

# Financial Statements for the year ended 31 March 2025

Way Out

It is the policy of the Jigsaw  
Homes to ensure that all  
customers are not to be  
Please use the Jigsaw

HELLO F  
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NOTICE



Jigsaw Homes Midlands

Creating homes. Building lives.

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# Company Information

<b>Registration number</b>	Co-operative and Community Benefit Societies Act 2014, number RSo08378
<b>Regulator of Social Housing Registration Number</b>	L4532
<b>Registered office</b>	Cavendish Street Ashton-under-Lyne Tameside Greater Manchester OL6 7AT
<b>Board members</b>	T. Ryan (chair) D. Jackson D. Kelly (executive member) M. Kenyon M. McDermott M. Rudkin S. Walker S. White
<b>Senior management team</b>	B. Moran, Group Chief Executive K. Marshall, Deputy Group Chief Executive and Group Director of Development & People P. Chisnell, Executive Director of Finance M. George, Group Director of Asset Management D. Kelly, Group Director of Neighbourhoods & Support C. Smith, Group Director of Corporate Services
<b>Company Secretary</b>	M. Murphy
<b>Bankers</b>	National Westminster Bank Plc. Manchester City Centre Branch PO Box 305 Spring Gardens Manchester M60 2DB
<b>Auditors</b>	Beever and Struthers One Express 1 George Leigh Street Manchester M4 5DL

# **1. Introduction**



# Pride of Gedling Awards

Jigsaw Homes Midlands was once again proud to support the Pride of Gedling Awards, celebrating unsung heroes across the borough.



## Chair's Statement

As Chair of Jigsaw Homes Midlands, I am pleased to present this year's financial statements and an overview of our work across 2024/25.

This has been a year not only of delivery, but of reflection on our purpose and long-term direction.

At Jigsaw Homes Midlands, we are aware of the challenges facing our communities, from the housing crisis to the cost of living. The Government's aspiration to deliver 1.5 million new homes is bold, but we know that meeting such a target requires both more spades in the ground now and also sustainable solutions - ones that work for people and places in the long-run.

Like others across the sector, we must balance the need to build new homes with the responsibility of investing in our existing stock to meet the needs of our tenants today - improving quality, safety, and sustainability, while keeping rents affordable.

And it's a balance we are committed to getting right.

We know that for many, simply having a roof over their head is not enough. With funding challenges to social care and pressures facing our tenants including mental health, physical health, isolation and inequality, a more joined-up response is required. That is why we have expanded our supported housing provision groupwide and secured new contracts to help the most vulnerable.

In our seven-year *Corporate Plan 2024-31*, we reaffirm our mission of

"Creating homes. Building lives."

It is a plan that sets out how we intend to remain a long-term force for good — investing not just in homes, but in supported housing, community-led projects and in joint initiatives with peer organisations.

I would like to highlight some of our key achievements in this period and the challenges presented by our operational landscape.

## Our Operating Environment

Despite a challenging operating environment, 2024/25 was another strong year for new housing

development. During the year, the Association delivered 197 new homes, working in partnership with local authorities, contractors and partners to deliver secure, affordable places for both individuals and families to thrive.

Jigsaw's financial strength was recognised in the year by Moody's affirming its 'A2 stable' rating and our financial capacity was further reinforced by successful treasury work completed in the year. As the increased demands for asset management spend and cost inflation have combined to continue to suppress our surplus, this financial strength continues to provide us with the foundation to ensure we deliver our plans.

While our ambitions remain bold, we also recognised the need to look inward and address key operational areas. This year, we undertook a comprehensive review of our voids process, aiming to reduce empty home turnaround times and improve the availability of homes for those on waiting lists. This work will remain a key focus going forward.

In the year, I am pleased to report the establishment of our new *Healthy Homes Team*, which provides a holistic approach to addressing issues such as damp, mould and condensation which impact some of our tenants. This initiative is already helping improve outcomes for tenants and the quality of our homes.

Jigsaw is fundamentally a "people business" and we can achieve very little without the efforts of our employees. Part of the development of Jigsaw's future leaders has been the establishment in 2024/25 of a formal operations director group to support the executive management team and to deliver the Group's operational action plans.

In the year, we substantially revised our *Asset Management Strategy*, which sets out our long-term approach to maintaining and improving our 3,833 homes. The Strategy anticipates significant growth in our planned maintenance delivery programme, more property condition assessments, the recruitment of more surveyors and improvements to the responsive repairs service, building on feedback from our tenants.

Economic pressures remain acute for our residents, and Jigsaw continues to support people through cost-of-living advice, hardship funding, and energy efficiency upgrades. While cost inflation is now substantially below its peak in 2022, lower-income

households remain impacted by the cost of living crisis, and housing associations like ours play an essential safety-net role.

The evolving regulatory environment has also demanded our attention. The Tenant Satisfaction Measures reported to the Regulator for Social Housing are being utilised as a platform to drive service improvements in collaboration with our residents. We do not expect to receive our first rating against the Regulator's *Consumer Standards* until 2027.

## Our Future Plans

Looking ahead, we remain focused on:

- Maintaining high-quality services for existing tenants.
- Building much-needed affordable homes.
- Responding to climate and cost pressures.
- Supporting vulnerable people.
- Investing in our neighbourhoods and people
- Look after our existing homes and tenants.

We welcome the Government's announcements in the 2025 *Spending Review* which will boost social and affordable house building over the medium-term. The announcement of the new *Affordable Homes Programme*, alongside the certainty of the 10-year rent settlement and the consultation on how rent convergence can be implemented, will ensure that Jigsaw will continue to have capacity to deliver a significant new home delivery programme.

Our predictions show the Group is on track to reach its target of 4,000 new homes delivered between 2021 and 2026, and that the Group will complete its first ever zero-carbon pilot scheme in Manchester.

We will therefore continue to work with local authorities, builders and partners to reach our target of and make the case for sustained investment in affordable – and *sustainable* – housing.

Tackling inequality in society must also begin with leadership. Through the *Greater Manchester Housing Providers Boost Programme*, we are helping ethnically diverse colleagues gain

leadership experience and ensuring our boards better reflect the communities we serve, and I am personally committed to championing diversity, inclusion and allyship.

We do not underestimate the scale of the challenges ahead. But equally, we do not underestimate the strength of our organisation or the commitment of our colleagues and partners.

I look forward to working with my colleagues across the whole of the Jigsaw Homes Group in 2025/26. Together we will make a real difference to the housing sector and for our current and future customers as we progress our mission of:

"Creating homes. Building lives."

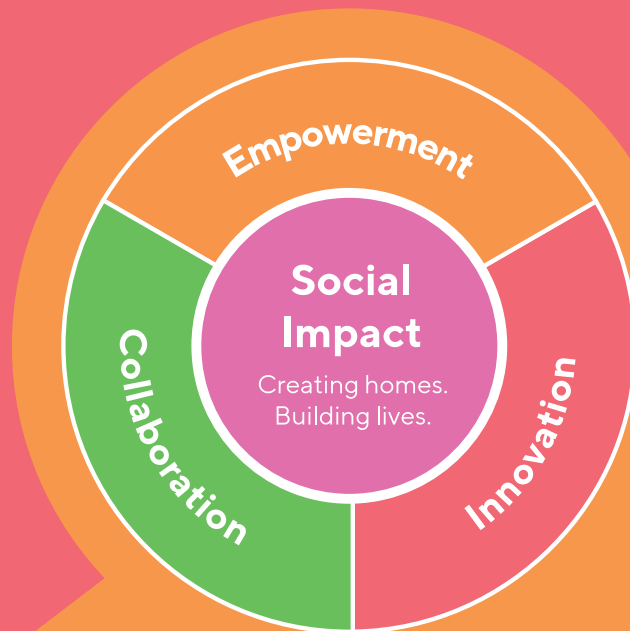


**Tim Ryan**

Association Chair



# our values



## Our Vision

We want everyone to live  
in a home they can afford.

## Our Mission

Creating homes. Building lives.



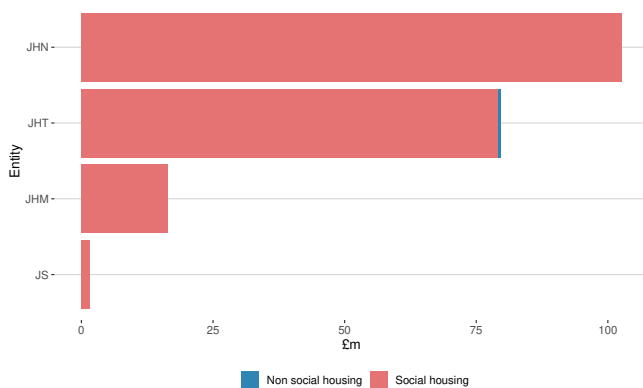
## About Us

We are a member of Jigsaw Homes Group which comprises ten organisations working in unison to tackle inequality throughout the North West and East Midlands.

In addition to the parent, Jigsaw Homes Group Limited the principal members of the Group are:

- Jigsaw Homes Midlands
- Jigsaw Homes North
- Jigsaw Homes Tameside
- Jigsaw Support

As measured by financial turnover, Jigsaw is the 30<sup>th</sup> largest housing group in the country<sup>1</sup>. The turnover of the Group's principal members during 2024/25 is shown in Figure 1 on this page.



Source: financial statements 2024/25.

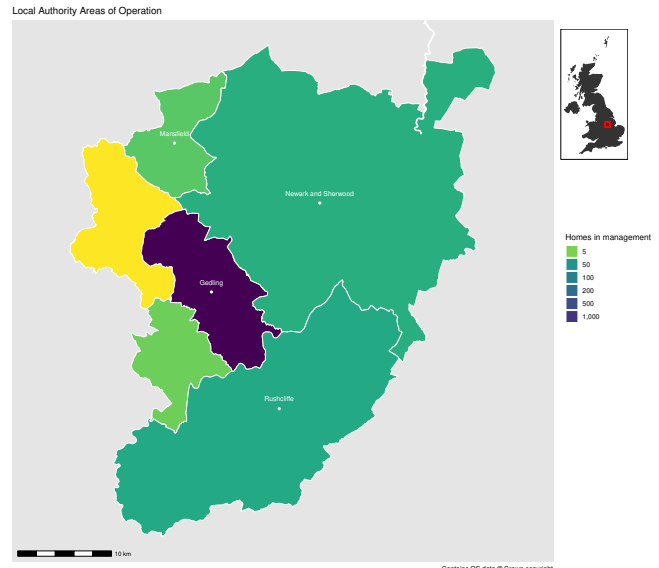
**Figure 1:** Turnover analysis — the vast majority of the Group's turnover is based on social housing activities.

## Our Activities

The Group builds, renovates and manages low-cost housing for rent and sale.

The core of the Group's business is principally centred on the management of social housing for rent and Jigsaw Homes Midlands is responsible for a total of 3,833 homes. The location of homes managed by Jigsaw Homes Midlands is shown in Figure 2 on the current page. Jigsaw Homes Midlands is active in seven local authority areas.

<sup>1</sup>Source: [2024 Global Accounts of private registered providers](#)



**Figure 2:** Location of housing stock — shading shows concentrations.

We work to help regenerate neighbourhoods and increase life opportunities for disadvantaged individuals and communities.

The Group also provides a range of supported housing services to help people live independently and to successfully maintain their tenancies. This work is often funded through external contracts that are delivered on a commercial basis.

## Vision, Mission and Corporate Values

### Vision

Our Vision is:

"We want everyone to live successfully in a home they can afford."

### Mission

We will do this by making a social impact focused on:

"Creating homes. Building lives."

### Corporate Values

We will ensure that the following values are evident through our work:

- Empowerment
- Collaboration
- Innovation

## **Cooperation, Collaboration and Partnerships**

We recognise that we can often achieve more by working together with other organisations that share our aims. Jigsaw Homes Group is an active member of the National Housing Federation, the Northern Housing Consortium, the Greater Manchester Housing Partnership, and Homes for the North.

As at 31 March 2025, the Group was party to two joint venture companies with other housing associations:

- JV North — focused on pooling housing association buying power to procure development work (resigned 30 June 2025); and
- Manchester Athena — focused on housing associations working together to deliver projects on employment, skills, and health and well-being.

## **2. Strategic Report**



# Netherfield Memory Cafe Day Trip

The Cafe provides a variety of stimulating activities for people with early onset dementia including guest speakers and entertainers and there is normally a day trip in the summer.





## Review of the Year

### Operational Performance

To monitor performance against the *Group's Delivery Plan* for 2024/25, the Association has established a suite of performance measures to track performance against its corporate objectives. Year-end Key Performance Indicator (KPI) performance including that against the Regulator of Social Housing's (RSH) Tenant Satisfaction Measures (TSM) is shown in Table 1 on the following page and is discussed below.

#### Caring for Our Customers, Our Assets and Neighbourhoods

Table 1 shows that 23 of the 28 KPIs established to monitor the delivery of this strategic objective were achieved in the year.

During 2024/25, in this area only one very high or high priority KPI did not meet its performance target, *TSM the percentage of homes for which all required gas safety checks have been carried out*.

This was due to two properties which had not had programmed gas safety checks completed at the year-end. However, both of these properties were fully compliant with the Group's policy for gaining access to undertake the safety checks.

#### Maintaining a Strong Corporate Foundation

Table 1 shows that four of the six KPIs established to monitor the delivery of this strategic objective were achieved in the year.

During 2024/25, in this area the performance of the following very high or high priority KPIs did not meet target levels:

- EBITDA-MRI Interest Cover.
- Reinvestment.

In general, the Association's *EBITDA-MRI Interest Cover* at 241.83% is lower than the annual target of 262.90%. Even though the Association had higher than expected operating surplus, this KPI's performance is lower than target mainly due to

higher than anticipated capitalised interest from new units completing later in the year.

The Association's *Reinvestment* KPI at 20.07% was lower than the annual target of 21.4%, as fewer than expected component replacements had been completed during the year.

A summary of the Association's recent financial results is shown in Table 2 on page 16 and highlights of the Association's financial position are shown in Table 3 on page 16.

The board is pleased to report that *Operating Surplus* amounted to £2.6m or 11.0% of turnover.

During the year, the Association suffered a one-off extraordinary charge, as during May and June 2025, the Association had to demolish 43 incomplete new units of social housing, built using modern methods of construction at the Rolleston Drive site in the Midlands. The original building contractor went into administration leaving these units unfinished. The time then taken for the Group to conclude negotiations with the insolvency practitioner compounded by the time subsequently required to source and mobilise a replacement building partner, meant that demolition and rebuild rather than remediation was the best option for the Association. The total costs written off amount to c. £3.7m and have been included in Other Costs, as set out in Note 3c.

Consequently, the Association's operating surplus has been suppressed by this one-off extraordinary charge. If this charge had not occurred, then the Association's operating surplus would have been c. £59.9m or 25.4% of turnover compared to the c. £56.2m generated in the previous year or 26.1% of turnover.

With regard to loan finance, during the year the Association repaid £0m in line with agreed debt profiles. £12.7m of loan finance was drawn-down in the year. At the year-end gross debt borrowings amounted to £47.5m<sup>2</sup>, maturing as outlined in Note 17 to the financial statements.

#### Valuing Staff

The performance of the Group for the year shows that two of the four KPI targets established to

<sup>2</sup>before adjusting for issue costs and any loan premium or discount.

KPI	KPI priority	Target	Actual	Trend
<i>Caring for our customers our assets and neighbourhoods</i>				
Current tenant arrears	VH	2.8%	2.1%	↓
Income collected	VH	99.0%	99.4%	↓
CRM actions completed	H	85.0%	91.1%	↓
Customers who agree that employee was polite	H	97.0%	98.1%	↑
Satisfaction with repairs	H	88.0%	90.3%	↑
TSM: Percentage of homes for which all required fire risk assessments have been carried out	H	100%	100%	↑
● TSM: Percentage of homes for which all required gas safety checks have been carried out	H	100%	99.9%	—
TSM: Percentage of homes that do not meet the decent homes standard	H	1.0%	0.0%	↑
Void loss	H	1.3%	0.9%	↑
RIDDOR incidents	M	1	0	—
Abandoned calls	M	10.0%	5.2%	↑
Average time for non-emergency repairs (no. of working days)	M	11.0	9.6	↑
Enquiry resolved at first point of contact	M	70.0%	73.8%	↑
Median duration of let (from ready to let to new tenancy start: no. of working days)	M	5	4	—
● Money advice outcomes (successful claims)	M	100	50	—
Number of properties below EPC level c	M	864	819	↑
● Number of void properties with repairs completed and ready to let	M	45	36	—
Properties compliant with gas safety requirements at quarter end	M	100%	100%	↑
Properties with invalid gas certificates during reporting period	M	0	0	↑
Satisfaction of tenants with new home	M	85.0%	95.0%	↑
● Satisfaction with handling of ASB case	M	83.0%	62.5%	↓
● The number of roof replacements during the period (replacements)	M	30	19	—
TSM: ASB cases per 1,000 properties (contextual measure)	M	—	11.5	↑
TSM: Complaints per 1,000 properties (contextual measure)	M	—	30.3	↓
TSM: Complaints responded to within complaint handling timescales	M	80.0%	86.0%	↑
TSM: Emergency repairs completed within target timescale	M	97.0%	99.1%	↑
TSM: Non emergency repairs completed within target timescale	M	80.0%	91.9%	↑
TSM: Percentage of homes for all other required safety checks have been carried out	M	100%	100%	—
<i>Maintaining a strong corporate foundation</i>				
● EBITDA MRI interest cover	VH	262.9%	241.8%	↓
Gearing	VH	34.8%	33.1%	↓
Headline social housing cost per unit	VH	£4,783.94	£4,167.29	↓
Operating margin	VH	15.5%	22.7%	↑
● Reinvestment	H	21.4%	20.1%	↓
Return on capital employed	H	3.3%	4.5%	↑
<i>Growing the business</i>				
● New property sales	H	56 units	55 units	↑
New supply delivered	H	4.3%	5.4%	↑
Starts on site	H	4 units	18 units	↓

● Out of target performance    ↑ improving year-on-year trend    ↓ deteriorating year-on-year trend    — no change in trend.

**Table 1:** Quarterly KPI performance at year-end (financial data based on unaudited management accounts.)

monitor the delivery of this strategic objective were achieved in the year<sup>3</sup>.

The 100% *Compliance With Mandatory Training* target was narrowly missed, but positive progress was made in the year. Most notably, *Employee Turnover* had better than target performance throughout the whole of 2024/25. *Employee Sickness* had worse than target performance in the final quarter of the year, having seen performance in line with target throughout the whole period up to that point. This was due to heightened levels of sickness at Jigsaw Support.

## Growing the Business

Table 1 shows two of three KPIs established to monitor the delivery of this strategic objective were achieved in the year.

During 2024/25, in this area the performance of the following very high or high priority KPIs did not meet target levels:

- New Property Sales.

*New Property Sales* performance for the year for the year at 56 units was one unit below the annual target of 57 units.

In 2024/25 the Association delivered 197 units of affordable housing, as shown in Figure 3.

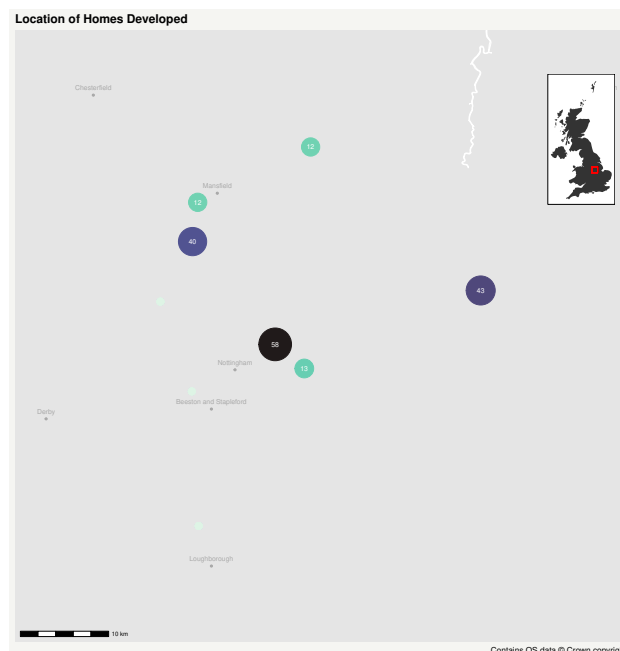
The economic impact of housing development can be estimated through the National Housing Federation's [Local Economic Impact Calculator](#).

An estimate of the impact of the Association's development activity during the year is shown in Table 4. 362 jobs are estimated to have been supported through the Association's investment in new development in the year.

Homes provided	Jobs supported	Impact
197	362	£19.7m

**Table 4:** Local economic impact of housing development 2024/25.

<sup>3</sup>These KPIs are measured at Group level only. All metrics and commentary relate to the Group as a whole and can be found in the financial statements for Jigsaw Homes Group Limited.



**Figure 3:** New affordable housing delivered in 2024/25.

The Association's provision of new housing generates wider value for society as new housing provides people with better places to live.

Through careful architectural design, the Association's housing developments also contribute to improvements to the general built environment and towards efforts to reduce carbon emissions. Figure 4 on the next page presents a selection of the new housing delivered by the Group's members in 2024/25, showcasing high design standards.

The Association's *Development Strategy* will yield 214 new affordable homes between 2025 and 2026.

This is expected to inject an additional £27.4m into local economies, supporting in excess of 503 jobs per annum.

At 31 March 2025, 278 properties were on-site.

**Note:** Please see the financial statements of our parent — Jigsaw Homes Group — for a full report on the value for money performance of the Group, including details of our performance with respect to the 2024 Value for Money metrics published by the Regulator of Social Housing.

The board's view of the key risks to the business and an explanation of how these are





**Figure 4:** Good design in new housing 2024/25.



mitigated is included in the analysis of the Association's corporate risk position at the end of the financial year on page 21.

Year	Turnover £'000	Operating expenditure £'000	Operating surplus %	Retained surplus £'000	Retained surplus %
2021	16,440	10,635	41	5,257	32
2022	16,582	13,699	25	4,563	28
2023	16,495	14,559	16	4,291	26
2024	20,399	13,536	26	4,611	23
<b>2025</b>	<b>24,254</b>	<b>18,669</b>	<b>11</b>	<b>2,834</b>	<b>12</b>

The above figures are extracted from previous financial statements based on accounting standards effective at those dates.

**Table 2:** Five-year financial performance.

Year	2025	2024	2023	2022	2021
Housing properties at cost	141,545	119,606	99,798	79,017	60,429
Properties for sale	3,702	5,373	4,242	1,587	368
Cash at bank and short term deposits	2,326	2,866	8,380	13,181	17,231
Creditors amounts falling due within one year	6,575	4,815	6,706	6,287	2,936
Net current assets / (liabilities)	476	4,740	10,708	13,326	19,210
Total assets less current liabilities	132,322	115,590	102,841	85,557	74,582
Creditors amounts falling due after more than one year	66,979	53,081	41,389	26,949	22,701
Capital and reserves	65,343	62,509	57,898	53,607	47,006

The above figures are extracted from previous financial statements based on accounting standards effective at those dates.

**Table 3:** Five-year financial position.

### **3. Governance**



**Fuel Poverty Awareness Day**  
Jigsaw handed out over 300 'Winter Warmer Packs' to help vulnerable residents stay warm over winter.



## Corporate Structure and Governance

The Association follows the governance arrangements of the Jigsaw Homes Group.

The Group's corporate and governance structure is shown in Figure 5 on the next page. Figure 5 highlights how the Group uses overlapped boards to simplify its governance arrangements and to make the best use of the shared skill-set of board members and directors.

In September 2024, in order to assist the completion of a group-wide governance review, it was agreed for Tim Ryan's tenure as a board member to be extended for an additional twelve months up to September 2025.

Table 5 on the following page sets out the demographics of the board in comparison to the diversity of the Association's residents and to the wider region.

The Group produces an annual report against the *Sustainability Reporting Standard for Social Housing*, the voluntary reporting framework that assesses 48 criteria across Environmental, Social, and Governance (ESG) factors, to enhance the transparency and consistency of ESG reporting across the social housing sector.

The Group's latest [ESG report](#) provides a clear and comparative overview of its ESG activities, showcasing the ongoing efforts to tackle climate change, promote ecological sustainability, and provide affordable, secure housing.

### Board Members Serving at the End of the Financial Year

#### Tim Ryan

##### Chair of the board

*Attendance: 4/4 100% (Board), 4/4 100% (Jigsaw Homes Midlands), 4/4 100% (Jigsaw Homes North), 4/4 100% (Jigsaw Homes Tameside)*

Tim is director of Volute Limited, a digital development agency which creates websites, apps and learning management systems for universities, the NHS and private sector organisations.

He is a registered architect and previously had a career in social housing property development.

#### Dianne Jackson

*Attendance: 4/4 100% (Board)*

Dianne is a qualified accountant with significant senior executive roles in the Education Sector at both Nottingham Trent University and Nova Education Trust.

Since stepping down from her executive roles, she has concentrated on her non-executive career and is currently Chair of Notts County Foundation, the charitable arm of Notts County Football Club and a non-executive director of Nottingham Ice Centre Limited and Nottingham City Transport Limited.

Dianne is also a governor at Portland College where she chairs the Audit Committee.

#### Donna Kelly

##### Group Director of Support and Neighbourhoods

*Attendance: 4/4 100% (Board)*

Donna is Group Director of Support and Neighbourhoods at Jigsaw Homes Group. She is responsible for all of Jigsaw's Neighbourhood Plans and support services.

She has over 26 years experience in supported housing, with many years spent in management and director roles.

Donna is also the Chair for the National Housing Federation's National Health and Housing Group and Chair of Greater Manchester Housing Providers Employment Group.

#### Melvin Kenyon

*Attendance: 4/4 100% (Board), 4/4 100% (Group), 1/1 100% (Jigsaw Homes North), 1/1 100% (Jigsaw Homes Tameside), 4/4 100% (R&N Committee)*

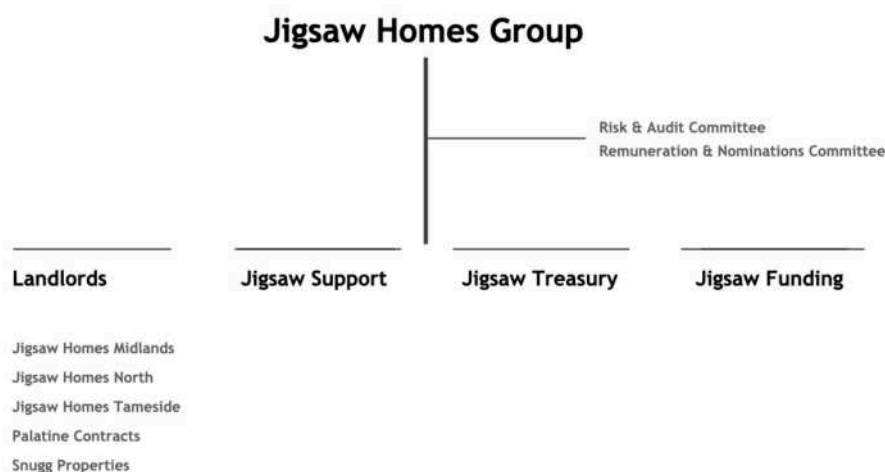
Melvin brings a wealth of knowledge from his prior executive roles in both the private and public sectors along with substantial risk management and information systems experience.

Until recently Melvin also served as a non-executive director of Ongo Homes. He is a member of Nottingham Trent University's Audit & Risk Committee.

Demographic	Local Area	Tenants	Board
% who are women	51	64	50
% who are ethnic minorities	14	11	13
% who have a disability	18	20	–
% who are lesbian, gay or bisexual	3	2	–
% who identify with a religion	54	17	38
% who were educated at state school	c.93	Unknown	100
Average age (years)	41	51	63

Source: ONS data from 2021 Census: [for gender, ethnicity, disability, sexuality, religion and age](#), the region used is East Midlands, national data is used in the case of [schooling](#).

**Table 5:** Demographic composition of the board.



**Figure 5:** Corporate and governance structure — board meetings for the organisations that fall under Landlords are held contemporaneously using overlapped meetings.

## Michael McDermott

Attendance: 4/4 100% (Board)

Mike has worked in a range of senior management roles with a number of building societies for more than thirty years including 12 years as chief executive of a small society.

More recently, Mike has provided support governance, risk and compliance consultancy to firms mainly in the financial services sector. He is currently Chair of the Scrutiny Committee at Chesterfield Credit Union.

## Michelle Rudkin

Attendance: 4/4 100% (Board)

Michelle currently works as a teaching assistant. She has previously been a tenant inspector and was involved in the tender vetting process for

Jigsaw Homes Midlands' repair service before this was brought in-house.

## Shamshad Walker

Attendance: 4/4 100% (Board), 3/4 100% (R&A Committee)

Shamshad is a marketing consultant with a strong track record helping businesses, charities, and the public sector to communicate more effectively online with their clients. She is a lecturer at Nottingham Trent University and runs training workshops for organisations such as NatWest and the Law Society.

Shamshad has 22 years' experience working for the NHS in roles including strategic planning, annual business planning, service development, stakeholder engagement and working on multi-disciplinary projects.

## Stephen White

Attendance: 4/4 100% (Board)

Stephen has a wealth of knowledge and experience of the social housing sector having held senior management roles at both Anchor Trust and also as Director of Operations and Care at Tuntum Housing Association, a BME-led housing association, where he also served as Deputy Chief Executive before retiring in 2016.

## Corporate Responsibility

### Employees

The Association recognises that the success of the business depends on the quality of its managers and employees. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

The board is aware of its responsibilities on all matters relating to health & safety. The Group has prepared detailed health & safety policies and provides employee training and education on health & safety matters.

### Diversity and Inclusion

The Association recognises its responsibilities to provide equality of opportunity, eliminate discrimination and promote good relations in its activities as a landlord, managing agent, employer, contractor, partner and purchaser.

We are totally opposed to all forms of discrimination on the grounds of race, national origin, ethnic origin, nationality, religion or belief, gender, gender reassignment status, marital status, pregnancy or maternity, sexual orientation, disability or age.

The Association's policy in this area is available to download from the [Jigsaw website](#): search for "equality and diversity".

### Modern Slavery and Human Trafficking Statement

The Association is absolutely committed to preventing slavery and human trafficking in its

corporate activities and to ensuring that its supply chains are free from slavery and human trafficking.

The Association's policy in this area is available to download [from the Jigsaw website](#): search for "modern slavery".

## Risk Management and Internal Controls

The board has overall responsibility for the system of internal control and risk management across the Association and for reviewing its effectiveness. The board also take steps to ensure the Association adheres to the Regulator of Social Housing's [Governance and Financial Viability Standard and its associated Code of Practice](#). Risk & Audit Committee is responsible to the board for monitoring these arrangements and reporting on their effectiveness.

### Risk Management

Figure 6 on the next page summarises the Association's risk register at 31 March 2025. The assessment shows 45 risks which could impact on the delivery of the Association's corporate objectives categorised by the impact areas of 'People', 'Strategic', 'Financial', 'Business Interruption' and 'Reputation'.

Figure 6 shows how the Group's risk register is dominated by 'People' risks — predominantly health & safety and safeguarding concerns. We have adopted comprehensive policies in both of these areas to ensure that these risks are given due attention.

The Group's controls work to mitigate the likelihood or impact of risks. As a result, the residual assessment of all risks fall within the acceptable levels defined in the Group's *Risk Management Strategy*.

Our most significant residual risks are:

- Breach of regulatory framework.
- Death or injury from fire or gas (customers, third parties and staff).
- Delays to development programme.

**Figure 6:** Risk analysis.

- Development contractor failure.
- Failure to deliver services shaped by customer views and expectations.
- Inadequate health and safety arrangements result in death or serious injury (customers, third parties and staff).
- Ineffective safeguarding (customers, third parties and staff).
- Major disruption to business from cyber attack.
- Third party service providers do not deliver to the required standard (IT).
- Unfavourable changes to government policy.

## Internal Controls Assurance

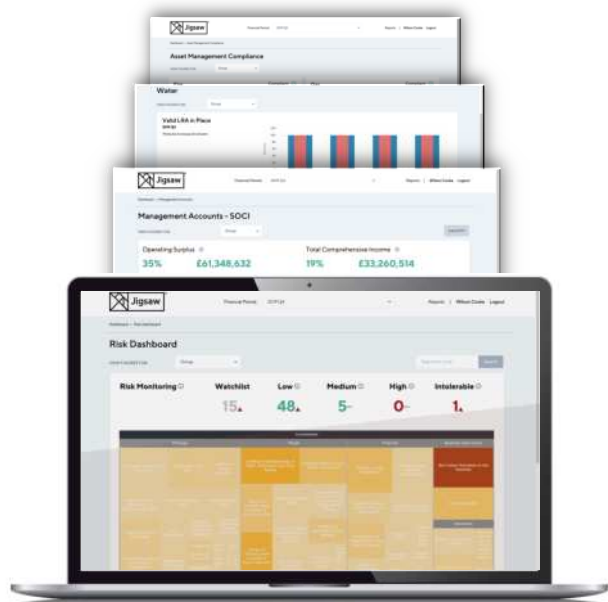
The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing and has been in place throughout the period commencing 1 April 2024 up to the date of approval of this document.

Key elements of the control framework include:

- Formal policies and procedures are in place, including the documentation of key processes and rules for the delegation of authorities (Scheme of Delegation). These policies and procedures are reviewed by the



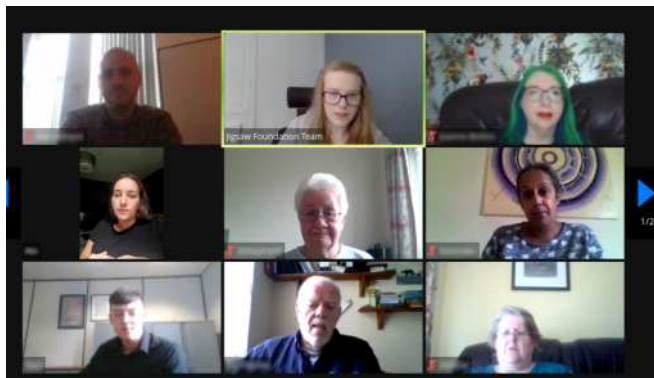


**Figure 7:** Examples from the Group's suite of performance dashboards.

board and executive management team on an agreed cycle.

- A performance management framework is in place to provide monitoring information to the board and management. Employee progress against agreed, documented objectives is formally reviewed.
- Management report regularly on risks and how these are managed.
- The board receives quarterly information on the financial performance of the business together with a summary of key performance indicators covering the main business risks.
- Forecasts and budgets are prepared which allow the board and management to monitor financial objectives and risks. Monthly management accounts are prepared promptly and reported to board on a quarterly basis; with significant variances from budget investigated and accounted for. This reporting includes the monitoring of all loan covenants.
- There is a robust approach to treasury management supported by third party advisors.
- Regular monitoring of loan covenants and requirements of new loan facilities is in place.
- All significant new initiatives and projects are subject to formal appraisal and authorisation procedures by the appropriate board with clear links to the requirements of the Risk Management Policy.
- The Remuneration and Nominations Committee has oversight of the Association's approach to board appraisal, recruitment and succession.
- Experienced and suitably qualified employees are responsible for important business functions.
- A co-sourced internal audit service is provided by the Group, incorporating an in-house team complemented by third party expertise. The service is led by a qualified, full-time employed Chief Audit Executive. The Risk & Audit Committee approves the annual audit plan and reviews internal audit reports as well as those from management and any third-party reviews including reports from tenant scrutiny.
- The Risk & Audit Committee reports quarterly to the board and reviews the assurance procedures, ensuring that an appropriate range of techniques is used to obtain the level of assurance required by the board.
- Risks are identified, assessed and documented in a risk register with details of how each risk will be managed. The risk register is reviewed on a quarterly basis by the executive management team and Risk & Audit Committee. Quarterly risk updates are also provided to each board within the Group. Internal audit independently reviews the risk identification procedures and control process implemented by management and reports to Risk & Audit Committee.
- The executive management team also reports to the board on significant changes in the business and external environment which affect significant risks.
- The Group's *Probity, Anti-Fraud and Whistleblowing Policy* clearly lays out the approach to be taken with respect to whistleblowing, anti-corruption and fraud.

- The Risk & Audit Committee and board review and approve this statement of the Association's internal controls assurance.
- A theft and fraud register is maintained by the Group Company Secretary and any fraud is reported to the Risk & Audit Committee.



**Figure 8:** Our tenant scrutiny panels undertake deep-dive investigations into areas voted for by tenants.

The Association uses various financial instruments including loans, cash and other items such as rent arrears and trade creditors that derive directly from its operations. The main purpose of these financial instruments is to raise finance for the delivery of the Association's objectives.

The existence of these financial instruments exposes the Association to a number of financial risks. The main risks arising from the Association's financial instruments are considered by board to be interest rate risk, liquidity risk and credit risk. In accordance with its *Risk Management Policy* and *Treasury Management Strategy*, the board reviews and agrees policies for managing each of these risks as summarised below.

### Interest Rate Risk

The Association finances its operations through a mixture of retained surpluses and various debt borrowings. The Association's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and variable rate facilities.

The Association currently borrows from a variety of lenders at both fixed and floating rates of interest. The Association's *Treasury Management Strategy* targets the level of fixed rates of interest to be up to 100% of its loan portfolio. At the year-end 87% (2024: 94%) of borrowings were at fixed rates

between 3.4% and 8.1% with an average borrowing rate of 5.14%.

### Liquidity Risk

The Association seeks to manage financial risk by ensuring sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and wisely.

The Association has a clear focus on cash collection and monitors cashflow forecasts closely and regularly, to ensure it has sufficient funds to meet its business objectives, pay liabilities when they fall due and ensure adequate liquidity with respect to emerging risks.

With respect to short term liquidity, at the year-end the Association had access to £2.3m (2024: £2.9m) of both cash balances and short term investments held as cash together, together with access to c. £344.2m (2024: £0m) of undrawn committed Group bank facilities. In addition, the Group retains £100m of retained bonds with a long-stop date of May 2027.

### Credit Risk

The Association operates a prudent policy in respect of funding counterparties and aims to minimise the risk of financial loss or liquidity exposure associated with any counterparty. Short term investments are widely diversified and are kept at a minimum by temporarily repaying revolving credit facilities in order to manage working capital requirements. During 2025 all cash investments were held with counterparties which met the requirements of Group's *Treasury Management Strategy*.

The Association seeks to minimise the credit risk relating to tenant rent arrears through its robust recovery procedures, providing support to existing tenants where necessary and by undertaking affordability assessments with applicants for new tenancies. The Group's money advice service provides the necessary support to tenants and the Group's arrears recovery team closely monitors tenant arrears as a whole.

## Compliance

This document has been prepared in accordance with applicable reporting standards and legislation. The board confirms that the Association has complied with the regulator's *Governance and Financial Viability Standard*.

## Code of Governance

During 2024/25 the Association's Code of Governance was [Code of Governance 2020 \(National Housing Federation, 2020\)](#). The board is pleased to report full compliance with the Code with the following exception:

The Group has decided not to impose a six year limit on the term of office of board members who were appointed prior to the adoption of the Code as this would have required an excessive churn in board members. Rather, the Group has adopted a board member recruitment strategy which seeks to smooth the replacement of board members in order to minimise disruption in the board room and ensure continued good governance. New board members will be appointed on the expectation that they will normally serve a maximum of six years.

## Regulatory Framework

The Association is subject to the Regulator of Social Housing's [Regulatory Framework](#). The board is pleased to report full compliance.

## Statement of Responsibilities of the Board for the Report and Financial Statements

The board members are responsible for preparing the report of the board and the financial statements in accordance with applicable law and regulations.

Under the Co-operative and Community Benefit Societies Act 2014 and social housing legislation the board are required to prepare financial statements for each financial year in accordance with *United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards)* and applicable law.

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the *Statement of Recommended Practice for registered housing providers: Housing SORP 2018* have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the the Group and Association will continue in business.

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the transactions of the Association and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board is responsible for ensuring that the report of the board is prepared in accordance with the *Statement of Recommended Practice for registered housing providers: Housing SORP 2018*.

Financial statements are published on the Association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the Association's website is the responsibility of the board members. The board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## Going Concern

Based on the following assessment the board is comfortable that the Association continues to be a going concern and have therefore produced financial statements on a going concern basis.

The Association's activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The board approved the Association's 2024/25 budget prior to the start of the financial year and approved the Association's thirty year financial plan shortly afterwards.

The board is content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

The Group board reviewed a range of scenarios and stress tests in order to fully understand the potential impact on the thirty year financial plan and the Group's loan covenant position.

This considered how alternate projections for inflation, interest rates and house prices impact on the Group's loan covenant position. The alternate projections for inflation, interest rates and house prices arise from three different macroeconomic scenarios:

1. A central forecast based on estimates published in the [Economic and Fiscal Outlook](#) by The Office for Budget Responsibility in the short to medium term and in the longer term on sector norms as advised by the Association's treasury advisors.

2. [2024 Bank of England \(BOE\) stress test](#) which envisages two scenarios: a supply shock scenario and a demand shock scenario.

The Group's stress testing work focused on the supply shock scenario which envisages a severe, negative global aggregate supply shock from an increase in geopolitical tensions and global commodity prices as well as supply-chain disruptions<sup>4</sup>.

Under this scenario, this leads to higher-than-expected inflation across

advanced economies. High inflation is then assumed to lead to expectations of higher inflation in the future and global policymakers react by increasing interest rates to bring inflation back to target.

3. A *Black Swan Event* which — perhaps stretching the limits of plausibility — combines the worst independent ten year movements in recent memory of each macroeconomic variable<sup>5</sup> into a single unprecedentedly challenging scenario.

For the purposes of the stress test, the Group board selected scenarios where combinations of key risks unexpectedly materialise to present medium and long term impacts to the business.

The Group board also explored both the medium and long term impacts occurring at the same time to present the business with an unprecedentedly challenging *Perfect Storm* of severe materialised risks.

The Group board continues to review the Group members financial plans with the executive team to make any necessary changes and continue to work with our customers and stakeholders to deliver our services.

The Association has access to long-term debt facilities and sufficient liquidity, which provide adequate resources to finance committed reinvestment and development programmes, along with the Association's day to day operations. The Association's long-term financial plans show that it is able to service debt facilities whilst continuing to comply with lenders' covenants.

The board is, to the best of its knowledge, satisfied that covenant compliance is maintained throughout the life of the plan on the basis that the thirty year financial plan has been stress tested to withstand significant composite risks materialising, without breaching lender covenants, thus confirming the future viability of the Association.

<sup>5</sup>Specifically the house price movements experienced during 2008–2018, interest rate movements in 1971–1980, increases in inflation experienced between 1960–1969, and the rent reductions imposed during 2016–2020.

<sup>4</sup>The demand shock scenario features a negative global aggregate demand shock, with falling inflation leading to a decline in interest rates.



## Auditor

All of the current board members have taken the steps that they ought to have taken to ensure they are aware of any information needed by the Association's auditor for the purposes of their audit, and to establish that the auditor is aware of that information.

The board members are not aware of any relevant audit information of which the auditor is not aware.

Beever and Struthers has expressed their willingness to continue in office as the Association's auditors.

Approved by the Board on 3rd September 2025 and signed on its behalf on 3rd September 2025 by:

A handwritten signature in black ink that reads "Tim Ryan". The signature is written in a cursive, slightly stylized font.

**Tim Ryan**

Association Chair





Great British Spring Clean event  
Children and staff from Netherfield Primary School  
in Nottingham.



# **4. Financial Statements**

# Independent Auditor's Report to the Members of Jigsaw Homes Midlands

## Opinion on the Financial Statements

We have audited the financial statements of Jigsaw Homes Midlands ("the Society") for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity (reserves), 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2025 and of the Society'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 of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 Society'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 Strategic Report, other than the financial statements and our auditor's report thereon. The board is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



## Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or 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; or
- the Society has not kept adequate accounting records; or
- the Society's financial statements are not in agreement with books of account; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of the Board

As explained more fully in the Statement of Board Responsibilities set out on page 25, the board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 Society'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 Society or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAS

(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## Extent to Which the Audit Was Capable of Detecting Irregularities, Including Fraud

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

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

- We obtained an understanding of laws and regulations that affect the Society, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the board and reviewed correspondence and board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the board have in place to prevent and

detect fraud. We enquired of the board about any incidences of fraud that had taken place during the accounting period.

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Society's activities and the regulated nature of the Society's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

*Beever and Struthers*

**Beever and Struthers, Statutory Auditor**

For and on behalf of  
Beever and Struthers  
One Express  
1 George Leigh Street  
Manchester  
M4 5DL

**24 September 2025**

## **Use of Our Report**

This report is made solely to the Society's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body for our audit work, for this report, or for the opinions we have formed.

## Statement of Comprehensive Income

Year ended 31 March 2025		2025	2024
	Notes	£'000	£'000
			Restated
Turnover	3	24,254	20,399
Cost of sales	3	(3,628)	(2,090)
Operating expenditure	3	(18,669)	(13,536)
Profit on disposal of fixed assets	5	624	614
<b>Operating surplus</b>	<b>8</b>	<b>2,581</b>	<b>5,387</b>
Interest receivable	6	93	115
Interest and financing costs	7	(744)	(1,094)
Gift Aid		726	–
<b>Surplus for the year</b>		<b>2,656</b>	<b>4,408</b>
<b>Other comprehensive income</b>			
Actuarial gain in respect of pension schemes	26	1,611	1,370
Effect of the asset ceiling	26	(1,433)	(1,167)
<b>Total comprehensive income for the year</b>		<b>2,834</b>	<b>4,611</b>

The results for the year relate wholly to continuing activities and the notes on pages 36 to 60 form an integral part of these Financial Statements.

The Financial Statements and notes on pages 36 to 60 were approved and authorised for issue by the Board on 3rd September 2025 and signed on its behalf on 3rd September 2025 by:



T. Ryan  
**Chair**



M. Murphy  
**Company Secretary**



D. Kelly  
**Executive Member**

# Statement of Financial Position

At 31 March 2025		2025 £'000	2024 £'000 Restated
	Notes		
<b>Fixed assets</b>			
Tangible fixed assets	11	131,846	110,850
		<b>131,846</b>	<b>110,850</b>
<b>Current assets</b>			
Stock	12	3,702	5,373
Trade and other debtors	13	1,023	1,316
Cash and cash equivalents	14	2,326	2,866
		<b>7,051</b>	<b>9,555</b>
Less: Creditors: amounts falling due within one year	15	(6,575)	(4,815)
<b>Net current assets</b>		<b>476</b>	<b>4,740</b>
<b>Total assets less current liabilities</b>		<b>132,322</b>	<b>115,590</b>
Creditors: amounts falling due after more than one year	16	(66,979)	(53,081)
<b>Total net assets</b>		<b>65,343</b>	<b>62,509</b>
<b>Reserves</b>			
Revenue reserve		65,343	62,509
<b>Total reserves</b>		<b>65,343</b>	<b>62,509</b>

The Financial Statements and the notes on pages 36 to 60 which form an integral part of these Financial Statements, were approved and authorised for issue by the Board on 3rd September 2025 and signed on its behalf on 3rd September 2025 by:



T. Ryan  
**Chair**



M. Murphy  
**Company Secretary**



D. Kelly  
**Executive Member**



## Statement of Changes in Equity

	Revenue reserve £'000	Total £'000
<b>Balance at 31 March 2023</b>	<b>57,898</b>	<b>57,898</b>
Surplus from Statement of Comprehensive Income	5,184	5,184
Actuarial gain in respect of pension schemes (Note 26)	1,370	1,370
First time recognition on SHPS pension deficit (Note 26)	(1,167)	(1,167)
<b>Balance as at 31 March 2024 (as previously stated)</b>	<b>63,285</b>	<b>63,285</b>
Prior period adjustment	(776)	(776)
<b>Balance as at 31 March 2024 Restated</b>	<b>62,509</b>	<b>62,509</b>
Surplus from Statement of Comprehensive Income	2,656	2,656
Actuarial gain in respect of pension schemes (Note 26)	1,611	1,611
Pension surplus deemed not recoverable (Note 26)	(1,433)	(1,433)
<b>Balance at 31 March 2025</b>	<b>65,343</b>	<b>65,343</b>

# Notes to the Financial Statements

## 1. Legal Status

Jigsaw Homes Midlands is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing.

The registered office is Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT.

Jigsaw Homes Midlands is a member of the Jigsaw Homes Group Structure (the Group), of which Jigsaw Homes Group Limited is the parent company. At the year-end, the Group comprised the parent company and the following principal entities:

Name	Incorporation	RSH registration	Parent
Cavendish Property Developments Limited	Companies Act 2006	Non-registered	JHG
Jigsaw Funding PLC	Companies Act 2006	Non-registered	JHG
Jigsaw Homes Midlands	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Homes North	Co-operative and Community Benefit Societies Act 2014	Registered	JHG
Jigsaw Homes Tameside	Companies Act 2006	Registered	JHG
Jigsaw Support	Co-operative and Community Benefit Societies Act 2014	Non-registered	JHG
Jigsaw Treasury Limited	Companies Act 2006	Non-registered	JHG
Palatine Contracts Limited	Companies Act 2006	Non-registered	JHN
Snugg Properties Limited	Companies Act 2006	Non-registered	JHN

**Table 6:** Principal group members.

The board of Jigsaw Homes North is the corporate trustee of the James Tomkinson Memorial Cottages Trust.

## 2. Principal Accounting Policies

### Basis of Accounting

The financial statements have been prepared in accordance with applicable law, the United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018 (SORP). The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies.

The financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of investments and are presented in pounds sterling.

The Association has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Basic Financial Instruments; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Jigsaw Homes Group Limited as at 31 March 2025 and these financial statements may be obtained from their registered office.

## Going Concern

Based on the following assessment the board is comfortable that the Association continues to be a going concern and have therefore produced financial statements on a going concern basis.

The Association's activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report.

The board and the Group board approved the Association's 2025/26 budget prior to 31 March 2025 and approved the Association's thirty year financial plan shortly afterwards. The board is content that these plans were affordable and that the financial statements should be prepared on a going concern basis.

The Group board reviewed a range of scenarios and stress tests in order to fully understand the potential impact on the thirty year financial plan and the Group's loan covenant position.

This considered how alternate projections for inflation, interest rates and house prices impact on the Group's loan covenant position. The alternate projections for inflation, interest rates and house prices arise from three different macroeconomic scenarios:

1. A central forecast based on estimates published in the [Economic and Fiscal Outlook](#) by The Office for Budget Responsibility in the short to medium term and in the longer term on sector norms as advised by the Association's treasury advisors.
2. [2024 Bank of England \(BOE\) stress test](#) which envisages two scenarios: a supply shock scenario and a demand shock scenario.

The Group's stress testing work focused on the supply shock scenario which envisages a severe, negative global aggregate supply shock from an increase in geopolitical tensions and global commodity prices as well as supply-chain disruptions<sup>6</sup>.

Under this scenario, this leads to higher-than-expected inflation across advanced economies. High inflation is then assumed to lead to expectations of higher inflation in the future and global policymakers react by increasing interest rates to bring inflation back to target.

3. A *Black Swan Event* which — perhaps stretching the limits of plausibility — combines the worst independent ten year movements in recent memory of each macroeconomic variable<sup>7</sup> into a single unprecedentedly challenging scenario.

For the purposes of the stress test, the Group board selected scenarios where combinations of key risks unexpectedly materialise to present medium and long term impacts to the business.

The Group board also explored both the medium and long term impacts occurring at the same time to present the business with an unprecedentedly challenging *Perfect Storm* of severe materialised risks.

The Group board continues to review the Group members financial plans with the executive team to make any necessary changes and continue to work with our customers and stakeholders to deliver our services.

The Association has access to long-term debt facilities and sufficient liquidity, which provide adequate resources to finance committed reinvestment and development programmes, along with the Association's day to day operations. The Association's long-term financial plans show that it is able to service debt facilities whilst continuing to comply with lenders' covenants.

The board is, to the best of its knowledge, satisfied that covenant compliance is maintained throughout the life of the plan on the basis that the thirty year financial plan has been stress tested to withstand

<sup>6</sup>The demand shock scenario features a negative global aggregate demand shock, with falling inflation leading to a decline in interest rates.

<sup>7</sup>Specifically the house price movements experienced during 2008–2018, interest rate movements in 1971–1980, increases in inflation experienced between 1960–1969, and the rent reductions imposed during 2016–2020.

significant composite risks materialising, without breaching lender covenants, thus confirming the future viability of the Association.

## Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

### *Development expenditure*

Initial capitalisation of costs is based on management's judgement when a development scheme is confirmed, usually when board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

### *Categorisation of housing properties*

Property assets are classified as investment property or property, plant and equipment depending on the intended use of the property.

The Association has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Association has considered if the asset is held for social benefit or to earn commercial rentals.

### *Impairment*

The Association has to make an assessment as to whether an indicator of impairment exists. In making the judgement, management consider the detailed criteria set out in the SORP to identify factors which are considered to be a trigger for impairment including but not limited to:

- Changes in legislation.
- Long term voids/demand for properties.
- Material reduction in market value.
- Development issues.

If at the time of approving the annual financial statements, management are aware of any contractors being in liquidation, and therefore risk exists to the validity of an ongoing development, the Association will only perform an impairment assessment, if, once the future costs are known with certainty the development does not meet the approved appraisal criteria when reappraised.

The Association is then required to determine the level at which the recoverable amount is to be assessed. The Association has identified a cash generating unit for impairment assessment purposes at a property scheme level.

Other key sources of estimation and assumptions:

### *Tangible fixed assets*

Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors



such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

#### *Pension and other post-employment benefits*

The cost of defined benefit pension plans and other post-employment benefits and the present value of the net pension position reported in the Financial Statements depend on a number of factors and assumptions, including life expectancy, future salary increases and the discount rate on corporate bonds. Management review these factors and assumptions in the annual actuarial valuations alongside appropriate sensitivity analysis produced by the respective scheme actuary, when determining the net pension position to be reported in the Financial Statements. Variations in these assumptions could significantly impact the net pension position reported in the Financial Statements.

In assessing whether a defined benefit pension scheme surplus is recoverable, the Association considers its current right to obtain a refund or a reduction in future contributions. The Association has therefore assessed the probability of recovery and the reliable measurement of any asset and has concluded that a nil position is appropriate where the calculation of the scheme position has indicated a net asset position.

#### *Impairment of non-financial assets*

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

### Turnover and Revenue Recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and Homes England, income from the sale of shared ownership and other properties developed for outright sale and other income recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Revenue is recognised on completion if the sale of goods or services is short-term in nature. Where this is not the case, revenue is recognised in proportion to the stage of completion at the reporting date. Revenue recognition commences only when the outcome of the goods and services rendered can be reliably measured, by reference to individual terms and conditions within each service contract, and it is probable that the economic benefits associated with the contract will flow to the Association, otherwise it is recognised to the extent costs are incurred.

Supporting People contract income received from Administering Authorities is accounted for as 'Charges for support services'.

Service charge income and costs are recognised on an accruals basis. The Association operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required a provision may be built up over the years in consultation with residents. Until costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

## Loan Interest Costs

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

## Loan Finance Issue Costs

Loan finance issue costs are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income in the year in which the redemption took place.

## Value Added Tax

The Association charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the financial statements are inclusive of VAT to the extent that it is suffered by the Association and not recoverable.

## Tangible Fixed Assets and Depreciation

### *Housing properties*

Housing properties are stated at cost, less accumulated depreciation. Donated land/assets or assets acquired at below market value from a government source, e.g. a local authority, are accounted for as a non-monetary government grant and are included as an asset and equal liability in the Statement of Financial Position at the fair value less consideration paid.

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

Cost includes the cost of acquiring land and buildings, directly attributable development costs and borrowing costs directly attributable to the construction of new housing properties during their development.

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

Freehold land is not depreciated.

Works to housing properties that are expected to provide incremental future benefits are capitalised as improvements, component replacement works are capitalised where these are identified as separate depreciating assets. Any other works are charged as expenditure in the surplus or deficit in the Statement of Comprehensive Income.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELS), each component is accounted for separately and depreciated over its individual UELs. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Component	Years
Boilers	15
Kitchens	20
Lifts	25–30
Bathrooms	30
Doors	30
Heating and electrical	30
Windows	30
Roofs	60–80
Structure	100

**Table 7:** Useful Economic Lives.

### *Other fixed assets*

Other tangible fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following rates:

Asset type	Rate
Land & buildings	3.33% on cost or length of lease
Furniture, fixtures & fittings	10% per annum on cost
Office & computer equipment	25% per annum on cost
Motor vehicles	25% per annum on cost

**Table 8:** Fixed Asset Depreciation Rates.

## Capitalisation of Interest and Administration Costs

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

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

## Property Managed by Agents

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

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

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

## Leasing

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

Reverse premiums and similar incentives received on leases to enter into operating lease agreements are released to Statement of Comprehensive Income over the term of the lease.

Assets held under finance leases are included in the Statement of Financial Position and depreciated in accordance with the Association's accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the income statement for the period of the lease in proportion to the balance of capital repayments outstanding.

### Stock and Properties Held for Sale

Stock of materials are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

Properties developed for shared ownership are reviewed at first tranche sale to ensure that the market value has not declined compared to the original appraisal assumption.

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

### Debtors and Creditors

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

### Sinking Fund

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors.

### Financial Instruments

Financial instruments held are classified as follows:

- Financial assets such as cash, current asset investments and receivables are classified as loans and receivables and held at cost less impairment.
- Financial liabilities such as loans are held at amortised cost using the effective interest method.
- Commitments to receive or make a loan to another entity are held at cost less impairment.

### Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired.

If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income immediately.



Financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

- For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account.

The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in the Statement of Comprehensive Income immediately.

### Social Housing Grant (SHG) and Other Government Grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income is included as part of turnover.

When SHG in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

Grants due from government organisations or received in advance are included as current assets or liabilities.

### Non-Government Grants

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

### Recycling of Capital Grant

SHG must be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

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

If there is no requirement to recycle or repay the grant on disposal of an asset any unamortised grant remaining within creditors is released and recognised as income within the Statement of Comprehensive Income.

## Retirement Benefits

### *Defined benefit pension schemes*

Under defined benefit accounting, for all such schemes the Association participates in, the scheme assets are measured at fair value. 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 is presented separately from other net assets on the Statement of Financial Position. The Association's Statement of Financial Position includes the net surplus or deficit, being the difference between the fair value of scheme assets and the discounted value of scheme liabilities at the balance sheet date. Surpluses are only recognised to the extent that they are considered recoverable through reduced contributions in the future or through refunds from the schemes. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

### *Defined contribution pension schemes*

In relation to defined contribution schemes in which the Association participates in, contributions payable are charged to the Statement of Comprehensive Income in the period to which they relate.

## Reserves

General reserves reflects accumulated surpluses for the Association which can be applied at its discretion for any purpose.

## 3. Turnover

### 3a) Turnover, cost of sales, operating expenditure and operating surplus.

	2025				
	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Disposal of property, plant & equipment £'000	Operating surplus £'000
Social housing lettings (Note 3c)	19,913	–	(18,669)	–	1,244
<b>Other social housing activities:</b>					
First tranche low cost home ownership sales	4,126	(3,628)	–	–	498
Other activities	215	–	–	–	215
<b>Non-social housing activities:</b>					
Disposal of fixed assets (Note 5)	–	–	–	624	624
<b>Total</b>	<b>24,254</b>	<b>(3,628)</b>	<b>(18,669)</b>	<b>624</b>	<b>2,581</b>

**3b) Turnover, cost of sales, operating expenditure and operating surplus.**

	2024				
	Turnover	Cost of sales	Operating	Disposal of	Operating
	£'000	£'000	expenditure	property,	surplus
			£'000	plant &	£'000
				equipment	
				£'000	
Social housing lettings (Note 3c)	17,453	–	(13,536)	–	3,917
<b>Other social housing activities:</b>					
First tranche low cost home ownership sales	2,564	(2,090)		–	474
Other activities	382	–	–	–	382
<b>Non-social housing activities:</b>					
Other rental	–				–
Disposal of fixed assets (Note 5)	–	–	–	614	614
<b>Total</b>	<b>20,399</b>	<b>(2,090)</b>	<b>(13,536)</b>	<b>614</b>	<b>5,387</b>

**3c) Turnover, operating expenditure and operating surplus from social housing lettings.**

	General	Supported	Low cost		
	housing	housing and	home	Total 2025	Total 2024
	£'000	older people	ownership	£'000	£'000
		£'000	£'000		
<b>Income</b>					
Rent receivable net of identifiable service charges and net of voids	13,222	4,166	725	18,113	15,948
Service charge income	1,255	396	69	1,720	1,451
Amortised government grants	62	18	–	80	54
<b>Turnover from social housing lettings</b>	<b>14,539</b>	<b>4,580</b>	<b>794</b>	<b>19,913</b>	<b>17,453</b>
<b>Operating expenditure</b>					
Management	3,111	981	171	4,263	3,005
Service charge costs	1,549	488	85	2,122	2,295
Routine maintenance	3,137	989	172	4,298	3,266
Planned maintenance	1,536	484	84	2,104	3,186
Major repairs expenditure	569	170	–	739	539
Bad debts	62	19	3	84	22
Property lease charges	–	–	–	–	3
Depreciation of housing properties	1,001	315	55	1,371	1,153
Other costs	1,746	37	1,905	3,688	67
<b>Operating expenditure on social housing lettings</b>	<b>12,711</b>	<b>3,483</b>	<b>2,475</b>	<b>18,669</b>	<b>13,536</b>
<b>Operating surplus on social housing lettings</b>	<b>1,828</b>	<b>1,097</b>	<b>(1,681)</b>	<b>1,244</b>	<b>3,917</b>
Void losses	137	43	7	187	168

## 4. Accommodation Owned, Managed and in Development

	2025 Owned	No. of units Managed	2024 Owned	No. of units Managed
<b>Social Housing</b>				
General needs housing				
Social rent	2,183	–	2,182	–
Affordable rent	396	–	255	–
Sheltered housing for older people	809	–	808	–
Supported housing	11	–	11	–
Low-cost home ownership	128	–	83	–
Leasehold where the Association owns the freehold	306	–	304	–
<b>Total units social housing</b>	<b>3,833</b>	<b>–</b>	<b>3,643</b>	<b>–</b>

The Association owns 28 (2024: 25) properties which are managed by others.

<b>In Development</b>	2025 No. of units	2024 No. of units
<b>Social Housing</b>		
General needs housing		
Social rent	14	25
Affordable rent	178	272
Low-cost home ownership	86	160
<b>Total units social housing</b>	<b>278</b>	<b>457</b>

	General Needs Social Rent	General Needs Affordable Rent	Supported Housing	Low Cost Home Ownership	Sheltered Housing for Older People	Leasehold – Association owns freehold	Total
<b>Opening units</b>	<b>2,182</b>	<b>255</b>	<b>11</b>	<b>83</b>	<b>808</b>	<b>304</b>	<b>3,643</b>
New units developed	11	141	–	45	–	–	197
Units sold	(10)	–	–	–	–	–	(10)
Other adjustments	–	–	–	–	1	2	3
<b>Net change in units</b>	<b>1</b>	<b>141</b>	<b>–</b>	<b>45</b>	<b>1</b>	<b>2</b>	<b>190</b>
<b>Closing units</b>	<b>2,183</b>	<b>396</b>	<b>11</b>	<b>128</b>	<b>809</b>	<b>306</b>	<b>3,833</b>

## 5. Profit on Disposal of Fixed Assets

	2025 £'000	2024 £'000
Proceeds of sales	854	807
Carrying value	(214)	(179)
Incidental costs	(16)	(14)
<b>Total Profit</b>	<b>624</b>	<b>614</b>

## 6. Interest Receivable

	2025 £'000	2024 £'000
Bank interest receivable	93	115
<b>Total</b>	<b>93</b>	<b>115</b>



## 7. Interest and Financing Costs

	2025 £'000	2024 £'000 Restated
Loans and bank overdrafts	2,411	1,723
Interest on pension deficit (Note 26)	–	–
Interest capitalised on housing properties under construction	(1,667)	(629)
<b>Total</b>	<b>744</b>	<b>1,094</b>

The Group's weighted average interest on borrowings of 5.14% (2024: 5%) was used for calculating capitalised finance costs.

There was a miscalculation to interest charged in the 2023/24 financial statements which required a restatement to the comparatives of that year in the 2024/25 financial statements. The miscalculation arose as capitalised interest was incorrectly posted against a development scheme where work had paused as the contractor had gone into liquidation. The error amounts to £775,870 and affects, Interest and financing costs: Interest capitalised on housing properties under construction and also to Housing Properties: Social housing properties under construction and Shared ownership properties under construction.

## 8. Operating Surplus

	2025 £'000	2024 £'000
<b>The operating surplus is stated after charging:</b>		
Auditor's remuneration (excluding VAT):		
Audit fee	16	13
Fees payable to the company's auditor & its associates for other services to the Group		
Taxation advice	–	–
Operating lease rentals:		
Land and buildings	78	87
Other	292	233
Depreciation:		
Depreciation of housing properties	1,371	1,153
Depreciation of other fixed assets	21	12

During the period, the Association's auditors Beever and Struthers provided audit services only. Taxation services are provided by another organisation.

## 9. Directors' Remuneration

The group chief executive, executive directors and non-executive directors are remunerated by Jigsaw Homes Group Limited. Their costs are recharged to all Group subsidiaries on an on-going basis (2024: £nil).

## 10. Employee Information

	2025	2024
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:		
Management and administration	15	14
Housing, support and care	84	83
<b>Total</b>	<b>99</b>	<b>97</b>

	2025 £'000	2024 £'000
<b>Staff costs</b>		
Wages and salaries	3,463	3,241
Social security costs	339	309
Other pension costs	330	331
<b>Total</b>	<b>4,132</b>	<b>3,881</b>

Aggregate number of full time equivalent staff whose remuneration (including pension contributions) exceeded £60,000 in the period:	2025	2024
£60,001 – £70,000	1	–
£70,001 – £80,000	1	1

## 11. Tangible Fixed Assets

Housing properties	Social housing properties for letting completed £'000	Social housing properties for letting under construction £'000	Shared ownership properties completed £'000	Shared ownership properties under construction £'000	Total housing properties £'000
<b>Cost</b>					
At start of the year	75,179	27,096	9,190	10,077	121,542
Prior year adjustment	–	(351)	–	(1,585)	(1,936)
<b>At start of the year Restated</b>	<b>75,179</b>	<b>26,745</b>	<b>9,190</b>	<b>8,492</b>	<b>119,606</b>
Additions	–	15,458	–	6,883	22,341
Capitalised administration costs	–	351	–	459	810
Interest capitalised	–	1,008	–	659	1,667
Transfers to/from stock	–	–	–	–	–
Component replacements	932	–	–	–	932
Components replaced cost	(141)	–	–	–	(141)
Schemes completed	24,884	(24,884)	9,151	(9,151)	–
Disposals cost	(157)	–	(3,513)	–	(3,670)
<b>At end of the year cost</b>	<b>100,697</b>	<b>18,678</b>	<b>14,828</b>	<b>7,342</b>	<b>141,545</b>
<b>Depreciation and impairment</b>					
At start of the year	8,787	–	94	–	8,881
Charge for the year	1,183	–	112	–	1,295
Components replaced	(65)	–	–	–	(65)
Disposals	(25)	–	(7)	–	(32)
<b>At end of the year</b>	<b>9,880</b>	<b>–</b>	<b>199</b>	<b>–</b>	<b>10,079</b>
<b>Net book value:</b>					
<b>At 31 March 2025</b>	<b>90,817</b>	<b>18,678</b>	<b>14,629</b>	<b>7,342</b>	<b>131,466</b>
At 31 March 2024	66,392	26,745	9,096	8,492	110,725

The Group's weighted average interest on borrowings of 5.14% (2024: 5%) was used for calculating capitalised finance costs.

There was a miscalculation to interest charged in the 2023/24 financial statements which required a restatement to the comparatives of that year in the 2024/25 financial statements. The miscalculation arose as capitalised interest was incorrectly posted against a development scheme where work had paused as the contractor had gone into liquidation. The error amounts to £775,870 and affects, Interest and financing costs: Interest capitalised on housing properties under construction and also to Housing Properties: Social housing properties under construction and Shared ownership properties under construction.

The Association considers its housing schemes to represent separate cash generating units (CGUs) when assessing for impairment in accordance with the requirements of FRS 102 and the SORP. During the current year, the Association has carried out a review of impairment. This review involved an assessment of existing social housing properties to determine if there has been any indicator of impairment in the current financial year. This review is done at a scheme level, which is deemed to be an appropriate level of a cash generating unit of housing property assets. Where any potential indicator as defined in FRS 102.27 *Impairment of Assets* is identified, a review of the affected scheme is undertaken to determine if an impairment is required.

Examples of key indicators for impairment include:

- Change in government policy, regulation or legislation which has a material detrimental impact.
- A change in demand for a property that is considered irreversible.
- Material reduction in the market value of properties intended to be sold.
- Obsolescence of a property or part of a property.

An assessment was carried out to identify impairment indicators linked to the fixed assets at year end. There were no indicators identified that required a full impairment review to be carried out using the depreciated replacement cost methodology. Therefore no impairment has been included in the Financial Statements.

Details of Social Housing Grant received during the year are provided in Note 18 on page 52.

	2025 £'000	2024 £'000
<b>Works to existing properties in the year:</b>		
Amounts capitalised	932	363
Amounts charged to expenditure	7,141	6,990
<b>Total</b>	<b>8,073</b>	<b>7,353</b>

<b>Tangible fixed assets</b>				
<b>Other fixed assets</b>	<b>Land and buildings</b>	<b>Motor vehicles, plant &amp; machinery</b>	<b>Furniture and equipment</b>	<b>Total other fixed assets</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>				
At start of the year	–	–	184	184
Additions	6	11	259	276
<b>At end of the year</b>	<b>6</b>	<b>11</b>	<b>443</b>	<b>460</b>
<b>Depreciation and impairment</b>				
At start of the year	–	–	59	59
Charge for the year	–	–	21	21
<b>At end of the year</b>	<b>–</b>	<b>–</b>	<b>80</b>	<b>80</b>
Net book value:				
<b>At 31 March 2025</b>	<b>6</b>	<b>11</b>	<b>363</b>	<b>380</b>
At 31 March 2024	–	–	125	125

## 12. Stock

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Completed	–	702
Work in progress	3,651	4,601
Materials stock	51	70
<b>Total</b>	<b>3,702</b>	<b>5,373</b>

## 13. Trade and Other Debtors

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Rent arrears	696	874
Less: provision for bad debts rents	(398)	(325)
<b>Sub-total</b>	<b>298</b>	<b>549</b>
Trade debtors	16	15
Less: provision for bad debts trade	(20)	(15)
<b>Sub-total</b>	<b>(4)</b>	<b>–</b>
Prepayments and accrued income	5	680
Amounts owed by group undertakings	602	56
Other taxation and social security	15	19
Other debtors	107	12
<b>Total due within one year</b>	<b>1,023</b>	<b>1,316</b>
Debtors due after more than one year	–	–
<b>Total</b>	<b>1,023</b>	<b>1,316</b>

A number of tenants in arrears are in formal repayment agreements with the Association. An assessment of the net present value of those repayment agreements was carried out. The potential adjustment identified was insignificant and was less than the provision for bad debts against those tenancies. On this basis, no adjustment has been made in the financial statements in relation to the net present value of the repayment agreements.



## 14. Cash and Cash Equivalents

	2025	2024
	£'000	£'000
Cash at bank	2,326	2,866
<b>Total</b>	<b>2,326</b>	<b>2,866</b>

## 15. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£'000	£'000
Trade creditors	1,086	675
Amounts owed to group undertakings	923	587
Intercompany loans (Note 17)	410	1,156
Rents and service charges paid in advance	630	344
Other taxation and social security payable	–	–
Accruals and deferred income	1,804	701
Deferred capital grant (Note 18)	208	63
Other creditors	1,514	1,289
<b>Total</b>	<b>6,575</b>	<b>4,815</b>

## 16. Creditors: Amounts Falling Due After More Than One Year

	2025	2024
	£'000	£'000
Deferred capital grant (Note 18)	20,570	20,091
Intercompany loans (Note 17)	46,409	32,990
<b>Total</b>	<b>66,979</b>	<b>53,081</b>

## 17. Debt Analysis

	2025 £'000	2024 £'000
<b>Intercompany loans</b>		
<b>Loans repayable by instalments:</b>		
Within one year	421	446
In one year or more but less than two years	482	326
In two years or more but less than five years	2,051	4,099
In five years or more	14,549	17,427
<b>Loans not repayable by instalments:</b>		
Within one year	–	719
In one year or more but less than two years	–	–
In two years or more but less than five years	2,266	–
In five years or more	27,759	11,684
Fair value adjustment on financial instruments	0	5
Less: loan issue costs	(402)	(313)
<b>Loans discount:</b>		
Amount due to be released within one year	(11)	(9)
Amount due to be released after more than one year	(296)	(238)
<b>Total loans</b>	<b>46,819</b>	<b>34,146</b>

All loans are repayable with interest chargeable at varying rates from 8.1% to 3.4% during the year.

The interest rate profile of the Association at 31 March 2025 was	Total £'000	Variable rate £'000	Fixed rate £'000	Weighted average rate %	Weighted average term Years
Instalment loans	17,503	–	17,503	5.49	20.04
Non-instalment loans	30,025	6,271	23,753	4.66	17.75
<b>Total loans</b>	<b>47,528</b>	<b>6,271</b>	<b>41,257</b>	<b>4.97</b>	<b>18.59</b>

<b>At 31 March 2025 the Association had the following borrowing facilities:</b>	<b>£'000</b>
Access to undrawn group facilities	344,226
<b>Total</b>	<b>344,226</b>

## 18. Deferred Capital Grant

	2025 £'000	2024 £'000
At start of the year	20,154	14,254
Grant received in the year	704	5,954
Released to income in the year	(80)	(54)
<b>At end of the year</b>	<b>20,778</b>	<b>20,154</b>
Amount due to be released within one year	208	63
Amount due to be released after more than one year	20,570	20,091
<b>Total</b>	<b>20,778</b>	<b>20,154</b>

## 19. Share Capital

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Allotted issued and fully paid		
At the start of the year	9	9
Issued during the year	–	–
<b>At the end of the year</b>	<b>9</b>	<b>9</b>

The par value of each ordinary share is £1. Each share has full voting rights and are not redeemable. The shares do not have a right to any dividend or distribution in a winding-up. All shares are fully paid.

## 20. Reserves

Revenue reserves records retained earnings and accumulated losses. Share capital represents the nominal values of shares that have been issued.

## 21. Capital Commitments

	2025 £'000	2024 £'000
Capital expenditure contracted for but not provided for in the Financial Statements	29,698	46,548
Capital expenditure authorised by the Board but not yet been contracted for	3,492	989
<b>Total</b>	<b>33,190</b>	<b>47,537</b>
The Association expects these commitments to be financed with:		
Social housing grant	4,233	2,464
Proceeds from the sales of properties	6,821	11,628
Committed loan facilities and surpluses generated from operating activities	22,136	33,445
<b>Total</b>	<b>33,190</b>	<b>47,537</b>

The above figures include the full cost of shared ownership properties contracted for.

## 22. Operating Leases

	2025 £'000	2024 £'000
<b>Land and buildings:</b>		
Within one year	79	77
In one year or more but less than five years	107	177
In five years or more	–	9
<b>Total</b>	<b>186</b>	<b>263</b>

Lease agreements do not include contingent rent or restrictions. Leases for land & buildings include renewal periods after five years throughout the lease.

## 23. Grant and Financial Assistance

	2025 £'000	2024 £'000
The total accumulated government grant and financial assistance received or receivable at 31 March:		
Held as deferred capital grant (Note 18)	20,778	20,154
Recognised as income in Statement of Comprehensive Income	9,711	9,631
<b>Total</b>	<b>30,489</b>	<b>29,785</b>



## 24. Related Parties

	<b>Expenditure</b>	<b>Interest</b>	<b>Gift Aid</b>	<b>Debtors/ (Creditors)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Jigsaw Homes Group	(3,439)	–	–	23
Jigsaw Homes North	–	–	–	543
Jigsaw Homes Tameside	–	–	–	36
Jigsaw Treasury Limited	–	(2,411)	–	(47,163)
Palatine Contracts	(6,524)	–	726	(579)

The Jigsaw Group Structure is shown in Note 1.

Jigsaw Homes Group Limited provides core administration, finance, development, management and maintenance services for each of the Group's subsidiaries. All transactions are recharged from the Group under a management agreement at an agreed return on cost.

During the year one tenant of the Association, Michelle Rudkin, served as a member of the board. Their tenancy is on normal social housing terms and they were unable to use their position on the board to their advantage.

The Association alongside fellow registered provider members of the Group jointly and severally provides a guarantee that forms part of the security for the Group's borrowing arranged through Jigsaw Treasury Limited.

## 25. Financial Instruments

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Financial Assets</b>		
Financial assets measured at historical cost		
• Trade receivables	293	549
• Other receivables	727	767
• Cash and cash equivalents	2,326	2,866
<b>Total Financial Assets</b>	<b>3,346</b>	<b>4,182</b>
<b>Financial Liabilities</b>		
Financial Liabilities measured at historical cost		
• Trade creditors	1,086	675
• Other creditors	25,649	23,075
<b>Total Financial Liabilities</b>	<b>26,735</b>	<b>23,750</b>

## 26. Pensions

### Defined Benefit Pension Obligations

The Association participates in one pension scheme, the Nottinghamshire Local Government Pension Scheme (NLGPS). This scheme is a multi-employer defined benefit scheme. The scheme is funded and contracted out of the state scheme.

#### Nottinghamshire Local Government Pension Scheme (NLGPS)

Jigsaw Homes Midlands participates in the Nottinghamshire Local Government Pension Scheme (NLGPS). The NLGPS is a multi-employer defined benefit scheme under the regulations governing the Local Government Pension Scheme. This scheme is funded and is contracted out of the state scheme.

There is an actuarial valuation of the NLGPS every three years. The main purpose of the valuation is to

determine the financial position of the NLGPS in order to determine the level of future contributions required so that the NLGPS can meet its pension obligations as they fall due.

The last formal valuation of the NLGPS pension scheme was performed at 31 March 2022 by a professionally qualified actuary using the Projected Unit Method. This valuation revealed a surplus of £9m.

Although under FRS 102 accounting, Jigsaw Homes Midlands has a notional pension deficit for accounting purposes, it does not have an actuarial deficit and therefore Jigsaw Homes Midlands does not make secondary contributions to the scheme. The pension scheme does not require a Recovery Plan.

During the year to 31 March 2025 Jigsaw Homes Midlands paid contributions at the rate of 10% (2024: 10%). Member contributions varied between 5.5% and 12.5%.

## Financial Assumptions and Particulars of Amounts Recognised in the Financial Statements

The major assumptions used by the actuary in assessing scheme liabilities as at 31 March 2025 together with the analysis of amounts recognised in the financial statements are as follows:

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### Statement of Financial Position Items

	NLGPS
	£'000
<b>2025 by scheme</b>	
Present value of funded benefit obligations	10,893
Fair value of plan assets	(17,413)
Pension surplus deemed not recoverable	6,520
<b>Deficit/(surplus)</b>	<b>-</b>
<b>2024 by scheme</b>	
Present value of funded benefit obligations	12,297
Fair value of plan assets	(17,144)
Pension surplus deemed not recoverable	4,847
<b>Deficit/(surplus)</b>	<b>-</b>

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**Components of Pension Cost for the Period**

	<b>NLGPS</b>
	<b>£'000</b>
<b>2025 by scheme</b>	
Service cost	409
Net interest cost	(6)
Administrative expenses	8
<b>Total pension cost recognised in Statement of Comprehensive Income</b>	<b>411</b>
<b>2024 by scheme</b>	
Service cost	428
Net interest cost	(5)
Administrative expenses	8
<b>Total pension cost recognised in Statement of Comprehensive Income</b>	<b>431</b>

**Statement of Comprehensive Income**

	<b>NLGPS</b>
	<b>£'000</b>
<b>2025 by scheme</b>	
Experience on plan assets (excl amounts in net interest cost) – gain	(549)
Experience gains and losses on the plan liabilities – loss	(6)
Re-measurements – demographic assumptions	29
Re-measurements – financial assumptions	2,137
Effect of the asset ceiling	(1,433)
<b>Total – gain</b>	<b>178</b>
<b>2024 by scheme</b>	
Experience on plan assets (excl amounts in net interest cost) – gain	921
Experience gains and losses on the plan liabilities – gain	(71)
Re-measurements – demographic assumptions	155
Re-measurements – financial assumptions	365
Effect of the asset ceiling	(1,167)
<b>Total – gain</b>	<b>203</b>

**Change in Benefit Obligations**

	NLGPS
	£'000
<b>2025 by scheme</b>	
<b>Benefit obligation at 1 April</b>	<b>12,297</b>
Current service cost	409
Interest on pension liabilities	602
Member contributions	148
Experience on plan liabilities – loss	6
Re-measurements (liabilities)	
(Gain)/loss on demographic assumptions	(29)
Gain on financial assumptions	(2,137)
Benefits/transfers paid	(403)
	<b>10,893</b>
<b>2024 by scheme</b>	
<b>Benefit obligation at 1 April</b>	<b>11,867</b>
Current service cost	428
Interest on pension liabilities	567
Member contributions	146
Experience on plan liabilities – gain	71
Re-measurements (liabilities)	
Gain on demographic assumptions	(155)
loss on financial assumptions	(365)
Benefits/transfers paid	(262)
	<b>12,297</b>

**Change in Plan Assets**

	NLGPS
	£'000
<b>2025 by scheme</b>	
<b>Fair value of plan assets at 1 April</b>	<b>17,144</b>
Interest on plan assets	848
Return on assets less interest	(549)
Administration expenses	(8)
Employer contributions	233
Member contributions	148
Benefits/transfers paid	(403)
<b>Fair value of plan assets at 31 March</b>	<b>17,413</b>
<b>2024 by scheme</b>	
<b>Fair value of plan assets at 1 April</b>	<b>15,378</b>
Interest on plan assets	741
Return on assets less interest	921
Administration expenses	(8)
Employer contributions	228
Member contributions	146
Benefits/transfers paid	(262)
<b>Fair value of plan assets at 31 March</b>	<b>17,144</b>





## Defined Contribution Pension Obligations

The Association participates in defined contribution schemes where the amount charged to the statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period.

## 27. Ultimate Controlling Party

The ultimate controlling party of the Association is Jigsaw Homes Group Limited, which is an entity registered under the Co-operative and Community Benefit Societies Act 2014 and a registered provider of social housing under the Housing Act. The consolidated financial statements of Jigsaw Homes Group Limited can be obtained via the Group's website at [www.jigsawhomes.org.uk](http://www.jigsawhomes.org.uk) or from Cavendish 249, Cavendish Street, Ashton-under-Lyne, Tameside, OL6 7AT.



Creating homes. Building lives.

Jigsaw Homes Midlands

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Regulated by the Regulator of Social Housing Registration No. L4532

Registered under the Co-operative and Community Benefit Societies Act 2014 Registration No. RS008378