line with expectations.

Disposal of property

The Group and Society make a judgement that the gain or loss on the disposal of properties including Right to Acquire, Right to Buy and the Staircasing of properties are included within operating surplus, together with First Tranche Sales. These sales and disposals form part of its core operating activities and therefore the Group and Society consider it appropriate to include these sales and disposals within operating surplus.



3. Group and Society turnover, operating costs and operating surplus

				2025	2024
	Turnover	Cost of sales	Operating costs	Operating surplus	Operating surplus
	£000	£000	£000	£000	£000
Social housing lettings					
General needs, housing for older people, supported and shared ownership housing (See note 3a)	53,386	-	(41,552)	11,834	10,762
Other social housing activities					
Shared ownership first tranche sales	2,458	(2,007)	-	451	1,274
Other social housing activities	519	-	-	519	159
Non social housing activities					
Surplus on lettings (garages)	659	-	(115)	544	581
Surplus on lettings (market rent)	1,400	-	(490)	910	773
Surplus on sale of water neutrality credits	188	-	(139)	49	-
Surplus on disposal of fixed assets	-	-	-	5,091	4,159
Unrealised (loss) / gain on investment properties	-	-	-	(625)	862
	58,610	(2,007)	(42,296)	18,773	18,570



3a. Group and Society income and expenditure from social housing lettings

	General needs £000	Housing for older people & supported housing £000	Shared ownership £000	2025 Total £000	2024 Total £000
Income					
Rents receivable net of identifiable service charges	32,934	9,834	2,022	44,790	40,782
Service charge income	1,115	6,534	262	7,911	8,678
Amortised Government Grants	218	437	30	685	678
Turnover from social housing lettings	34,267	16,805	2,314	53,386	50,138
Expenditure					
Management	(3,093)	(1,643)	(110)	(4,846)	(4,851)
Service charge costs	(2,835)	(6,725)	(171)	(9,731)	(10,633)
Responsive maintenance (routine maintenance)	(4,794)	(2,312)	(27)	(7,133)	(7,138)
Planned and cyclical maintenance	(5,748)	(2,366)	(18)	(8,132)	(6,637)
Major repairs expenditure	(2,020)	(648)	(7)	(2,675)	(2,269)
Bad debts	(106)	(40)	(6)	(152)	25
Depreciation of housing properties*	(5,568)	(2,083)	(310)	(7,961)	(7,622)
Pension (current cost less contributions)	-	-	-	-	459
Other costs	(922)	-	-	(922)	(710)
Operating costs on social housing lettings	(25,086)	(15,817)	(649)	(41,552)	(39,376)
Surplus on social housing lettings	9,181	988	1,665	11,834	10,762
Voids - rent lost through dwellings being vacant	(485)	(409)	(14)	(908)	(1,284)

* Includes accelerated depreciation of £333,000 (2024: £368,000).



4. Accommodation in Management and Development

	Group			
	Social Number	Affordable Number	2025 Total Number	2024 Total Number
Under management at end of year:				
Social Housing				
General needs housing				
Owned general needs	3,291	875	4,166	4,145
Owned general needs managed by others	63	-	63	61
Managed general needs owned by others*	-	-	-	50
Older People's Housing				
Extra Care	328	105	433	433
Retirement - Supported	960	65	1,025	1,026
Retirement - Non-Supported	76	47	123	123
	4,718	1,092	5,810	5,838
Shared ownership				
Owned shared ownership			313	294
Managed shared ownership owned by others			-	51
Leasehold for older people			157	157
Total Social Housing			6,280	6,340
Market rent			108	108
Leasehold flats			551	547
Total owned and managed			6,939	6,995
Under development at end of year:				
Social Rent			8	-
Affordable Rent			76	59
Shared Ownership			32	20
			116	79

* During 2024/25, Saxon Weald's contract to manage homes on behalf of Legal & General Affordable Homes drew to a close and just over 100 homes which were under management have been returned.



5. Interest receivable and similar income

	Saxon Weald		Group	
	2025	2024	2025	2024
	£000	£000	£000	£000
Interest on bank deposits	1,241	638	1,244	638
	1,241	638	1,244	638

6. Interest payable and similar charges

	Saxon Weald		Group	
	2025	2024	2025	2024
	£000	£000	£000	£000
Interest on inter-company loan	11,019	11,605	-	-
Interest on bond	-	-	11,019	11,605
Bank charges and arrangement fees	69	67	69	67
Amortisation of bond discount and fees	177	374	177	374
Interest on loan	2,982	2,194	2,982	2,194
Amortisation of loan discount and fees	99	95	99	95
Loan non-utilisation fees	344	345	344	345
Net receipt on partial bond redemption	-	(528)	-	(528)
Pension fund interest cost	-	1,293	-	1,293
Pension fund expected return on assets	-	(1,980)	-	(1,980)
Capitalised interest on development*	(326)	(458)	(326)	(458)
Interest charged on Recycled Capital Grant Fund	10	-	10	-
	14,374	13,007	14,374	13,007

* Interest costs directly attributable to the financing of housing property developments were capitalised at the weighted average cost of the related borrowings (see note 11a) which was 5.09% (2024: 5.14%).



7. Group surplus on ordinary activities before taxation

	Saxon Weald		Group	
	2025	2024	2025	2024
Is stated after charging:	£000	£000	£000	£000
Depreciation of housing properties (including accelerated depreciation of £333k (2024: £368k) (note 11a))	7,961	7,622	7,961	7,622
Depreciation of other tangible fixed assets (note 11b)	330	364	330	364
Amortisation of intangible fixed assets (note 10)	82	99	82	99
Employer contributions to Scottish Widows defined contribution pension scheme	1,594	544	1,594	544
Fees payable to Beever and Struthers in respect of both audit and non-audit services are as follows:				
Audit services* - statutory audit of the Society (excluding VAT)				
- in their capacity as auditors - current year	58	48	58	48
Audit services - statutory audit of the Subsidiary (excluding VAT)	17	16	18	16
Total audit services	75	64	76	64
Operating lease expenditure	899	739	899	739
Salaries directly attributable to development and asset management projects capitalised	781	722	781	722

* In the year, Saxon Weald met the statutory audit costs on behalf of its subsidiary, Saxon Weald Capital plc.

7a. Group and Society surplus on sale of fixed assets - Housing properties

	Right to Buy and Right to Acquire Sales	Low-Cost Home Ownership Staircasing	Other Disposals	2025	2024
	£000	£000	£000	£000	£000
Disposal proceeds	1,366	191	5,518	7,075	6,247
Homes England grant	41	-	-	41	14
Carrying value of fixed assets	(362)	(133)	(682)	(1,177)	(1,279)
Payable to Horsham District Council	(483)	-	-	(483)	(606)
Other costs to sell	(20)	(5)	(340)	(365)	(217)
	542	53	4,496	5,091	4,159
Capital grant recycled (note 19)	71	31	16	118	110



8. Group and Society Employees

The average monthly number of persons (including directors) employed by the Society during the year was:	2025 Number	2024 Number
Actual		
Office and management	154	154
Housing support and care	37	35
Maintenance	95	85
Board and Committee members	11	9
	297	283

The average annual full time equivalent of persons (including directors) employed by the Society during the year was:	2025 Number	2024 Number
Full time equivalents		
Office and management *	149	146
Housing support and care **	31	30
Maintenance ***	90	83
Board and Committee members ****	10	9
	280	268

* Full time equivalents are calculated based on a standard working week of 37 & 40 hours.

** Full time equivalents are calculated based on a standard working week of 24 & 37 hours.

*** Full time equivalents are calculated based on a standard working week of 40 hours.

**** Full time equivalents are calculated based on a standard working week of 2 hours.

Staff costs for the above	2025 £000	2024 £000
Wages and salaries	11,551	10,741
Social security costs	1,225	1,183
Other pension costs and current service cost (note 28) *	1,594	1,167
	14,370	13,091

From 1 April 2024, employees were able to opt into salary exchange. The salary exchange acts to reduce the employees salary, and in exchange the same monetary value (plus the relevant National Insurance savings) are converted into employer pension contributions and paid into the employees defined contribution pension scheme.



8. Group and Society Employees (continued)

The full time equivalent number of staff with remuneration in the bandings below (inc. Employer Pension Contributions.)	2025 Number	2024 Number
£60,000 to £70,000	17	12
£70,001 to £80,000	5	12
£80,001 to £90,000	3	2
£90,001 to £100,000	1	4
£100,001 to £110,000	3	1
£110,001 to £120,000	1	0
£120,001 to £130,000	1	2
£130,001 to £140,000	0	2
£160,001 to £170,000	3	0
£170,001 to £180,000	1	1
£180,001 to £190,000	0	1
£190,001 to £200,000	1	0
£200,001 to £210,000	0	1
	36	38

Executive directors, Board and Committee members

	2025 £000	2024 £000
Executive directors		
Remuneration and fees	677	657
Group contribution to money purchase pension schemes	184	105
Money value of benefits in kind	3	3
	864	765



8. Group and Society Employees (continued)

	2025	2024
Highest paid director:	£000	£000
Remuneration (includes benefits in kind and excluding pension)	137	185
Society contributions to pension scheme	59	19
	196	204

The Chief Executive was an ordinary member of the Scottish Widows defined contribution pension scheme with no enhanced or special terms applicable. The Society does not make any further contributions to an individual pension arrangement for the Chief Executive.

	2025	2024
Board and Committee members':	£000	£000
Emoluments	76	64
	76	64



9. Group taxation on surplus on ordinary activities

	Saxon Weald		Group	
	2025	2024	2025	2024
	£000	£000	£000	£000
Corporation Tax				
UK corporation tax on surplus for the period	9	-	10	-
	9	-	10	-
Factors affecting charge for the period				
Surplus on ordinary activities before taxation	5,640	6,201	5,643	6,201
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2023/24: 25%)	1,409	1,550	1,412	1,550
Effects of:				
Charitable exemption	(1,400)	(1,550)	(1,402)	(1,550)
Current tax charge for the period	9	-	10	-

Factors that may affect future tax charges

By virtue of s.478 Corporation Tax Act 2010, the Society has charitable status and is not subject to corporation tax on surpluses as a result of, or earned in furtherance of, charitable objectives. The Society's subsidiary, Saxon Weald Capital plc, does not have charitable objectives and are subject to taxation. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised directly in equity is also recognised indirectly in equity. Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tax is payable on the profits arising from Group's non-charitable subsidiary companies and on commercial activities carried out within Saxon Weald.



10. Group and Society Intangible Fixed Assets

	Software £000	Total £000
Cost		
At 1 April 2024	2,127	2,127
At 1 April 2024	2,127	2,127
Additions	26	26
Disposals	(625)	(625)
At 31 March 2025	1,528	1,528
Accumulated Amortisation		
At 1 April 2024	1,894	1,894
Charged to expense	82	82
Disposals	(622)	(622)
At 31 March 2025	1,354	1,354
Carrying amount:		
At 31 March 2025	174	174
At 31 March 2024	233	233



11a. Group and Society tangible fixed assets - housing properties

Cost	Completed properties available for letting		Properties under construction		Total £000
	Rented £000	Shared ownership £000	Rented £000	Shared ownership £000	
At 1 April 2024*	383,009	43,386	14,147	4,378	444,920
Additions	-	-	8,633	1,294	9,927
Schemes completed	12,062	4,339	(12,062)	(4,339)	-
Replacement components	9,962	-	-	-	9,962
Disposals**	(1,273)	(139)	-	-	(1,412)
Components disposed of	(1,579)	-	-	-	(1,579)
At 31 March 2025	402,181	47,586	10,718	1,333	461,818
Depreciation					
At 1 April 2024*	75,672	1,984	-	-	77,656
Charge for the year	7,311	322	-	-	7,633
Disposals	(255)	(7)	-	-	(262)
Components disposed of	(1,251)	-	-	-	(1,251)
At 31 March 2025	81,477	2,299	-	-	83,776
Carrying amount:					
At 31 March 2025	320,704	45,287	10,718	1,333	378,042
At 31 March 2024	307,337	41,402	14,147	4,378	367,264

The Society had property with a net book value of £233m pledged as security as at 31 March 2025 (2024: £233m).

The cumulative amount of capitalised interest included in fixed asset housing properties at 31 March 2025 was £10,086,000 (2024 £9,760,000).

* Included within the cost of fixed assets is grant of £9.4m which has been offset against historical cost. Further details are included within note 29: Contingent liabilities.



11a. Group and Society tangible fixed assets - housing properties (continued)

	2025	2024
	£000	£000
Housing properties book value net of depreciation		
Freehold properties	361,436	350,535
Long leasehold properties	16,606	16,729
	378,042	367,264

Works to existing rented properties

Replacement components capitalised as above	9,962	6,068
Major repair works charged to revenue (note 3)	2,675	2,269
	12,637	8,337

All housing properties are for social housing use.

**Disposals relate to sales of Right to Buy, Right to Acquire, Shared Ownership staircasing and other property sales.

11b. Group and Society Tangible Fixed Assets - Other

Cost	Freehold office £000	Office equipment £000	IT equipment £000	Total £000
At 1 April 2024	3,393	509	1,349	5,251
Additions	-	-	190	190
Disposals	-	-	(536)	(536)
At 31 March 2025	3,393	509	1,003	4,905
Depreciation				
At 1 April 2024	506	213	1,109	1,828
Charge for the year	114	68	148	330
Disposals	-	-	(536)	(536)
At 31 March 2025	620	281	721	1,622
Carrying amount:				
At 31 March 2025	2,773	228	282	3,283
At 31 March 2024	2,887	296	240	3,423



11c. Group and Society Investment Properties

Group	Garage stock	Market rented properties	2025	2024
	£000	£000	£000	£000
At 1 April	8,260	26,524	34,784	33,820
Additions and works	5	383	388	102
(Decrease) / Increase in value	(384)	(241)	(625)	862
Value as at 31 March	7,881	26,666	34,547	34,784

All investment properties were valued as at 31 March 2025 by Savills (UK) Limited, Chartered Surveyors. The valuation of the Group's investment properties was carried out in accordance with the Royal Institute of Chartered Surveyors ("RICS") Appraisal and Valuation Manual. A discounted cash flow methodology was followed in undertaking the valuation. The historical cost at 31 March 2025 was £24,444,000 and at 31 March 2024 was £24,056,000.

In 2024/25, we invested in EPC improvement works for market rent homes, helping our customers with affordability and quality of accommodation. Reduced demand for our garages has affected the portfolio, easing the overall value from £34.8m to £34.5m at 31 March 2025. Garages are considered for redevelopment and improvements within our Asset Management Strategy, aiming for the best outcomes for our customers and the business.

The key assumptions used for the garage properties valuation were:	2025 %	2024 %
Long-term rental increases	CPI + 1%	CPI + 1%

The key assumptions used for the market rent properties investment valuation were:	2025 %	2024 %
Average percentage reduction for investment - units let on Assured shorthold tenancies	10.0%	10.0%
Average percentage reduction for investment - units let on Assured tenancies and Regulated tenancies	36.5%	36.5%
Average age of tenants within Assured Tenancies and Regulated Tenancies	75 years	75 years
Remaining tenant lifespan within Assured Tenancies and Regulated Tenancies	8 years	8 years

The key assumption used for the market rent properties rental valuation were:

- all units are let on Assured Shorthold Tenancies



12. Society investment in subsidiaries

Cost	2025 £000	2024 £000
At 1 April	50	50
At 31 March	50	50

Saxon Weald is the parent company of Saxon Weald Capital plc and owns 100% of the share capital. Its nature of business is group financing and is registered in England and Wales with the Companies Registrar.

Saxon Weald is the parent company of Weald Property Development Ltd and owns 100% of the share capital. The company is dormant and is registered in England and Wales with the Companies Registrar.

13. Subsidiary Undertakings

Saxon Weald's subsidiary undertakings are:

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Nature of business
Saxon Weald Capital Plc.*	Ordinary	100% (2024: 100%)	Group financing
Weald Property Development Ltd **	Ordinary	100% (2024: 100%)	Dormant

* Saxon Weald Capital Plc. has issued £50,000 of share capital of which £12,500 is paid up.

** Weald Property Development Ltd is exempt from the requirement to have their financial accounts audited by virtue of Section 480 of the Companies Act 2006.

14. Group and Society properties held for sale

	2025 £000	2024 £000
Work in progress	444	1,459
	444	1,459



15. Group and Society Stock

The stock holding relates to materials held on vans for the in-house repairs team to use for completing repair jobs. The value of stock held as at 31 March 2025 was £83,000 (2024: £137,000).

The reduction is a result of the improved efficiency alongside our materials supplier Jewson.

16. Group and Society debtors

	2025	2024
	£000	£000
Due within one year		
Amounts receivable within one year:		
Rents and services receivable	1,842	2,704
Less: provision for bad debts	(769)	(748)
	1,073	1,956
Other debtors	842	251
Pension exit credit debtor	-	8,415
Prepayments and accrued income	2,592	1,657
	3,434	10,323
	4,507	12,279

17. Group and Society creditors: amounts falling due within one year

	2025	2024
	£000	£000
Housing loan interest	4,257	4,257
Contractors for certified work	1,534	994
Other taxes and social security costs	348	394
Rent charged in advance	831	54
Rent paid in advance	879	697
Trade creditors	1,299	1,629
Deferred capital grant	707	687
Recycled capital grant	107	-
Other creditors	4,928	4,835
Due to Horsham DC re. RTB sales receipts	483	606
	15,373	14,153



18. Group and Society creditors: amounts falling due after more than one year

	2025 £000	2024 £000
Debt (note 22)	201,976	201,799
Loan facilities (note 22)	69,242	69,173
Recycled capital grant fund (note 19)	236	215
Deferred capital grant (note 20)	60,316	60,701
Amounts owed by group	331,770	331,888
Due to group companies	38	38
Amounts owed by society	331,808	331,926

19. Group and Society Recycled Capital Grant Fund (RCGF)

	Homes England 2025 £000	Homes England 2024 £000
Funds pertaining to activities within areas covered by:	£000	£000
Opening balance inputs to RCGF:		
As at 1 April	215	213
Grants recycled	118	110
Interest accrued	10	10
Recycling of grant:		
New Build	-	(118)
Transfers to RCGF short term	(107)	-
Closing balance	236	215
Short-term Recycled Capital Grant Fund	107	-
Long-term Recycled Capital Grant Fund	236	215
Amounts 3 years or older where repayment may be required:	-	-



20. Group and Society Deferred Capital Grant

	2025	2024
	£000	£000
Grant		
As at 1 April	69,721	69,648
Additions	414	183
Disposals	(101)	(110)
As at 31 March	70,034	69,721
Amortisation		
As at 1 April	(8,333)	(7,660)
Credit for the year	(685)	(678)
Eliminated on disposal	8	5
As at 31 March	(9,010)	(8,333)
Carrying amount at 31 March	61,024	61,388

Social Housing Grants (SHG) are repayable in the event of the disposal of the related property. When this occurs, the total original grant is repayable and this comprises the unamortised balance together with the amortised amount. At the end of the year, the total amount of SHG potentially repayable was £70,034,000 (2024: £69,721,000).

21. Group and Society Financial Instruments

	2025	2024
	£000	£000
Group surplus on ordinary activities before taxation		
Financial assets:		
Measured at cost		
Cash and cash equivalents	32,652	27,416
Measured at amortised cost		
Other financial assets (included in note 16)	1,915	10,622
Total	34,567	38,038
Financial liabilities		
Measured at amortised cost		
Debt *	271,218	270,972
Other financial liabilities (included in note 17, 19)	13,189	12,929
Total	284,407	283,901

* Further details are provided within note 22



22. Group and Society borrowings

On 6 June 2012, Saxon Weald Capital plc successfully issued a £225m bond at a coupon of 5.375% for an average of 25 years. The bond was issued at a discount of 1.623%, so that the funds received were £221.3m which equates to a fixed interest rate of 5.496%.

The cost of issuing the bond was £1.3m leaving a net of £220m available to repay existing loans and to fund future development. The underlying assets of the issuance belong to Saxon Weald through a security trust arrangement with the M&G Trustee Company Limited.

The bond discount and the costs of issue are amortised over the average term of the bond of 25 years. Saxon Weald is liable to Saxon Weald Capital plc for both the bond coupon and the amortisation cost of the bond discount and issue cost.

In October 2023 a transaction was completed whereby Saxon Weald redeemed £20m in nominal value of the bond for consideration of £19.5m. The total bond in issue is now £205m, with all other terms unchanged.

The fair value (market value) of the bond at 31 March 2025 was £190,937,000 (£205,205,000 in 2024).

Saxon Weald holds three revolving credit facilities, £35m with Santander and £35m with Natwest, split between a £25m 10 year facility and a £10m 5 year facility.

Saxon Weald agreed a £70m private placement with Legal and General Investment Management in August 2022. This was drawn in four tranches, the first two of which, totalling £40m, were received in the year 2022-23 with the last two tranches totalling £30m received last year. It has an average term 27.5 years at an average interest rate of 4.26%, with an ESG linked discount applicable in 2030 in the event agreed EPC (C) levels are achieved by this point.

	Saxon Weald		Group	
	2025 £000	2024 £000	2025 £000	2024 £000
In year bond redemption				
Loans to Group undertakings	201,976	201,799	-	-
Total	201,976	201,799	-	-
Bond	-	-	225,000	225,000
Bond repayment	-	-	(20,000)	(20,000)
Bond discount and fees	-	-	(3,024)	(3,201)
Net bond	201,976	201,799	201,976	201,799
Loans	70,000	70,000	70,000	70,000
Loan discount and fees	(758)	(827)	(758)	(827)
Net Loan	69,242	69,173	69,242	69,173
Total borrowings	271,218	270,972	271,218	270,972



22. Group and Society borrowings (continued)

	Saxon Weald		Group	
	2025	2024	2025	2024
Loans repayable by instalments:	£000	£000	£000	£000
In five years or more	271,218	270,972	271,218	270,972
	271,218	270,972	271,218	270,972

All loans are secured by way of specific charges on housing properties (See note 11a).

23. Group and Society Provisions for liabilities

	General Repairs and Maintenance Allowance	Holiday Pay	Total
	£000	£000	£000
As at 1 April 2024	-	99	99
Increase / (decrease) in provision in year	10	(9)	1
As at 31 March 2025	10	90	100

Holiday Pay

This represents holiday accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the contractual cost payable for the period of absence.

General Repairs and Maintenance Allowance

This represents a provision, under the new leases for Shared Owners, for the General Repairs and Maintenance Allowance of £500 per annum plus the amount of any unused allowance from the previous year that has been rolled over.



24. Society Share capital

Saxon Weald is a Community Benefit Society. Non-executive Board members shall be the only shareholders and become shareholders on appointment. The liability of each member is limited to £1. Each share has full voting rights. The shares do not have a right to any dividend or distribution in a winding up and are not redeemable. When a shareholder ceases to be a member, that share is cancelled. All shareholdings relate to non-equity interests.

	2025	2024
	£	£
As at 1 April	10	11
Issued during the year	2	1
Cancelled during the year	(1)	(2)
At the end of the year	11	10



25. Group and Society reconciliation of surplus after tax to net cash generated from operations (continued)

	2025	2024
Reconciliation of net cash flow to movement in net debt	£000	£000
Increase in cash in the year	5,236	6,799
Partial Bond repayment	-	20,000
(Increase) in debt funding	-	(30,047)
Changes in net debt resulting from cashflows	5,236	(3,248)
Non - cash movement	(246)	(398)
Net debt at beginning of year	(243,556)	(239,910)
Net debt at end of year	(238,566)	(243,556)

	At 31 March 2024	Cashflow	Non-cash movement*	At 31 March 2025
Net debt reconciliation	£000	£000	£000	£000
Cash at bank and in hand	27,416	5,236	-	32,652
Bond Debt due after one year	(201,799)	-	(177)	(201,976)
Loan Debt due after one year	(69,173)	-	(69)	(69,242)
	(243,556)	5,236	(246)	(238,566)

* Non-cash movements are the amortisation costs in relation to the bond premium and loan issue costs.



26. Group and Society capital commitments and other contractual obligations

	2025 £000	2024 £000
Capital expenditure for new development / acquisition that has been contracted for but has not been provided for in these financial statements		
To be spent within 1 year	21,387	5,645
To be spent after 1 year	13,710	4,216
	35,097	9,861
Capital expenditure for new development / acquisition that has been authorised by the Board but has not been contracted for	-	9,563
	35,097	19,424
The Group and Society expects to finance the above commitments by:		
Social housing grant receivable	2,265	1,132
Property sales	3,636	2,956
Loan	1,544	-
Cash	27,652	15,336
	35,097	19,424
In addition to the above, the Board has authorised capital expenditure on property components which have not been contracted for totalling:	13,000	8,459

27. Group and Society commitments under operating leases

	2025 £000	2024 £000
As at 31 March 2025, the total future minimum lease payments under non-cancellable operating leases not relating to land and buildings as set out below:		
Less than one year	553	610
Between one and five years	321	832
	874	1,442



28. Group and Society Retirement benefits

The LGPS is a multi-employee/pension administered by West Sussex County Council under regulations governing the Local Government Pension Scheme, a defined benefit pension scheme. The most recent comprehensive actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at 29 February 2024 when Saxon Weald exited the scheme. Information is included in this note for prior year comparative purposes only.

Financial Assumptions	2025	2024
Discount rate	N/A	3.5%
Future salary increase rate	N/A	N/A
Future pension increase rate	N/A	2.2%

Breakdown of the expected return on assets by category	Fair value of assets	
	2025	2024

The analysis of the scheme assets at the reporting date were as follows:

Equity Securities	N/A	0%
Debt Securities	N/A	0%
Private Equity	N/A	3%
Property	N/A	8%
Investment Funds	N/A	88%
Cash	N/A	1%

Mortality	Males	Females
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The average life expectancy for a pensioner retiring at 65 on the reporting date is:

Current Pensioners	22.6 years	25.0 years
Future Pensioners	24.0 years	27.0 years

Future pensioners are assumed to be currently 45 years old.



28. Group and Society Retirement benefits (continued)

Historic Mortality	Prospective Pensioners	Pensioners
Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future life expectancies are as follows:	CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.0% and a long term rate of improvement of 1.25% p.a.	CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.0% and a long term rate of improvement of 1.25% p.a.

	2025	2024
	£000	£000
Changes in the present value of the defined benefit obligation:		
Defined benefit obligation at 1 April		29,483
Current service cost		623
Past service cost		-
Interest cost		1,293
Contributions by scheme participants		270
Benefits paid		(839)
Actuarial (gains) / losses		8,429
Defined benefit obligation at 31 March		39,259

	2025	2024
	£000	£000
Changes in the fair value of plan assets:		
Plan assets at 1 April		44,947
Interest income		1,980
Return on plan assets (excluding amounts included in net interest)		234
Contributions by employer		1,082
Contributions by scheme participants		270
Benefits paid		(839)
Plan assets at 31 March	-	47,674

The actual return on plan assets in 2024 was a gain of £2,214,000.



28. Group and Society Retirement benefits (continued)

	2025	2024
	£'000	£'000
Reconciliation to statement of financial position		
Fair value of employer's assets	-	47,674
Present value of funded liabilities	-	(39,259)
Exit credit following scheme closure	-	(8,415)
Net Asset	-	-
Amounts in the statement of financial position		
Asset	-	-
Net Asset	-	-

	2025	2024
	£'000	£'000
Amounts recognised in the statement of comprehensive income in respect of the defined benefit schemes are as follows:		
Current service cost	-	623
Net interest on the net defined benefit pension liability	-	(687)
Past service cost and losses on curtailments and settlements	-	-
Actuarial loss (gain) / loss in respect of pension scheme	-	8,195
	-	8,131

29. Contingent liabilities

The group and society had no contingent assets at 31 March 2025 (2024: nil).

The group receives a capital grant from Homes England, which is used to fund the acquisition and development of housing properties and their components. In certain circumstances upon disposal of grant funded properties, the group is required to recycle this grant by crediting the Recycled Capital Grant Fund.

In addition to the grant referenced within Notes 19 and 20, there is an additional £9.4m of grant which is netted off the relevant property assets contained within Note 11a. Should these properties be disposed of, this would create a relevant event and the grant would have to be recycled into the Recycled Capital Grant Fund.

At 31 March 2025, the group has disposed of properties, which had received £118,000 (2024: £110,000) of grant funding. The disposal of these properties has given rise to a relevant event for the purposes of recycling the grant and is shown within "grants recycled" in Note 19.



30. Events after the end of the reporting period

At the date of publishing, there have been no known adjusting or non-adjusting events after the end of the reporting period, that impact the accounts of Saxon Weald.

31. Related Parties

Two members of the Board and two members of Committees were residents of the Society during year to 31 March 2025. Their tenancies are subject to the same terms and conditions as all other tenants. The annual rent in relation to Board and Committee members during their board tenure is £31,000 and there were nil arrears on the accounts of current Board members at 31 March 2025.

Details of key management personnel's remuneration are included in note 8. Key management personnel are non-executive directors of the Board, members of the Executive Team and the Assistant Directors. There are no other parties regarded as key management personnel who have a controlling interest or influence over the society.

Saxon Weald has paid interest of £11.2m (2024: £12.0m) to Saxon Weald Capital plc, its subsidiary company, during the year. Details of the outstanding liabilities to Saxon Weald Capital plc are disclosed in note 22.

Saxon Weald will receive a gift aid payment from Saxon Weald Capital of £2,000 in 2025/26.





Saxon Weald is a charitable community benefit society
(reg no. 7971) and is regulated by the Regulator for Social Housing.

Saxon Weald
Head office: Saxon Weald House,
38-42 Worthing Road, Horsham, West Sussex, RH12 1DT
TEL: 01403 226000 | EMAIL: hello@saxonweald.com | WEB: www.saxonweald.com

