

Company Registration No. 04912562  
Registered Charity No. 1106969  
Regulator of Social Housing No. L4435

# Empowering people strengthening communities



**Annual Report & Financial Statements**  
Year ended 31 March 2025



MAGENTA  
LIVING  
**20**  
YEARS  
of opening doors

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# Board Members, Executive Directors, Advisors and Bankers

Chair	Ged Lucas	
<b>Other Non-Executive Directors</b>	Stephen Allcock Myles Edwards Ann-Louise Gilmore Liam Kelly Michael Riley Helen O'Doherty Paul Richards Robert Chapman Rachel Barber	Appointed 10 October 2024 Appointed 10 October 2024 Appointed 10 October 2024 Appointed 10 October 2024
	Julie Booker Susan Goodman Mike Turner Paul McGrady	Resigned 31 March 2025 Resigned 31 March 2025 Resigned 9 October 2024 Resigned 29 April 2024
<b>Chief Executive Officer</b>	Debi Marriott-Lavery	Resigned 4 June 2025
<b>Interim Chief Executive Officer</b>	Andy Lomas	Appointed 5 June 2025

Executive Directors		
<b>Chief Operating Officer</b>	Andy Lomas	Resigned 4 June 2025
<b>Interim Chief Operating Officer</b>	Karen Dooley	Appointed 5 June 2025
<b>Chief People Officer</b>	Emma Adams	
<b>Chief Financial Officer</b>	Paul McGrady	Appointed 19 August 2024
<b>Chief Compliance and Sustainability Officer</b>	Wayne Cole	Appointed 18 November 2024
<b>Chief Information Officer</b>	Ann-Marie Spencer	Resigned 21 March 2025
<b>Executive Director of Assets</b>	Ian Thomson	Resigned 24 June 2024
<b>Company Secretary</b>	Jamie Shaw	

# Board Members, Executive Directors, Advisors and Bankers

<b>Registered office</b>	<b>Partnership Building 45 Hamilton Street Birkenhead CH41 5AA</b>
<b>Website</b>	<a href="http://magentaliving.org.uk">magentaliving.org.uk</a>
<b>Registered number</b>	Company Registration No. 04912562 Regulator of Social Housing Registration No. L4435 Charity Commission Registration No. 1106969
<b>External Auditors</b>	Beever and Struthers Statutory Auditors One Express 1 George Leigh Street Manchester M4 5DL
<b>Internal Auditors</b>	Forvis Mazars 30 Old Bailey London EC4M 7AU
<b>Solicitors</b>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
<b>Bankers and Funders</b>	The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB

# Strategic Report

## Background

Magenta Living is a not-for-profit Registered Provider of Social Housing and registered Charity. We manage and develop social housing on the Wirral peninsular. As of 31 March 2025, Magenta Living owns and manages just under 13,000 homes and employs around 600 colleagues. We are the largest affordable housing provider in Wirral, providing homes to nearly 10 per cent of Wirral's population. During 2024/25, we have invested £24 million in our properties (including £10.2 million in planned investment) and have ambitious plans to build over 1,000 new homes by 2030.

Everyone at Magenta is committed to provide excellent customer services with a focus on delivering social value that makes a positive impact for our customers, colleagues and communities.



# Chairman's Foreword

**This year marks the first year of delivery under our ambitious six-year 'Road to 2030' Strategy & Plan, setting the stage for growth, new technologies, investment in our homes, and enhanced service delivery for our customers.**

The year has seen much change within the company with four new board members and two new members of our executive team all brought in to strengthen our governance and add to the skills and experience already in the business. Our development programme has begun to deliver more much-needed homes, and we have worked closely with colleagues in Wirral Council and the Liverpool City Region to bring forward exciting new housing projects.

Our financial performance has been robust, with a turnover increase of £5.4 million to £82.6 million and an operating surplus of £9.1 million. These figures reflect our financial stability and mean we are well placed to deliver our aspirations in the coming year, despite the ever-increasing requirements placed on us.

Following reassessment in January 2025, we have been graded G1/V2. Our G1 grading demonstrates that we meet the regulators requirements in delivering good governance at the highest level. The V2 financial grading reflects the fact that we are financially robust but that we will need to continue to focus on value for money and efficiency to ensure we can meet the pressures of increasing costs in delivering services, maintaining existing homes, investing in decarbonisation projects and developing new homes.

Sustainability has been high on our agenda, and we have made further investment in energy efficiency upgrades and aligning our development projects with our net-zero ambitions. We are also working hard with our partners to deliver much needed projects to provide extra specialist housing, bringing forward brownfield sites for redevelopment and supporting regeneration sites in Birkenhead.



Looking ahead to 2025/26, we anticipate continued economic pressures, but our strong foundations and strategic focus on our Road to 2030 plan position us well to meet these challenges.

And finally, we are preparing for a significant transition in our executive leadership as we bid farewell to our Chief Executive, Debi Marriott-Lavery and the board would like to thank Debi for the transformative and empowering impact she has had on our organisation. Effective 5 June 2025, our Chief Operating Officer, Andy Lomas, has stepped into the role of Interim Chief Executive, ensuring stability and continuity as we begin the process of appointing a permanent successor.

I would like to thank our Board, management team, colleagues, and partners for their support and dedication, which have been pivotal in our achievements this year.

**Ged Lucas**  
Chair of the Board

# Chief Executive's Foreword

**As we turn the page on another year, I'm proud to share my highlights of our first year operating under our Road to 2030 Strategic Vision & Plan – a year marked by momentum and meaningful progress.**

Over the past year, we've made major leaps forward in ensuring we keep customers at the heart of everything we do – on their terms, not just ours. By equipping our people with smarter tools and expanding the ways customers can connect with us more digitally, we've created more choice, more convenience, and more control. With new tools like video remote assistance, a new customer portal, and a soon-to-be-launched customer relationship management and telephony systems, we're more responsive, more personal, and more aligned with a deeper understanding of what matters to our customers.

This past year, we've also continued to build new homes to help meet the needs of our communities. We're delighted to handover 68 homes during the year and are just as committed to the homes people already live in, from tackling damp and mould, improving efficiency, installing new components, and creating healthier homes.

We have also taken important steps to reshape our organisation to better meet the challenges ahead, bringing in new skills and talent, building a structure that's agile, efficient, and aligned with our strategic priorities – the right people in the right place, doing the right things to deliver for our customers and communities.

We appreciate many are still experiencing financial pressures – and as a business, we're committed to providing services that represent value for money, making careful and considered choices, delivering where it counts most.

We know we don't always get everything right – and when we fall short, we listen and work to do better. We strive to continually improve and want to hear more from our customers about what's working and what's not so that we can be the kind of organisation we aspire to become.

As I write this, I'm preparing to step into a new chapter. I'll be leaving the organisation this summer to move overseas – an exciting step but not without a touch of sadness. I'm immensely proud and it's been a genuine privilege to spend time with our customers working alongside passionate colleagues in our communities. I have every confidence in the journey ahead for this wonderful organisation and the people it serves.



**Thank you**  
Debi Marriott-Lavery



# Magenta Living's Customer Strategy

Magenta's customer strategy is built around a clear vision:

“ We believe in opening doors to **homes full of love, communities full of life**, and a world full of possibilities – and will achieve this by consistently delivering great customer experiences ”

The strategy is structured around five core objectives:

## Make it Easy, Make it Personal, Get it Right

- Deliver services that are accessible, inclusive, and responsive.
- Use data to personalise experiences and resolve issues first time

## Be Innovative & Future Ready

- Introduce predictive and proactive services.
- Promote self-service options while maintaining assisted support

## Be Data & Insight Led

- Use analytics and customer feedback to shape services.
- Represent “silent customers” and underrepresented groups

## Empower Our People

- Equip staff with tools and training to deliver excellent service.
- Foster a culture of accountability and continuous improvement

## Strive for Excellence

- Embed a culture of learning from complaints and compliments.
- Track progress through action plans aligned with the Road to 2030

During the year we have undertaken lots of activities to try and achieve these objectives.

# Communities

**Communities Team at Magenta consists of a range of teams, including Neighbourhood Management, Community Safety, Sustainability Service, Community Regeneration.**

One of the key successes was the complete letting of all available units at Sycamore Place, our new build Extra Care Scheme. This development brought much-needed housing and support to some of our vulnerable customers, ensuring they had a safe and comfortable environment to live in. The Neighbourhood Housing officers, through their dedication and hard work, made commendable progress towards achieving CIH qualifications of Level 3 or above. This demonstrated our commitment to professional development and improving service delivery.

The Community Safety Team, always proactive in addressing concerns, developed a comprehensive action plan to manage safety in our neighbourhoods. We opened a total of 309 anti-social behaviour and noise-related cases and closed 263 of them within an average of 109 days. Our participation in the 16 Days of Activism workshop showed our support against Domestic Abuse, raising awareness and providing resources for those affected. Meanwhile, the implementation of the Service Charge framework involved consulting with over 5600 customers, ensuring transparency and addressing their individual enquiries.

As of April 2025, we supported over 750 of our customers through Magenta's sustainability service which involves helping them to sustain their tenancies by providing guidance on managing finances, accessing local resources, and maintaining their homes. With the launch of the No Access project, a lead officer was appointed to tackle access issues, crucial for maintaining property standards and safety. We completed Person-Centred Fire Risk Assessments (PCFRA) at our high-rise blocks, emphasizing our dedication to customer safety. Finally, the approval of the Community Strategy 2026-2030 set a clear direction for future initiatives, reinforcing our commitment to long-term community development.

## Social Value

We have embarked upon a review of our approach to social value calculation and are working on a social value roadmap which will be released in the 2025/26 financial year. This will underpin our strategic approach on the road to 2030.

In the interim, Magenta continues to use the HACT (Housing Associations' Charitable Trust) Wellbeing Evaluation methodology and calculate figures using the Social Value Bank, regarded as an industry standard. In 2024/25, Magenta's community regeneration activities generated over £44m of social value in local neighbourhoods, compared to the previous year's figure of £30.2m. These efforts reflect our vision to opening doors to homes full of love, communities full of life and a world full of possibilities ensuring the customer is at the heart of everything we do.

## Our Customers

Improving our customer experience is a key part of our Magenta Living Road to 2030 strategy and building a deeper understanding of our customers is a key enabler to deliver this. To improve, we need to understand our services through our customers' eyes, and our complaints process provides a key opportunity for us to understand more about experiences that could be better and use this learning to drive forward improvements.

Complaints handling saw significant improvements. As part of the annual Tenant Satisfaction Measures, we asked a sample of customers regarding their perception of how well we handle complaints. 43% of our customers were satisfied, up from 38% in the previous year. However, we appreciate that we have more work to do to improve our handling of complaints. The speed at which we deal with a customer service request and complaint, communication during their complaint, and the outcome are the three

key areas customers have told us we need to work on to improve our complaints' handling.

During the last financial year, we resolved a total of 961 Stage 1 and 138 Stage 2 complaints. 87.7% of Stage 1 complaints and 87.1% of Stage 2 complaints were resolved within Housing Ombudsman timescales. Where we need more time to resolve complaints, we will make customers aware of any delays and will outline the reasons why. To improve our performance against the Ombudsman timescales, we have reviewed our ways of working and resource to ensure efficient and effective complaint handling.

We received 8 determinations from the Housing Ombudsman in the last year. The Housing Ombudsman found maladministration in 47% of cases, compared with the national rate of 71%. We review all Housing Ombudsman determinations in detail and follow up on any learning identified to improve our processes and handling of customer complaints.

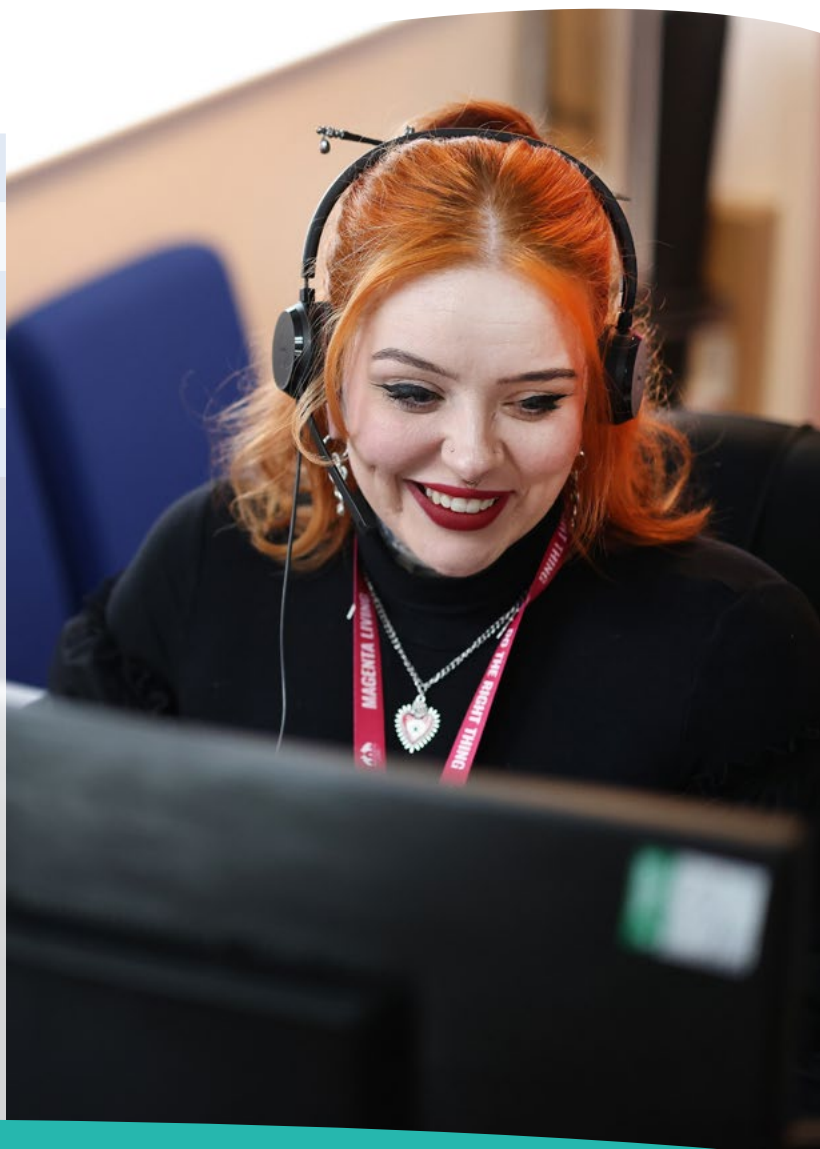
#### Over the last year, the top areas for complaints were:

Heating and Hot Water	18%
Damp, Mould, and Condensation	7%
Roofing	7%
Plumbing	7%
Pest Control	6%

Improving our customer experience is a key part of our Magenta Living Road to 2030 strategy

In 2025/26, we will continue to improve our ways of working within the Customer Experience team to drive improvements in those areas customers have told us that matter most to them.

It was also pleasing to see Magenta Living become a top quartile performer for dwellings vacant but available to let (%) at 0.11% and average re-let time in days (for standard re-lets) at 22.70 days. The Contact Centre achieved its best performance in 9 years with customer satisfaction peaking at 97.88% in August, while the average wait time was reduced to just 28 seconds during the same month. Rent collection remained robust, achieving 100% against a target of 99.8% at year end. Arrears as a percentage of annual rent debit consistently stayed below the target of 2.92%, ending at a commendable 1.77% for the same period.



**Property Services has performed well this year in terms of performance against targets, completion of projects and service improvement initiatives.**

We enhanced our repair service offer to customers last year by triaging repairs using Video Remote Assistance (VRA) technology. This helped ensure customers got the right repair at the right time. We also launched a new digital customer portal for customers. This has given them more options for reporting repair requests to us. A new subcontractor framework went live, again improving customer service and generating better value for money. We dealt with all requests from customers who identified damp, mould and condensation problems in their homes and we are actively eliminating the occurrences of these within our customers' homes. Consequently, reports have dropped by 17% in 2024/25 compared to the previous year. We also experienced less than half the disrepair cases from customers when compared to the previous year. Performance of our internal team, Property Services (excluding sub-contractors) compared favourably against targets:

	Target	Performance
% of Emergency Repairs Complete in Time	99%	99.3%
% of Non-emergency Repairs Complete in Time	93%	91.8%
Average Calendar Days to complete Non-Emergency Repair	16 days	16.2 days
Overall Satisfaction with Repairs Service	91%	90.1%
% Appointments Made and Kept	96%	96.4%
% Repairs Completed Right First Time	93%	95.7%

A cross-departmental team reviewed our repairs and maintenance services. This project was called 'Repairs Reimagined' and resulted in reduced demand on stretched services, streamlined operations, improved IT systems and use of data and new measures were put in place to ensure tighter controls and improved performance for all subcontractors and suppliers.

These procedures were then scrutinised by the Magenta Customer and Communities Committee who gave further recommendations – these have now been implemented and built into our contract documents. As an example, we have engaged with a new contractor for our grounds maintenance contract. This contractor, Idverde,

is now providing improved value for money and customer service. Similarly, following feedback from customers, we are re-tendering our gas servicing and maintenance contract which will commence in September.

Building on this, The Social Housing Consultant (TSHC) was employed in the final quarter of last year to carry out a fundamental review of the Property Services department. This provided us with an extensive action plan to ensure our repairs and maintenance services are even more customer centric and compliant with customer service standards.

# Strategic Asset Management

Magenta Living recognised the importance of Asset and Sustainability agenda at an Executive level within the industry by appointing Wayne Cole as Chief Compliance & Sustainability Officer in November 2024. Wayne's leadership has already been pivotal in driving the Road to 2030 agenda forward, ensuring that Magenta Living remains at the forefront of service quality standards. Wayne has also made a significant impact in advancing our sustainability initiatives and ensuring compliance with industry standards.

This year sees a low point in our investment plan; ahead of increased component replacement requirements in forthcoming years aligned to the 20-year anniversary our inception as a LSVT.

## During the year we've completed the following investment works:

**158**

new  
kitchens



**83**

paint &  
repair jobs  
in homes



**30**

paint &  
repair jobs  
in communal  
spaces



**46**

new  
bathrooms



**30**

additional  
toilets



**41**

new  
windows  
& doors



**27**

new roofs



# Stock Condition Survey

We now report Stock Condition Survey (SCS) performance through the Monthly Compliance & Sustainability Report (CCSO) report. Our year end position was 88.7% for SCS completed inside the last 5 years. During the financial year we completed 1,244 SCS.

All properties without a valid SCS inside the last 5 years received visits through the year. However, as most housing associations are experiencing; we too are having access issues. We have a monthly meeting with colleagues in our Neighbourhoods team to discuss access issues. We have now aligned our no access protocols for property compliance activities with those of the neighbourhoods team so there is one consistent approach to dealing with no access.

## Proactive Asset Management Strategy

Magenta operates a robust Proactive Asset Management Strategy, using data to make informed decisions about future investments in our stock. The team also provides a safety-focused service to customers and promotes an integrated approach to deliver value for money in maintenance and improvement services. This ensures that Magenta's homes are well-maintained and safe for residents.

Magenta is continually investing in its existing homes to ensure they meet modern standards and expectations. We regularly update the Net Present Value (NPV) of each property to better understand the balance between investment needs and returns.

Magenta's Climate Change strategic framework commits the organisation to becoming a Zero Carbon Housing Association by 2050. Over the next five years, it plans to:

- Implement a strategic delivery framework focused on fabric-first improvements.
- Provide detailed carbon literacy training across the organisation.
- Reduce fuel poverty by ensuring that all of the Group's homes achieve an EPC rating of C (SAP69+) by 2030.

Following testing by the Building Research Establishment (BRE), three out of eight high-rise flat blocks owned by Magenta required the removal of external wall insulation cladding due to it being classified as an unfavourable system. Arcus, an external consultant, was commissioned to project manage these works. The contract, which began in April 2024, cost a total of £2.3 million and is now complete. A bi-weekly call was set up including all key stakeholders to discuss any Higher Risk & Complex Buildings which ensures a focus on communication and project management while maintaining customer safety and wellbeing. Customers have been consulted and supported throughout the process, and we are currently in the planning process of re-cladding the affected buildings.

## Sustainability and Environment

Magenta's Climate Change Framework is dedicated to reducing its carbon emissions and enhancing climate resilience in housing. Magenta commits to ongoing learning, adapting, and implementing innovative methods to improve its sustainability efforts. We have a 30-year, three-phase strategic framework targeting an 80% reduction in carbon usage by 2040 and achieving net zero by 2050.

Our latest SHIFT accreditation was 'Silver' for our environmental accomplishments. Magenta has allocated additional resources to establish a robust and capable sustainability team within the organisation. This team leads and collaborates with all partners on every aspect of sustainability.

Magenta has achieved the Bronze Carbon Literate accreditation after training several Board members, the Executive Team, and colleagues. Over the next two years, Magenta aims to achieve silver accreditation. Our 'Green Team' will be the voice for all things sustainability, encouraging collaboration among employees and customers to advance its 30-year plan.

## Target setting & responsibilities

This report follows the HM Government Environmental Reporting Guidelines, including streamlined energy and carbon reporting guidance from March 2019. The objective is to reduce gross scope 1, 2, and 3 CO<sub>2</sub>e emissions per property by 2% annually, with a performance reduction of 10% reported this period. Gross global scope 1 and 2 emissions in tonnes of CO<sub>2</sub>e per number of portfolio properties serve as the standard metric. Intensity metrics are compared yearly, and no carbon offsetting activities were recorded during this period.

## Streamlined Energy and Carbon Reporting

### Reasons for change in emissions

This is the fifth year of reporting under SECR. The current emissions compared to the base year (April 2019 – March 2020) have decreased by 350.4 tonnes of CO<sub>2</sub>e, a 15% decrease. The emissions haven't dropped as much as in previous years, as there has been an increase in company and private transport. The main factors causing this reduction are the significant decreases in both the use of natural gas and electricity, where emissions have been reduced by 24% and 15%, respectively.

## Business travel

Activities relating to travel are limited to company owned and employee-owned vehicles for business use. Increases in business travel is due to the recruitment of professional/skilled employees and associated travel expenses if they live beyond a 25-mile radius. We do however promote use of public transport where feasible.

## Exclusions and Estimates

There are no data exclusions in this reporting period. 16% of the electricity consumption has been estimated in this report due to a lack of invoices from the supplier.

## Energy efficiency actions

During 2024/25, Magenta installed External Wall Insulation on 86 homes. 182 homes were retrofitted as part of the Wave 2 Social Housing Decarbonisation Funding (SHDF) across years 2023/24, 2024/25 and including 2025/26. This built upon our initial Wave 1 programme where we installed External Wall Insulation on 98 homes. Magenta has been successful with our Warm Homes: Social Housing Fund Wave 3 Liverpool City Region consortium bid which will see funding in excess of £910k to retrofit around 250 properties. We also completed our first Net Zero retrofit pilot seeing 3 homes have Solar PV and air source heat pumps fitted.



In total including the SHDF programme and other retrofit works, we've seen 148 homes move to EPC+ which is a positive step towards our Road to 2030 target for all homes to be EPC C+ by 2030. A full breakdown of EPC performance for our homes can be seen in our latest ESG report.

As an organisation, we are committed to learning more and adapting to new ways in which we can improve our sustainability, and we hope to be recognised as leading the way in the housing sector. Magenta is exploring decarbonisation at Partnership Building and St Mary's Gate by examining energy use, ventilation, green procurement, IT, commuting practices, recycling, and water consumption, aiming to fully decarbonise in-house services over time. We have already cut energy use in 2024/25 with timers for lighting and heating, reduced printing due to digital shifts, and installed 115 low-energy LED lights in office spaces.

As part of Magenta Living's Development of our Sustainability and Decarbonisation strategy we have partnered with Liverpool John Moores University to utilise their impressive data science and sustainability team. This partnership will help Magenta map out statistical analysis of our stock profile and better future proof the business and customers against the demands of climate change and NetZero.

## Empty Homes

We have had a really positive year on Empty Homes. The project to reduce the time that homes are empty has been ongoing since Spring 2023 and has led to the improvements in our performance, culture, processes and customer journey. We let 658 properties in 2024/25 starting the year with an average relet for all voids of 57 days reducing to 45.8 cumulative position at year end.

Our Allocations team have reduced the ready to let timeframe from 13.3 days in April 2024 to an impressive 5 days in March 2025 – this has not only been key to supporting reductions in overall relet timeframes but also greatly improves our customer journey, getting customers into their

new homes quicker than ever. We have seen improvements to customer satisfaction across our service area, partly due to our fantastic Customer Enhancement offer, including carpets and paint packs – ensuring we welcome our customers with as much support as possible.

We have ambitious targets for the year ahead, with an empty homes review planned for May to reinvigorate our processes, reassess our standards and realign with our customer journey.

## Compliance & Building Safety

The Compliance & Building Safety Team made progress with the new compliance software project which we are hoping to launch during the next financial year, this will ensure robust data management and regulatory assurance. One of the main projects completed within the team during 2024-25 was the Window Restrictor Project which saw restrictors fitted on over 540 high rise properties ensuring the safety and security of our customers. We have also installed restrictors on all communal windows within our high-rise buildings.

Compliance performance has remained high across the big six elements with the compliance team continuing to work hard alongside our specialist contractors to maintain the level of performance required to keep both our customers and Magenta Living safe. Where under-performance exists, we continue to work with our contractors and key stakeholders to address in a timely manner.

Current areas of challenge are predominantly around access to customers' homes, which is now being managed internally by our No Access Neighbourhoods Team. By bringing this service in-house, rather than outsourcing the initial stages to a solicitor, we have achieved substantial savings of over £350,000. This considerable saving enables us to re-invest these funds into more critical areas that require financial support.

The table below details our current validated position as of 31 March 2025

Compliance Area	KPI	Validated Performance @ 31/03/25	No. of Units "Out of Date"
<b>Gas Servicing (Properties that have a gas supply)</b>	KPIG1 – Domestic Properties	100.00%	0
<b>Electric 5 Yearly EICR Inspection &amp; Test</b>	KPIE1 – Domestic Properties	99.99%	1
	KPIE2 – Communal Assets	100.00%	0
<b>Asbestos Survey &amp; Inspections (Communal Inspections)</b>	KPIA1 – Asbestos Surveys in date	100.00%	0
<b>Lift Inspections</b>	KPIL1 – LOLER Inspection	1100.00%	0
	KPIL2 – Passenger Lift Maintenance	100.00%	0
	KPIL3 – Domestic Lifts & Hoists	100.00%	0
<b>Fire Safety (Risk Assessments)</b>	KPIF1 – Risk Assessments in date	100.00%	0
<b>Legionella</b>	KPILE1 – Risk Assessments in date	100.00%	0
	KPILE2 – Temperature monitoring	97.37%	1



## Health & Safety

The year has seen significant progress and challenges for the Health and Safety Team, with numerous initiatives and improvements implemented. Key highlights include the formal Health and Safety induction of all Magenta Living contractors in October 2024 as part of the Proactis procurement management system, followed by contractor management training sessions for over 40 employees, leading to better contractor risk management and control. In December 2024, the Winter Planning Standards were released in collaboration with various teams, identifying winter hazards and control measures to ensure safety during adverse weather conditions. In early 2025, the team enhanced the lone worker system (Safe Hub) and audited Road Traffic Accident (RTA) data, resulting in recommendations to improve driving culture and reduce vehicle-related accidents.

The Essential Risk Appraisal (ERA) programme concluded in May 2024, identifying significant risks and enabling strategic targeting. The introduction of an in-house Hand-Arm Vibration (HAV) assessment process in 2024 saved approximately £4,800 in annual health surveillance costs. Over the past 12 months, there were 411 accident, incident, hazard, and near-miss reports, accounting for 60% of reports since April 2021, thanks to proactive reporting and the e20 dashboard. The average time for incident investigations reduced from 6 days to

2 days, allowing more time for productivity.

The year concluded with a focus on improving health and safety management systems, including developing electronic audit checklists and enhancing communication methods to ensure compliance and safety across the organisation.

## Development and Regeneration

The development pipeline saw a surge in opportunities, with conditional bids accepted for 101 homes across various sites. The team also secured a grant of £520k from Homes England for 8 MMC homes. Key performance metrics showed mixed results: while approvals met the target with 18 units, starts on site were behind target. Sales targets were also impacted, with delays at certain sites and unsold homes affecting rent income. Despite these challenges, the team achieved several milestones, including the handover of 49 properties at Three Sails Point, sale of the final Shared Ownership home at Woodnoth Grange in Shavington, and the progression of bids for 101 S106 homes.

Collaborative efforts were also highlighted, with the team working on the specification to reflect sustainability targets. The year concluded with a focus on addressing challenges, such as contractor due diligence to avoid insolvency and planning delays, while celebrating achievements like the successful sale of homes and securing grants for future projects.

Development	Local Authority	Tenure	No. Units	Handover
Hatters Chase, Sandymoor	Halton	PRS	7	Dec 24
Deva Green, Chester	Cheshire West & Chester	PRS	6	Dec 24
Maple Grove MMC, Bromborough	Wirral	AR	6	Mar 25
Three Sails Point Phase 1, Widnes	Halton	AR, RTB, SO	49	Mar 25
<b>Total</b>			<b>68</b>	

A key focus was maintaining relations with Wirral Council, responding to the Local Plan Main Modifications, and supporting the development of masterplans for Birkenhead. Magenta continues to be involved in Ion's Hind Street proposals, with funding confirmed for the demolition and infrastructure work. Stakeholder engagement has been robust, with quarterly meetings with MPs and regular engagement with local leaders. Policy consultations were extensive, with Magenta influencing key local and national exercises, including planning, right to buy, and rent policy reform.

Collaborative efforts with LCR, Northern Housing Consortium, and the National Housing Federation further strengthened their political and policy engagement. A priority for 2025/26 is to produce a Magenta-focused masterplan for the Seacombe corridor.

## Sales Summary

Magenta Living's Sales team delivered 80 shared ownership completions across six key developments. From Willow Sands in West Kirby to Halton Court in Runcorn, our average share sold ranged from 37% to 52%, reflecting both affordability and demand. Woodnoth Grange stood out with all 23 plots completed and a consistent 40% average share. Meanwhile, McKelvey Way in Audlem presented a unique challenge as seven plots were converted to Rent to Buy, with three later transitioned to shared ownership – demonstrating our flexibility in meeting evolving market needs. Despite delays at Three Sails Point, completions continued steadily, and we exceeded income expectations thanks to higher-than-budgeted sales values.

We also welcomed audits from Homes England on our shared ownership sales at Clifton Avenue, Halton Court, and Woodnoth Grange, all of which returned "Substantial" results – affirming our commitment to compliance and quality. Looking ahead, all 22 shared ownership homes in Phase 1 of Three Sails Point were reserved off-plan, with completions already underway. As we prepare for the 2026 launch of Pasture Road, our pipeline remains strong, supported by a growing Rent to Buy portfolio and a clear focus on customer choice and tenure flexibility.

Development Site	Units Sold	Average Share%
Willow Sands, West Kirby	11	44%
McKelvey Way, Audlem	1	40% (SO only)
Hawthorn Grange, Eastham	11	43%
Halton Court, Runcorn	16	52%
Stanley Gardens, Bromborough	12	37%
Woodnoth Grange, Crewe	23	40%
<b>Total Shared Ownership</b>	<b>80</b>	

## Impairment Review

During the year we conducted a review of our assets and determined that there was a small impairment of £57k on void properties (2024: £21k).

## Our Business

2024/25 has been a significant year of change for Magenta Living. We successfully completed the first full year of our Road to 2030 plan, achieving key targets. Our executive team saw substantial changes with the appointments of a new Chief Finance Officer, Chief People Officer, and Chief Compliance & Sustainability Officer. Additionally, our Chief Information Officer left the business at the end of the year and was not replaced. We also strengthened our team by recruiting new colleagues into key senior roles. Our CEO, Debi Marriott-Lavery, announced her departure and move to Australia, so the recruitment of a replacement CEO is currently underway. Our current Chief Operating Officer, Andy Lomas, has been appointed as Interim CEO.

## Change & Innovation

During the financial year of 2024/25, we made notable strides in the Change & Innovation Team. We successfully completed the Device Refresh Project ahead of schedule and under budget, and implemented Video Remote Assistance, which improved repair triage accuracy by 40%. Successfully deploying the Salesforce system for handling out-of-hours services without downtime, we ensured that our services remained consistently available to customers. This benefits our business by maintaining operational efficiency, reducing disruptions, and improving customer satisfaction. For our customers, it means uninterrupted access to services and support, enhancing their overall experience with our organisation.

Key events included the creation of a technology roadmap, and the launch of digital rent and garage payments project aimed at enhancing our MyMagenta Portal, giving customers and colleagues greater independence from call-centre queues and a digital option to self-serve. A significant partnership with a telephony system provider was agreed in November, paving the way for removing desk phones and on-site requirements for Contact Centre staff, cutting costs, and introducing call recording and transcription for improved service accountability. The introduction of the innovative Put It Right (PIR) Tool reduced complaint escalations by an impressive 40% during pilot phases.

All of the above projects reflect our commitment to innovation and operational excellence, positioning Magenta Living as a forward-thinking leader in the housing sector.

## People

We have been actively building and maintaining relationships with both internal and external Trade Union colleagues. After discussions with colleagues, we understood that it was important to property services to feel that they were treated the same as other colleagues in terms of contracted hours as well as feedback regarding sick pay.

2024/25 was the first year that we were able to agree proposals with union representatives ahead of the new financial year, this meant that the new pay deal was reflected in April 2025 pay packets. The accepted proposal saw an improved benefits package for all colleagues, including a 2.7% pay increase for all employees, improved sick pay, salary sacrifice on pension payments, equal working hours for Property Services colleagues, and a day off for birthdays. We look forward to continue to build and maintain our relationships with our TU colleagues moving forward.

As part of the People Strategy and in line with some of the discussions during pay negotiations we have committed to review current working practices in line with customer expectations and the business' target operating model, this will be carried out through the Ways of Working Steering Group.

Colleague Voice remains a crucial part of our communication strategy, ensuring that any messages or changes are discussed with Colleague Voice first to address any concerns before being communicated to the wider workforce.

Our adjusted target for absence was 3.5%, and we achieved an annual absence rate of 3.1%, equating to 5.9 days per worker, which is below the CIPD survey average of 7.8 days per worker. While overall absences have decreased, mental health-related absences have increased, primarily due to personal stress.

Metric	Target	Actual	Comparison
Absence Rate	3.5%	3.1%	Below CIPD survey average of 7.8 days per worker
Absence Days per Worker	N/A	5.9 days	Below CIPD survey average of 7.8 days
Retention Rate	85%	90.28%	Higher than national average of 66%

A benchmarking exercise revealed that our salary range is generally within the median, though some roles fall within 10% of the market median and are paid below it, potentially affecting talent retention and recruitment. Our reward strategy includes a complete rebranding of our reward package to ensure it is current and provides value for both the business and employees.

## Gender Pay Gap Report

Our 2024 gender pay gap results show our mean hourly gap has moved closer towards zero meaning that there is minimal difference between how we pay women and men, a pay gap of zero would demonstrate a fairer and more equitable environment.

Our results show that females are paid on average 0.60% per hour more than males. We are really proud of these results, it shows we are very nearly at a zero-pay gap, compared to the wider UK results shared in 2023 of 14.2%.

At the time of the report, 41.04% of employees were female, up from 40.89%, and 58.96% were male, down from 59.11%. The Property Services division has a higher number of male employees, which is consistent with trends in the wider sector. It continues to be a focus for Magenta Living to encourage more females to pursue careers in these types of industry.

We publish a separate Gender Pay Gap Report which is available on our website.

## Communications

We launched the 'Road to 2030' strategic vision and developed the Magenta Marketing & Brand Strategy during the year. We also improved customer engagement and communications and started Magenta Living's 20th Anniversary campaign. The new Marketing & Brand Director was appointed in May 2024 and has actively collaborated with strategic leads to identify marketing opportunities, improve communication, and elevate the Magenta brand. Challenges included managing reliance on external suppliers for graphic design which has now been resolved by bringing this function in-house.

Key events included enhancing how Magenta's campaigns impact its employees such as the employee recognition program 'Share the Love', rebranding colleague benefits, wellbeing, and ED&I campaigns.

Social media performance improved, with increased engagement and reach across LinkedIn, Facebook, Instagram, and Twitter. The team also launched the new colleague e-newsletter, "The Thread," and supported various events and campaigns, including PRIDE month and the First Word Project.

# Design Work

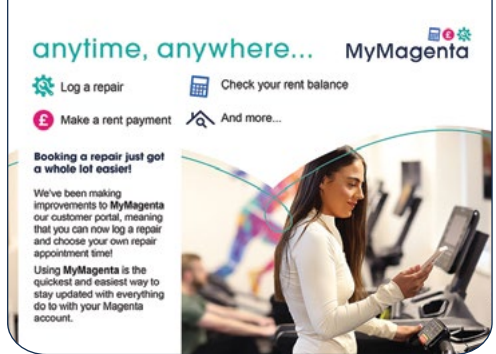
## Colleague Benefit Campaign



## Stamp Out Damp Campaign



## Customer Portal, MyMagenta



## Display material



## Customer Magazine



## 20 Years brand



## Magenta Voice!



## Tone of Voice Campaign



## Recruitment Campaigns



## Procurement & Commercial

In 2024/25 Magenta procured over 35 contracts with a combined total contract value of £34.3m. Market conditions as a result of inflation and cost of living slowed which meant that while there were challenges, price increases and shortages in some product areas and in skilled trades has subsided and we were able to procure and manage contracts with more certainty. Magenta has been able to deliver over £1 million cashable savings as an organisation wide approach to VFM, with a number of savings coming in the form of reduced headcount, outsourcing, operational and supply chain efficiencies that the procurement team have been at the heart of.

We have procured a number of contracts throughout the year including further waves of SHDF works, a new telephony system provider, IT hardware supplier and decorating vouchers for our customers. We also extended our Travis Perkins contract by two years, taking our entire agreement with them to 12 years. The business also implemented the new responsive and voids framework opening up new contractors with more competitive rates to supplement the delivery of works delivered by our in-house team.

## IT & Data

The team implemented a new technology strategy, which involved replacing the legacy infrastructure and strengthening security across all sites, resulting in improved performance and reliability across the network. Business continuity and IT disaster recovery plans were tested regularly throughout the year, and new information security policies were introduced.

A device refresh programme was started, to replace all laptops, tablets, and mobile phones across the network. The mobile phone contract was re-procured resulting in an annual saving of £100K. New systems such as telephony, finance, customer self-service and customer relationship management (CRM) were implemented, to the benefit of both customers and colleagues.

A new data warehouse was introduced to improve reporting and decision making, and a procurement exercise was undertaken for a new strategic partner to build a new data lake utilising the latest Microsoft technology. The team achieved three-star accreditation from the Service Desk Institute (SDI), which was a reflection of the excellent customer service that they deliver to the rest of the business.

## Treasury & Finance

In 2021/22 Magenta refinanced, securing £137 million in funding provided by NatWest to support its investments, carbon neutrality goals, and development ambitions. As of 31 March 2025, £96.4 million of the total facility was drawn, with the remaining amount available, to be used as needed. This facility was due to be repaid in February 2027, however negotiations with NatWest meant that this was extended to February 2028 with our covenants re-negotiated at the same time. It is likely that Magenta will be conducting a financing exercise in 2025/26 to ensure it can continue with its development plan.

## Cash Flow and Liquidity

The net cash inflow from operating activities before interest expenses was £20.5 million (2024: £14.4 million). Bank balances and short-term investments stood at £8.2 million (2024: £8 million) at the fiscal year-end.

## Covenant Compliance

The covenants relevant to the loan agreement include:

- Interest cover;
- Gearing;
- Asset cover.

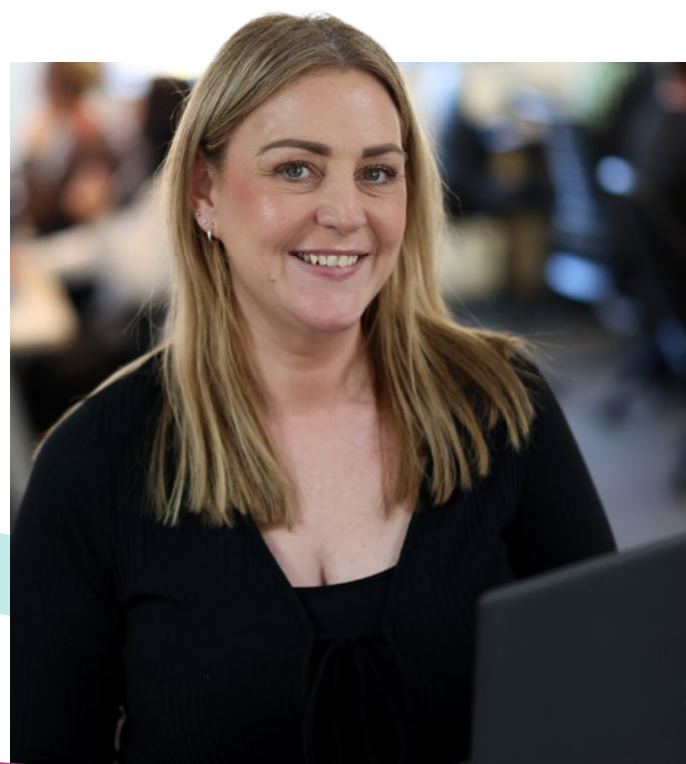
Covenants	2024/25	Lender Covenant	Golden Rule
Interest Cover EBITDA MRI	2.62	1.10	1.30
Interest Cover EBITDA	5.90	1.70	1.90
Gearing *Hist cost only	0.23	0.60	0.50
Asset Cover (charged properties)	2.92	1.10	1.25

During the year, Magenta agreed with NatWest to change Interest cover from EBITDA MRI to EBITDA only. This has improved covenants and gives significantly more headroom. As of 31 March 2025, the Group remained compliant with all covenants.

Magenta has revised its business plan, considering recent internal and market-driven challenges. The company updated its development and investment strategies based on the most current information to guide its assumptions. This adjustment comes amidst a rapidly evolving economic landscape where interest rates and inflation have significant effects across the plan.

### Payment of creditors

In line with government guidance, Magenta's policy is to pay purchase invoices within 30 days of receipt, or earlier if agreed with the supplier. It will comply with all of the requirements of the new Supplier Payment Practices and publish its supplier payment performance accordingly. Payment performance within 30 days for the financial year was 63%. We introduced a creditor payment system as part of our new finance system which has faced significant issues and has contributed to lower performance than expected; we are working hard to improve this.



### Bamboo Estates

In order to generate surplus and capacity for investing in new homes and community regeneration, the Board established Bamboo Estates.

Bamboo Estates operates as a partnership between Magenta Living and Wirral Partnership Homes (Development) Limited, a subsidiary of Magenta Living which remains a viable entity, managing 126 properties leased to Bamboo from Magenta. Bamboo also benefits from Rent to Buy property lettings and management.

This financial year Bamboo acquired 13 high quality new family homes to add to the portfolio – 6 homes in Chester and 7 homes in Halton, these were bought at a discount and have achieved a high market rent. A review of Bamboo Estates will be conducted in Summer 2025, with the intention of doubling the PRS portfolio to increase profitability, enhancing the quality and competitiveness of customer service and offerings in the private sector market. Our intention is that this will include returning some of the original properties to Magenta as they become void.

Bamboo has committed to reinvesting all profits earned into internal subsidies for the development of new social properties in Wirral. The £457k generated in 2024/2025 will be allocated to Magenta Living to support this initiative.

## Value for Money

The Board of Magenta Living approved its Value for Money (VfM) strategy in March 2021. The strategic approach recognises that VfM is not just about cutting costs; it is about understanding the 'Value Chain', and optimising the **Economy, Efficiency and Effectiveness** of everything the company does. This is achieved by considering VfM across all elements of the business including its business plan and budget, its BAU activity such as commercial contract negotiations and its forward-looking activity including service improvements plans and transformation Strategy.

To support the optimisation of the Value Chain, Magenta has implemented Policies and Principles which includes detailing activities which the company will and won't consider in its drive to deliver improved VfM. These principles recognise the importance that different elements of the business play in ensuring we are able to achieve value for money and includes consideration of or strategic objectives, improvement plans, our colleagues and our assets and their sustainability.

The Regulator of Social Housing's Value for Money Standard 2018 sets out its required outcomes and specific expectations of registered providers and their approach to Value for Money. Magenta Living has completed a self-assessment against the VfM Standard, and gains assurance that VfM is being achieved from a variety of sources including:

- Regular review of VfM objectives, targets and performance;
- Strategic discussions as to optimum use of resources in delivering the objectives;
- All Board reports requiring consideration and evidencing of VfM implications of decisions made;
- Executive quarterly monitoring of procurement activity and savings;
- Production of an annual social value report and VfM statement.



## Performance against the RSH (Regulator of Social Housing) VfM Metrics




The following tables provides fuller details of Magenta's performance against the RSH's VfM metrics and future plans.




Metric	Backward Look	Current Year	Forward Look		
	2023/24 Performance	2024/25 Actual	2025/26 Budget/Target	2026/27 Fcast/Target	2027/28 Fcast/Target
Reinvestment %	10.00%	8.88%	11.76%	10.68%	8.19%
New Supply % (social)	1.30%	0.31%	1.21%	0.71%	1.06%
New Supply % (Non-social)	0.00%	0.00%	0.09%	0.09%	0.09%
Gearing %	33.00%	33.25%	39.09%	43.04%	42.00%
EBITDA MRI % (Interest cover)	151.70%	209.87%	137.76%	65.26%	97.71%
Headline Social Housing Cost Per Unit?	£5,544	£5,738	£6,108	£6,538	£6,561
Operating Margin Social Housing %	3.00%	5.96%	5.14%	6.27%	10.25%
Operating Margin overall %	3.00%	7.96%	9.51%	15.41%	15.72%
Return on Capital Employed	0.70%	2.73%	2.78%	4.54%	3.92%



## Performance against internal VfM metrics

The following tables provide evidence of past performance and plans for improvement against Magenta's internal VfM targets. Commentary on the performance of each metric is included within the table.

Metric	2023/24 Performance	2024-25 Budget/ Target	2024-25 Performance	RAG Status	2025-26 Target	Comments and future plans
Empty Homes Repair Cost £	£5,893	£5,400 incl. VAT	£6,300		£6,300	Average Empty Homes Repair Costs were above target for the financial year, primarily due to the scale of refurbishment works required including a significant proportion of high value programmes where the decision was made to proceed with works in the majority of instances. A range of Empty Homes improvement opportunities have been identified through the Social Housing Consultancy critical friend review of structures and processes within Property Services as well as the Property Services Improvement Plan activity informed by four Empty Homes process review workshops. Both reviews highlighted the importance of reviewing the Lettable Standard which has now commenced. Greater scrutiny of empty homes refurbishment programme totalling more than £4,000 is also currently being employed and high value property refurbishment programmes will continue to be referred for Option Appraisal review.
Empty Homes Rent Loss £	1.21%	1.00%	1.21%		1.4%	Void rent loss remained above target at year end. We will continue to minimise relet times and investigate the reasons which will reduce void rent loss.
Development starts on site	109	196	163		175	There were a number of unnamed schemes in the budget for 2024/25 that did not progress to a Start On Site within the financial year. We have a strong pipeline lined up, with a focus on opportunities in Wirral, which will see the number of Starts on Site increase over the next few years.

Metric	2023/24 Performance	2024-25 Budget/ Target	2024-25 Performance	RAG Status	2025-26 Target	Comments and future plans
Development completions	187	82	68		106	Due to delays in handovers at Three Sails Point we fell behind this year's target. We currently have 217 homes on-site with handovers expected from Three Sails Point, Brook Street, Halton Canal and Pasture Road. We are confident in achieving the target for handovers in 2025/26.
Ongoing staff sickness levels at below peer group average	7.6 days	3.5%	3.1%		3.5%	Our target absence rate for 2024-25 was 3.5%, we consistently stayed under target with an average rate of 3.1%. We had a number of long term ill health challenges which have since been resolved. Our absence target for 2025-26 will remain at 3.5%. As we continue to manage absence in accordance with our absence policy we are hopeful to see a reduction from last years average and stay under target again this year.
Number of existing housing units increased to EPC level C or above	105	250	84		425	In the 2024/25 financial year, we had an increase of 148 (EPCs) from D's or below to C+; these uplifts came from planned retrofit works completed through funded schemes, such as the SHDF, self-funded improvements including loft insulation top-ups and reassessment of expired/ expiring EPCs. This is below what was targeted, as we are awaiting the completion of post-EPCs for several Wave 2.1 properties. Due to the delay in undertaking these surveys, we were unable to include them in the year-end figures. We have had an additional 469 properties recategorised from D or below to C+ (following gaining access to the Government EPC register); these EPC upgrades have not been included in the reported figure.

Metric	2023/24 Performance	2024-25 Budget/ Target	2024-25 Performance	RAG Status	2025-26 Target	Comments and future plans
Customer satisfaction with services provided by Magenta Living (TSM survey)	76.7%	80%	81.7%	😊	83%	It was pleasing to see an improvement in customer satisfaction, which sees us achieve the customer satisfaction target articulated in our Strategic Plan. The results of the survey and the in depth customer segmentation data will allow us to redesign our services and should result in an increase in satisfaction in 2025/26.
Customer satisfaction with the home (TSM survey)	70.9% (well maintained)	75% (well maintained)	75.6% (well maintained)	😊	1.4%	Satisfaction improvement targets have been designed to deliver incremental improvement leading into the road to 2030.
	73.6% (safe)	80% (safe)	79.3% (safe)	😐	81%	
Customer satisfaction with positive contribution to the Neighbourhood (TSM survey)	55.3%	70%	67.5%	😐	75%	Satisfaction improvement targets have been set to deliver incremental improvement in order to achieve our overall satisfaction target with the services Magenta Living Provides of 90% by 2030.



## Strategic Risk

Magenta is positive about how the organisation is moving forward and it has a solid business plan but recognises the risks inherent within the sector and the wider economic and geo-political environment. The organisational focus remains firmly centred on its customers and ensuring that it can support them through these challenging times.

The Board is ultimately responsible for risk management and internal control arrangements at Magenta Living, ensuring appropriate arrangements are in place and monitoring the effectiveness of these.


The Board approved the current Risk Appetite and Risk Management and Assurance Framework in September 2024. The Risk Appetite determines the level of risk that the organisation is willing to tolerate in delivering its Corporate Plan and objectives. The framework sets out the overall risk and assurance approach and the roles of Board, Audit and Risk Committee and senior management to manage, monitor, report and gain assurance on the effectiveness of its risk management and assurance activities.

Through its scheme of delegations, the Board has delegated authority to the Audit and Risk Committee to oversee the effectiveness of risk management and internal control. The Committee scrutinise the risks recorded on the strategic risk register by management, agree and monitor the delivery of the annual risk based internal audit programme and internal assurance testing activities.

The Board receives quarterly reports from the Committee, together with the minutes of the meetings, to provide assurance on the effectiveness of risk management and internal control arrangements.

Risks and opportunities are continually monitored and evaluated; this regular oversight enables management, and the Board to make informed strategic decisions and ensures Magenta Living adapts to changing circumstances.

The table overleaf provides a summary of the status of Magenta Living's High and Medium strategic risks at 31 March 2025.

A woman with blonde hair, wearing a bright pink beanie with a pom-pom, a pink scarf, and a dark grey jacket with a pink Magenta Living logo, is smiling and holding a large, light-colored wooden plank. She is standing outdoors in what appears to be a construction or renovation site, with a green bin and other materials visible in the background.

**Magenta is positive about how the organisation is moving forward and it has a solid business plan**

Risk Area & Rating	Nature of Risk	Key Controls
<p>Cybersecurity and IT Resilience High (20)</p>	<p>Failure to implement adequate security controls and resilient IT systems and infrastructure increases chance that any vulnerabilities will be exploited, resulting in a successful cybersecurity attack</p>	<p>Continuous data loss prevention technology to detect &amp; alert unusual levels of data extraction, encryption or deletion.</p> <p>Role based access permissions to ensure accountability for changes made to core data sets or data structure.</p> <p>Frequent snapshots, backups &amp; test system replications to provide resilience &amp; availability in the event of significant loss.</p> <p>Four levels of backups for Server infrastructure based on each server's importance to the business (Gold (every 6h), Silver (every 12h), Bronze (every day), Tin (every week))</p> <p>Cyber security report to Audit &amp; Risk Committee for review, monitoring &amp; oversight.</p> <p>Anti-virus &amp; threat management software in place with identified threats reviewed by IT Operations through to closure.</p> <p>Annual Mandatory Cyber Security Training for all staff.</p> <p>Information Security Management policy (last reviewed Jan 2025) &amp; associated procedures/policies in place (e.g. Acceptable Use, Access Control &amp; Password policies etc.)</p> <p>Cyber Liability Insurance in place.</p> <p>IT Change Advisory Board (IT CAB) in place to ensure all IT (Non-Standard/Emergency) changes are approved before implementation.</p>
<p>Data Governance &amp; Integrity Medium (16)</p>	<p>Lack of effective data governance negatively impacts the quality, confidentiality, integrity and availability (CIA) of business critical data, leading to poor decision making, non-compliance with regulatory and legal requirements and increased risk of cybersecurity breaches.</p>	<p>Data Strategy, approved in 2024, details how we will move to a data focused organisational culture through technology, governance &amp; people.</p> <p>Information Management Operational &amp; Steering groups are in place to improve the quality, accessibility, protection &amp; understanding of data.</p> <p>Validation of Landlord Compliance data is completed through monthly audits to test data accuracy, &amp; the results are shared with the Compliance Team.</p> <p>Assets &amp; Liabilities Register (ALR) refreshed &amp; reconciled quarterly, providing a view of finance system incoming &amp; outgoings &amp; balance sheet asset data.</p> <p>Asset Change Advisory Board (CAB) that controls the addition, removal &amp; amendment of asset data on our main databases.</p> <p>Business-wide Incident Management process in place to report, assess &amp; remediate any incidents &amp; near misses identified. Data Protection Officer (DPO) in place providing advice, support &amp; oversight to the business.</p> <p>Data Protection processes are in place to support the business &amp; work of the DPO (e.g. Subject Access Requests (SARs), Data Protection Impact Assessments (DPIA's) etc).</p>

Risk Area & Rating	Nature of Risk	Key Controls
<p>Development Programme</p> <p>Medium (15)</p>	<p>Development &amp; regeneration ambitions are reduced or stopped, negatively impacting our commitment to invest in current &amp; future homes, the overall growth strategy &amp; our reputation in the community.</p>	<p>Development assumptions reviewed &amp; agreed annually in conjunction with Finance. Assumptions &amp; evidence validated by 3rd party prior to approval at Asset &amp; Development Committee (ADC) &amp; final approval by Board.</p> <p>ADC provided with Performance &amp; Development update reports every six to eight weeks.</p> <p>Board provided with a development report for oversight of development programme &amp; schemes.</p> <p>Approved Climate Change Strategic Plan outlining key issues, development of future builds &amp; the use of current sites (No gas in new homes 2025/net zero carbon homes by 2050).</p> <p>Contractor due diligence increased with a checklist including additional financial scrutiny completed.</p> <p>Contractor Monitoring &amp; Support provided.</p> <p>Development Strategy approved in 2022 (due for review 2026).</p>
<p>Value for Money (VfM)</p> <p>Medium (12)</p>	<p>Failure to achieve VfM or comply with VfM standards negatively impacts our financial health and limits our ability to invest in our stock &amp; services, leading to regulatory penalties and/ or intervention and reputational damage.</p>	<p>VfM Strategy &amp; performance targets for improving VfM are approved by the Board.</p> <p>VfM programme is ongoing in its reviews (Monthly) by business areas against unit cost.</p> <p>Quarterly financial monitoring reports to the Board include performance data against RSH VfM metrics.</p> <p>Financial monitoring is completed when the reports are reviewed within the monthly Strategic Partners Meeting. This ensures control over spend in line with budgets.</p> <p>Development &amp; Proactive Asset Management Strategies detail plans for delivering homes to meet a variety of needs.</p> <p>Annual VfM self-assessment against the RSH VfM Standard is completed &amp; approved by Leadership Team.</p> <p>VfM savings tracker in place to record savings, reconciled with Finance monthly with validated savings built into the forecast.</p>



Risk Area & Rating	Nature of Risk	Key Controls
<p>Treasury Management &amp; Financial Capacity</p> <p>Medium (12)</p>	<p>Financial resources are either inadequate or not managed appropriately leading to resource surpluses or shortages which could impact on our overall growth strategy, development plans, investment in existing stock &amp; the provision of services to our customers &amp; the community.</p>	<p>Annual budget set &amp; approved by Leadership Team &amp; Board. Business Plan approved annually by Board encompassing key metrics &amp; data including detailed stress testing &amp; mitigation.</p> <p>Monthly financial report containing financial KPI's (including Treasury) &amp; budget reports reviewed by Leadership Team.</p> <p>Quarterly financial monitoring reports are provided to the Board.</p> <p>Quarterly Financial &amp; Risk Survey is submitted to the Regulator of Social Housing; this ensures we are monitoring against our medium-term financial capacity (i.e. 3-year forecast).</p> <p>Weekly Cashflow &amp; monthly Treasury monitoring reports are monitored to confirm draw down availability against the Loan Agreement. Reported monthly to Leadership Team &amp; quarterly to Board.</p> <p>Single &amp; multivariate stress testing is completed (minimum) annually to demonstrate business stress scenarios including external influences e.g., inflation spikes, sector risk impacts. The report forms part of the Business Plan report approved by Leadership Team &amp; Board at least annually.</p> <p>Development scheme evaluation criteria aligned annually to the Board approved Business plan.</p> <p>Assets &amp; Liabilities Register (ALR) maintained &amp; reconciled on a quarterly basis; including the Balance Sheet monthly reconciliation &amp; narrative.</p>
<p>Property Compliance</p> <p>Medium (12)</p>	<p>Detrimental impact to tenant, visitor &amp; staff health &amp; safety &amp; damage to property assets if we fail to fully comply with property compliance regulations and standards. This could lead to financial penalties, reputational damage, regulatory intervention, and in severe cases, prosecution.</p>	<p>Property Compliance Key Performance Indicator report presented to Leadership Team monthly, Audit &amp; Risk Committee quarterly &amp; Board bi-annually.</p> <p>Stock numbers &amp; associated compliance requirements are validated &amp; reported to Leadership Team monthly, Audit &amp; Risk Committee quarterly &amp; Board bi-annually.</p> <p>Onsite independent quality checks are completed monthly by 3rd parties against 10% of repairs etc, actions &amp; review completed by Head of Service.</p> <p>Audits completed annually by Contract Manager to validate 3rd Party contractors hold the relevant &amp; up to date certification for their contracted role – all certification is submitted to ML.</p> <p>High Rise/High Risk Fire Assessments are completed against Regulatory Standards. Identified areas for action (to minimise impact) are recorded on Risk Hub, prioritised on a risk basis &amp; monitored by the Contract Manager to completion.</p> <p>Budget/Project review meeting completed monthly by Contract &amp; Project Managers, Finance &amp; other key stakeholders.</p> <p>Monthly budget reviews completed &amp; submitted to Finance Dept. to provide any additional context as to over/under spends.</p> <p>Compliance &amp; Building Safety Strategy in place setting out our approach to effective management &amp; control of property compliance.</p>

Risk Area & Rating	Nature of Risk	Key Controls
Customer Excellence	Ineffective customer engagement and poor delivery of services could mean we fail to meet customer expectations or fail to meet current and future regulations and consumer standards, which could lead to not delivering the customer strategy with poor customer outcomes, regulatory issues, and reputational damage.	<p>Magenta Customer and Communities Committee (MCCC) oversees and has clear accountabilities for customer delivery and engagement components of the corporate plan.</p> <p>Complaints feedback reports, including lessons learned and improvements, informs Leadership Team monthly, Board &amp; MCCC quarterly to ensure compliance with the Ombudsman complaints code.</p> <p>Customer Annual Report is produced using customer feedback obtained through Magenta Connect and is published on Magenta Website.</p> <p>Annual self-assessment completed against Housing Ombudsman Complaints Code, provided to Board and published on the Magenta Website.</p> <p>Annual self-assessment against Consumer Standards completed, reviewed by MCCC and approved by Leadership Team.</p> <p>Social Housing Regulation Bill review meeting held Monthly to discuss Action Plan and progress in the Regulatory/Legal Working Group.</p> <p>Annual assessment of social value by sub-group of MCCC.</p> <p>Customer Strategy reviewed annually by MCCC.</p> <p>Monthly Lessons Learnt Forum held to review – Complaint trends and actions to be implemented.</p>
People Medium (12)	Inability to identify, recruit, retain and leverage appropriate knowledge, skills and capabilities to deliver Magenta's corporate objectives and ensure compliance with employment law & practices.	<p>Recruitment agency framework in place for Property Services, including preferred supplier list (identified through regular service reviews completed against each agency).</p> <p>Roles identified by the business as critical roles, have longer contractual notice period.</p> <p>Annual succession plan review completed.</p> <p>Annual recruitment of approximately 5 trade apprentices via the local college.</p> <p>Mandatory training in place, completion of training is monitored &amp; reported to the leadership team.</p> <p>Absence procedure including Occupational Health referral.</p> <p>Mental Health First Aiders within the business.</p> <p>The 'Way we work' policy in place, that improves flexibility &amp; availability of resource</p> <p>Engagement survey is completed via the Happiness Index. This provides gap analysis where actions &amp; outcomes are monitored.</p> <p>Performance Management process in place, to discuss performance, wellbeing &amp; development needs within teams.</p> <p>Exit interviews are conducted to understand reasons for leaving.</p>

Risk Area & Rating	Nature of Risk	Key Controls
<p>2030 Change Programme</p> <p>Medium (12)</p>	<p>Failure to achieve the change programme outcomes, to the required level of quality and within agreed timescales and/or financial parameters, due to poor design, lack of appropriate progress, activity and performance monitoring, ineffective implementation, change management or business buy in.</p>	<p>Monthly portfolio board meetings monitor project progress, activity &amp; performance against plan &amp; route of escalation for the Programme Boards. Portfolio Board will make decisions on priorities for new projects.</p> <p>Transformation Group meeting held three times a year to provide Board level oversight &amp; scrutiny of transformational plan, objectives &amp; risks.</p> <p>Monthly programme meetings for the three pillars (Customer, Culture &amp; Community) meetings to provide scrutiny &amp; guidance to allocated projects.</p> <p>Dedicated Project Management Office (PMO) in place which consists of qualified project professionals.</p> <p>Project Portfolio Management (PPM) Tool in place &amp; provides a framework for all project activity, management &amp; reporting (including milestones, change management, quality concerns, risks &amp; issues etc.)</p> <p>Success criteria clearly stated as part of the project initiation document (PID) &amp; full requirements are gathered by Business Analysts throughout each project. Project documentation includes justification for projects to ensure alignment to the 2030 Roadmap including strategic goals &amp; transformational objectives.</p> <p>Internal resources to deliver Salesforce Projects with support from Strategic Delivery Partners (Alscient, Salesforce, Civica, Manifest, NEC, Verse One) who work to agreed SLAs.</p> <p>Regular operational meetings with Strategic Delivery Partners to discuss progress towards shared objectives &amp; contracted work.</p> <p>Business areas accepting change sign-off on pre-agreed quality criteria &amp; go-live does not occur until these have been met to the satisfaction of the accepting business area. Handover documentation is prepared including any additional tasks that need to be completed by the accepting business areas.</p>

In addition to the high and medium risk noted in the above table, the below risks have been managed to a low rating through appropriate controls overseen by the Audit and Risk Committee:

- Income (Low/9);
- Sustainability and Climate Change (Low/9);
- Ineffective Corporate Governance (Low/8).

## Internal Audit (Forvis Mazars)

Internal Audit plays a crucial role in offering the Audit and Risk Committee and the Board confidence regarding the adequacy and effectiveness of risk management, control, and governance processes. Magenta collaborates with its internal auditors to develop an annual programme of internal audits, prioritised according to strategic risks, emerging sector risks, and new activities.

The Audit and Risk Committee approves this annual risk-based programme and reviews all resulting reports, ensuring that any arising actions are completed. The Committee will inform the Board of any issues or trends of strategic importance. Presented below are the outcomes of the 2024/25 audit programme and the internal opinion provided by Forvis Mazars in their 2024/25 annual report.

### Internal Audit outcomes

Audit area	Assurance level	High (Priority 1)	Medium (Priority 2)	Low (Priority 3)	Total
Payroll	Moderate	-	2	-	2
Development	Substantial	-	-	1	1
Materials Procurement and Management	Moderate	-	2	1	3
Legionella and Asbestos	Moderate	1	3	3	7
IT Resilience and Disaster Recovery	Moderate	-	3	9	12
Tenant Satisfaction Measures (TSM) Validation	Limited	3	1	-	4
Transformation Programme	Moderate	-	3	3	6
<b>Total</b>		<b>4</b>	<b>14</b>	<b>17</b>	<b>35</b>



## Forvis Mazars annual statement of assurance provided within the internal audit annual report 2024/25

On the basis of our audit work, our opinion on the framework of governance, risk management, and control is **Moderate** in its overall adequacy and effectiveness.

This assessment reflects the findings from the work completed to date and the three reports in draft at the time of reporting (Transformation Programme, Tenant Satisfaction Measures (TSM) Validation and Follow Up). Most of the opinions given in the year were 'Moderate'. The Development audit received a 'Substantial' assurance opinion.

These matters and all other reports have been discussed with management, to whom we have made several recommendations. All of these have been, or are in the process of being addressed, as detailed in our individual reports.

In giving our internal audit opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide to Magenta is a reasonable assurance that there are no major weaknesses in risk management and internal control processes.

The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

In arriving at our opinion, we have taken the following matters into account:

- The results of all audits undertaken as part of the plan;
- Whether or not any 'High (Priority 1)' or 'Medium (Priority 2)' recommendations raised have not been accepted by Management and the consequent risks;
- The extent to which recommendations raised previously, and accepted, have been implemented;

- The effects of any material changes in Magenta's objectives or activities;
- Matters arising from previous reports to Magenta;
- Whether or not any limitations have been placed on the scope of internal audit;
- Whether there have been any resource constraints imposed upon us which may have impinged on our ability to meet the full internal audit needs of Magenta; and
- The proportion of Magenta's internal audit needs have been covered to date.

Internal audit has not placed any reliance on third parties in order to assess the controls operated by Magenta. Our opinion solely relies on the work we have performed and the results of the controls testing we have undertaken.

We follow up on all IA recommendations to ensure Management have addressed and implemented appropriate actions to address those recommendations.

### Statement of compliance

The form and content of the strategic report review has been prepared in line with the Statement of Recommended Practice for registered Social Housing Providers 2018. The statement has also been prepared in accordance with The Accounting Direction for Private Registered Providers of Social Housing 2022.



Ged Lucas  
Chair

# Report of the Board of Directors

## Governance

### Governance Structure

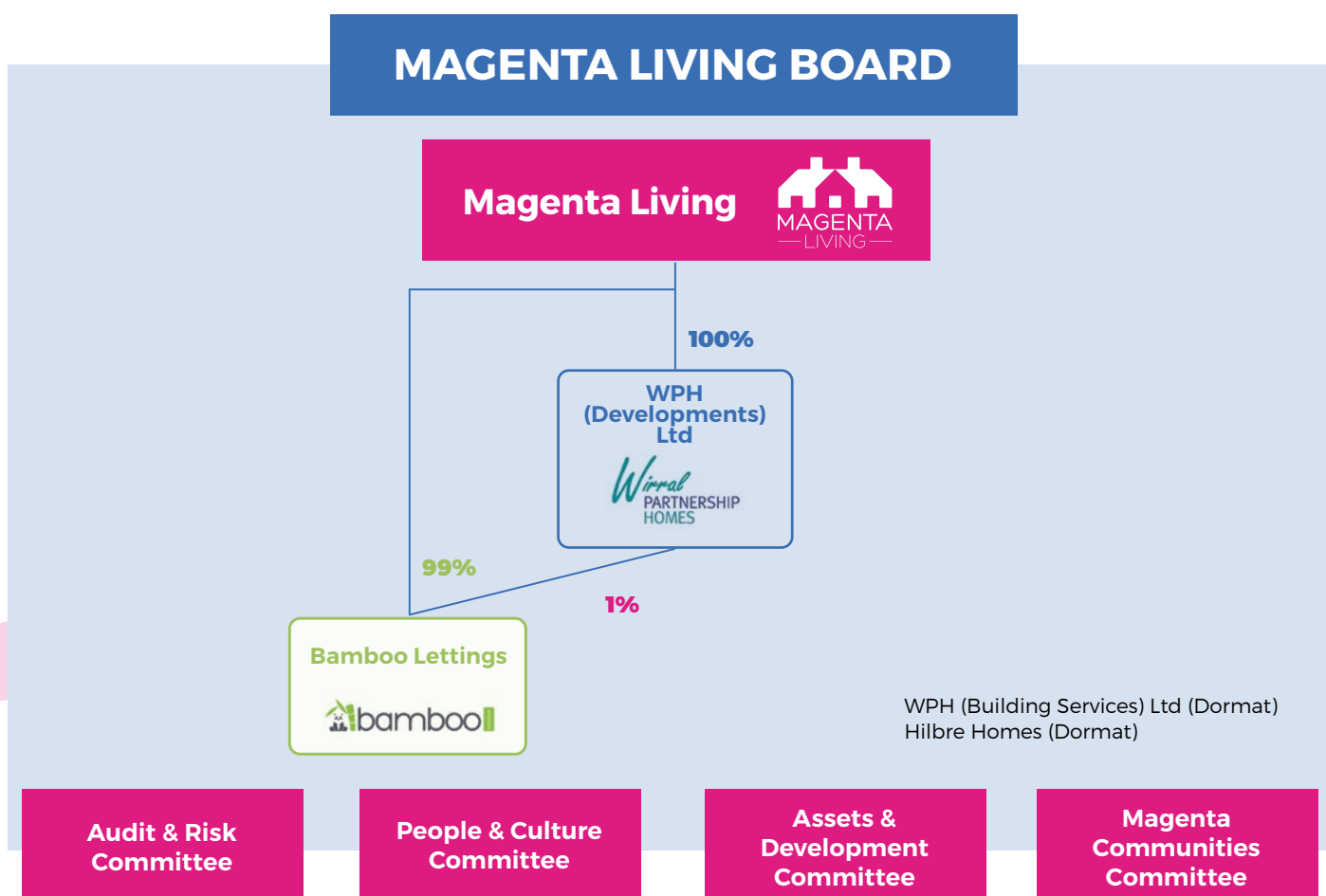
**Magenta Living** (“Company”) is the parent entity, registered under the Companies Act 2006 (No. 04912562) and with the Regulator of Social Housing (No. L4435) as a social housing provider and the Charity Commission (No. 1106969). It is responsible for the strategic planning and direction of the Group. It owns or controls the entities below and includes them in the consolidated financial statements.

**Wirral Partnership Homes (Developments) Limited** undertakes construction for the parent company.

**Bamboo Estates LLP** whose principal activity is the letting of housing properties at market rent in the northwest of England.

**Hilbre Projects LLP** undertook the development of residential and commercial property, including social housing (section 106 properties) and housing to be sold on the open market. It ceased trading on 31 March 2022.

**Wirral Partnership Homes (Building Services) Limited** provided responsive repairs, void repairs, adaptations and improvement programme works to Magenta Living until 1 April 2008 when these services were transferred to Magenta Living. Since then, Wirral Partnership Homes (Building Services) Limited has been dormant.



### Audit & Risk Committee ‘ARC’

The ARC, composed of NEDs, and a Co-optee, advises the Magenta Living Board on the robustness of risk management, internal control, and assurance frameworks. It offers independent scrutiny and ensures transparent procedures for selecting, appointing, overseeing, and reviewing auditors, emphasizing value for money, performance measurement, process optimization, and strategic review.

### People, Culture & Change Committee ‘PCCC’

The PCCC, composed only of NEDs, oversees and advises on governance effectiveness in relation to organisational change and innovation from a strategic, operational and colleague impact perspective. In addition, PCCC considers NED succession planning, Board Directors’ and Chief Executive appraisals, contractual matters for the Chief Executive, and remuneration for NEDs, the Chief Executive, and staff. It ensures Magenta Living attracts and retains talent while fostering an organisational culture and practices which keep our colleagues and customers safe.

### Assets & Development Committee ‘ADC’

The ADC consists of NED members. The ADC is responsible for assisting the Magenta Living Board in fulfilling its strategic assets and development responsibilities and is tasked with exercising its delegated authority in relation to the consideration, approval and monitoring of development and commercial activities.

### Magenta Customer & Communities Committee ‘MCCC’

The MCCC was created to maintain formal links between customers and the Board, giving customers a say in the organisation’s decisions. It consists of at least two board members and nine community members, seven of whom are tenants. MCCC reviews strategies and policies affecting customers and manages a Community Fund for local initiatives. With customers in the majority, including a customer Chairperson, the Committee influences services, oversees social value activities, and represents on NHF’s Tenant Panel and the Housing Ombudsman’s Resident Panel.

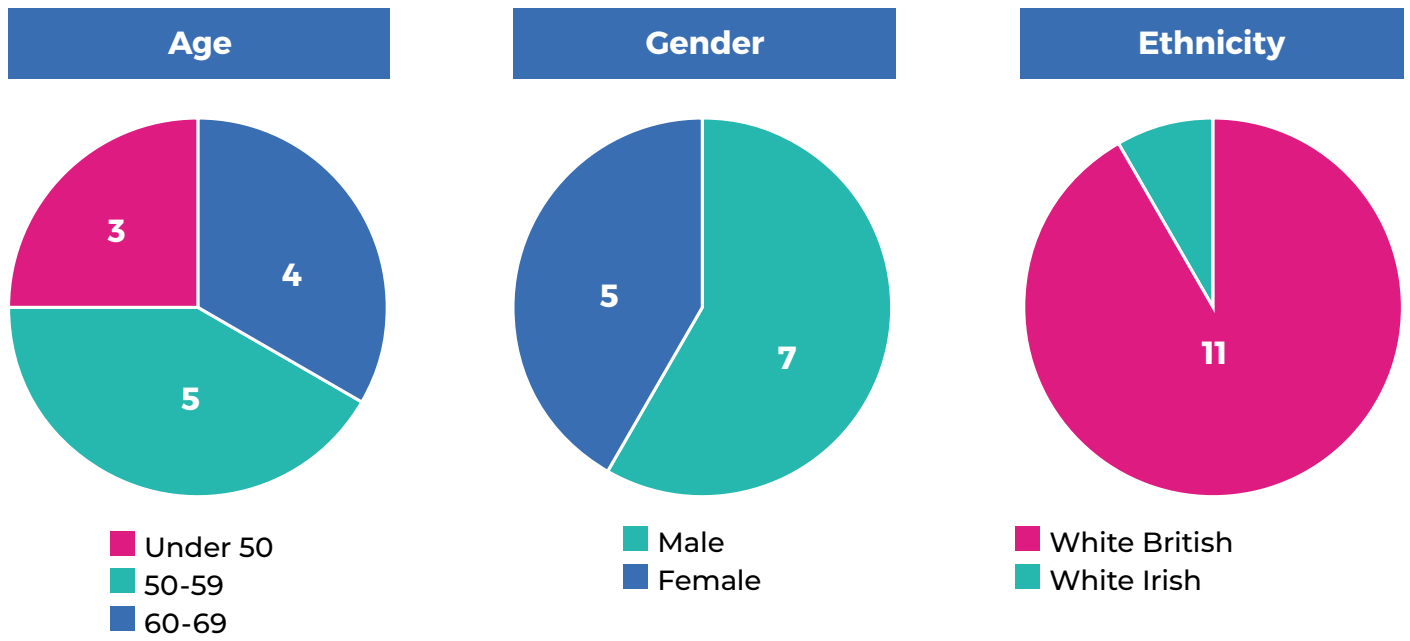
### Magenta Living Board

The current Board members and Executive Directors, along with those who served up to the approval date of these financial statements, are listed on page 3. The Board comprises individuals with diverse expertise in professional, commercial, and local areas. Appointments are skills-based, regularly assessed via a board skills matrix. Typically, members serve two three-year terms, with possible one-year extensions up to a total of nine years. The Board can have up to 12 Non-Executive Directors, meets at least four times annually, and is responsible for the Group’s long-term strategic direction and seeks assurance in relation to operational effectiveness as well as legal, regulatory and statutory compliance.

The Group holds insurance policies that provide indemnity coverage for its Board Directors and Executive Directors against liabilities that may arise while performing their duties for the Group.



A summary of the diversity of the Board during 2024/25 is detailed below:



## Board and Committee Membership 2024/25

### Magenta Living Board

Ged Lucas (Chair)  
 Myles Edwards (SID)  
 Stephen Allcock  
 Rachel Barber  
 Robbie Chapman  
 Ann-Louise Gilmore  
 Liam Kelly  
 Helen O'Doherty  
 Paul Richards  
 Michael Riley

### Audit & Risk

Rachel Barber (Chair)  
 Stephen Allcock  
 Robbie Chapman  
 Mike Riley  
 Julie Booker (Co-optee)

### People, Culture & Change

Liam Kelly (Chair)  
 Steve Allcock  
 Myles Edwards  
 Ged Lucas  
 Helen O'Doherty

### Assets & Development

Ann-Louise Gilmore (Chair)  
 Ged Lucas  
 Helen O'Doherty  
 Paul Richards  
 Michael Riley

### Magenta Customer & Communities

Wendy Gooley (Tenant Chair) Resigned May 2025  
 Rachel Barber  
 Myles Edwards  
 Liam Kelly

## Board and Committee NED Attendance

Board/Committee	% Attendance
Magenta Living Board	87
Audit & Risk Committee	80
People, Culture & Change Committee	94
Assets & Development Committee	96
Magenta Customer & Communities Committee	74

## Our Executive

The Executive includes the Chief Executive and other members of the Group's Executive Leadership Team, all of whom are detailed on page 3. They operate within the authority delegated by the Board.

The Chief Executive and other Chief Officers have permanent contracts with notice periods up to six months. Currently the Chief Executive is interim whilst the recruitment process is ongoing.

Each of the Executive Leadership Team are members of the Social Housing Pension Scheme (defined contribution). They receive the same terms as other staff, with the Group contributing on their behalf. Remuneration details are in note 10 of the audited financial statements.

## Internal controls assurance

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

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing and has been in place throughout the period commencing 1 April 2024 to the date of approval of the annual report and financial statements.

Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for the Audit and Risk Committee;
- Clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- Robust strategic and business planning processes, with detailed financial budgets and forecasts;

- Formal recruitment, retention, training and development policies for all staff;
- Established authorisation and appraisal procedures for significant new initiatives and commitments;
- A conservative approach to treasury management which is subject to external review on an annual basis;
- Regular reporting to the appropriate committee on key business objectives, targets and outcomes;
- Board approved whistle blowing and anti-theft and corruption policies;
- Board approved fraud policies, covering prevention, detection and reporting, together with recoverability of assets, and
- Regular monitoring of loan covenants.
- Annual review of Committee effectiveness including the execution of their duties as described in the Board and Committee terms of reference.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the Audit and Risk Committee to regularly review the effectiveness of the system of internal control. The Board receives quarterly reports from the Audit and Risk Committee together with minutes of committee meetings and an ARC Chair's summary of assurance.

The Audit and Risk Committee has received and approved the Chief Executive's annual review of the effectiveness of the system of internal control for the Group and the annual report of the internal auditor and has reported its findings to the Board.

## Going concern

The Group's business operations, current financial standing, and factors likely to influence its future progression are detailed in the Report of the Directors. The Group maintains long-term debt facilities, including £41 million of unused resources as of 31 March 2025 (2024: £46 million), which secure sufficient funds for committed reinvestment and development programmes alongside daily operations.

While rental income has remained consistent, the Group has faced increased short- and medium-term expenditure due to inflationary pressures and a rise in demand for planned and routine repairs. Ongoing challenges in the construction sector have further reduced planned spending during the year. However, efforts are ongoing to review and address these challenges, allowing the timing adjustments in investment for both existing housing assets and new developments to effectively manage cashflow impacts.

The long-term business plan accommodates the organisation's developmental goals to meet regional social housing demand. Moreover, the plan demonstrates the Group's capability to service its debt facilities while adhering to lender covenants. As of 31 March 2025, the Group held £8.2 million in available cash balances and an additional £41 million in secured but undrawn loan facilities accessible at short notice. The Consolidated Statement of Comprehensive Income reveals a surplus of £6.2 million for the year before accounting for actuarial gains pertaining to pension schemes. The underlying EBITDA (Earnings Before Interest, Tax, Depreciation, and Amortisation) remains robust, with discretionary spending being closely managed.

Consequently, the Board reasonably expects that the Group possesses adequate resources to maintain operational existence for the foreseeable future, defined as a period of twelve months following the signing date of the report and financial statements. Therefore, the going concern basis continues to be applied in the financial statements.

## Public Benefit

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

## Donations

During the year ended 31 March 2025 the Group has made no political contributions and any charitable donations were made during the course of its ordinary activities (2025: £nil).

## Post balance sheet events

Magenta considers that there have been no unforeseen events since the year end that have had a significant effect on the Group's financial position.

## Statement by the Directors in performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006

The Board promotes the success of the Group in the interests of its stakeholders. Its strategies and activities are aimed at ensuring the long-term success of the business. It believes this will be achieved by delivering Magenta's corporate plan and strategic objectives which requires it to engage with and deliver services to its stakeholders which include:

- Individual customers
- Colleagues
- Lenders
- The Charity Commission
- Government (national and local)
- Communities.
- Corporate or business clients and associates
- The Regulator of Social Housing/ Homes England

By identifying, engaging with, and understanding Magenta's stakeholders, it can factor into boardroom discussions the potential impact of its decisions on each stakeholder group and consider their needs and concerns when setting the strategy for the long-term success of Magenta.

The Board continually reviews how it can meet its obligations under s.172 of the Companies Act 2006.

Magenta has acted in accordance with the Act in its approach to addressing key decisions, some of those decisions and the considerations of Magenta's stakeholders are further described below:

<p>The likely consequences of any decision in the long term</p>	<ul style="list-style-type: none"> <li>• Approved the 2024-2030 Corporate Plan</li> </ul>
<p>The interests of the company's employees</p>	<ul style="list-style-type: none"> <li>• Approved the Annual Pay award</li> <li>• Reviewed Magenta's People Strategy</li> <li>• Reviewed and approved Magenta's Modern Slavery Statement</li> <li>• Reviewed and approved Magenta's Gender Pay Gap Report</li> <li>• Reviewed and scrutinised Magenta's organisational change programme</li> </ul>
<p>The need to foster the company's business relationships with suppliers, customers and others</p>	<ul style="list-style-type: none"> <li>• Consideration of the impact of applying the rent &amp; service charge increases and affordability for our customers alongside the cost of living crisis and the need to invest in our current and future homes</li> </ul>
<p>The impact of the company's operations on the community and the environment</p>	<ul style="list-style-type: none"> <li>• New Customer Relationship Management system procured</li> <li>• Neighbourhood Plans developed</li> <li>• Cost of Living Strategy implemented including community roadshows</li> <li>• Progression of the Climate Change Strategic Framework</li> <li>• Climate strategy initiatives including installation of carbon-efficiency monitoring equipment, loft insulation and LED lighting in homes, electric vehicle charging points installed at Magenta offices and electric vehicles forming a percentage of Magenta's fleet contract</li> </ul>
<p>The desirability of the company maintaining a reputation for high standards of business conduct.</p>	<ul style="list-style-type: none"> <li>• See 'Continuous Improvement and Governance</li> <li>• Customer satisfaction survey widened to increase potential respondents</li> <li>• Compilation of Tenant Satisfaction Measures</li> <li>• Completion of an Asset Performance Evaluation</li> </ul>
<p>The need to act fairly as between members of the company.</p>	<ul style="list-style-type: none"> <li>• Reviewed the Group Co-operation Framework</li> </ul>

## Compliance with the National Housing Federation Code of Governance

Magenta Living has adopted the National Housing Federation's 2020 Code of Governance (the Code). The Board considers compliance against each of the provisions of the Code on an annual basis. Following this review on 21 March the Board, through its delegation to Magenta Living's People, Culture and Change Committee, was assured that Magenta Living is fully compliant with the Code.

## Continuous Improvement and Governance

The Board continually enhances its governance effectiveness. In 2024/25:

- Magenta Living fully complied with the NHF Code of Governance 2020.
- The Board and Committees assessed their effectiveness after every meeting, and all NEDs completed the annual survey.

## Compliance with the Governance and Financial Viability Standard issued by the Regulator of Social Housing

The Board has confirmed that an assessment of the Group's compliance with the Governance and Financial Viability Standard has been completed and certifies that the Group is compliant with the Standard.

## Statement of Responsibilities of the Board for the report and financial statements

The Board must prepare the report and financial statements according to applicable laws and regulations. Company law requires financial statements for each year, following United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and laws including FRS 102). The Board must ensure these statements provide a true and fair view of the Group and Company's state of affairs and profit and loss.

In preparing the statements, the Board must:

- Select suitable accounting policies and apply them consistently.
- Make reasonable and prudent judgments and estimates.

- Follow applicable accounting standards, disclosing any significant departures.
- Prepare the statements on a going concern basis unless it is inappropriate.
- The Board must keep accurate accounting records that reveal the Group and Company's financial position and comply with the Companies Act 2006, Housing and Regeneration Act 2008, and Accounting Direction for Private Registered Providers of Social Housing 2022. It is responsible for safeguarding assets and preventing fraud and irregularities.

The Board also maintains the integrity of the Group's websites. UK legislation on financial statements preparation and dissemination may differ from other jurisdictions.

## Disclosure of information to auditors

So far as each of the directors of the Company is aware, at the time this report is approved:

- There is no relevant audit information of which the Company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## External auditor

A resolution to re-appoint Beever and Struthers as auditors in accordance with section 487(2) of the Companies Act 2006 was approved by the Audit and Risk Committee on 7 September 2023.

## Approval

The Report of the Board was approved by the Board on 17 September 2025 and signed on its behalf by:



Ged Lucas  
Chair

# Independent Auditor's Report to the Members of Magenta Living

## Opinion

**We have audited the financial statements of Magenta Living (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, the Company Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Reserves, the Consolidated and Company Statements of Financial Position, the Consolidated 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 parent Company's affairs as at 31 March 2025 and of the Group's income and expenditure and the parent Company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the

FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

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

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

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

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

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

## Responsibilities of directors

As explained more fully in the Statement of Responsibilities of the Board for the report and financial statements set out on page 44, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of laws, regulations and guidance that affect the Group and parent Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed the controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.

- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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



## Use of our report

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

### **Mark Bradley BA BFP FCA**

(Senior Statutory Auditor)

For and on behalf of  
Beever and Struthers  
Statutory Auditor

Suite 9b

The Beehive

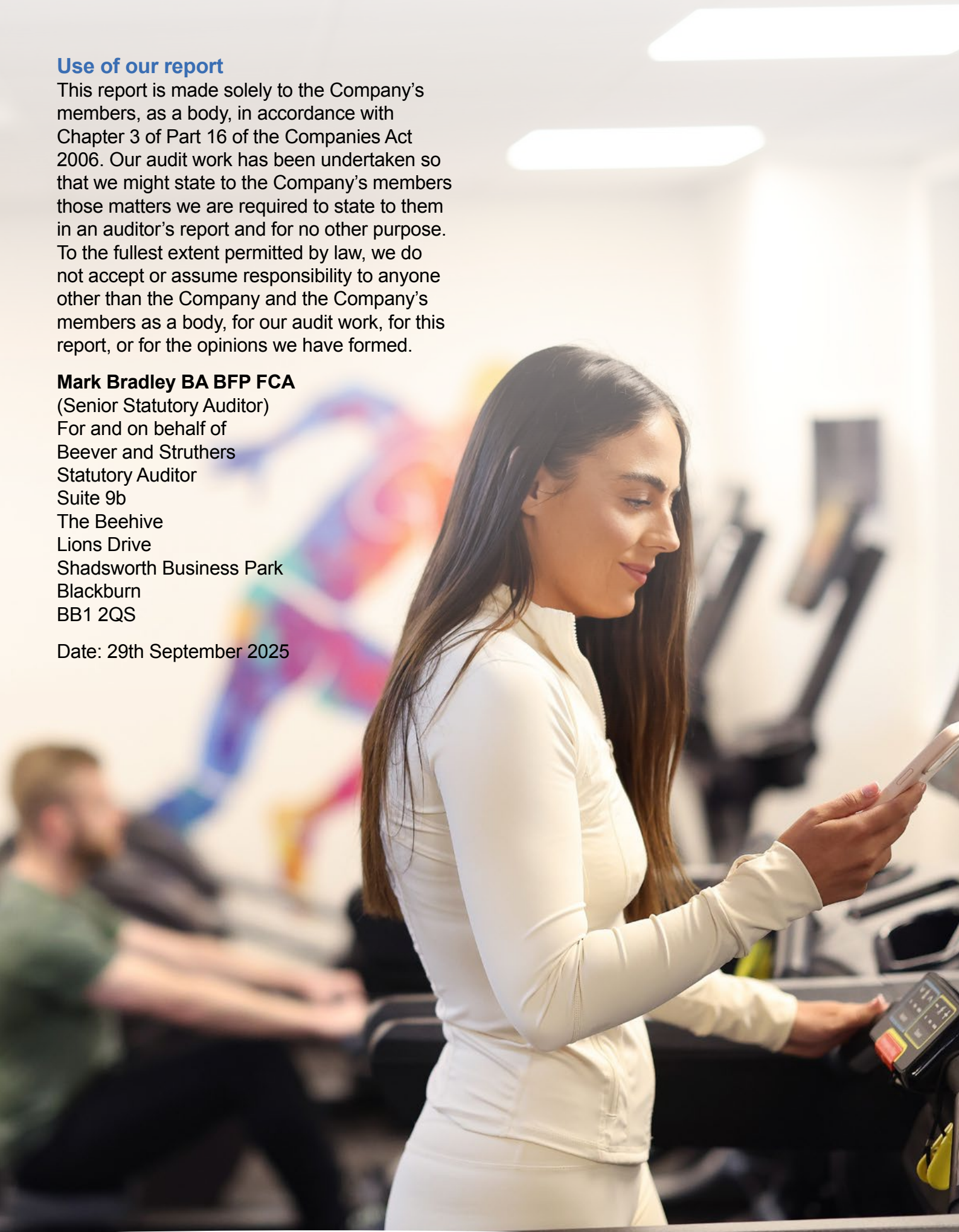
Lions Drive

Shadsworth Business Park

Blackburn

BB1 2QS

Date: 29th September 2025



## Consolidated Statement of Comprehensive Income

	Note	2025 £'000	Restated 2024 £'000
<b>Turnover</b>	3	<b>82,657</b>	<b>77,224</b>
Cost of Sales	3	(1,501)	(2,204)
Operating expenditure	3	(74,503)	(72,285)
Gain on disposal of housing properties	3,6	1,463	1,558
		<b>8,116</b>	<b>4,293</b>
Gain on revaluation of investment properties	15	993	874
<b>Operating surplus</b>	5	<b>9,109</b>	<b>5,167</b>
Interest receivable and other finance income	7	439	455
Interest payable and financing costs	8	(3,322)	(3,208)
<b>Surplus/(deficit) on ordinary activities before taxation</b>		<b>6,226</b>	<b>2,414</b>
Tax on surplus on ordinary activities	11	-	(49)
<b>Surplus/(deficit) for the year</b>		<b>6,226</b>	<b>2,365</b>
Actuarial (loss)/gain in respect of MPF pension scheme	27	(3,700)	188
Actuarial gain/(loss) in respect of SHPS pension scheme	27	73	(138)
<b>Total comprehensive income for the year</b>		<b>2,599</b>	<b>2,415</b>

\*Comparative amounts have been restated. See Note 35 – Prior year adjustment.

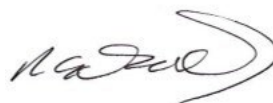
The consolidated results relate wholly to continuing activities. The accompanying notes on pages 54 to 97 form part of these financial statements.

The financial statements on pages 49 to 97 were approved by the Board and authorised for issue on 17 September 2025 and signed on its behalf by:

Gerard Lucas  
Chair



Rachel Barber  
Chair of Audit and Risk



## Company Statement of Comprehensive Income

	Note	2025 £'000	Restated 2024 £'000
<b>Turnover</b>	3	<b>82,097</b>	<b>76,661</b>
Cost of Sales	3	(1,501)	(2,204)
Operating expenditure	3	(74,059)	(71,795)
Gain on disposal of housing properties	3,6	1,463	1,558
		<b>8,000</b>	<b>4,220</b>
Gain on revaluation of investment properties	15	993	874
<b>Operating surplus</b>	5	<b>8,993</b>	<b>5,094</b>
Interest receivable and other finance income	7	904	873
Interest payable and financing costs	8	(3,322)	(3,208)
<b>Surplus on ordinary activities before taxation</b>		<b>6,575</b>	<b>2,759</b>
Tax on surplus on ordinary activities	11	-	-
<b>Surplus for the year</b>		<b>6,575</b>	<b>2,759</b>
Actuarial (loss)/gain in respect of MPF pension scheme	27	(3,700)	188
Actuarial gain/(loss) in respect of SHPS pension scheme	27	73	(138)
<b>Total comprehensive income for the year</b>		<b>2,948</b>	<b>2,809</b>

*\*Comparative amounts have been restated. See Note 35 – Prior year adjustment.*

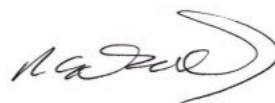
The company's results relate wholly to continuing activities. The accompanying notes on pages 54 to 97 form part of these financial statements.

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## Consolidated and Company Statements of Changes in Reserves

	2025 £'000	Restated 2024 £'000
<b>Restated balance as at 31 March 2023</b>	<b>149,931</b>	<b>152,649</b>
Restated surplus for the year	2,365	2,759
Actuarial gain in respect of MPF pension scheme	188	188
Actuarial (loss) in respect of SHPS pension scheme	(138)	(138)
<b>Restated closing reserves as at 31 March 2024</b>	<b>152,346</b>	<b>155,458</b>
Surplus for the year	6,226	6,575
Actuarial (loss) in respect of MPF pension scheme	(3,700)	(3,700)
Actuarial gain in respect of SHPS pension scheme	73	73
<b>Closing reserves as at 31 March 2025</b>	<b>154,945</b>	<b>158,406</b>

*\*Comparative amounts have been restated. See Note 35 – Prior year adjustment.*

The accompanying notes on pages 54 to 97 form part of these financial statements.

# Consolidated and Company Statement of Financial Position

Company Number: 04912562

At 31 March	Note	Group		Company	
		2025 £'000	2024 Restated £'000	2025 £'000	2024 Restated £'000
<b>Fixed assets</b>					
Tangible fixed assets – housing properties	12	265,317	252,044	270,657	256,806
Other tangible fixed assets	13	3,642	3,533	3,642	3,533
Intangible fixed assets	14	965	625	965	625
Investment properties	15	20,756	16,225	20,756	16,225
Investment – subsidiary	16	-	-	220	220
		<b>290,680</b>	<b>272,427</b>	<b>296,240</b>	<b>277,409</b>
<b>Current assets</b>					
Properties held for sale	18	4,091	3,216	4,091	3,216
Stock		157	239	157	239
Debtors: amounts due within one year	19	9,702	6,043	11,183	6,374
Debtors: amounts due after more than one year	19	182	236	182	236
Cash and cash equivalents	20	8,198	7,981	5,726	5,212
		22,330	17,715	21,339	15,277
<b>Creditors:</b> Amounts falling due within one year	21	(23,527)	(16,926)	(24,716)	(16,438)
<b>Net current assets/(liabilities)</b>		<b>(1,197)</b>	<b>789</b>	<b>(3,377)</b>	<b>(1,161)</b>
<b>Total assets less current liabilities</b>		<b>289,483</b>	<b>273,216</b>	<b>292,863</b>	<b>276,248</b>
<b>Creditors:</b> Amounts falling due after more than one year	22	(137,086)	(127,480)	(137,006)	(127,400)
<b>Provisions for liabilities</b>					
Pension provision MPF	27	2,876	6,952	2,876	6,952
Pension provision SHPS	27	(189)	(342)	(189)	(342)
Other provisions	28	(139)	-	(139)	-
<b>Total net assets</b>		<b>154,945</b>	<b>152,346</b>	<b>158,405</b>	<b>155,458</b>
<b>Reserves</b>					
Income and expenditure reserve		154,945	152,346	158,405	155,458
		<b>154,945</b>	<b>152,346</b>	<b>158,405</b>	<b>155,458</b>

\*Comparative amounts have been restated. See Note 35 – Prior year adjustment.

The accompanying notes on pages 54 to 97 form part of these financial statements. The financial statements on pages 49 to 97 were approved by the Board and authorised for issue on 17 September 2025 and signed on its behalf by:

**Gerard Lucas**  
Chair



**Rachel Barber**  
Chair of Audit and Risk



## Consolidated Statement of Cash Flows

	Note	2025 £'000	2024 £'000
<b>Net cash inflow from operating activities</b>	32	<b>20,490</b>	<b>14,409</b>
<b>Cash flow from investing activities</b>			
Purchase and construction of housing properties		(26,943)	(28,600)
Purchase of other tangible fixed assets		(438)	(157)
Purchase of intangible fixed assets		(287)	(706)
Proceeds from sale of housing properties		1,463	1,776
Social Housing Grant received		4,056	6,176
Interest received		78	46
		<b>(22,071)</b>	<b>(21,465)</b>
<b>Cash flow from financing activities</b>			
Loan draw-down of borrowing		5,000	4,000
Interest paid		(3,202)	(3,090)
		<b>1,798</b>	<b>910</b>
<b>Net change in cash and cash equivalents</b>		<b>217</b>	<b>(6,146)</b>
Cash and cash equivalents at beginning of the year		7,981	14,127
Actuarial gain/(loss) in respect of SHPS pension scheme	20	<b>8,198</b>	<b>7,981</b>

The accompanying notes on pages 54 to 97 form part of these financial statements.

# Notes to the Financial Statements

## 1. Legal status

The Company is a private company limited by guarantee with no share capital, registered under the Companies Act 2006 and is a registered housing provider. The registered office is Partnership Building, Hamilton Street Birkenhead CH41 5AA.

The Group comprises the following entities:

Name	Incorporation	Registered/ Non-registered
Magenta Living	Companies Act 2006	Registered
Wirral Partnership Homes (Developments) Limited	Companies Act 2006	Non-registered
Bamboo Estates LLP	Companies Act 2006	Non-registered
Hilbre Projects LLP	Companies Act 2006	Non-registered
Wirral Partnership Homes (Building Services) Limited*	Companies Act 2006	Non-registered

*\*dormant company*

## 2. Accounting policies

### Basis of accounting

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Registered Providers of Social Housing 2022.

Magenta Living is a public benefit entity in accordance with FRS102.

The financial statements are presented in sterling (£) and rounded to the nearest £'000.

### Going concern

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted in the business plan updated for future periods and therefore the Group considers it appropriate to continue to prepare the financial statements on a going concern basis.

### Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. These are shown below.

### Stock and work in progress

The Group carries stock and work in progress of properties that it intends to sell. The stock is held at cost and this is regularly compared to the recoverable amount to ensure no impairment is required. The recoverable amounts are derived from local market data and sales experience.

### Impairment of Group's tangible assets

Management seek to identify indicators of impairment by considering the economic viability and expected future financial performance of the asset. Where it is a component of an asset, WIP or property, the viability of that unit, scheme or property is also considered. The basis for the recoverable amounts of the assets has been considered based on EUV-SH or depreciated replacement cost. The Group has to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP. The Group carries out an impairment review, assessing the Useful

Economic Lives of properties and their future value to the Group, taking into account the current level of demand for properties, the level of void losses, projected discounted cash flows and the ongoing investment in property maintenance and improvement. Void levels have remained consistent with historic levels and are in-line with the business plan.

### **Capitalisation of property development costs**

Capitalisation of costs follows our capitalisation policy. Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of the associated development costs requires judgement. After capitalisation management monitors the asset and considers whether changes indicate that impairment is required. Interest incurred on development and other large assets projects will be capitalised in line with Magenta's capitalisation policy.

### **Defined benefit pension obligations**

Management's estimate of the defined benefit obligations is based on a number of critical underlying assumptions such as the standard rates of inflation, mortality, discount rate and anticipation of future salary increase. These assumptions are provided by external actuaries. Variation in these assumptions may significantly impact the obligation amount and the annual defined benefit expenses. The valuation of the pension fund assets is based on actual March 2025 data.

### **Significant Estimates**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be significantly different.

### **Useful lives of depreciable assets**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

### **Revaluation of investment properties**

The Group carries its investment property at fair value, with changes in fair value being recognised in The Statement of Comprehensive Income. The Group engages independent valuation specialists to determine fair value at the reporting period date. The valuer uses a valuation technique based on a discounted cash flow model. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long-term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 15.

### **Basis of consolidation**

The consolidated financial statements include the parent, Magenta Living and its subsidiaries, Wirral Partnership Homes (Building Services) Limited, Wirral Partnership Homes (Developments) Limited (WPH Developments), Hilbre Projects LLP and Bamboo Estates LLP and are prepared using the purchase method of accounting.

### **Turnover and revenue recognition**

Turnover represents rental income receivable in the year, service charges, fees, income from property sales and other income receivable in the year (excluding VAT) for goods and services supplied in the year and revenue grants receivable in the year.

Rental income is recognised from the point when properties under development reach a practical point of completion or otherwise become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Income from property sales is recognised on legal completion.

### **Taxation**

The Company is a registered charity and as such is potentially exempt to corporation or capital gains tax on its charitable activities. Any taxable profits generated by the subsidiaries will be subject to corporation tax. Tax calculations are carried out by our external tax advisers.

## Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Amounts recognised in respect of deferred tax are not discounted in accordance with FRS 102.

## Value Added Tax

The Group is registered for VAT and charges value added tax (VAT) on some of its income and is able to recover only part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and is not recoverable from H.M. Revenue and Customs or is subject to the VAT sharing agreement. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

## Community Fund

As part of the stock transfer arrangement with Wirral Metropolitan Borough Council (“the Council”), the Community Fund (“the Fund”) was established. The purpose of the Fund is to provide the Company with funds to undertake projects that are mutually beneficial to the Company and the Council while furthering the Company’s principal business. A Working Group, made up of an equal number of representatives from the Company and the Council, exists to determine the use of the funds.

The Fund comprises of money from three principal sources:

1. Balance of the Council’s Housing Revenue Account on its closure.
2. VAT savings from arrangements put in place at transfer.

3. Council and Company disposal claw back share on the sale of land not to be used for the purpose of social housing.

The monies received by the Fund shall be used for purposes that include several specifically referred to in an agreement between the Council and the Company. The remainder is to be utilised by joint agreement of the Working Group set between the Council and the Company.

Although access to such funds is subject to the agreement of the Working Group (and are therefore not treated as income until agreement has been reached by the Working Group), the Fund’s monies are beneficially and legally those of the Company and are therefore included in the Company’s reported cash balance.

Prior to application of the Fund’s monies a deferred income creditor is recognised that is released on utilisation of the related cash balance. It is envisaged that the fund will be utilised in the coming year and so is shown as due within one year and linked by disclosure to the cash balance. Where it is intended that funds will be allocated in the next 12 months, these are classified as due within one year.

## Government Grants

Government grants include grants receivable from Homes England, local authorities and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model. Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities. Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England. Government grants released on sale of property may be repayable but are normally

available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised in income and expenditure.

### Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the company is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

### Interest payable

Interest payable is charged to the statement of comprehensive income in the year. Where interest has been capitalised as part of a capital project, that interest will be charged over the life of the asset.

### Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model. The Group has applied the provisions of both Section 11 and Section 12 of FRS 102 in full and as such has classified all financial instruments as basic.

### Pensions

The Group participates in two funded multi-employer defined benefit schemes, the Social Housing Pension Scheme ('SHPS') and the Merseyside Pension Fund ('MPF').

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the statement of

financial position. A net surplus is recognised only to the extent that it is recoverable by the Group. The MPF pension is currently in a surplus position and is recognised as an asset in the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Re-measurements are reported in other comprehensive income.

### Supporting people

Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

### Housing properties

Housing Properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Costs include the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised.

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

Freehold land is not depreciated.

## Depreciation of housing properties

The Group separately identifies the major components which comprise its housing properties, and depreciates each component on a straight line basis over the following useful economic lives:

Structure	85 years
Windows and external doors	30 years
Kitchens	20 years
Bathrooms	30 years
Boilers	15 years
Roofs	60 years
External wall insulation	20 years
CCTV systems	10 years
Car Park	30 years
<b>For High Rise and Sheltered Blocks:</b>	
Heating Systems	30 years
Door Entry, Lift, Fire Alarm and Water Systems	20 years
Electrical systems	30 years

Assets are not depreciated while under construction or until they are brought into use.

The useful economic lives of certain assets have been amended in the year.



## Sale of housing properties

Under the terms of the transfer agreement a proportion of the proceeds from the right to buy sales are shared with the Council. The balance of any funds due to the Council will be included as a current liability.

## Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment is recognised as operating expenditure. The Group carries out an impairment review, assessing the Useful Economic Lives of properties and their future value to the Group, taking into account the current level of demand for properties, the level of void losses, projected discounted cash flows and the ongoing investment in property

maintenance and improvement. Void levels have remained consistent with historic levels and are in-line with the business plan

## Investment properties

Investment properties consist of commercial properties and other properties not held for the social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in the statement of comprehensive income. Investment properties are valued as at 31 March by professional qualified external valuers. The valuation of properties is undertaken in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

## Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any impairment losses. Depreciation is charged on other tangible fixed assets on a straight-line basis over their expected useful lives.

Freehold offices	20-40 years
Car Parking	30 years
CCTV systems	10 years
Furniture, fixtures and fittings	4 years
Computers and office equipment	4 years
Other equipment	4 years
Vehicles	5 years

Assets are not depreciated while under construction or until they are brought into use.

## Intangible fixed assets

Computer software is carried at cost less accumulated amortisation and impairment losses. Costs associated with maintaining computer software are recognised as an expense as incurred. Amortisation is charged on intangible assets on a straight-line basis over their expected useful lives.

## Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases. Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

## Properties leased to Group Company

Housing properties are leased to Bamboo Estates based on a 5-year lease. The lease commences from the time the tenancy in Bamboo Estates begins and is recognised on a straight-line basis over the lease term.

## Investment in subsidiaries and joint ventures

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries and joint ventures are accounted for at cost less impairment in the individual company financial statements.

An entity is treated as a joint venture where the Group is party to a contractual agreement with one or more parties from outside of the Group to undertake an economic activity that is subject to joint control. The Consolidated Statement

of Comprehensive Income includes the Group's share of the operating results applying accounting policies consistent to the Group. In the Consolidated Statement of Financial Position the interest in associated undertakings are shown as the Group's share of the identifiable net assets/liabilities.

## Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at a market rate.

## Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

## Properties for sale

Properties for outright sale (including those under construction) are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

## Stock

Stocks are stated at the lower of cost or net realisable value. Where necessary, provision is made for obsolete and defective stock.

## Current asset investments

Investments are stated at cost.

## Gift Aid Income

Gift aid income is recognised in the year of receipt.

### 3. Particulars of turnover, cost of sales, operating expenditure and operating surplus

#### Group – continuing activities

	2025	2025	2025	2025	2025
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
<b>Social housing lettings</b>	78,247	-	(73,522)	-	4,725
<b>Other social housing activities</b>					
Disposal of housing properties	-	-	-	1,463	1,463
Current asset property sales	1,191	(808)	-	-	383
Development expenditure	-	-	(415)	-	(415)
Other – social	395	-	-	-	395
	<b>1,586</b>	<b>(808)</b>	<b>(415)</b>	<b>1,463</b>	<b>1,826</b>
<b>Activities other than social housing</b>					
Corporate repairs	704	(693)	-	-	11
Lettings	1,785	-	(539)	-	1,246
Other	335	-	(27)	-	308
	<b>82,657</b>	<b>(1,501)</b>	<b>(74,503)</b>	<b>1,463</b>	<b>8,116</b>
	2024	2024	2024	2024	2024
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
<b>Social housing lettings</b>	71,379	-	(70,860)	-	519
<b>Other social housing activities</b>					
Disposal of housing properties	-	-	-	1,558	1,558
Current asset property sales	2,454	(2,008)	-	-	446
Development expenditure	-	-	(444)	-	(444)
Other – social	301	-	-	-	301
	<b>2,755</b>	<b>(2,008)</b>	<b>(444)</b>	<b>1,558</b>	<b>1,826</b>
<b>Activities other than social housing</b>					
Corporate repairs	230	(196)	-	-	34
Lettings	1,939	-	(786)	-	1,153
Other	921	-	(195)	-	726
	<b>77,224</b>	<b>(2,204)</b>	<b>(72,285)</b>	<b>1,558</b>	<b>4,293</b>

## Company – continuing activities

	2025	2025	2025	2025	2025
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
<b>Social housing lettings</b>	78,247	-	(73,585)	-	4,662
<b>Other social housing activities</b>					
Disposal of housing properties	-	-	-	1,463	1,463
Current asset property sales	1,191	(808)	-	-	383
Development expenditure	-	-	(385)	-	(385)
Other – social	396	-	-	-	396
	<b>1,587</b>	<b>(808)</b>	<b>(385)</b>	<b>1,463</b>	<b>1,857</b>
<b>Activities other than social housing</b>					
Corporate repairs	704	(693)	-	-	11
Lettings	850	-	(61)	-	789
Other – non-social	709	-	(28)	-	681
	<b>82,097</b>	<b>(1,501)</b>	<b>(74,059)</b>	<b>1,463</b>	<b>8,000</b>

	2024	2024	2024	2024	2024
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Gain on disposal of housing properties £'000	Operating surplus/ (deficit) £'000
<b>Social housing lettings</b>	71,379	-	(70,842)	-	(537)
<b>Other social housing activities</b>					
Disposal of housing properties	-	-	-	1,558	1,558
Current asset property sales	2,454	(2,008)	-	-	446
Development expenditure	-	-	(429)	-	(429)
Other	301	-	-	-	301
	<b>2,755</b>	<b>(2,008)</b>	<b>(429)</b>	<b>1,558</b>	<b>1,876</b>
<b>Activities other than social housing</b>					
Corporate repairs	230	(196)	-	-	34
Lettings	1,075	-	(379)	-	696
Other	1,222	-	(145)	-	1,077
	<b>76,661</b>	<b>(2,204)</b>	<b>(71,795)</b>	<b>1,558</b>	<b>4,220</b>

## Turnover, operating expenditure, and operating surplus/(deficit) from social housing lettings

Group	2025	2025	2025	2025	2024
	General housing £'000	Supported housing £'000	Low cost home ownership £'000	Total £'000	Total £'000
<b>Turnover from social housing lettings</b>					
Rent receivable net of identifiable service charges and net of voids	61,943	10,507	245	72,695	66,943
Service charge income	3,304	560	-	3,864	2,744
Charges for support services	781	133	-	914	926
Amortisation of government grants	492	83	-	575	387
Other revenue grants	170	29	-	199	379
<b>Total turnover on social housing lettings</b>	<b>66,690</b>	<b>11,312</b>	<b>245</b>	<b>78,247</b>	<b>71,379</b>
<b>Operating expenditure on social housing lettings</b>					
Management	(23,344)	(3,962)	-	(27,306)	(25,999)
Service charge costs	(3,256)	(552)	-	(3,808)	(3,060)
Routine maintenance	(12,536)	(2,126)	-	(14,662)	(15,060)
Planned maintenance	(9,228)	(1,565)	-	(10,793)	(10,559)
Major repairs expenditure	(4,630)	(785)	-	(5,415)	(5,249)
Bad debts	(462)	(78)	-	(540)	(202)
Depreciation of housing properties	(8,599)	(1,467)	-	(10,066)	(9,968)
Impairment of housing properties	(49)	(8)	-	(57)	(22)
Restructuring and other costs	-	-	-	-	-
Lease costs	(748)	(127)	-	(875)	(741)
<b>Total expenditure on social housing lettings</b>	<b>(62,852)</b>	<b>(10,670)</b>	<b>-</b>	<b>(73,522)</b>	<b>(70,860)</b>
<b>Operating surplus/(deficit) on social housing lettings</b>	<b>3,838</b>	<b>642</b>	<b>245</b>	<b>4,725</b>	<b>519</b>
Void losses	(786)	(133)	-	(919)	(854)

Management costs include £1,518k (2024: £1,750k) of current and past pension service costs for both the Merseyside Pension Fund (MPF) and the Social Housing Pension Scheme (SHPS).

Company	2025 General housing £'000	2025 Supported housing £'000	2025 Low cost home ownership £'000	2025 Total £'000	2024 Total £'000
<b>Turnover from social housing lettings</b>					
Rent receivable net of identifiable service charges and net of voids	61,943	10,507	245	72,695	66,943
Service charge income	3,304	560	-	3,864	2,744
Charges for support services	781	133	-	914	926
Amortisation of government grants	492	83	-	575	387
Other revenue grants	170	29	-	199	379
<b>Total turnover on social housing lettings</b>	<b>66,690</b>	<b>11,312</b>	<b>245</b>	<b>78,247</b>	<b>71,379</b>
<b>Operating expenditure on social housing lettings</b>					
Management	(23,344)	(3,962)	-	(27,321)	(25,968)
Service charge costs	(3,256)	(552)	-	(3,808)	(3,060)
Routine maintenance	(12,536)	(2,126)	-	(14,662)	(15,060)
Planned maintenance	(9,228)	(1,565)	-	(10,793)	(10,559)
Major repairs expenditure	(4,630)	(785)	-	(5,415)	(5,249)
Bad debts	(462)	(78)	-	(540)	(202)
Depreciation of housing properties	(8,647)	(1,467)	-	(10,114)	(9,981)
Impairment of housing properties	(49)	(8)	-	(57)	(22)
Restructuring and other costs	-	-	-	-	-
Lease costs	(748)	(127)	-	(875)	(741)
<b>Total expenditure on social housing lettings</b>	<b>(62,915)</b>	<b>(10,670)</b>	<b>-</b>	<b>(73,585)</b>	<b>(70,842)</b>
<b>Operating surplus/(deficit) on social housing lettings</b>	<b>3,775</b>	<b>642</b>	<b>245</b>	<b>4,662</b>	<b>537</b>
Void losses	(786)	(133)	-	(919)	(854)

## 4. Accommodation in management and development

	At 1 April 2024 No.	Additions No.	Disposals No.	Re classification No.	At 31 March 2025 No.
<b>Units owned: Social housing</b>					
General needs					
Social rent	9,282	2	(23)	7	9,268
Affordable rent	1,526	21	(2)	(1)	1,544
Supported housing	1,853	7	-	(2)	1,858
Intermediate Rent	19	13	-	-	32
Low Cost home ownership	91	21	(2)	-	110
<b>Total social housing homes owned</b>	<b>12,771</b>	<b>64</b>	<b>(27)</b>	<b>4</b>	<b>12,812</b>
<b>Non-social housing</b>					
Market rented	4	-	-	(4)	-
<b>Total homes owned</b>	<b>12,775</b>	<b>64</b>	<b>(27)</b>	<b>-</b>	<b>12,812</b>
<b>Other homes managed:</b>					
Homes managed for Wirral Borough	30	17	-	-	47
Supported housing	-	6	-	-	6
<b>Total homes</b>	<b>12,805</b>	<b>87</b>	<b>(27)</b>	<b>-</b>	<b>12,865</b>

Units in development at 31 March 2025 were 189 (2024: 236).

Leasehold units at 31 March 2025 were 535 (2024: 535).

## 5. Operating surplus

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

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Impairment losses of housing properties (note 12)	57	22	57	22
Depreciation of housing properties (note 12)	10,066	9,969	10,114	9,981
Depreciation of other tangible fixed assets (note 13)	329	195	329	195
Amortisation of intangible fixed assets (note 14)	110	81	110	81
Amortisation of government grants (note 24)	(575)	(388)	(575)	(388)
Operating lease rentals – vehicles	817	714	817	714
<b>Auditors' remuneration (excluding VAT):</b>				
Audit of the financial statements of the Company	62	34	62	34
Audit of the financial statements of the subsidiaries	14	14	-	2
Other services	4	3	4	3

## 6. Gain on disposal of housing properties

	Group and Company	
	2025 £'000	2024 £'000
Disposal proceeds	2,242	2,212
Amount due to council for RTB sales	(201)	(411)
Carrying value of fixed assets	(552)	(229)
Administration and legal expenditure	(26)	(14)
	<b>1,463</b>	<b>1,558</b>

There were 12 (2024: 20) Right to Buy properties sold during the year and 10 (2024: 6) Right to Acquire sales.

## 7. Interest receivable and other finance income

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest receivable and similar income	78	46	78	46
Gift Aid received from subsidiaries	-	39	465	457
Defined benefit pension charge – MPF (note 27)	361	370	361	370
	<b>439</b>	<b>455</b>	<b>904</b>	<b>873</b>

## 8. Interest payable and financing costs

	Restated Group and Company	
	2025 £'000	2024 £'000
Loans and bank overdrafts	3,202	3,091
Defined benefit pension charge – SHPS (note 27)	14	11
	3,216	3,102
Loan re-financing cost	106	106
	<b>3,322</b>	<b>3,208</b>

## 9. Employee information

Average monthly number of employees expressed in full time equivalents (calculated based on a standard working week of 37 hours):

	Group and Company	
	2025 No.	2024 No.
Administration	205	214
Property services	60	66
Housing, support and care	144	166
Building operatives	174	141
	<b>583</b>	<b>587</b>

### Employee costs

	Group and Company	
	2025 £'000	2024 £'000
Wages and salaries	23,840	22,027
Social security costs	2,484	2,244
Pension costs	4,712	4,454
Restructuring	464	333
	<b>31,500</b>	<b>29,058</b>

The majority of the Group's employees are members of the Merseyside Pension Fund or of the Social Housing Pension Scheme (SHPS). Further information on each scheme is given in note 27. The aggregate number of full-time equivalent staff including key management personnel (based on an average of 37 hours) whose remuneration (including salaries, benefits in kind, pension contributions paid by the employer and any termination payments) exceeded £60,000 was as follows:

	2025 Total No.	2025 Includes termination payments No.	2024 Total No.	2024 Includes termination payments No.
£60,001 – £70,000	55	4	39	-
£70,001 – £80,000	18	1	19	-
£80,001 – £90,000	11	-	4	-
£90,001 – £100,000	12	-	2	-
£100,001 – £110,000	5	1	6	1
£110,001 – £120,000	7	2	2	-
£120,001 – £130,000	2	-	2	2
£130,001 – £140,000	3	-	2	-
£140,001 – £150,000	-	-	-	-
£150,001 – £160,000	2	1	-	-
£160,001 – £170,000	-	-	2	-
£170,001 – £180,000	-	-	-	-
£180,001 – £190,000	-	-	-	-
£190,001 – £200,000	-	-	1	-
£200,001 – £210,000	1	-	1	-
£210,001 – £220,000	-	-	-	-
£220,001 – £230,000	-	-	-	-
£230,001 – £240,000	1	1	-	-
£240,001 – £250,000	-	-	-	-
£250,001 – £260,000	1	-	-	-
£260,001 – £270,000	-	-	1	1

## 10. Key management personnel remuneration

Key management personnel comprise the executive directors and non-executive Board Members. Total remuneration (excluding employers NIC) amounted to £1,003k, (2024: £1,079k).

Remuneration for executive directors for the year ended 31 March:

	2025 £'000	2024 £'000
Wages and salaries	748	680
Expense allowances	58	60
Pension contributions	117	154
Termination benefits	40	92
	<b>963</b>	<b>986</b>
Employers NIC	96	110
	<b>1,059</b>	<b>1,096</b>

Remuneration payable to the highest paid director in relation to the period of account amounted to £224.6k (2024: £176.2k) but excludes pension contributions. They are a member of the Social Housing Pension Scheme and is an ordinary member of the pension scheme with no enhanced or special terms. The employer's pension contribution paid on behalf of the highest paid director amounted to £32.6k (2024: £39.5k).

An amount of £nil (2024: £57k) has paid to a third party for Directors services relating to Marketing.

## Non-executive Board Member remuneration for the year ended 31 March:

	2025 £'000	2024 £'000
<b>Magenta Living Board:</b>		
Ann-Louise Gilmore	8,662	8,250
Myles Edwards	10,504	10,000
Liam Kelly	8,662	8,250
Ged Lucas	16,279	15,500
Wendy Gooley – resigned 31/05/2025	4,729	3,875
Michael Riley	6,821	6,250
Stephen Allcock	6,821	6,250
Rachel Barber – appointed 10/10/2024	4,129	-
Helen O'Doherty – appointed 10/10/2024	3,251	-
Robert Chapman – appointed 10/10/2024	3,251	-
Paul Richards – appointed 10/10/2024	3,251	-
Andrew McCullagh – resigned 12/06/2024	1,002	3,500
Sue Goodman – resigned 31/03/2025	8,662	8,250
Julie Booker – resigned 31/03/2025	6,821	6,250
Mike Turner – resigned 09/10/2024	4,334	8,250
Paul McGrady – resigned 29/04/2024	542	6,250
Ann-Marie Spencer – resigned 07/11/2023	-	4,083
	<b>97,721</b>	<b>94,958</b>
Martyn Green	-	8,250
	-	8,250
<b>Total Board remuneration</b>	<b>97,721</b>	<b>103,208</b>

Martyn Green was a Board Director of Bamboo Estates LLP.

## 11. Tax on surplus on ordinary activities

### Analysis of the charge in the year:

	2025 £'000	Group 2024 £'000	2025 £'000	Company 2024 £'000
<b>Current tax</b>				
UK corporation tax on surplus for the period	-	-	-	-
Adjustments in respect of prior years	-	49	-	-
	-	49	-	-
<b>Deferred tax</b>				
Net origination and reversal of timing differences	-	-	-	-
<b>Total tax</b>	-	49	-	-

### Total tax reconciliation:

	2025 £'000	Group Restated 2024 £'000	2025 £'000	Company Restated 2024 £'000
<b>Surplus/(Deficit) on ordinary activities before tax</b>	6,226	2,414	6,575	2,759
Theoretical tax at UK corporation tax rate 25% (2024: 25%)	1,557	604	1,644	690
<i>Effects of:</i>				
Income not taxable for tax purposes	(1,557)	(604)	(1,644)	(690)
Adjustments in respect of prior years	-	49	-	-
<b>Total tax</b>	-	49	-	-

## 12. Tangible fixed assets: properties

### Group housing properties

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Completed shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
<b>Cost</b>					
At 1 April 2024	326,733	21,930	6,592	6,097	361,352
Additions	-	10,274	-	2,875	13,149
Work to existing properties	10,260	-	-	-	10,260
Schemes completed	8,136	(8,136)	3,705	(3,705)	-
Reclassification	2,446	(2,446)	-	-	-
Disposal – sales	(486)	-	-	-	(486)
<b>At 31 March 2025</b>	<b>347,089</b>	<b>21,622</b>	<b>10,297</b>	<b>5,267</b>	<b>384,275</b>
<b>Depreciation and impairment</b>					
At 1 April 2024	(109,182)	-	(126)	-	(109,308)
Depreciation charged in the year	(9,616)	-	(450)	-	(10,066)
Impairment losses	(57)	-	-	-	(57)
Released on disposal – sales	473	-	-	-	473
<b>At 31 March 2025</b>	<b>(118,382)</b>	<b>-</b>	<b>(576)</b>	<b>-</b>	<b>(118,958)</b>
<b>Net Book value At 31 March 2025</b>	<b>228,707</b>	<b>21,622</b>	<b>9,721</b>	<b>5,267</b>	<b>265,317</b>
At 31 March 2024	217,551	21,930	6,466	6,097	252,044

## Company housing properties

	Social housing properties held for letting £'000	Social housing properties under construction £'000	Completed shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
<b>Cost</b>					
At 1 April 2024	330,645	22,917	6,592	6,329	366,483
Additions	-	10,807	-	2,975	13,782
Work to existing properties	10,260	-	-	-	10,260
Schemes completed	8,136	(8,136)	3,705	(3,705)	-
Reclassification	2,446	(2,446)	-	-	-
Disposal – sales	(486)	-	-	-	(486)
<b>At 31 March 2025</b>	<b>351,001</b>	<b>23,142</b>	<b>10,297</b>	<b>5,599</b>	<b>390,039</b>
<b>Depreciation and impairment</b>					
At 1 April 2024	(109,550)	-	(127)	-	(109,677)
Depreciation charged in the year	(9,664)	-	(450)	-	(10,114)
Impairment losses	(57)	-	-	-	(57)
Released on disposal – sales	466	-	-	-	466
<b>At 31 March 2025</b>	<b>(118,805)</b>	<b>-</b>	<b>(577)</b>	<b>-</b>	<b>(119,382)</b>
<b>Net Book value At 31 March 2025</b>	<b>232,196</b>	<b>23,142</b>	<b>9,720</b>	<b>5,599</b>	<b>270,657</b>
At 31 March 2024	221,095	22,917	6,465	6,329	256,806

## Impairment of Housing Properties

Housing properties are assessed at each reporting date to determine whether an indicator of impairment exists, where there is evidence of impairment an assessment is carried out to estimate the recoverable amount of the asset. The recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount is compared with the book value of the asset (or cash generating unit) and any write down is charged to the Statement of Comprehensive Income. Value in use is defined as value in use – service potential (VIU-SP), this is the present value of the asset's remaining service potential plus the net amount the entity will receive from its disposal.

Impairment loss of £57k (2024: £22k) is recognised in the Statement of Comprehensive Income for the Group and the Company, representing properties that have long-term voids.

## Housing properties, including offices, book value net of depreciation comprises:

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Freehold land and buildings – housing properties	265,317	252,044	270,657	256,806
Freehold land and buildings – office properties (note 13)	3,210	3,391	3,210	3,391
	<b>268,527</b>	<b>255,435</b>	<b>273,867</b>	<b>260,197</b>

## Social housing assistance:

### Total accumulated social housing grant received or receivable at 31 March:

	Group and Company	
	2025 £'000	2024 £'000
Held as deferred capital grants (note 24)	40,689	37,210
Recognised in statement of comprehensive income	774	766
	<b>41,463</b>	<b>37,976</b>

## Expenditure on works to existing properties:

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Components capitalised	10,260	12,976	10,260	12,976
Amounts charged to income and expenditure account (note 3)	5,415	5,325	5,415	5,325
<b>Total</b>	<b>15,675</b>	<b>18,301</b>	<b>15,675</b>	<b>18,301</b>

## 13. Tangible fixed assets: other

### Group and Company

	Freehold office properties £'000	Furniture fixtures and fittings £'000	Computers and office equipment £'000	Other Equipment £'000	Total £'000
<b>Cost</b>					
At 1 April 2024	5,303	107	1,227	730	7,367
Additions	-	7	431	-	438
<b>At 31 March 2025</b>	<b>5,303</b>	<b>114</b>	<b>1,658</b>	<b>730</b>	<b>7,805</b>
<b>Depreciation and impairment</b>					
At 1 April 2024	(1,912)	(64)	(1,128)	(730)	(3,834)
Depreciation charged in the year	(181)	(13)	(135)	-	(329)
<b>At 31 March 2025</b>	<b>(2,093)</b>	<b>(77)</b>	<b>(1,263)</b>	<b>(730)</b>	<b>(4,163)</b>
<b>Net Book value</b>					
<b>At 31 March 2025</b>	<b>3,210</b>	<b>37</b>	<b>395</b>	<b>-</b>	<b>3,642</b>
At 31 March 2024	3,391	43	99	-	3,533

## 14. Intangible fixed assets

	Group and Company	
	Software £'000	Total £'000
<b>Cost</b>		
At 1 April 2024	2,016	2,016
Additions	553	553
Disposals	(266)	(266)
<b>At 31 March 2025</b>	<b>2,303</b>	<b>2,303</b>
<b>Amortisation</b>		
At 1 April 2024	(1,391)	(1,391)
Changed in the year	(110)	(110)
Charged on disposals	163	163
<b>At 31 March 2025</b>	<b>(1,338)</b>	<b>(1,338)</b>
<b>Net Book value</b>		
<b>At 31 March 2025</b>	<b>965</b>	<b>965</b>
At 31 March 2024	625	625

## 15. Investment properties: non-social housing properties held for letting

	Group and Company	
	2025 £'000	2024 £'000
At 1 April 2024	16,225	15,351
Additions	3,538	-
Revaluation	993	874
<b>At 31 March</b>	<b>20,756</b>	<b>16,225</b>

Properties are valued at Open Market Value as at 31 March 2025 based on the valuation by external RICS advisors and are held to be leased to the Bamboo Estates.

## 16. Investment in subsidiary

The Group comprises the following entities, all are registered in England and Wales and incorporated under the Companies Act 2006:

Name	Ownership	Registered/ Non-registered	Nature of business
Wirral Partnership Homes (Developments) Limited	100%	Non-registered	Build and design
Hilbre Projects LLP	100%	Non-registered	Property development
Bamboo Estates LLP	100%	Non-registered	Private rental
Wirral Partnership Homes (Building Services) Limited	100%	Non-registered	Dormant

Wirral Partnership Homes (Building Services) Limited is a company limited by guarantee. Magenta Living is the sole guarantor and in the event of the Company being wound up, the liability of Magenta Living is limited to £1. Effective 1 April 2008 the trade, assets and all liabilities of WPH (Building Services) were transferred to the parent. The subsidiary has not traded during the year and is dormant.

Hilbre Projects is a registered LLP which during the year had two members. The controlling member is Wirral Partnership Homes (Developments) Limited, a wholly owned subsidiary of Magenta Living, that invested 60% of the initial capital. The second member is Wirral Partnership Homes (Building Services) Limited.

The current membership of Hilbre Projects LLP is held as Wirral Partnership Homes (Developments) Limited 99%, WPH Building Services Limited 1%.

The aggregate of share capital and reserves as at 31 March 2025 and of the profit and loss for the year ended on that date for the subsidiary undertakings were:

	Aggregate share capital £'000	Reserves £'000	Profit £'000
Wirral Partnership Homes (Developments) Limited	1	1,492	88

	Capital contribution £'000	Members' interests £'000	Profit/ (Loss) £'000
Hilbre Projects LLP	120	(308)	1
Bamboo Estates LLP	90	-	457

## Investments in subsidiaries are:

	WPH Dev Co £'000	Hilbre £'000	Bamboo £'000	Total £'000
At 1 April 2024	10	120	90	220
At 31 March 2025	10	120	90	220

## 17. Investment in joint venture

Bamboo Estates is a registered LLP is a partnership between Magenta Living and WPH (Developments) Ltd, with the Group holding 100% interest.

This is now included as a subsidiary.

## 18. Properties for sale

		Group		Company
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Work-in-progress	39	39	39	39
Shared ownership – work in progress	1,967	2,363	1,967	2,363
Shared ownership – completed	2,085	814	2,085	814
	<b>4,091</b>	<b>3,216</b>	<b>4,091</b>	<b>3,216</b>

## 19. Debtors

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Due within one year</b>				
Rent and service charges receivable	1,680	2,210	1,671	2,204
Less: provision for bad and doubtful rent and service charge debts	(986)	(795)	(979)	(789)
	694	1,415	692	1,415
Trade debtors	5,670	2,063	5,669	2,063
Less: provision for bad and doubtful trade debts	(442)	(253)	(442)	(253)
Grants receivable	696	-	696	-
Other debtors	160	1,226	160	1,201
VAT receivable	616	-	586	-
Prepayments and accrued income	2,308	1,592	2,303	1,592
Amounts due from group undertakings	-	-	1,519	356
	<b>9,702</b>	<b>6,043</b>	<b>11,183</b>	<b>6,374</b>

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Due after more than one year</b>				
Other debtors	182	236	182	236
	<b>182</b>	<b>236</b>	<b>182</b>	<b>263</b>

## 20. Cash at bank and in hand

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Cash at bank and in hand	8,198	7,981	5,726	5,212

## 21. Creditors: amounts falling due within one year

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	2,056	1,765	1,444	1,757
Rent and service charges received in advance	2,479	2,078	2,425	1,987
Deferred capital grants (note 24)	653	464	653	464
Other taxation and social security	653	708	653	652
Other creditors	968	989	968	987
Accruals and deferred income	16,718	10,922	12,516	8,758
Amounts due to group undertakings	-	-	6,057	1,833
	<b>23,527</b>	<b>16,926</b>	<b>24,716</b>	<b>16,438</b>

Accruals and deferred income includes deferred income of £1,339k (2024: £1,332) in respect of the Community Fund (note 26).

## 22. Creditors: amounts falling after more than one year

	Group		Company	
	2025 £'000	2024 Restated £'000	2025 £'000	2024 Restated £'000
Debt (note 23)	95,724	90,618	95,724	90,618
Deferred capital grants (note 24)	40,036	36,746	40,036	36,746
Accruals and deferred income	1,176	-	1,176	-
Recycled capital grant fund (note 25)	70	36	70	36
Minority Interest	80	80	-	-
	<b>137,086</b>	<b>127,480</b>	<b>137,006</b>	<b>127,400</b>

## 23. Debt

	2025 £'000	Group 2024 Restated £'000	2025 £'000	Company 2024 Restated £'000
Between two and five years	9,000	4,000	9,000	4,000
After five years	87,391	87,391	87,391	87,391
Loan arrangement fees	(667)	(773)	(667)	(773)
	<b>95,724</b>	<b>90,618</b>	<b>95,724</b>	<b>90,618</b>

The £137.4m loan facility comprises £87.4m (2024: £87.4m) of fixed rate and fully drawn debt, and a £50.0m revolving credit facility at a variable rate for a 5-year term, of which £9.0m has been drawn in the year with a remaining £41.0m.

The fixed debt is repayable by bullet in two tranches: £42.4m (February 2037) and £45.0m (February 2047).

The weighted average interest rate of the cost of borrowing in the year was 3.29% (2024: 3.24%).

This loan facility has been secured by way of a charge of 7,009 stock transferred properties, representing 54.2% of Magenta's property stock holding. The carrying value of this stock is £285.3m (2024: £191.1m), which reflects revaluation of charged stock in 2024/25. 45.8% are now classified as either de-allocated or unallocated units.

The 7,009 units comprises of 5,760 units to secure the loan plus 1,249 units to secure the pension bond which has reduced from £30.0m to £881k. The stock remains in charge pending the new agreement to increase the amount of the RCF which is currently being negotiated.

## 24. Deferred capital grants

	Group and Company	
	2025 £'000	2024 £'000
At 1 April	37,210	31,436
Grant received in year	4,056	6,176
Amortisation of capital grant	(533)	(388)
Released on disposal	(44)	(14)
<b>At 31 March</b>	<b>40,689</b>	<b>37,210</b>
The deferred income is included in the financial statements as follows:		
Amounts to be released within one year	653	464
Amounts to be released in more than one year	40,036	36,746
	<b>40,689</b>	<b>37,210</b>

## 25. Recycled capital grant fund

	Group and Company	
	2025 £'000	2024 £'000
At 1 April	36	21
<b>Inputs to fund:</b>		
Grants recycled	32	14
Interest accrued	2	1
<b>Recycling of grant</b>	-	-
	70	36
Repayment of grants to the Homes England	-	-
<b>At 31 March</b>	<b>70</b>	<b>36</b>
Amounts 3 years old or older where repayment may be required.	-	-

## 26. Deferred income

	Group and Company	
	2025 £'000	2024 £'000
At 1 April	36	21
Deferred income received in the year	32	14
<i>Utilised in the year:</i>	2	1
Wirral Borough Council		
Magenta Living		
	<b>1,339</b>	<b>1,332</b>
<i>The deferred income is included as follows:</i>		
Amounts falling due within one year	1,339	2,100
	<b>1,339</b>	<b>1,332</b>

Deferred income relates to monies paid into the Community Fund and monies received by Magenta to fund future revenue projects. Further background regarding the Community Fund is given in note 2. Related balances to the Community Fund are shown within cash at bank and in hand of £164k (2024: £162k). The remainder of the balance is shown within deferred income payments received in advance.

There was £nil utilised in the year (2024: £781k).

## 27. Employee pension schemes

### Summary of pension asset/(liability) (Group and Company):

Scheme	2025 £'000	2024 £'000
MPF	2,876	6,952
SHPS	(189)	(342)
	<b>2,687</b>	<b>6,610</b>

### Merseyside Pension Fund (MPF)

The Merseyside Pension Fund is a multi-employer scheme, administered by Wirral Metropolitan Borough Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2022.

The employers' contributions to the Merseyside Pension Fund by the Group and Company for the year ended 31 March 2025 were £829k (2024: £996k) at a contribution rate of 16.8% of pensionable salaries. The employer's contribution rate for the year ending 31 March 2026 has been set at 16.8%. Estimated employers' contributions to the Merseyside Pension Fund during the accounting period commencing 1 April 2025 are £787k.

*Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability):*

	2025 £'000	2024 £'000
Fair value of plan assets	118,397	118,004
Present value of defined benefit obligation	(92,537)	(105,268)
Remeasuring adjustment due to asset ceiling	(22,984)	(5,784)
<b>Surplus in plan</b>	<b>2,876</b>	<b>6,952</b>

*Changes in plan assets:*

	2025 £'000	2024 £'000
Opening fair value of plan assets	118,397	118,004
Interest on plan assets	5,724	5,374
Actuarial gains/(losses)	(2,889)	1,634
Administration expenses	(48)	(51)
Employer contributions	829	996
Member contributions	638	686
Benefits/transfers paid	(3,861)	(3,501)
<b>Closing fair value of plan assets</b>	<b>118,397</b>	<b>118,004</b>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £2,835k (2024: (£7,009k)).

*Changes in present value of defined benefit obligations:*

	2025 £'000	2024 £'000
Opening defined benefit obligations	105,268	105,667
Current service cost	1,518	1,749
Interest cost	5,080	5,004
Members contributions	638	686
Past service cost	-	1
Actuarial (gains)	(16,106)	(4,338)
Benefits/transfers paid	(3,861)	(3,501)
<b>Closing defined benefit obligations</b>	<b>92,537</b>	<b>105,268</b>

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

	2025 £'000	2024 £'000
Current service cost	1,518	1,749
Administration expenses	48	51
Past service cost	-	1
Net interest (income)/expense	(361)	(370)
<b>Defined benefit costs recognised in statement of comprehensive income (SOCl)</b>	<b>1,205</b>	<b>1,431</b>

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

	2025 £'000	2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) – gain/(loss)	(2,889)	1,634
Experience gains and losses arising on the plan liabilities – (loss)	(206)	(533)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	316	1,356
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	15,996	3,515
Remeasuring adjustment due to asset ceiling	(16,917)	(5,784)
<b>Total amount recognised in Other Comprehensive Income – (loss)/gain</b>	<b>(3,700)</b>	<b>188</b>

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

	2025 %	2024 %
Equities	41.4%	38.7%
Government bonds	17.0%	20.3%
Other bonds	5.2%	6.1%
Property	9.2%	9.2%
Cash/liquidity	6.1%	3.6%
Other	21.1%	22.1%

Sensitivity Analysis:

	Central £'000	+0.5% p.a. discount rate £'000	+0.25% p.a. inflation £'000	+0.25% p.a. pay growth £'000	1 year increase in life expectancy £'000	+1% change investment return £'000	-1% change investment return £'000
Liabilities	92,537	85,902	96,044	93,284	94,407	92,537	92,537
Assets	(118,397)	(118,397)	(118,397)	(118,397)	(118,397)	(119,569)	(117,225)
Surplus	(25,860)	(32,495)	(22,353)	(25,113)	(23,990)	(27,032)	(24,668)
Projected Service Cost for next year	1,087	915	1,182	1,087	1,117	1,087	1,087
Projected Net Interest Cost for next year	(1,549)	(2,104)	(1,342)	(1,505)	(1,439)	(1,618)	(1,479)

### Principal actuarial assumptions:

The main financial assumptions used by the actuary in calculating the figures for FRS 102 (Retirement Benefits) were:

	2025 % p.a.	2024 % p.a.
Discount rate	5.9%	4.9%
Rate of increase in salaries	4.1%	4.1%
Rate of increase in pensions	2.7%	2.7%
Inflation assumption – CPI	2.6%	2.6%

### Mortality Assumptions

The post-retirement mortality assumptions adopted to value the benefit obligation at March 2023 are based on the S3PA CMI 2021 tables and S3PA CMI 2022 tables for March 2024 for both non-retired members and current pensioners.

The assumed life expectations on retirement at age 65 are:

	2025 Years	2024 Years
<b>Retiring today:</b>		
Males	20.8	20.9
Females	23.5	23.4
<b>Retiring in 20 years:</b>		
Males	22.1	22.2
Females	25.2	25.2

### Social Housing Pension Scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before mid-2025 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. It should be noted that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

*Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability):*

	2025 £'000	2024 £'000
Fair value of plan assets	5.9%	4.9%
Present value of defined benefit obligation	4.1%	4.1%
<b>(Deficit) in plan</b>	<b>(189)</b>	<b>(342)</b>

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

	2025 £'000	2024 £'000
Fair value of plan assets at start of year	1,386	1,414
Interest income	70	70
Experience on plan assets (excluding amounts included in interest income) – (loss)	(146)	(148)
Contributions made by the employer	98	93
Benefits paid and expenses	(39)	(43)
<b>Fair value of plan assets at end of year</b>	<b>1,369</b>	<b>1,386</b>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£76k) (2024: (£78k)).

*Reconciliation of opening and closing balances of the defined benefit obligation:*

	2025 £'000	2024 £'000
Defined benefit obligation at start of year	1,728	1,696
Expenses	4	4
Interest expense	84	81
Actuarial loss/(gain) due to scheme experience	96	48
Actuarial (gain) due to changes in demographic assumptions	-	(17)
Actuarial (gain) due to changes in financial assumptions	(315)	(41)
Benefits paid and expenses	(39)	(43)
<b>Defined benefit obligation at end of year</b>	<b>1,558</b>	<b>1,728</b>

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

	2025 £'000	2024 £'000
Current service cost	-	-
Expenses	4	4
Net interest expense	14	11
<b>Defined benefit costs recognised in statement of comprehensive income (SOCl)</b>	<b>18</b>	<b>15</b>

*Defined benefit costs recognised in other comprehensive income:*

	2025 £'000	2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) – (loss)	(146)	(148)
Experience gains and losses arising on the plan liabilities – (loss)	(96)	(48)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	-	17
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	315	41
<b>Total amount recognised in Other Comprehensive Income – gain/(loss)</b>	<b>73</b>	<b>(138)</b>

Assets:

	2025 £'000	2024 £'000
Absolute Return	-	54
Alternative Risk Premia	-	44
Cash	19	27
Credit	52	-
Credit Relative Value	-	46
Currency Hedging	2	(1)
Distressed Opportunities	-	49
Emerging Markets Debt	-	18
Global Equity	153	138
Infrastructure	-	140
Insurance-Linked Securities	4	7
Investment Grade Credit	42	-
Liability Driven Investment	415	565
Liquid Alternatives	254	-
Long Lease Property	-	9
Net Current Assets	3	2
Opportunistic Illiquid Credit	-	54
Private Credit	168	-
Private Equity	1	1
Private Debt	-	55
Property	69	56
Real Assets	164	-
Risk Sharing	-	81
Secured Income	23	41
<b>Total assets</b>	<b>1,369</b>	<b>1,386</b>

Key assumptions

	2025 % p.a.	2024 % p.a.
Discount rate	5.96%	4.93%
Inflation (RPI)	3.04%	3.08%
Inflation (CPI)	2.80%	2.80%
Salary Growth	3.80%	3.80%
Allowance for commutation of pension for cash at retirement (as a percentage of maximum allowance)	75%	75%

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies at age 65:

	2025 Years	2024 Years
Male retiring in 2025 (2024)	20.5	20.5
Female retiring in 2025 (2024)	23.0	23.0
Male retiring in 2045 (2044)	21.7	21.8
Female retiring in 2045 (2044)	24.5	24.4

## 28. Other provisions

	Group and Company	
	2025 £'000	2024 £'000
Other provisions	139	-
<b>At 31 March</b>	<b>139</b>	<b>-</b>

At 31 March 2025, the Company recognised a provision in respect of an overcharged income.

Upon review and following legal advice, it is highly probable that the Company will be required to settle the overcharged income.

The amount of the settlement has been estimated at £139k based on detailed review performed, discussions with legal counsel and available information.

The provision is expected to be settled within the next 12 months.

## 29. Financial commitments

Capital expenditure commitments were as follows:

	Group and Company	
	2025 £'000	2024 £'000
<b>Capital expenditure</b>		
Expenditure contracted for but not provided in the accounts	24,357	11,517
Expenditure authorised by the Board, but not contracted	7,951	-
	<b>32,308</b>	<b>11,517</b>

The above commitments will be financed primarily through current cash balances and the draw down under existing loan arrangements.

## 30. Operating leases

### Payments

Total future minimum lease payments relate to the motor vehicle fleet and are set out below:

	Group and Company	
	2025 £'000	2024 £'000
<b>Motor vehicles minimum lease payments</b>		
Less than one year	916	884
One to five years	2,928	2,697
	<b>3,844</b>	<b>3,581</b>

### Receipts

Total future minimum lease receipts relate to properties leased to Bamboo and are set out below:

	Company	
	2025 £'000	2024 £'000
<b>Property minimum lease receipts:</b>		
Less than one year	345	231
One to five years	772	694
	<b>1,117</b>	<b>925</b>

## 31. Contingent liabilities

There were no contingent liabilities at 31 March 2025 (2024: none).

## 32. Net cash inflow from operating activities

	2025 £'000	Restated 2024 £'000
<b>Surplus/(deficit) for the year</b>	<b>6,226</b>	<b>2,365</b>
<i>Adjustments for non-cash items:</i>		
Depreciation of tangible fixed assets	10,395	10,340
Impairment of tangible fixed assets	57	22
Amortisation of intangible assets	(53)	81
Revaluation of investment properties	(993)	(874)
Distribution of 2022/23 profit realised on joint venture	-	39
Realisation of Bamboo investment (as joint venture)	-	660
(Increase)/decrease in properties for sale	(1,271)	341
Decrease/ (increase) in stock	478	(114)
Increase in trade and other debtors	(3,605)	(2,026)
Increase in trade and other creditors	7,588	2,051
Increase in other provisions	139	-
Pension costs less contributions payable	641	716
Carrying amount of tangible fixed asset disposals	13	218
<i>Adjustment for investing and financial activities:</i>		
Proceeds from the sale of tangible fixed assets	(1,463)	(1,776)
Government grants utilised in the year	(545)	(388)
Interest payable	3,216	3,102
Interest receivable	(439)	(455)
Loan arrangement fees	106	106
Taxation paid	-	-
<b>Net cash generated from operating activities</b>	<b>20,490</b>	<b>14,408</b>

## 33. Financial assets and liabilities

### Financial assets

Other than short-term debtors, the Group financial assets held are cash balances held as cash at bank. They are sterling denominated and the amounts and interest rate profile at 31 March was:

	2025 £'000	2024 £'000
Floating rate	8,198	7,981
Fixed rate	-	-
	<b>8,198</b>	<b>7,981</b>

The floating rate financial assets attract interest at rates that vary with bank rates.

The Group's financial liabilities are sterling denominated. The amounts and interest rate profile of the Group's financial liabilities at 31 March was:

	2025 £'000	2024 £'000
Floating rate	9,000	4,000
Fixed rate	87,391	87,391
	<b>96,391</b>	<b>91,391</b>

£5.0m (2024: £4.0m) has been drawn down in 2024/25 at an average variable rate of 6.02%. Fixed rate liabilities drawn down in 2021/22 are at the fixed rates of 3.0% on £42.4m and 3.3% on £45.0m.

### Borrowing facilities

The Group has undrawn committed borrowing facilities. The facilities available at 31 March in respect of which all conditions precedent had been met were as follows:

	2025 £'000	2024 £'000
Expiring in one year or less	-	-
Expiring in more than one year but not more than two years	-	-
Expiring in more than two years	41,000	46,000
	<b>41,000</b>	<b>46,000</b>

## 34. Analysis of net debt

Group	1 April 2024 Restated £'000	Cash flow £'000	Non-cash movement £'000	31 March 2025 £'000
Cash and cash equivalents	7,981	217	-	8,198
Loans due within one year	-	-	-	-
Loans due after one year	(90,618)	(5,106)	-	(95,724)
<b>Changes in net debt</b>	<b>(82,637)</b>	<b>(4,889)</b>	<b>-</b>	<b>(87,526)</b>

Company	1 April 2024 Restated £'000	Cash flow £'000	Non-cash movement £'000	31 March 2025 £'000
Cash and cash equivalents	5,212	514	-	5,726
Loans due within one year	-	-	-	-
Loans due after one year	(90,618)	(5,106)	-	(95,724)
<b>Changes in net debt</b>	<b>(85,406)</b>	<b>(4,592)</b>	<b>-</b>	<b>(89,998)</b>

## 35. Prior year adjustment

During the year ended 31 March 2025, the Directors identified an error in accounting treatment of loan arrangement fees accounted in the previous year. The fees have been fully included in the FY 2021/22 in Statement of Comprehensive Income.

Under FRS 102 fees relating to new financing arrangements should be deducted from the carrying amount of the new loan and amortised over the duration of the loan.

The error has been corrected by restating each of the affected financial statements line items for the prior year. The adjustment has also been reflected in the opening reserves balance, as required by FRS 102.

*Impact on Consolidated and Company Statements of Comprehensive Income.*

	Year ended 31 March 2024 £'000
Interest payable and financing costs (increase)	106
Surplus on ordinary activities before taxation (decrease)	(106)
Tax	-
Surplus for the year (decrease)	(106)
Total comprehensive income for the year (decrease)	(106)

*Impact on Consolidated and Company Statements of Financial Position*

	31 March 2024 £'000
Creditors: Amounts falling due after more than one year – Debt (decrease)	(773)
Total net assets (increase)	773
Income and expenditure reserves (increase)	773

*Impact on Consolidated and Company Statements of Changes in Reserves*

	31 March 2024 £'000	31 March 2023 £'000
Reserves balance – opening (increase)		879
Surplus for the year (decrease)	(106)	
Reserves balance – closing (increase)	773	

As a result, opening retained earnings at 1 April 2023 increased by £879k, and profit for the year ended 31 March 2024 decreased by £106k, resulting in reserves as at 31 March 2024 increasing by £773k.

## 36. Related parties

There were no Board members who were tenants of Magenta Living during the year (2024: none).

There were no Board members who are elected member of Wirral Metropolitan Borough Council (2024: none).

### Transactions with non-regulated entities

During the year Magenta Living had intra group transactions with subsidiary Wirral Partnership Homes (Developments) Limited, an unregulated entity, of £13,287k (2024: £3,529k) relating to housing property design and build services. A management charge of £522k (2024: £157k) was made to Wirral Partnership Homes (Developments) Limited which was calculated on a pro-rata staff basis. The balance at the year-end due to Wirral Partnership Homes (Developments) Limited was £6,041k (2024: £1,830k). The balance at the year-end due from Partnership Homes (Developments) Limited was £948k (2024: £252k).

During the year Magenta Living has intra group transactions with subsidiary Bamboo Estates LLP of £374k (2024: £305k). At the year-end, there was a balance due to Magenta Living from Bamboo Estates LLP of £571k (2024: £104k). The balance at the year-end due to Bamboo Estates LLP was £15k (2024: £2k).

During the year the Group had intra-group transactions with Hilbre Projects LLP, an unregulated entity, of £2k (2024: £nil) relating to winding up the trade. The balance at the year-end due to Magenta Living was £123k (2024: £121k). Magenta Living has fully provided for the balance.

Loan is recoverable on demand.

### Intra-group loans and interest charges

A loan facility, to a maximum of £20m, was provided by Magenta Living to Wirral Partnership Homes (Developments) Limited for on-lending to Hilbre Projects LLP.

During the year the Group had intra-group loan with Hilbre Projects LLP, an unregulated entity, of £123k (2024: £121k) relating to winding up the trade. The balance at the year-end due to Magenta Living was £123k (2024: £121k). Magenta Living has fully provided for the loan.

Loan is recoverable on demand.

Disclosures in relation to key management personnel are included in note 10.



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